



2017/18 SESSION
of the
BERMUDA
HOUSE OF ASSEMBLY

OFFICIAL HANSARD REPORT

28 February 2018
Sitting number 17 of the 2017/18 Session
(pages 1211–1284)

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

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BERMUDA HOUSE OF ASSEMBLY**OFFICIAL HANSARD REPORT
28 FEBRUARY 2018
10:02 AM***Sitting Number 17 of the 2017/18 Session**[Hon. Dennis P. Lister, Jr., Speaker, in the Chair]***PRAYERS***[Prayers read by Mrs. Shernette Wolffe, Clerk]***CONFIRMATION OF MINUTES***[Minutes of 23 and 26 February 2018]***The Speaker:** Good morning, Members.

Members, circulated at your desk are the Minutes for the 23rd and 26th of February. We will ask that if there are any corrections to be made . . . bring it to our attention now.

I believe [I see], the Minister of Public Works.

Lt. Col. Hon. David A. Burch: Mr. Speaker, firstly, on the 23rd of February Minutes, the items number 5 and number 6, the dates are wrong.

The Speaker: Okay.

Lt. Col. Hon. David A. Burch: Actually, what I really want to correct is in relation to the Papers and Communications to the House, mine. In fact, could I just refer to the fact that the Hansard is correct in relation to Sandys 360, and the "form" of lease that was tabled, key word, because it was not a lease; it has a number of gaps in it.

The Speaker: Okay.

Lt. Col. Hon. David A. Burch: Yes?

The Speaker: So we will make the correction per the Hansard.

Lt. Col. Hon. David A. Burch: And the amount, yes. Thank you, Mr. Speaker.

The Speaker: Thank you. Thank you for bringing that to our attention, Minister.

Does any other Member have any corrections or omissions?

Lt. Col. Hon. David A. Burch: I have one more on the next . . .

The Speaker: Oh, you have a further one?

Lt. Col. Hon. David A. Burch: Yes, Mr. Speaker.

The Speaker: Oh. Continue on, then.

Lt. Col. Hon. David A. Burch: I read your Minutes, you know, actually.

The Speaker: Go ahead. Continue on, continue on.

The Clerk: Just let me be clear that the corrections are for the Minutes, and not the Hansard; am I correct?

Lt. Col. Hon. David A. Burch: Yes, you are correct.

The Speaker: Yes, for the Minutes, for the Minutes.

The Clerk: Okay. Okay.

Lt. Col. Hon. David A. Burch: What I am saying is that the Hansard is correct. But the Minutes are not.

And so, this would be for the 26th of February's Minutes. And I will give you the time: 6:51 pm. The motion that the Committee rise and report progress is attributed to the Honourable Premier at the end of the Public Works debate; in fact, that would have been me.

The Clerk: Okay.

The Speaker: Okay.

Lt. Col. Hon. David A. Burch: Thank you.

The Speaker: Thank you.

Any other Members . . . corrections or omissions?

No. With the indicated corrections that have been made, can we have the Minutes . . .

[Inaudible interjection]

The Speaker: The electronic [version] will be sent out, yes.

We move that, with the necessary corrections, the Minutes of both sittings, the 23rd and the 26th of February, be approved and accepted.

The Clerk: As amended.

The Speaker: As amended, thank you.

[Minutes of 23 and 26 February confirmed, as amended]

MESSAGES FROM THE GOVERNOR

The Speaker: There are none.

ANNOUNCEMENTS BY THE SPEAKER OR MEMBER PRESIDING

APOLOGIES

The Speaker: Yes. As indicated on the Order Paper, we have been notified by the Honourable Member, Ms. Leah Scott, that she will be absent today.

And I would also like to add on there that the Honourable Member Kim Swan will be absent today. As you all know, his brother passed recently and will be funeralised today. So I would just like to have that acknowledged and have the House note that the appropriate condolences be sent to his family.

MESSAGES FROM THE SENATE

The Speaker: There are none.

PAPERS AND OTHER COMMUNICATIONS TO THE HOUSE

The Speaker: We have four papers or communications to be tabled in the House today. I would like to first recognise the Honourable Premier.

Mr. Premier, you have the floor.

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

The Speaker: Good morning.

BERMUDA FISCAL RESPONSIBILITY PANEL ANNUAL ASSESSMENT 2017

Hon. E. David Burt: Mr. Speaker, I have the honour to attach and submit for the information of the Honourable House of Assembly the Bermuda Fiscal Responsibility Panel Annual Assessment 2017.

The Speaker: Thank you, Mr. Premier.

The second . . . actually, the next three are in the name of the Minister of Transport. And I understand that the Minister of Works is going to present the three on his behalf. Minister, you have the floor.

MARINE BOARD (SEABORNE SERVICES) AMENDMENT REGULATIONS 2018

Lt. Col. Hon. David A. Burch: Thank you, Mr. Speaker.

On behalf of the Minister of Transport and Regulatory Affairs, with the Governor's recommendation and in accordance with section 36(3) of the Bermuda Constitution, I have the honour to attach and submit for the consideration of the Honourable House of Assembly the Marine Board (Seaborne Services) Amendment Regulations 2018, proposed to be made by the Minister of Transport and Regulatory Affairs under the provision of section 97 of the Marine Board Act 1962.

The Speaker: Thank you. Continue on to the next one.

MARINE BOARD (PILOTAGE DUES) AMENDMENT REGULATIONS 2018

Lt. Col. Hon. David A. Burch: Thank you, Mr. Speaker.

With the Governor's recommendation and in accordance with section 36(3) of the Bermuda Constitution, I have the honour to attach and submit for the consideration of the Honourable House of Assembly the Marine Board (Pilotage Dues) Amendment Regulations 2018, proposed to be made by the Minister of Transport and Regulatory Affairs under the provisions of section 103 of the Marine Board Act 1962.

The Speaker: Thank you, Minister. Continue with the third one.

MARINE AND PORTS AUTHORITY (PORT DUES) AMENDMENT REGULATIONS 2018

Lt. Col. Hon. David A. Burch: Thank you, Mr. Speaker.

With the Governor's recommendation and in accordance with section 36(3) of the Bermuda Constitution, I have the honour to attach and submit for the consideration of the Honourable House of Assembly the Marine and Ports Authority (Port Dues) Amendment Regulations 2018, proposed to be made by the Minister of Transport and Regulatory Affairs under the provision of section 76 of the Marine Board Act 1962.

Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

PETITIONS

The Speaker: There are none.

STATEMENTS BY MINISTERS AND JUNIOR MINISTERS

The Speaker: We are going to have those Statements deferred until the next sitting, so we can move right on.

REPORTS OF COMMITTEES

The Speaker: There are none.

QUESTION PERIOD

The Speaker: There are no questions written, and no Statements that were given today. So the Question Period will pass on.

CONGRATULATORY AND/OR OBITUARY SPEECHES

The Speaker: Would any Member like to speak to that?

I recognise the Honourable Member Commissioning. Honourable Member Commissioning, you have the floor.

Mr. Rolfe Commissioning: Good morning, Mr. Speaker, and thank you for acknowledging me.

Mr. Speaker, as alluded to by you, one of our Members has experienced the tragic loss of his brother, that being the Honourable Member Kim Swan, from constituency 2. I knew his brother, whose name was Eldon Eric Swan, although he was affectionately known by many of us as "Smutley."

The Speaker: Yes.

Mr. Rolfe Commissioning: And he represents a great loss for our Bermuda family. He was always someone who had been a strong family man in terms of his child whom he leaves behind. And I just want to convey to this House our deepest condolences to his family—and all Members, I am sure, would want to associate with that—and in particular, of course, to his older brother, MP Kim Swan. Thank you.

The Speaker: Thank you, Member.

Does any other Member wish to speak?

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

Mrs. Renee Ming: Good morning, Mr. Speaker and listening audience.

The Speaker: Good morning.

Mrs. Renee Ming: I rise to my feet today on a happy note. I would like to send congratulatory wishes to Ms. Winifred Oatley. She is a St. Georgian, Hedge Row Lane. I know that not many of you know where that is.

But she celebrated her 100th birthday yesterday. Associate MP Scott with those comments, please. She is extremely feisty. I visited her yesterday with the Premier, and she actually alluded to me that she was the baby in the group, because St. George's actually has a 100, a 101, and a 102. And as a joke, she said, *But I'm not going to have black rum and ginger beer*, like my grandmother, who is 102 and still resorts to her medicine. But I just want to let her know that we pray for her. I actually know she enjoyed her birthday, because she let us know exactly what she did.

Also, Mr. Speaker, Ms. Mary Basden, she celebrated her 80th birthday on Friday. And those of you who know Ms. Basden, she has had several write-ups in the *Royal Gazette*. But she used to be the matron of the physical abuse centre, for years, in St. George's. And so, she has helped many families. And she continues to assist within the St. George's community wherever she can.

Mr. Speaker, I would also like to give a happy birthday note to my colleague who sits across the way, MP Neville Tyrrell, on his celebration of 70 years of life.

[Desk thumping]

Mrs. Renee Ming: Wow, what can I say, Mr. Tyrrell? I conveyed my birthday wishes to you already, but I just wanted it to be noted in this House that you are 70 years old. And we wish you all the best. So, thank you, Mr. Speaker.

The Speaker: Thank you, Madam, Honourable Member.

Does any other Honourable Member wish to speak? I recognise the Honourable Minister, Minister Caines. You have the floor.

Hon. Wayne Caines: Thank you, Mr. Speaker.

Mr. Speaker, I rise on a sad note to offer condolences to the Steede family. I just learned yesterday of the passing of Penny Steede, Mr. Speaker, the daughter of David and Diane Steede. As you know, the Steede family, for many years, were caretakers over at White's Island.

The Speaker: Yes.

Hon. Wayne Caines: I grew up with Penny. She attended the Bermuda Institute. She was a drummer. She was one of the first, if not the first, female . . . a number of my colleagues would like to associate themselves. Ms. Steede was one of the first Redcoats in the Bermuda Regiment. She joined as a girl bandsman, and she played the drums in the Bermuda Regiment Band. And I remember being a young soldier in the army; it was actually noteworthy to see a female drummer in the Bermuda Regiment. Most recently, she moved to the United Kingdom and was living in the UK with

her family. She struggled with breast cancer, and we learned yesterday that she passed. As you know, her brother David is my pastor at the Hamilton Seventh-day Adventist Church. A very huge loss for our choir, for our church family. And I would like to, in this very difficult time, offer the condolences of my colleagues in this House to the Steede family, sir. Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

Does any other Member wish to speak?

We recognise the Honourable Birthday Boy. Honourable Member Tyrrell, you have the floor.

[Laughter]

Mr. Neville S. Tyrrell: Thank you, Mr. Speaker, and thank you, colleague, for those kind words.

Mr. Speaker, I rise to ask if this House could send a letter of condolences to the family of the late Mrs. Phyllis Bell Williams, who passed recently. I am very close to the Bell family, with many of her children, in particular her daughter Cecily, who is still married to one of my best friends, Joe Smith. The funeral is actually going to be later this week.

Mr. Speaker, earlier this week, two events happened that I could not let go past. One was the St. Paul's AME Church on Sunday had their Annual Men's Day, which was certainly attended by several of my colleagues, as well. And in particular, I want to have congratulations sent to Mr. Tarik Bean-Darrell, who is actually one of my soldiers out in the field. And he was actually the Chairperson of the Men's Day Committee.

On another note, Mr. Speaker, earlier this week, Whitney Middle School had their Principal's Honours. And there were several honours given out, M1, M2, M3. In particular, I would like to mention the M3 Principal's Honours. I declare my interest, because one of them is my granddaughter, Nasia Burgess, Kalon Richardson, Kazai Sealy, and none other than Camryn Tyrrell received Principal's Honours, Mr. Speaker. So, thank you very much for your time.

The Speaker: Thank you, Honourable Member.

Does any other Member wish to speak?

I recognise the Honourable Leader of the Opposition. Honourable Leader, you have the floor.

Hon. Jeanne J. Atherden: Good morning, Mr. Speaker.

Mr. Speaker, I would like to ask this House to send condolences to the family of the late Mavis Marjorie "Birdie" Smith. Mrs. Smith, who lived in Cheriton Lane, was one of those constituents who sat there very quietly, but she would talk about things that were important to her. And I know that she will be missed by her children and by her family. Thank you, Mr. Speaker.

The Speaker: Thank you.

Does any other Member wish to speak?

I recognise the Honourable Member, Ms. Jackson. Honourable Member, you have the floor.

Ms. Susan E. Jackson: Good morning, Mr. Speaker.

I would just like to send condolences to the family of Pamela Cash. She was a constituent. She did certainly live a long and full life. But for quite a few years before her passing I know things were quite difficult with a number of issues and ailments that she had to endure. So I am just very sorry. I know that the family has given a lot of support over the years for Mrs. Cash. And so, we certainly send out all of our support and thoughts and prayers to the family of Pamela Cash today. Thank you.

The Speaker: Thank you, Member.

Does any other Member wish to speak?

No other Member wishes to speak? We will 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: We have three Government Bills that are going to be introduced.

The Honourable Member Wilson, Minister Wilson, I believe you are going to introduce one on behalf of the Minister of Finance.

FIRST READINGS

COMPANIES AND PARTNERSHIPS (FEES) ACT 2018

Hon. Kim N. Wilson: That is correct, Mr. Speaker.

Mr. Speaker, I am introducing the following Bill, which, according to section 36(3) of the Bermuda Constitution, requires the Governor's recommendation, so that it may be placed on the Order Paper for

the next day of meeting, namely, the Companies and Partnerships (Fees) Act 2018.

The Speaker: Thank you, Minister.

The other two are in the name of the Minister of Transport. But I believe the Minister of Works is going to introduce them for him.

MOTOR CAR AMENDMENT ACT 2018

Lt. Col. Hon. David A. Burch: Thank you, Mr. Speaker.

On behalf of the Minister of Transport, I am introducing the following Bill, which, according to section 36(3) of the Bermuda Constitution, requires the Governor's recommendation, so that it may be placed on the Order Paper for the next day of meeting: the Motor Car Amendment Act 2018.

The Speaker: Thank you, Minister. Do the second one.

AUXILIARY BICYCLES AMENDMENT ACT 2018

Lt. Col. Hon. David A. Burch: Yes, Mr. Speaker.

On behalf of the Minister of Transport and Regulatory Affairs, I am introducing the following Bill, which, according to section 36(3) of the Bermuda Constitution, requires the Governor's recommendation, so that it may be placed on the Order Paper for the next day of meeting, and it is the Auxiliary Bicycles Amendment Act 2018.

The Speaker: Thank you, Minister.

NOTICES OF MOTIONS

The Speaker: There are none.

ORDERS OF THE DAY

The Speaker: Orders of the Day. We now move on to the first item. And the first item is the resumption in Committee of Supply for further consideration of the Estimates of Revenue and Expenditure for the year 2018/19.

Before I recognise the Honourable Minister, again for the listening audience, today is the second day of the actual Budget Debate. We have two ministries up for debate today, those being the Ministry of Home Affairs, which will have a three-hour total for its debate; and then we will proceed with the Ministry of Health and Seniors, which has five hours of debate.

And again, during that period of time, you are in the hands of the Chairman. The Speaker will be out of Chambers. So at this point, I would like to call on the Deputy Speaker to take the Chair so we can move into Committee.

House in Committee at 10:21 am

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

COMMITTEE OF SUPPLY

ESTIMATES OF REVENUE AND EXPENDITURE FOR THE YEAR 2018/19

[Continuation thereof]

The Chairman: Honourable Members, we are now in Committee of Supply for further consideration of the Estimates of Revenue and Expenditure for the year 2018/19. Heads 93, 27, and 29 are now to be debated.

I call on the Minister in charge to proceed. Minister, you have the floor.

MINISTRY OF HOME AFFAIRS

Hon. Walton Brown: Yes, good morning, Mr. Chairman, and thank you very much.

Mr. Chairman, I move that the following heads, Head 93, Ministry of Home Affairs Headquarters; Head 27, Immigration; and Head 29, Registry General, be now taken under consideration.

Mr. Chairman, the first item is the Ministry of Home Affairs Headquarters, and it is found on pages B-300 through to B-305. Mr. Chairman, I am grateful for the opportunity to lead the debate and present the Estimates of Revenue and Expenditure for Heads 93, 27, and 29. The Ministry of Home Affairs Headquarters, the Department of Immigration, and the Registry General. I will present each in turn.

HEAD 93—MINISTRY OF HOME AFFAIRS HEADQUARTERS

Hon. Walton Brown: Mr. Chairman, it gives me great pleasure to present the budget for Head 93, the Ministry of Home Affairs Headquarters, found on pages B-300 to B-305 of the Estimates of Revenue and Expenditure for fiscal year 2018/19. Our mission: The mission of Home Affairs Headquarters is *to streamline processes while improving efficiency in order to stimulate business development, encourage job growth, and protect the customer for the sustained well-being of Bermuda.*

Expenditure Overview. Mr. Chairman, as noted on page B-302, the Ministry Headquarters has been allocated a total of \$4,467,000 for the fiscal year 2018/19, or 8 per cent more than the original budget allocation for fiscal year 2017/18. This is primarily due to the addition of the responsibilities for environmental matters being allocated to the Ministry of Home Affairs from the now-defunct Ministry of the Environment, and the addition of the Labour Relations Section from the Department of Workforce Development.

The Ministry Headquarters now consists of three business units, namely, business unit 103000, Administration; business unit 103010, Consumer Affairs Administration; and business unit 103020, Labour Relations. Mr. Chairman, the most significant changes in the subjective analysis found on page B-302 in the 2018/19 estimates are explained as follows: An increase of \$769,000, or 60 per cent, found on line 1, for Salaries, is due to (1) the increase for seven staff from the Labour Relations Section; (2) the increase of 2.5 per cent from the recently re-negotiated agreement between the Bermuda Government and the Bermuda Public Services Union; and (3) the funding of an existing post of policy analyst, to provide much-needed support to the Permanent Secretary.

Professional Services, found on line 7, decreased by \$515,000, or 21 per cent as the Ministry expects that an ongoing legal matter will be concluded by the end of the current fiscal year. An increase of \$70,000 under Grants and Contributions, found on line 14, has been allocated to fund the nine parish councils to which the Ministry, again, has administrative responsibility.

Revenue. Mr. Chairman, the revenue summary is found on page B-303. The Ministry anticipates that it will collect \$405,000 for fiscal year 2018/19. This is \$45,000 less than the original estimate for the fiscal year 2017/18. The revenue is primarily from work permit exemption fees.

Manpower. Mr. Chairman, the manpower estimates for the Ministry Headquarters, outlined on page B-303, are 22 full-time posts. Eight of these posts are in the Administration Section; seven are in Consumer Affairs Administration; and seven are in the Labour Relations Section. The operations from the former Department of Grant Commission have now been fully integrated into the Consumer Affairs Section, and it is no longer necessary to separate the Consumer Affairs Section into two separate units. As previously indicated, Mr. Chairman, the Labour Relations Section was transferred from the Department of Workforce Development.

Capital Expenditure. Mr. Chairman, the Ministry Headquarters does not anticipate purchasing capital assets within the fiscal year 2018/19.

Grants and Contributions. Mr. Chairman, the Ministry Headquarters has a grant allocation of \$7,000 for parish council commitments, which can be found on page C-20.

Output Measures. The department's performance measures are outlined on pages B-304 and B-305. The staff in the business units have worked diligently and conscientiously to achieve these goals.

Major Policy Changes. Mr. Chairman, globalisation has permanently changed the landscape of how consumers behave, think and, more importantly, spend. As Bermuda's consumer protection agency, Consumer Affairs address myriad business activities that encompass cross-border influence. The Consum-

er Affairs Board will share their findings with local business owners, with a view of providing guidance on these very important matters.

Mr. Chairman, the Labour Law Reform Committee, a subcommittee of the Labour Advisory Council, has completed its review of the labour legislation and is currently preparing a policy document for review and consideration, which sets out the various recommendations for labour reform by the committee. The Labour Relations Section sits on this committee and will play a pivotal role in the education and implementation of the reforms legislation, through sector outreach and information seminars.

The Labour Relations Section is collaborating with the Information Digital Technologies Office to provide the public with pertinent information regarding the legislation that it administers, via print and media outlets on a monthly basis.

Plans for the Upcoming Year. Mr. Chairman, in the next budget year, the Ministry of Home Affairs will develop strategies ministry-wide to leverage existing systems to provide services electronically to customers, including (1) the introduction of online applications; and (2) conversion of paper files to electronic records.

Mr. Chairman, the Ministry plans to complete all five of its initiatives as outlined in the 2017 Speech from the Throne.

- Firstly, establish a bipartisan committee on immigration reform.
- Update labour legislation to ensure that labour disputes are handled more effectively and labour rights are protected.
- Introduce legislation to increase enforcement, and introduce penalties for those who wilfully violate planning policy and then seek retroactive approval.
- Introduce legislation to protect open spaces beyond ministerial discretion.
- Introduce regulations for debt collection agencies and regulate payday lenders who lend money at extraordinary interest rates under the umbrella of an updated Consumer Protection Act, and introduce legislation that grants the Consumer Affairs Section oversight within the financial marketplace, such as banking, to ensure that consumer financial service providers are held accountable for their actions and consumers are treated fairly.

Mr. Chairman, the Labour Relations Section is a key resource for servicing and educating the Bermudian workforce, employers and employer groups, unions, and private sector representatives as it relates to their rights and responsibilities, in accordance with the current labour legislation.

The Labour Relations Section will continue its campaign to service and educate the public through workshops and seminars, specifically aiming to reduce the number of complaints filed and to ensure

that matters are dealt with in a far more expeditious manner. The Labour Relations Section will continue to work closely with the government departments, stakeholders, and employer groups to ensure continued cooperation and consultation. The Labour Relations Section will continue to enhance its synergy initiatives and create new synergies to bridge the gaps that currently exist within government departments and between unions, employees, and employers, as it relates to the reduction of labour complaints and to achieving more sound industrial relations.

Mr. Chairman, in closing, I would like to thank the dedicated members of staff in the Ministry Headquarters, including Ms. Karen Marshall and her team in the Consumer Affairs Section; Ms. Gabrielle Cann and her team in the Labour Relations Section; and Ms. Denise Maughn, Comptroller, ably and effectively led by my Permanent Secretary, Ms. Rozy Azhar.

Mr. Chairman, that concludes the Ministry Headquarters in Home Affairs.

HEAD 27—DEPARTMENT OF IMMIGRATION

Hon. Walton Brown: Mr. Chairman, I would now like to move to Head 27, the Department of Immigration, found on pages B-306 to B-311 of the Budget Book.

The mission: *The Immigration Department's Mission is to serve, conserve, and protect Bermuda for the benefit of its people, residents, and visitors.* Expenditure overview: As noted on page B-306, the Department of Immigration has been allocated a budget of \$4,754,000 for the fiscal year 2018/19. This budget number remains the same as 2017/18, thus reflecting a 0.0 per cent change for the upcoming financial year.

Mr. Chairman, the material changes in the estimated budget for the subjective analysis of the current account estimates, as compared with 2017/18, the original (column 4, and found on page B-307), are as follows: A minor increase of \$4,000, which is really a 0.0 per cent increase, in salaries, which is listed on line item 1. This slight increase is mainly due to salaries for temporary relief staff and the recently negotiated pay increase of 2.5 per cent. A minor decrease of \$4,000 represents a 2 per cent decrease in communications, which is listed on line item 7.

Revenue Summary. The revenue summary is outlined on page B-307. The total revenue estimate for 2018/19, as compared with the 2017/18 original, is \$23,535,000, an increase of \$2,515,000, or 11 per cent. The most material changes are as follows: First, work permits—a total of \$14,465,000, an increase of \$1,932,000, or 15 per cent. This increase in revenue can be attributed to (1) additional work permit applications due to predictions of an uptick in economic activity in the upcoming year; and (2) the impending fee increases for work permit fees effective at April 1, 2018. Secondly, the land acquisition fees for 2018/19 have increased slightly, at \$7 million, which repre-

sents a 17 per cent increase over the revenues of 2017/18.

There was a decreased estimate for status and naturalisation of \$900,000, which represents a decrease of \$444,000, or a 33 per cent decrease. This can be attributed to the decrease in applications for Bermuda status and for naturalisation, as the receipt of applications for Bermuda status under section 20B(2)(b) of the Bermuda Immigration and Protection Act 1956, the infamous section, Mr. Chairman, is in decline.

Capital Expenditure. Mr. Chairman, funds budgeted for capital acquisitions for 2018/19 amount to \$425,000 and can be found on page C-15. The amounts allocated include \$300,000 for the purchase of the new Border Management System to replace the ageing system. More will be said about this initiative toward the end of this brief, Mr. Chairman. [Funds of] \$52,000 have been allocated for the replacement of computer equipment, and \$73,000 have been allocated for the automating of applications for Bermuda status, permanent resident certificates, and naturalisation.

Manpower. Mr. Chairman, the manpower estimates for the department, as outlined on page B-308, are 50 full-time positions. Within the department, the five vacant posts consist of two customs service representatives, one processing administrator, one process clerk/cashier, and one business systems officer. Based on an organisation assessment by the Management Consulting Section in government, plans are to fill these positions in the 2018/19 fiscal year.

Output Measures. Mr. Chairman, the department's performance measures are outlined on pages B-309 to B-311. During fiscal year 2017/18, staff of the Department of Immigration have worked diligently, courteously, and impartially to accomplish our mandate.

Major Policy Changes. Mr. Chairman, Honourable Members will be aware of policy changes that I have announced publicly and in this Honourable House last year. They include, one, the requirement for police certificates to be submitted to the Department of Immigration. The impetus for this change, which was announced in August 2017, was on the basis that Bermudians were and are not being considered for work because of prior convictions. Since that time, Mr. Chairman, while the police certificates prove that the majority of applicants are of good character and conduct, we have identified a number of instances where applicants have had convictions. The department would not have been aware of the existence of convictions unless those documents were submitted by employers.

The second major policy change, Mr. Chairman. The department, together with the Board of Immigration, were instructed to closely review the statements of employment submitted for each work permit application. As a result, work permits are being re-

fused if the statement of employment does not offer wages and benefits commensurate with the position being applied for. Work permit holders have the right to be paid a living wage. And low wages should not be used as a method to make it unattractive for a suitably qualified Bermudian to apply for a position.

The third policy change, Mr. Chairman. The closer scrutiny of statements of employment dovetails nicely with the third process change, which also deals with the work permit application process. The third change specifically encompasses the recruitment process. In the first instance, the technical officers are required to highlight Bermudian applicants for positions. As a carry-on from the actions of the technical officers, the Board of Immigration are, in the second instance, required to carefully vet the qualifications of all Bermudian applicants against information provided in the recruitment disclosure section of the application form, the job advertisement, and each applicant's résumé to determine whether the Bermudian applicants are suitably qualified. If the Bermudian applicants are deemed to be suitably qualified and they have not been interviewed, work permit applications are being refused.

Also, where it is uncovered that employers have failed to disclose Bermudian applicants, the work permit is refused. And where the work permit has already been approved and issued, consideration is given to revoking it.

Mr. Chairman, I would be remiss in not recognising the work of the Consultative Immigration Reform Working Group, consisting of William Madeiros as Chair, Senator Crystal Caesar, Malika Cartwright, Dennis Fagundo, Lynne Winfield, Gordon (Rick) Woolridge, Stephen Todd, Belinda Wright, and Marvin Hanna. This group released its report on time, on October 31st last year, recommending principles and recommendations in relation to mixed-status families, permanent resident certificates, and Bermudian status. This report is now being considered by the Bipartisan Immigration Committee, which is continuing to recommend reforms of the Bermuda Immigration and Protection Act and its relevant policies.

It should be noted that the Bipartisan Committee on Immigration Reform is looking at a much broader set of issues regarding immigration reform, such as work permit legislation and policies, land ownership, and establishing key definitions such as "domicile" and "ordinary residence." The bipartisan committee consists of myself as chair, PLP MP Renee Ming, PLP MP Chris Famous, OBA MP Ben Smith, and OBA MP Leah Scott. They have been meeting on a regular basis, and I must thank them for their commitment and enthusiasm in this process.

Mr. Chairman, you will agree that immigration involves a wide range of issues, which will not be resolved in one fell swoop. Yet we intend to address this thoroughly and strategically. Therefore, we will be issuing interim reports on our progress, in addition to

holding public meetings, as we reach particular milestones.

Plans for the Upcoming Year. Mr. Chairman, the department's plans for the upcoming year will continue with a focus on capitalising on its efficiencies and improving upon its deficiencies, enhancing human resources, and upgrading its current technologies. The following paragraph details the particular actions the department will undertake during the 2018/19 fiscal year:

The department will continue with the actions from the internal audit report from 2016, particularly, technical officers will implement an up-to-date internal procedures document for processes and policies that affect all sections of the Immigration Department. This document will ensure that staff of the department have this at their immediate disposal for completing tasks with accuracy and completeness. As an add-on to the above initiative, the Attorney General's Chambers will also implement, at April 1, 2018, an interim guide aligned with outcomes either from appeals to the Immigration Appeals Tribunal, or from court proceedings. Mr. Phil Perinchief, consultant, has the remit for this framework and mechanics for instructing on the internal guide.

Enhancing Human Resources. Mr. Chairman, the Management Consulting Section has completed its review of the Department for Organisational Structure. Given this, the department expects to advance the recommendations, including reorganising its organisational structure that allows for flexibility in how human resources are best utilised and allows for processes to be streamlined so that published processing timelines are beaten or best met.

Upgrading Current Technology. In last year's Budget Brief, the department highlighted its plan to replace its current Border Management System (BMS) in the not-too-distant future. As a reminder, BMS is one of Bermuda's front-line defences, used to screen arriving passengers who arrive at the L. F. Wade International Airport. The system processes passenger information against a variety of local and international alerts such as the stop list, watch list, and terror list, upon arrival in Bermuda. And it alerts officers to critical information in real time. It also allows for the detection of overstays and provides a detailed travel history record that is useful for investigative purposes.

3M-Innovative Properties Company (3M) developed the BMS system in the mid-2000s. Significant steps have been taken to advance the plans to replace the current BMS. A request for proposal [RFP] was posted in mid-summer 2017. Four vendors provided quotes, in accordance with the RFP process. All four vendors visited Bermuda to make presentations about their respective systems in service. In addition to this, representatives from the Assessment Committee attended Nassau, the Bahamas, to meet with Bahamian immigration officials and to view their systems. A new vendor is likely to be selected by

March 31 this year. Subsequent to selection, the department will enter into the implementation phase of this project.

Without question, the new BMS will be aligned with industry standards, and both locals and businesses will be pleased with the improved processing upon arrival in Bermuda. That is why we have referenced, Mr. Chairman, the standard processing time for [getting] people through Immigration is 30 seconds. That is sort of best practice internationally, and that is what we are striving to maintain.

Lastly, in respect of technology, the department will continue with its work to automate much of the application processes in the Personal Services Section. This will include applications for Bermuda status, permanent resident certificates, and naturalisation.

Mr. Chairman, in closing, I would like to thank the dedicated members of staff at the Department of Immigration. I would like to thank the Immigration team under the leadership of Dr. Danette Ming, the Chief Immigration Officer, and Mr. Steven Lambert, the Assistant Chief Immigration Officer; together with Mr. Philip Perinchief and Ms. Lauren Sadler-Best of the Attorney General's Chambers; the Immigration Board headed by Ms. Renee Ming, JP, MP; and the Immigration Appeals Tribunal, previously headed by Ms. Kiernan Bell, for the remarkable and outstanding achievements made in 2017/18. Finally, I would also like to thank Ms. Marita Grimes, Mrs. Michelle White, Mr. Ron-Michel Davis, Ms. Dawnette Bean, and their respective teams; as well as the Collector of Customs, Mrs. Lucinda Pearman, and her airport team for administering the airport border control on behalf of Immigration. Also, thanks to the Information and Digital Technologies Office for their timely assistance in ensuring that our systems were operational, particularly at the L. F. Wade International Airport. They have all been cooperative and innovative in their respective disciplines, and their roles have played a key part in the success of us dealing with our immigration matters. Thank you, Mr. Chairman.

HEAD 29—DEPARTMENT OF THE REGISTRY GENERAL

Hon. Walton Brown: Mr. Chairman, I would now like to move to Head 29, found on pages B-312 to B-315 of the approved Estimates of Revenue and Expenditure for the year 2018/19. Mr. Chairman, it gives me great pleasure to present the budget for Head 29, the Department of Registry General, found on pages B-312 to B-315 of the Budget Book.

The Registry General is responsible for maintaining civil registrations and providing public access to such records. Under the general direction and control of the Minister of Home Affairs, the Registrar General exercises his statutory functions and is as-

sisted by such public officers as may from time to time be authorised by the Legislature.

Mission. The Department of Registry General provides and maintains a reliable system for the storage of public records and access services to these records, and provides an efficient registry service which supports the registration of every birth, death, adoption, and marriage in Bermuda, and the performance of civil marriages, as well as facilitating the registration of chattel mortgages, and registration of professionals and organisations. The department provides a timely and efficient service for the granting of intellectual property rights, such as trade and service marks, patents and designs, and advising on copyright and related rights. It assumes all administrative responsibilities with respect to the registration of Country Code Top Level domain names for Bermuda (dotbm) [.bm].

Expenditure Overview. Mr. Chairman, the current account estimates for Head 29, Registry General, can be found on page B-312. The Registry General has been allocated a total of \$1,953,000. This represents a net increase of \$83,000, or 4 per cent from the amount allocated for the financial year 2017/18, which was \$1,870,000. This increase consists of \$33,000, or a 4 per cent increase, in the Administration Section; a \$38,000, or 5 per cent increase for the International Property Registrations Section; a \$10,000, or 9 per cent increase in the Property, Professional, and Organisation Registration Section; and a \$12,000, or 4 per cent increase in the Births, Deaths, and Marriages Section.

Mr. Chairman, the most significant variances in the estimated budget are further explained on page B-313, as follows:

- An increase of 9 per cent, or \$119,000, in Salaries, which is listed on page B-313, line item 1. This increase is a result of job descriptions, evaluations conducted by the Department of Human Resources, and negotiations between the BPSU [Bermuda Public Service Union] and the Government.
- An increase of \$5,000, or 26 per cent, on Travel, line item 4, representing a slight increase in the amount of money allocated for business travel due to anticipated attendance at the CFATF plenary meeting in preparation for the mutual evaluation, and training of staff, at the UK IPO [Intellectual Property Office] and the WIPO [World Intellectual Property Organization] international property registration.
- A decrease of \$14,000, or 11 per cent, in Advertising and Promotion, line item 6. This can be attributed to a decrease in the number of marriage bands advertised.

Revenue. Mr. Chairman, on the revenue side, page B-314, the Registry General expects to realise \$2,027,000 in revenue during the upcoming fiscal year. The most significant amounts are explained as

follows: \$300,000 is expected from trade mark applications. This is \$100,000 more than the original estimate of fiscal year 2017/18. A total of \$510,000 is expected from trade mark renewals. This represents an increase of 65 per cent over the original estimate from 2017/18. The increases can be attributed to additional applications due to predictions in an uptick in economic activity in the upcoming year, and the impending fee increases effective April 1, 2018.

Mr. Chairman, the budget estimates of \$1,953,000 allocated to the Registry General will allow the Registry to provide the core services mandated by the law. The allocation of \$875,000 to the Administration cost centre, 39000, as found on page B-312, will ensure that proper resources are made available to facilitate the efficient and timely registration of all international property, vital and general events occurring in Bermuda during the fiscal year. The \$616,000 allocated to the International Property cost centre, 39010, will allow the section to register or renew the registration of domain names, trademarks, patents and designs in the upcoming budget year.

The department will continue to meet its output measures as it registers documents related to charities, professional bodies, chattel mortgages, and other transactions with the \$121,000 allocated to the Professional Property and Organisation cost centre, 39020.

A total of \$341,000 allocated to the Births, Deaths, and Marriages cost centre, 39030, will ensure that all of these vital events occurring in Bermuda will be adequately and properly registered.

Manpower. Mr. Chairman, the Manpower estimates for the Registry General, as outlined on page B-314, are 19 full-time positions. Within the department, all posts are filled except one. It is anticipated that the vacant post of manager, International Property, will be filled by the beginning of the upcoming fiscal year. The Registry General consists of the following four sections: 39000, Administration, seven staff; 39010, International Property Registration, six staff; 39020, Property, Professional, and Organisation Registration, two staff; and 39030, Births, Marriages, and Deaths, four staff.

Performance Measures. Mr. Chairman, the department's performance measures are outlined on page B-315. In spite of the fact that the department is operating under strength, with one key post currently vacant, the staff members of the Registry General continue to work hard and are dedicated to achieving these goals. The department is responsible for discharging duties conferred under a total of 35 Acts and Regulations which govern the operations of the Registry General. The main function of the department is to ensure the efficient and timely registration of all intellectual property, and vital and general events occurring in Bermuda, during the fiscal year. The department continues to meet these measures and diligently

delivers on core services, and all sections have met their deadlines for projects assigned.

Major Policy Changes. Mr. Chairman, the most significant policies being worked on this year include the following initiatives: The Registry General has been implementing changes in the review and oversight of charities as a result of preparation for the upcoming assessment by the Caribbean Financial Action Task Force (CFATF). This review is critical to the Government of Bermuda. Over the last few years, changes have been made in the reporting by charities to demonstrate that money is not being laundered or used to support terrorist activities.

The department is also readying itself for the implementation of the Domestic Partnership Act. Commencement has been delayed to allow for any same-sex marriages that have had licences already issued and have been scheduled to be conducted in Bermuda or on board Bermuda-registered ships to actually take place. I am pleased to announce that the commencement date will be the 1st of June 2018. This means that same-sex couples can get married in Bermuda until May 31st, 2018. The Registry General will continue to accept applications for same-sex marriages until May 12th, 2018. Any application submitted by a same-sex couple after that date must be for a domestic partnership under the new Act, not a marriage under the Marriage Act 1944 or the Maritime Marriage Act 1999.

The Registrar certificate for marriage, issued by the Registrar General under either of these Acts on or before May 12th, 2018, will be treated as a licence for domestic partnership if the couple do not marry on or before 31st of May 2018. Individuals interested in becoming a domestic partnership officer can contact the Registry General at 297-7739 or 298-7199, for more information.

Major Projections and/or Initiatives. Mr. Chairman, as noted under Head 93, the Ministry of Home Affairs will develop strategies ministry-wide to leverage existing systems to provide services electronically to customers. This will include the introduction of online applications and the conversion of paper files to electronic records. The Administration Section will continue in the upcoming fiscal year with the preparation for digitisation of key office documents and records. This process will include the Book of Deeds, which shows power of attorney and deed polls; chattel mortgages; charity registrations; professional body registrations; birth, death, and marriage registrations; and marriage officer licences.

This process will aid in the department becoming more efficient in the manner in which it serves the public. For the upcoming fiscal year 2018/19, the next phase for the digitisation project embraces the continued preparation for digitisation of historical births, deaths, and marriages. In addition, documents pertaining to general and professional registration will be initiated. These include registrations relating to pro-

fessional engineers, architects, surveyors, psychological practitioners, legal executives, contracts of apprenticeship or training, and marriage officers. General registrations also include professional organisations such as charities, trade unions, friendly societies, as well as registrations pertaining to powers of attorney, deed polls, chattel mortgages, pledges, promissory notes, and corporate mortgages.

For subsequent phases, it is intended to implement online ordering, search functionality, as well as e-payments, introduced over a multi-tiered period. This project is being considered as a combined initiative for departments within the remit of the Ministry of Home Affairs.

Mr. Chairman, the Property, Professional, and Organisation Registration Section will work to modernise charity registration systems during the fiscal year 2018/19. The first phase will include the transfer of data from File Mega Pro into a secured database accessible for the public search of electronic records, retrievable information, and printing. Charity data will include information currently available under the PATI [public access to information] legislation, such as new applications and new registrations, charity financials, new registrations approved or deferred, re-registrations approved and deferred, new registrations denied and re-registrations denied, names with directors and trustees, and charity commissioner decisions.

The availability of electronic records is intended to shorten such time and increase the reliability of access to available charitable resources. The second phase would allow prospective charities to apply electronically for a temporary licence, and apply to register asset charities, attaching hard copies of prerequisite documents. Further, charities seeking to reregister will be able to pay the annual registration fee and submit the annual report, update charity trustee declarations, attach financials, attach public benefit and/or vulnerable persons policy, and make amendments to the charity file online and in real time, to ensure that charity records remain current.

Potential donors and persons seeking charitable resources will experience shorter search time and enhance such results, particularly to define charity categories.

Mr. Chairman, the Intellectual Properties [IP] Section has identified key initiatives and projects for the upcoming fiscal year. These initiatives and projects are achievable and will benefit not only the operation of the department, but Bermuda as well. At the forefront of the IP Section's agenda is a legislative review of the Trade Marks Act 1974. This Act was first enacted in 1938 and has not had any significant amendments since 1993, when the Act was updated. It is in keeping with the objective of the IP Section to bring the intellectual property laws in line with international trends and treaties, thus creating a proper environment for the protection of the intellectual property

assets of residents and businesses, both locally and internationally.

Such a review will bring Bermuda's Trade Mark Act and the regulations in compliance with the Agreement on Trade-Related Aspects of International Property Rights (TRIPS), which is an international agreement administered by the World Trade Organization, that sets minimum standards for different forms on intellectual property regulation; and the Paris Convention for the Protection of Industrial Property, which includes trade and service marks in respect to the principles of national treatment, right of priority and common rules; and the Madrid Protocol for the international filing and registration of trademarks by way of a single application administration by the World Intellectual Property Organization.

Mr. Chairman, most nations, whether party to the TRIPS Agreement or not, have complied with the requirements, and therefore the Bermuda IP Section is committed to keeping abreast with the international counterparts and has deemed this review urgent at this time.

Also, alignment with the requirements of the Madrid Protocol for international filing is necessary to bring Bermuda trademark practice in common parlance to the international standard and which will further strengthen the Registry General's strive for excellence in the international registration arena. The introduction of the Madrid Protocol in Bermuda would mean an increase of trademark filing, a potential increase in revenue for the Registry General. Research has shown that effective trademark registration and protection systems in a country encourage trademark and investment. In furtherance, the IP Section will propose Amendments to the Patent and Design Act 1930 with respect to industrial designs. The current Act is antiquated legislation, modelled initially after the UK Patent and Design Act 1907, a consolidation Act, which itself has been repealed by two separate pieces of legislation—the UK Registered Design Act 1949 and the Patent Act 2004.

The Registry General wants to amend the current design legislation to bring it in line with the Geneva Act (1999) of the Hague Agreement. The Hague Agreement provides for the international filing and registration by way of a single application, which is administered by the World International Property Organization. The advantages for the department, and therefore for Bermuda, include a potential increase in design application filings and registration, and thus generating more revenue for Government. An industrial designer from one contracting part of the country would likely designate Bermuda as a jurisdiction to seek protection for his or her design.

The advantages to local residents are that they will have a broader range of options available to obtain easier and inexpensive protection for their designs in countries bound by the Geneva Act 1999 and the Hague Agreement. Bermudian industrial designers

will be able to register their designs internationally by way of a single application, and thus obtain protection internationally with the minimum formalities and expense.

Mr. Chairman, I would like to express my gratitude to the team and dedicated staff members of the Registry General Department, led by Mr. Aubrey Pennyman, as they continue to take a proactive approach to ensure that Bermuda remains relevant and comparable with its global partners.

Thank you, Mr. Chairman. That concludes my brief. I had intended to keep it under an hour, and I believe I have accomplished that. Thank you.

The Chairman: Thank you, Minister.

Any further speakers?

The Chair recognises the Honourable Member Pat Gordon-Pamplin.

Mrs. Patricia J. Gordon-Pamplin: Thank you, Mr. Chairman.

Mr. Chairman, I thank the Minister for the brief and for permitting us the opportunity to contribute to the debate with ample time being allowed in respect thereof.

I think it is important to start with Head 93, which is the Ministry Headquarters. And I would like, just by way of information, Mr. Chairman, to point out that I did have the privilege of actually leading this department for the prior year leading up to the general election of 2017, and had the opportunity to work very closely with the heads of the various departments, as well as the respective line staff who helped to support that department. And I wish to add my thanks to the Minister's thanks to each of the department heads, from the Department of Consumer Affairs, Karen Marshall . . . well, let me start with the Permanent Secretary. Actually, I should probably almost save her till last. But, for Aubrey Pennyman, who actually is sitting in the audience; Gabrielle Cann, who is also here; the Chief Immigration Officer, Dr. Ming; the Assistant Chief, Steven Lambert; and all of their support staff, as they have worked assiduously to ensure that the department ran well, certainly under my watch. And I believe that they have done yeoman's service to the department and to the people of Bermuda as we have had a transition in administration. So, I would like to thank them and show my appreciation.

Now, let me just focus. The Minister's brief, unusually, was very high level when it comes to the numbers. And you know, Mr. Chairman, that I am a numbers person. So my focus is going to drill down a little bit more on the numbers that are relating to the various departments, albeit with respect to the Minister's brief, there are some things that he has mentioned as an overview which I would just like to allude to. And I hope that you will permit me that degree of latitude.

The comment that I would like to make with respect to the Ministry Headquarters, as the Minister spoke to plans for the upcoming year, is the plan to be able to digitise, or to provide electronic services, putting the documentation in an electronic format, which obviously is the order of the day for how efficient and effective organisations operate. And the commitment to doing that, to convert to electronic records, is certainly one that I would support. And that is on the brief, which the Minister indicated . . . I cannot relate to the specific page at the moment, but I will.

The Minister also indicated . . . I will just deal with the policy. I will do that very briefly, and then I will go deeper, if that is okay. The Minister indicated that there will be regulations for debt collection agencies and to regulate payday lenders, who lend money at extraordinary interest rates. There is nothing worse—

The Chairman: Just what head are you on?

Mrs. Patricia J. Gordon-Pamplin: This is on Head 93, which is the Ministry Headquarters.

The Chairman: And what unit?

Mrs. Patricia J. Gordon-Pamplin: Okay. That is what I said. I was just speaking to the Minister's brief. I was going to just—

The Chairman: Go ahead.

Mrs. Patricia J. Gordon-Pamplin: I just refer to that, because he did not delve very deeply into the actual line item numbers. So I just wanted to speak in over-view here.

So, with the comment, there is nothing worse than somebody being exploited. If they need to have money, they go into the marketplace to try to find loans. And the Minister has indicated that they are going to introduce legislation for debt collection agencies. And I just wanted to say that this is highly important for the protection of our consumers. And certainly, it is one that we support.

Let me also mention Denise Maughn, who is the Comptroller of the Department, who . . . I think it was very important, you know, the work that she actually performs.

Now, let me go to the Ministry Headquarters, under Professional Services. Now, we note here in the budget, and this is on page B-302, and this is under Subjective Analysis and for current account estimates. And there is an estimate for Professional Services for \$1,928,000, which is a reduction of \$515,000 on the prior year estimates for Professional Services. Now, I think when the Minister gave his brief, he did mention that the increases in salaries were the highlights of the differences. But if you look at the subjective analysis, the salaries were 769, to which the Minister spoke, but Professional Services . . . this is on the differentials.

Professional Services had gone down by half-a-million, \$515,000. And Grants and Contributions that the Minister made reference to, of \$70,000, actually netted down to \$335,000.

So I wonder if the Minister could, unless I have missed it in the brief—I tried to follow him as he was doing his brief . . . there is a total for that department, it is \$4,467,000. Oh, sorry. The Minister did indicate, on the reduction of Professional Services, that there was going to be an ongoing legal matter that will be concluded by the end of the financial year and, as a result, there will be that decrease. But I am just curious whether the \$515,000 decrease is all in relation to just that one ongoing case, or if there is something else that comprises, because that seems like an awful lot of money, \$515,000, albeit I know what lawyers can charge. It is quite possible that this is just in respect of one particular case. But I am just not sure that . . . if the Minister can just briefly outline that for us.

Parish Councils, Grants, and Contributions, there is nothing particularly startling about this. But I would like to ask the question of the Minister, with respect to grants and parish councils whether the financial statements relating to the parish councils, who will be the recipients of these grants, have actually been brought up to date? Because I think that one of the prerequisites for receiving a grant is that your records are all in good order. And I want to make sure that the councils are aware of their fiduciary responsibility to ensure that they have provided the information to the Ministry that is required in order for them to be eligible for the grants that have been allocated. So that is one question that I have.

There is also, under the Subjective Analysis, \$769,000 in salaries. And when the Minister gave his brief, he indicated that the \$769,000 was (I just want to examine this. There is nothing . . .) due to an increase of seven staff coming over from the Labour Relations and the increase of 2.5 per cent from the recently negotiated agreement between Government and the BPSU being the primary drivers.

I wonder if the Minister would be good enough to split out for us how much of that \$769,000 relates to the seven new staff, and how much has been allocated towards the increase of the salaries based on the negotiated agreement. Because I think that it is okay to . . . you know, you can sort of have one large number. But seven people, seven additional people coming into the department will not account for \$769,000, because of the salary ranges. But I need to know how much of that \$769,000 related to staffing, and how much related to the increase of the negotiated settlement, because I think that this is important to know.

It was pointed out under Consumer Affairs, and this is on page B-303, as well as on page B-302, for business units 103010, the Admin, and 103015, the Minister indicated that those two departments have effectively been merged. And as a result, we do

not have the necessity to split out the two separate units, as had been done historically for up to 2016/17. They have actually been merged together. So, by next year, I am assuming 103015 will actually disappear from the Budget Book just because of the ageing process of how the budgets are looked at. So we will end up with only 103010, Consumer Affairs, as one department head, which will be at the brunt of what the allocations are.

That allocation has increased by 6 per cent, and I am thinking part of that would probably be as a result of the allocations of the negotiated agreements, and the difference is not sufficiently material to cause me any concern. So I will accept the numbers as presented there.

Now, we are showing under the Revenue Source for the Ministry, work permit exemption fees. There is a significant amount, initially, for 2017/18; there was \$500,000 that was allocated. The revision is \$360,000, which shows a \$40,000 increase year on year in terms of work permit exemption fees. And the question is that, if the revision for 2017/18 had gone down from the initial estimate of \$500,000 (this is on page B-303 under Revenue Source, 8288), there is \$40,000 of increase. If we had an initial 2017/18 of \$500,000 that, on revision, has gone down to \$360,000, how do we feel comfort that \$400,000 uptick, another extra \$40,000, is an appropriate amount to budget for revenues coming in for that particular area?

The Chairman: Member, you are an accountant.

Mrs. Patricia J. Gordon-Pamplin: Yes.

The Chairman: And the revised . . . I know you made something about this yesterday. The revised is not complete. As you do any comparisons in the budget of the revised and the actual, there is a big variance. And I would advise you to stay to the original, because that is the number. The revised is not final yet, as you would know better than I. That will not be final until the end of this month, of March, I should say.

Mrs. Patricia J. Gordon-Pamplin: Thank you, Mr. Chairman. I accept that.

Hon. Trevor G. Moniz: Point of order, Mr. Chairman.

Mrs. Patricia J. Gordon-Pamplin: Okay, okay.

POINT OF ORDER

Hon. Trevor G. Moniz: I was just going to say, Mr. Chairman, that where the revised figure is already higher than the original, there is nowhere for it to go but up. So you are better to use the revised figure; it is a higher figure.

The Chairman: Sit down. Sit down. Take your seat. Take your seat.

Hon. Trevor G. Moniz: That is very rude.

The Chairman: Take your seat.

Mrs. Patricia J. Gordon-Pamplin: Mr. Chairman, that was going to be my exact point on the very same point, is that if we . . . because some part of the Minister's brief had alluded to the revised numbers, and some had alluded to the original budget numbers. So I just think it is important to point that out. But I do take the fact that we have not reached the initial target of 500 up to the current point in time.

But what is important is that the Budget Book is not showing the differences between originals of one year and originals of the next; it is showing the differentials between the revised estimates and the differentials or the plan for the current year. So, hence, you can understand that there could be confusion in the minds of the public. I take . . . there could be confusion in the minds of the public, because the differences are predicated on the revisions, and not the originals.

So that is . . . I mean, we can only go by the numbers that are in front of us. The Minister yesterday, if I could just reflect for one second, indicated that the Budget Book is wrong. If the Budget Book is wrong, then the Finance Department has to get it right.

The Chairman: Member, let us not have a debate on that. Because if you look at the staffing . . . for example, in 2014/15, your revised figure for total staff was 5,319. But the actual was 5,181. That is why I am suggesting to you that it is best to go from the original. The revised is not final. It can go either way. It is proven. And right from the year 2013/14 right up to 2016/17, there is a big difference in that.

Mrs. Patricia J. Gordon-Pamplin: Okay. All right, Mr. Chairman. Then what we are going to have to do each time is to sort of ignore what the Budget Book has presented us with in terms of what the differences are. No, the Budget Book, if you go by your presentation that you have just made—

The Chairman: Member, you are not going by my presentation. This is what is in the actual books. It is nothing I made up.

Mrs. Patricia J. Gordon-Pamplin: Right, no.

The Chairman: And the Budget Book is correct. I would advise you to go by the Budget Book.

Mrs. Patricia J. Gordon-Pamplin: Mr. Chairman, if I may, respectfully, the Budget Book for the department

I am now looking at, for revenue source, says the original is \$500,000 for 8288, Work Permit Exemption Fees. It says that it was \$500,000. The estimate for 2018/19 is showing at \$400,000. Hence, the difference between \$500,000 and \$400,000 is \$100,000. It is showing in the Budget Book as 40[,000]. So therein is the question that I have.

Because if we are going to have . . . we cannot cherry-pick. We have to be consistent. That is the problem that I have. And then, that is where the Minister indicated before that the Budget Book, maybe in the difference column, is incorrect. That was what I was saying, not that the numbers are, that the Budget Book is incorrect. So we are not comparing like with like.

And, you know, I will leave it at that. It is just not correct. Because now, each time that I look, I will have to ignore the column that is showing its difference and the percentages, and I will have to recalculate that to determine what the difference is.

So, on work permit exemption fees, we are now indicating that, on 8288, I had initially 500[,000]. This time, for 2018/19, I have 400[,000]. So, it is not a \$40,000 increase, but rather a \$100,000 decrease. So my question now with work permit exemption fees is . . . I was asking an initial question because it was showing an increase. But now I am showing a significant decrease.

So I am not sure what my question is at this point in time, because now the numbers, as you are saying, ignore what the Budget Book is telling us for differences. Under normal circumstances, when I look at how I am questioning something, I look at the variances and the significance of the variances relating to the budgets. So the variance columns are not correct. And I think that some of the Minister's comments relate to the revised as against the new. So I do not know what I am supposed to do.

The Chairman: Well, the thing is, what I am just trying to say . . . I am not trying to prolong this particular discussion.

Mrs. Patricia J. Gordon-Pamplin: Yes.

The Chairman: All I am saying to you is that what you see revised now, come March 31st it will change. It can change, as you know. And that is all I am trying to say to you.

Mrs. Patricia J. Gordon-Pamplin: Yes.

The Chairman: And I understand what you are saying.

Mrs. Patricia J. Gordon-Pamplin: Okay, thank you. As long as you appreciate my point; because it creates a bit of a dilemma for me.

I have got a pretty quick mind, so I can do some quick math. But it does create a dilemma for somebody who may not be quite as adept at numerics to be able to understand why the Book is saying, *I've got a \$40,000 uptick, when in fact I've got a \$100,000 decrease*. So, I will move on from that Ministry of Home Affairs in terms of the numbers.

But I would ask, with respect to Consumer Affairs (this is on page B-304), and I am talking about the performance measures. We are showing here that the web traffic is forecast as 15,000. And I guess my question . . . obviously, web is a very efficient use of resources. I am just wondering, what is the primary driver of that web traffic?

Where is it coming from? Are we looking at people who are looking at, you know, *How do I get a fair shake? What are my rights?* I am just trying to figure out if there is any indication as to what the drivers of the web traffic are so that we can know that, when you go into a site, is the output giving the public who are inquiring exactly what it is that they are looking for? Or is there any way that we can enhance that web traffic and the output coming from the web traffic?

I have another question on page B-305, and that is under business unit 103020, the third line down, which indicates that the output measure is to prepare case files for tribunal hearings within five working days of referrals. And I wonder if the Minister would be able to share with us how many outstanding cases we have sitting out there for tribunal hearings that are still left to be done.

Let me see if I had another question here. Okay. It will be useful to know how many outstanding cases there were at March of 2017, like the end of last year's budget, as well as the end of this year's budget, or what we are presently looking at. And the reason for that is to get a feeling for, are we making progress? Are we going backwards? Are there more tribunal hearings? Are there more case files that need to be heard? And are we making progress in terms of satisfying the general public that their concerns are being addressed and are being addressed on a timely basis?

I would like to now go to the Immigration Department. Now, I noted that one of the major challenges, and I will go to Passport Issuance, 8277, and this is on page B-307, in which we have a budgeted amount of \$717,000 (second line down) for Passport Issuance, in which there was no change budget on budget, so that is not the issue. The issue that we have, as you are aware, Mr. Chairman, is that there was a significant change in the issuance of passports relating to the UK passport office taking over the passport printing. The budget from last year to this . . . I think the situation that caused the challenges . . . if I may briefly explain. Some of our people, on their passports have a code of BMU when the passports were previously issued in Bermuda. The new passports that are issued by the UK on behalf of Bermuda

have a code of GBD on many of them. And that is causing problems when people are traversing through the United States coming back home, because of how their systems read the codes.

I did not hear any explanation as to what is happening with trying to resolve that issue, albeit the Minister did indicate to me that he would share what is happening. And I think that this is very important for the people of Bermuda to know and to understand. So my question is, What is happening? How can they comfortably traverse through the United States from points foreign in order to ensure that they are not going to be held up at the border?

We have had people actually stuck in foreign countries because they did not have a visa. We know that we do not need a visa. But, you know, there is nothing more in the passport issuance revenue line, or even the budget line, to try to figure out what is being done in respect of this. So if the Minister can share what the plan is and what the discussions are with the HMPO, that would certainly be helpful to people.

Now, in the Minister's brief he spoke about work permits. And he said there was a figure of \$14,465,000 in work permits. I looked at the page very quickly and I thought, *Well, I didn't see \$14,465,000*. But, because I can add up pretty quick, that \$14,465,000 relates to five different cost centres. They are revenue source centres. And they are 8281, Work Permit Full-Time and Part-Time Work Permits, which will generate \$10,393,000 worth of additional revenue; \$1,181,000 . . . I am just going to go by the Budget Book as opposed to original, because the Budget Book is based on revised versus estimate. So it is \$1,181,000 increase that is expected. But if you go on original to the Budget Estimates, we are going from \$7.8 million to \$10.3 million, which would suggest that this is a \$2.5 million increase in expected revenues from full-time work permits.

Now, that \$2.5 million would account for a significant number of issuances of work permits. So I just wonder if the Minister would be able to explain to us that differential between \$7.8 million and \$10.3 million, when it has been indicated that the idea of ensuring that there is more Bermudian opportunity and less work permit opportunities, that we would make sure that this was happening. And I do applaud the work that was done, certainly under my watch, by the department in looking very closely at the applications that were coming in to the Immigration Department to make sure that work permits that were issued were effectively issued. But that \$2.5 million increase, I know that we are looking to bring additional business into the country, and I know that we are looking at a change in the 60/40 rule to a 40/60, which may help to generate additional business. But \$2.5 million, which is approximately a 25 per cent increase of the budget, and certainly a 35 per cent increase on last year's seems to be a significant differential in terms of . . .

[Mr. N. H. Cole Simons, Chairman]

Mrs. Patricia J. Gordon-Pamplin: I am on page B-307, Mr. Chairman, Mr. new Chairman. And that would just give you some indication as to where I am. And I am under Work Permits under 8281. The Minister, as I said, indicated the figure of \$14,465,000. But I am going to break it down by individual line items. 8281, Work Permits, full- and part-time work permits.

There is intended to be a decrease of \$603,000 on item 8283 for Temporary and Periodic Work Permits. I kind of understand that, I think, because there would have been a significant number of temporary and periodic work permits that would have been issued in respect of the America's Cup. And with no America's Cup this year, or no major event that is likely to replace it at that magnitude, I would think this \$603,000 decrease, which is a significant decrease in revenues . . . but I would just want the Minister to at least share and explain whether we have that level of decrease. Because clearly, that is a significant impact, a negative impact on the economy, if we are going to have \$603,000 less in revenues relating to temporary permits than we did before.

But on the temporary permits, I wonder if I can maybe get an update, if the people of Bermuda can get an update, because you will recall that part of the temporary and periodic permits last year, and this is on a comparative basis, included a commitment from a particular company that, in exchange for a significant number of temporary periodic permits, they would get a particular project completed. And the quid pro quo relating to that was that there would be "X" number of Bermudian jobs that would be created on a permanent basis once all that magnitude of temporary people had actually left.

And my question is, how successful have we been in making sure that this commitment, based on the issuance of those periodic permits . . . how successful have we been in making sure that this company has upheld its side of the bargain, number one?

And the second question is, Have those periodic permits now expired? They should have long expired. But has that project been completed? And have the people, the significant permit holders, have they actually physically left the Island?

So that was going to account for a reduction of \$603,000 from the economy as a result of temporary and periodic permits no longer being issued, or not being issued to the extent that they were before.

That figure of \$14,465,000 also comprises \$759,000 under revenue source 8285 for Work and Reside. It is looking at a \$100,000 decrease, and I just wonder if the . . . you know, I do not think that it is . . . even though it is 12 per cent, it is \$100,000. If you are having fewer people working and residing to the extent that we are expecting \$100,000 less of revenue . . . you know, I get excited when I see expenditure going down, but I am not quite so excited when I see

revenue going down, because obviously, we need all the money that we can get. So I just wonder if the Minister can tell us what is creating that kind of shift in terms of the intent or the expectation of work and reside, under 8285, work permits, where we are going to get \$759,000, which is a decrease of \$100,000 over the year before.

Work Permits Appeals, it is nothing significant, albeit the number says it is a 60 per cent increase over the prior year. There was nothing . . . actually, 100 per cent increase if you are looking at original to new plan. But we had a \$43,000 revised for appeals and \$69,000 planned for this year. So, while \$26,000 is not a large number, it certainly creates a significant percentage number on number. And percentages are not always a good measure. But there is \$26,000 of additional work permit appeals. I think in the overall scheme of things, it is probably pretty normal.

General Work Permits, I expect it to go down by \$42,000, from \$389,000 to \$347,000. My question is, Can the Minister share what actually comprises these work permits, general? I am not sure that I remember a "general" category. I am sure it existed. But I am just not sure that I remember work permits general. It was either full-time, part-time, temporary, periodic. I am not sure what general was. I do not know.

Land Acquisition Fees. There is a revised number of 5045. There is an initial number of \$6 million. It is estimated to go up to \$7 million for this coming year. Now, the question that I have on this is . . . it is not meant to be provocative; it is meant to be information-seeking. But you will recall, Mr. Chairman, that we had some Parliamentary Questions around this time last year asking concerning this plethora of fronting arrangements that had been made, and that there was money that was going to come in for acquisition once these cases had been adjudicated and resolved, because somebody was not doing what they were supposed to do. And there was going to be . . . I was told there was a number of them. I was asked specifically in Parliamentary Questions last year about one particular case, to which I was able to respond that the file was nowhere to be seen in the department. We certainly had investigations concerning it, and it never showed up.

And I was told by the now-Minister that it was my responsibility to know where the files are, to know what is in the file and to know what is happening with that particular case, even though I had never heard of it. So now we have come full circle. Will the Minister explain where the file is, how much money we are planning on getting in land acquisition fees, if there was fronting going on that, effectively, somebody did not pay what they were supposed to pay? So, if the Minister can explain that to us. Be careful what you criticise about, Minister.

[Laughter and inaudible interjection]

Mrs. Patricia J. Gordon-Pamplin: But there was no indication in the brief that gave us any insight in terms of what is happening. And that was only one case about which I had a specific question last year. However, the indication was that this was a practice that was entrenched, and it was prevalent, and that there were oodles and oodles of files that were in that situation. It will be very, very, not just important to know, but useful to understand, where are we with those levels of investigation, if in fact those allegations are substantiated. That is an additional \$1 million, or one million nineteen fifty-five depending which column you use, in terms of land acquisition fees.

Residence Fees. There is nothing included in that which would give me any cause for concern—\$53,000, it is not earthshattering and it is certainly not a seismic shift in the amount of revenue that is expected in the department.

Bermudian Status, 8297, revenue source. We are expecting \$230,000, which is based on the original estimates. There is no change. But based on the revised estimates and what is in the Book, there is \$130,000 change on Bermudian status. But Bermudian status, this is on 8297 on page B-307. I am going to link my query with line (it looks like) 8881, the last line down, of Penalties. When someone applies for Bermuda status they are required to fill in the necessary application. They are required to have those applications vetted and sworn by affidavit for someone, indicating that the information contained is accurate. My question is, when it comes to penalties, where penalties are going to fall, what is the approach of the Ministry when incorrect information is included in an application form that has been sworn by an external person, a commissioner of oaths, to be accurate and it is proven to be incorrect?

What is the approach towards the meting out of a penalty? Because, obviously, that is legislatively incorrect. And we certainly want to make sure that when applications are made, they must be accurate; and if they are not, then a penalty should enure to a person who is making false statements. So I wonder if the Minister can tell us what that is.

Now, under 8301, Status and Naturalisation, Other, there is an intended revenue of \$900,000, which is an increase of the revised on 400, but a decrease on the original estimate of \$444,000. This is on 8301. Now, I believe that part of that process included (because I do not see it under any other line item) the section 15B of the UK Act, in which Government House was pushing our department to take over a particular issuing of a type of children's right. If you were born in Bermuda, or before a certain period of time, and had been here for whatever period of time, that Government House was basically saying that we are required to do this as an Overseas Territory. It was not going to give anybody residency rights or voting rights. But there were some other rights that en-

ured to people who came under that section 15B of the UK Act.

I am just wondering what progress there may have been in respect of that, because there was one particular aspect in which we said, if Government House thinks that this is an appropriate way of doing things, let Government House take care of it. And my question is, Is Government House taking care of it?

I do know that there was, I suppose, a tacit agreement that effectively said that if we give Government House the revenues that were coming in from the applications, then they would handle it. And I am just wondering if there has been any progress or whether we have effectively abandoned that thought of asking Government House—I am not saying “making,” but “asking” Government House—to take responsibility for the things that they want us to take responsibility for when it is not within our umbrella, as it were, in my estimation. So if the Minister can give us some indication of that, that would be useful.

Okay. I think that is what I have in respect of the revenue sources for the Immigration Department. But I do have some questions on the expenditure. Now, the Minister did go on a very high level and highlight the main areas of differences and the main areas of allocation, one of which he said was salaries. This has caused me a tremendous question, a mathematical question. This is on page B-307 under Subject Analysis of Salaries. The Minister indicated that there was included in the estimates for 2018/19 of \$3,714,000 . . . there was included in that temporary staff who are going to be hired in the department, as well as the 2.5 per cent uptick. But it is only \$4,000.

Now, when you look at the numbers of employees in the Immigration Department, a 2.5 per cent increase should come to significantly more than \$4,000. So I am just wondering, what is the offset that would bring that number down from something where it ought to be? Just if you look at 2.5 per cent alone on the original estimates of \$3.7 million, you are talking about an awful lot more. If you are coupling your 2.5 per cent increase along with additional staff, temporary staff coming in, that \$4,000 does not seem to be a right number. It just seems to be way, way, way off. So if the Minister can give us some explanation as to where we stand in that.

There is a line item in Subjective Analysis on Rentals, in which there is an expectation of \$27,000 to be spent as against a revision of 40. And this is where I am going to use the revised number because, as my honourable colleague mentioned to the prior Chairman, if the actual to date is higher than the original estimate, then certainly we should . . . the revised is not going to go down. The revised is already higher; it is not likely to go down. So we have now got \$40,000 of rentals that have been paid. But it has gone down to \$27,000 of estimated. And I just wonder if the Minister could explain to us what that \$13,000 includes and what, basically, comprises the rentals? And why

is it that, if we have already spent \$40,000 on a revised basis for 2017/18, what would make it drop in 2018/19 on an estimated basis?

I also have a question on Clothing, Uniforms, and Laundry for \$36,000. But it is, again, basically a zero change because the original from the last year and the current expected for 2018/19 are the same, at 451. So while the Book indicates a \$36,000 difference, it is really a wash on that. So I will not ask any further questions.

There is also \$105,000 being anticipated for Other Expenses. I wonder if the Minister would be good enough to just explain to us what comprises those other expenses. Because \$105,000, even in the course of \$4,754, may not seem like a lot of money, but if \$3,714 of this money is actually . . . if \$105,000 is a significant portion of the rest of the money, if you take \$3,714 away from the \$4,754, it is approximately 10 per cent. So I would just be curious as to what comprises the other expenses.

Okay. The employee numbers have not changed in the Immigration Department. So there are no questions relating to that. But there was a question that I had based on the Minister's brief. (This is Head 27.) The Minister made mention of the status application declines. This is in the Output Measures on page B-309, Status Application Decline. And there is showing a forecast, the targeted outcome for 2018/19. And I am going to specifically relate to the 20B [applications] of 51. And I wonder if the Minister could let us know exactly how many 20B applications have been made and how many . . . and you are saying he is anticipating 51 more. You will recall, Mr. Chairman, that there was a time when we said there were going to be 6,000. I think that number might be closer to 1,100 or 1,200 people. But I wonder if the Minister could let us know exactly what the number is of 20B applications that have been made during that period of time. Because I know it is nowhere close to 6,000 being initially touted as a negative thing, that this is what we were trying to do as the former Administration.

I had another question on the Minister's brief. Under normal circumstances I do not have the privilege of having a Minister's brief. And I thank the Minister for sharing his brief with me, because it helps to follow. But I am so used to making my own notes and following on with the questions, I do not want to ask questions that have been actually responded to already in the brief. So, it is useful and I appreciate it.

I just wanted to ask the question. This is on the Immigration Department, and this is on the Minister's brief with respect to . . . I guess it would come under Immigration, Personal Services. But I will have to look. And it is basically with respect to the Minister's assertion. It would be in the output measures for the Immigration Department. I will give you the exact number in a minute. Maybe it might come under investigations; I am not sure. (Compliance. Let me just

see.) But this just came as a result of what the Minister indicated. And this was that there were a number of instances where the new policy of requiring police reports revealed that there were some applicants for work permits who actually had convictions of which the department would not have been aware had the documents not been submitted, or had the policy not required the documents to be submitted by the employers.

My question is, how many have we found that would have given rise to saying, *No, you can't have a permit, because this application shows that there was some kind of irregularity in your past.* Because it is known that Bermudians can be disqualified from obtaining work because of prior history, whereas we do not want to . . . I think that the policy was designed to ensure that we do not have people with convictions able to get a work permit, and especially not to the exclusion of a Bermudian who may be able to perform that same job. So I am just curious. Is this a . . .

[Inaudible interjection]

Mrs. Patricia J. Gordon-Pamplin: The Minister just said there were a number of instances. But how many is a number? Was it 10? Were there 20? Were there 50? I mean, what is a *number of instances*?

And what, actually, is the outcome? Is that instant denial, or is it, you know, a slap on the wrist? Is that, *Let us see if there is no Bermudian?* I am just curious to find out what the outcome is when you find that there has been an irregularity in respect of the application process.

I will question how the interaction between the application process for work permits is linking in with the requirement for Workforce Development to sign off on the applications. It was something that was started, and I just wonder how that is going. Because we wanted to make sure that we had Bermudians who, if they were qualified, had the opportunity to be considered for employment and that we were not going to be issuing work permits if the Department of Workforce Development were able to verify. This may come up in the Workforce Development debate; I am not sure. But I just wonder how that link and that liaison is going between the Immigration Department and the Department of Workforce Development, to make sure that we are on target for what we expect in terms of giving Bermudians the opportunity.

The Minister also . . . and this would all come under the heading of Work Permit Applications, so I cannot be any more specific than that because it is kind of more of a general statement. But the Minister indicated that if Bermudian applicants are deemed to be suitably qualified and where they have not been interviewed, work permit applications are refused, which is the right thing to do. You know, there are so many diamonds in the rough that opportunities may be lost because somebody looks at maybe a word

that has been incorrectly stated in an application process and decided that they are going to ignore it.

Just by an aside, Mr. Chairman, I can remember an instance where I think we had something like 74 Bermudian applicants for a particular job, when I was certainly in charge. And the person who was putting in for a work permit application said that none of these people was suitable for that job. And I am like, *You cannot have 74 people not suitable. You could not find one person out of 74 suitable for a position? Well, guess what? The application that you made is not suitable to us.* Therefore, that was denied. And I did ask the Minister initially, when we had one of the earlier debates, whether that policy still existed. And he said, *Whatever policies you had, we've taken a different approach and we have different policies.* And that is fine. But that is one policy I would not want to see to have fallen away, this particular one, to ensure that Bermudians do get not just fair consideration, but even fair chance, you know, when they are making applications in favour of some of what I would call *rogue employers*.

Okay. So, I have another question on page B-309 under Personal Services. There is a projection that there will be 1,998, the number of child passports to be issued, that is the targeted outcome, and adult passports of 4,547. Now those numbers, obviously, will be predicated upon applications. But I am just wondering if the Minister can just share with us these numbers, because we had an original forecast of 5,839 for the 2017/18 year, and 1,852 child passports. And I can only say I had nothing to do with the preparation of the 2017/18. Or maybe I did. Maybe I did. Yes, I did. I do not want to not take responsibility.

But 5,800 seems like an awful large number of forecasted adult passports to be issued, given that there was a raid, I guess it was . . . I mean, it was a plethora of people coming through the door just prior to the change of Bermuda not issuing passports, not printing passports, and the printing going over to the UK. So it would seem to me that a significant number of people would have fallen into that bridging arrangement where they would have gotten their passports. So maybe these are indicative of probably those like mine, which will expire in December of this year. So maybe that is it. But I would certainly be curious to know where we stand with the additional arrangement on re-issuing of passports that give us like with like.

Let us see. That was that question. Okay. On page B-310, the Average Process Time and Passport Issuance Days. That is where my question came from on the output measures. It is four to six weeks, because the information has to be received by the department, sent over to the UK for processing. We get the passport back and it is just a long-drawn-out process. And the question is, What is the resolution? We did not hear that from the Minister. And I think that is a very . . . that is probably . . . if I were in his situation, I

would have started off my brief with that so that people could get some comfort in terms of where we are. But I am not the Minister.

Average process time for the grant of Bermudian status, also an output under 37020, Personal Services. The question that I have here is . . . it is indicating that we have got six to nine months processing time for the grant of Bermudian status for Commonwealth citizens. The question that I have is, Is that time likely to be ameliorated with the passing of the legislation respecting adopted children? Should that time be a little more efficient than six to nine months, or do we still require that length of time? I can understand with a regular grant of Bermudian status for Commonwealth citizens, I can understand when you have, you know, applications that may or may not contain accurate and well-presented information.

But adopted children is a different story. And the legislation has already been passed. It would seem to me to be a relatively simple process for somebody to present the application form, their evidence of who they are, where they are, the evidence of adoption and, maybe, within a two- to three-month period of time, that particular matter could perhaps be adjudicated as opposed to leaving it for—you know, just saying it is a six- to nine-month period of time. So, obviously, that situation creates anxiety for the families, you know, and we would want to minimise that as much as possible. You have got a Bermudian family. They have a child who has been adopted. You want that child regularised as quickly as possible.

I do want to just go back to page B-309, with Status Applications. Now, one of the things that I did note when I actually had the privilege of taking over that department was that there were significant backlogs in some of the work that was required. And there is nothing worse, to me, than somebody having to go home at the end of the week, and you do not know what you have accomplished because you are putting out fires every day. So what we tried to do at the time was to bring in . . . and this is on Status Applications, permissions to acquire land, under 37020 under Personal Services and all other kinds of personal services that existed . . . there were especially the one-off kinds of things where the policy or the process was not likely to be repetitive. Like the 20Bs, you were not going to have the 6,000 applications.

But what we tried to do in order to assist the staff in being able to see light at the end of the tunnel was to have them provide, on a weekly basis, how many new applications came in in a particular category, how many had been processed, and how many were outstanding. So at that point, you are able to see at a glance where your focus and priorities needed to be put. And I found that this report was quite useful. I do not know whether that has persisted, you know, has continued with the new Administration. But I would suggest that from an employee perspective, especially for the managers of the departments, to

know that you are making progress has got to be a good feeling. And what we also did in order to help that particular situation was to ensure that we brought in some retired civil servants to handle certain specific types of applications. We brought in Dr. Martin Brewer. We brought in Judith Hall-Bean, people who had worked with the department before. Some people had worked with government before, who were familiar with some of the types of applications that were coming through, where they were able to vet before it went for final processing, and do some of the work to help to alleviate some of those major procedural challenges that the staff had faced.

What it did, as opposed to hiring another person to do that job, it allowed a piecemeal payment out, and then the government was not encumbered with staffing costs for pensions and health insurance and stuff like that, where the employees were paid on a piecemeal basis. So if you processed 20 applications you got paid for the 20 applications. If you processed 10 you got paid for 10. And if you wanted to do those between nine and five, that is fine. If you wanted to do it between five and midnight that was fine, too, as long as the output met the qualitative tests that were expected under those circumstances. It is a useful way, as opposed to having to hire permanent staff. And while I do not see that this is an issue here, because the department has remained static, it certainly [deserves] consideration, that we do not have to have those additional overhead costs with respect to full-time employment and the things that come along with it.

I have a question with respect to investigations. And this is under Compliance, 37030. And it is an area where we probably got . . . it was probably, if I have to say, Mr. Chairman, the best part of my job, when we listened to the reports of compliance. I can remember certain addresses that came up. I can remember certain names that would have come up and that really created quite light relief for the job at hand, in looking at our weekly ministerial meetings. But the question that I have is one that I grappled with, and I am just wondering what a fair resolution is. And this is under Compliance, where if you have a situation with a foreign national who is here, he is working for an employer . . . the Minister has now, very rightly, pointed out that if their terms and conditions of employment are not adequate, then that permit will be refused going forward.

But if you have someone who is presently on a permit, whose permit has come to an end, and he goes to his employer and says, *What do I do?* The employer says, *No problem. I have put in for the renewal. You're good.* So the person continues. And then, somewhere he goes back to the employer and says, *Where's my permit? Am I okay?* And the employer says, *Yes, it's all here . . .* only to find that the employer never put in the application. So technically,

upon the expiry of the existing permit, that person was working illegally.

Now, the normal course is to say to that employee, *You're working outside the terms of a permit. You don't have a work permit. And therefore, pack up your things and you have got to go.* But somewhere, that employer, who actually created the situation . . . because if that employee was not going to get a new permit then the employer would have known that he had to pack up and go, but to be told that his permit is in process, is in train . . . it seems to be the employer who should bear the brunt of the responsibility and not the employee. *To the extent . . .* and I want to make it absolutely and patently clear. I do not want anybody saying that Pat Gordon-Pamplin stood on her feet and she started protecting foreigners and their work permits.

What I am trying to do is to ensure that conditions of human and humanity are brought up in an appropriate kind of way. That is what I am trying to do. And I just do not think that it is fair to turf somebody off the Island because an employer has been rogue and an employer has lied to their employee, or has misrepresented the facts to their employee. There should be some compensating culpability in that regard.

Foreign nationals on the stop list, under Compliance. The question is, Is there an expiry time? And how many . . . because I think there is. These are new ones that are planned for being put on the 59, the target for next year. And I am just wondering whether existing people . . . because I do know sometimes people will make applications. The applications are considered either favourably or not. And there is some kind of light at the end of the tunnel for somebody who may have had a transgression of some description, being able to make that application. And I am just wondering whether that will still obtain for, not necessarily permission to reside or permission to work, but rather permission to visit. I remember a lady in particular who has grandchildren on the Island. And she was a foreign national and was given the permission, under our watch, to come back and see her grandkids. And I just thought that this was more humane than it was anything else.

Administration. There are output measures on Finance and Administration. And this is on page B-311 with respect to the percentage of revenue yielded per staff annually. I am not sure that this is particularly helpful in terms of an analysis, because what we want to make sure of is that we have got efficiency. And within that efficiency it does not necessarily say that if you bring in 2 per cent of the department's revenue . . . I know if the department is bringing in 2 per cent, or an employee is bringing in 2 per cent of the revenue, and I am an employee and I know that I have accounted for 15 per cent of the department's revenue, then why am I being paid at the same PS level as somebody else who is bringing in 2 per cent? The

target is 2 per cent. If I am working above target, how am I going to be compensated for it? So I think that you might create more of an angst among people when somebody thinks that they are working extra hard and, you know, they are being compensated at the same rate and the same level as somebody else.

Number of documents received and recorded. This is under Finance and Administration. But I am assuming that this also includes things that are coming into the Department of Immigration, because there is a plethora of information that comes in. And the one question begged was with respect to the policy with Immigration and the efficiencies relating thereto, as to whether there could be any way that an employer with a new application . . . if they want, say 10 positions and they have got 10 people and they have got the same 50 people who have applied for those 10 positions, and there is a requirement to make sure that all of the supporting documentation is appended to the application, is there some way that we can make that process more efficient? Or has it already been looked at?

It may have been. It was certainly something that we were looking at as to how we can centralise for similar positions and not require, you know, two trees to be felled in the forest in order to be able to make the copies to append to every single application. So that was just a question that I had.

The number of investigations (under Compliance again, 37030). We had a forecast in 2017/18 of 1,445, a revised forecast of 830, and a targeted outcome in 2018/19 of 913. So the question that I have here is, is that differential . . . I mean, if we are looking at the original of 1,445 going down to 913, are we dealing with a lack of demand? Or are we dealing with a manpower issue in that area that would cause that drop? Unless we are looking at the revised forecast of 830, in which case we have an increase. But in the absence of any consistency in the budget and the approach towards presenting the numbers, it is a little bit difficult to understand what it is we are measuring, because we are not in every instance measuring like with like. We are either going to go from original forecasts to new forecasts, or we are going to go from revised forecasts to new forecasts, which is what the Budget Book does. So I am just curious.

Okay. So I am going to move on now to . . . I do not think I have another question coming out of . . . oh, yes, I do. And it is the Management Consulting Section. It has completed its review of the department's organisational structure. And I just wonder if the Minister could give us some indication on what the new structure is, is likely to be, because it says it will allow flexibility in how human resources are best utilised. And there is nothing better than efficiencies. I push for it. I think that putting records on electronic database, where you can push a button and retrieve a document, is far better than having stacks and stacks of filing.

And the question also begs . . . there is offsite filing for the department. How much is that offsite filing costing us? Because once we go to electronic digitisation of records we can almost, within the statute of limitations, I am sure . . . I am not a lawyer, but I would imagine that within the statute of limitations or post statute of limitations we should be able to shred some of those documents, provided we have all of the information converted to a digital database. And I think that this is key. It is key. That could save.

You know, if you have a warehouse full of boxes that the only way you will probably need to access those boxes is maybe once in five years, but you are paying rent for that space . . . and I do not think that the government owns the storage spaces in which these files are being kept. So I think that if we can find a way that we do not have to pay the storage, I think that this is fabulous.

As an aside, Minister, I can just indicate that there is a process called OnBase. It just happens to be one of the packages available out there. But it is one in which, in my own corporate life, we transferred all of our files from paper to OnBase. It requires a dedicated scanning unit. It required months and months . . . well, actually a couple of years of time, effort, and energy. It created employment for those people in that period of time.

But at the end of it, what you save is incredible. So whichever digitisation process that is required is a good thing. And it will help to save money. And the idea of being able to put in a key search word and search for a document, the entire history of that document is there at your fingertips. And if you need a hard copy, you can always print it back off. But it is a really, really efficient way for the filing system, and I think it is certainly well worth considering. It is something that we had looked at before, never quite got around to it because there was no money for it. Certainly, one that I would encourage as things go forward.

When I gave my kudos at the beginning, I mentioned the Chief Immigration Officer, Dr. Ming, and the Assistant Chief, Mr. Lambert. And the attorneys who helped us during that period of time, who are still, I see, on board—Lauren Sadler-Best, and we also had the consultant attorney in Phil Perinchief. I do not know whether he is actually hired now by the Attorney General's Chambers. But he certainly helped us during that period of time. And I wanted to extend my thanks. Because some of the challenges that come up in that department are tremendously demanding, and the people there all responded well. And I also want to add my thanks to the work that is done in the Personal Services Department under the leadership of Marita Grimes, Michelle White, Ron-Michel Davis, Dawnette Bean, and all of their respective teams, as well as to Lucinda Pearman and her airport team for administrating the Airport Border Control on behalf of the Immigration Department.

These are sometimes jobs that are overlooked, but certainly are well worthy of the respect and the thanks and the appreciation that they deserve.

I am going to move on to the Registry General Department. And I have a couple of questions. There was an IT initiative for the registration of domain names that proved to be problematic. And I just wonder what the status was of that, whether it has been discontinued, whether it was never started. I know the intent was there. I can certainly remember the now-Premier pointing out the practical challenges that would come as the result of that particular policy being implemented. But it was something that I think that the Registry Department had looked at in terms of being able to assist with enhancing the revenue. But I do not think we considered at the time the practical applications. And it did not prove to be popular.

And I know that we did not actually start it at the time. But I wonder whether that has been abandoned to make sure that we do not have those challenges coming from people who are in the business of registering domain names that they do not feel as though they are being trampled on by "Big G," by Big Government.

Now, I am going to go to the Subjective Analysis, on page B-313, for the Registry General, in which there has been \$1,953,000 allocated for the 2018/19 year. And there is Salaries of 1.492. And I do not think that . . . (I should not say I do not think so . . . let me just have a quick look. Sometimes it is difficult to write down your questions and also to follow the Minister's brief.) But the \$119,000 for salaries increased. Some of it related to job description changes, and some of it related to the negotiated increases. That is what we had indicated at the time.

My question is, Can we get some kind of indication as to how much were the negotiated increases? I think it is important for the public to be able to understand exactly how much that 2.5 per cent increase across the board is costing the department. Because, as we saw in the other department, where there was only \$4,000 allocated, something did not work with the math. When you had \$3.7 million worth of salaries, \$4,000 of increase did not work if you had more people coming on board, more staff coming on board, as well as the 2.5 per cent increase. This \$119,000 on a \$1.3 million base is perhaps a little closer. But I just wonder how much the job description changes contributed to this additional \$119,000, and how much did the actual 2.5 per cent across-the-board increase contribute to that [\$119,000]?

I have another question. The Minister indicated that there has been a slight uptick in travel. And while travel seems somehow to be a lightning rod to some people, it does not bother me if we can see what the purpose and the output is. And the Minister indicated that this \$24,000, up from \$19,000, an additional \$5,000, even though it is a 26 per cent increase,

it is in relation to ensuring that we can have effective attendance at CFATF and the UK WIPO. These are things that are very necessary. We are required to keep ourselves on the cutting edge, and we need to ensure that we are there. So, I want to thank the Minister for including that line item to ensure that we can have that.

There is \$10,000 related to professional services in the Registry General. It is down from \$20,000 on a revised basis, a 50 per cent decrease. And I am just wondering what initiated that decrease in professional services. Also, on repairs and maintenance of \$102,000, if the Minister could just give us some indication as to what comprises that R&M [amount], that would be useful. And the other numbers are effectively de minimis, and I am not likely to have any further questions relating to that.

With the Registry General, I do know, both from personal experiences as well as from having worked in the Ministry, that we do not register foreign births or foreign deaths. And I am just wondering if there is any thought to ensure that there is some kind of linking, some kind of separate information that can be gleaned for such. It is not registered within the department if you have a child who is born elsewhere. To all intents and purposes, you do not exist from a Bermuda point of view, unless you go to the Immigration Department and ask for your status situation. And then you are able to determine that you are okay. So I just wanted . . . it is just that I was asked. And then, recently, somebody who deceased while overseas, because we do not register foreign births and deaths, I am just wondering what, if anything, can be done.

The Minister is shaking his head no. It is not something that I looked at. It is not something that was a problem. It was just a question that came from the public. And I think when people ask us questions, it is incumbent upon us to inquire.

I also notice, on page B-314 . . . oh, let me just go to employees first. The Minister had indicated that all positions will be filled. At the moment, there is the assistant director. I think he said that the post is vacant. The assistant director? (Sorry, if you would just give me one second.) I know you said that all positions would be filled. But there was one position, he said, that was not filled at the moment and that they will be recruiting and a person will be on board by March 31, if I remember the comments that you had made. I cannot find it exactly in the brief. But there is no differential in the staffing. So I guess what we probably had was a situation in which the position was funded, but just not filled. And now it has been filled, so we are okay with that.

So I guess my question is, notwithstanding that the positions are filled, given the importance . . . and I have no doubt that Mr. Pennyman, who is responsible for that department, will be around for the next 50 years until he reaches 65. I just wonder whether he could just let us know what the succession

planning is in respect of who we are sort of identifying as coming up the ladder and where we see that.

I do have more questions. So if the Honourable Member would like to break for lunch, I would be happy to continue on.

The Chairman: Yes. We will adjourn for lunch. Honourable Member, Minister Burch.

Lt. Col. Hon. David A. Burch: Mr. Chairman, I move that the House adjourn for lunch and return at 2:00 pm.

The Chairman: Thank you.

Proceedings suspended at 12:30 pm

Proceedings resumed at 2:02 pm

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

COMMITTEE OF SUPPLY

ESTIMATES OF REVENUE AND EXPENDITURE FOR THE YEAR 2018/19

MINISTRY OF HOME AFFAIRS

[Continuation thereof]

The Chairman: Good afternoon, we are here to resume the debate on the Budget on Immigration. Mrs. Gordon-Pamplin, you may continue.

Mrs. Patricia J. Gordon-Pamplin: Thank you, Mr. Chairman, and welcome back from lunch. I hope you are well fortified.

Mr. Chairman, just before the break I had moved on to the Registry General. And I just wanted to continue with a couple of questions that I have in this particular area. And then I have one or two that I really wanted to go back to on the Immigration Department.

So I am looking now at page B-314 under the Registry General on the Revenue Summary. And it is with respect to birth certificates under the revenue source 8359 for Birth Certificates, and there is an anticipated \$130,000 budgeted. And while the difference between last year, both original and revised, and this year's 2018/19 estimate is de minimus, the question that begs from this is . . . there has been indication that the birth rate has dropped. So I wonder how we are accounting for an increase in birth certificates in light of the fact that there are indications that there are going to be fewer births. We are talking about more money coming from the issuance of birth certificates and I am just curious where those projections were coming from.

The other question that I have (and only because I do not remember) is under 8361, Other Fees-Births. I wonder if the Minister could just very briefly explain what comprises "other fees" for births. Also, on 8371, Other Fees, for marriages, I was just curious about that.

Marriage Licence Fees also indicated that it remains static at \$165,000 which would suggest that marriages and the licence fees and certificate fees are relatively stable. But I do have a question on the Maritime Marriage Licence, under 8364, because there was initially \$200,000 on last year's original and it is \$150,000 on the 2018/19 estimate, which is a decrease of \$50,000. But for the purposes of this argument I am going to what the Budget Book says, that it is a revised of \$156,000 and an estimate of \$150,000, which is a reduction of \$6,000. But whether we look at the reduction of \$50,000 or the reduction of \$6,000 the question begs, because this is maritime, is that reduction a function of the negative impact of failure to allow the Bermuda registered ships to conduct any of the same-sex marriages that they had initially said that they would do, and now because of new legislation, albeit it is not going to come into effect, I think the Minister said, until June 1st . . . has that drop in revenue relating to that in any way been relating to the attitude of the maritime industry and that particular topic. Is that causing a negative, a downturn in the actual revenue that is likely to come from maritime marriages?

The other question that I have is . . . maritime marriages, other fees . . . okay, we have got these things called "other fees," marriages . . . and, again, the number is de minimus. I am just not sure what comprises "other."

And I wanted to speak . . . I am assuming that charities' money, because it is not specifically split out, the application fees and the like, [are they] included in registration fees on 8315? I am not certain. If the Minister can maybe just confirm that because what I wanted to do was make a comment that the Charities Commission . . . one of their responsibilities has been to screen out any duplication of services and the like. Because, obviously, when there are charities we want to make sure that we are not relicensing a charity for which there is already an active and appropriate service being provided.

One of the challenges coming out of that is, how does the Ministry look at the control over administrative fees relating to new charitable organisations, or even existing charitable organisations, being either new licences or renewed licences for charities? How are we looking at whether the level of administrative fees are appropriate to the charity and, I guess, the mission of that charity?

What could conceivably happen, as I know has happened in one or two instances in which charities have been delisted, is that when you look at the admin fee, what the charity is doing for the public—

which is what their aim is—is really not nearly as much as what the directors and the administrators are getting in administrative fees and, therefore, what is left over for the charity to support its aim in the community is not as high as it ought to be. I am assuming that charities registration fees are included in this 8315.

On Performance Measures on page B-315 under Administration, business unit, 39000, there was an indication that one of the performance measures . . . and this is up towards the top of the page. They wanted to increase efficiency by ensuring that at least 25 per cent of staff received cross-training. I wonder if the Minister could just give us some idea of what the major areas of cross-training are in that particular area. Are we just saying that anybody would be able to come to the counter, anybody would be able to go in and issue a birth certificate or a marriage certificate or validations or whatever? I am just wondering what level of cross-training is being offered here for the staff to make sure that there are efficiencies gathered across employees, which is what the ultimate aim is of this.

The other Output Measures which are both forecast—a revised forecast and targeted—the majority of this department of the Registry General is indicating that there is 100 per cent compliance and outcomes. And I think that that is to be commended. And I think it would be remiss of me to not make mention of that. It is very important, obviously, for the staff to know that they have done well. But to see the actual output results, that they have done 100 per cent of that which they are intended to do, I think it is really . . . it is laudable. And I thank the Minister and the department.

I think those are the questions that I have with respect to the Registry General. But I just wanted to go back very briefly to the Immigration Department. And it is on . . . coming out of the Minister's presentation with respect to work permits in which the Minister indicated that the total was at \$14,465,000, which I determined comprised 82, 81, 83, 85, 86, and 87 for work permits.

The question that I have is this: The Minister from his summary indicated that when work permits are adjudicated, if an employer is requesting a permit for an employee where the salary differential is (my words) extortionate of the employee, then that permit is being refused. The question is, How does that work the other way around, when you have a Bermuda employee for whom a position has been advertised, you have an applicant for a replacement to fill that position, and in that replacement you look at the terms and conditions of the existing levels of compensation to the Bermudians and you are looking at employment offers that are twice as much.

And I think that this kind of reared its head in one of the statistical reports that we had, where you can have things such as the Workforce Development

Report . . . and, again, I do not want to tread on that territory if this is likely to come up there. But I am just wondering when the Immigration Board is looking at their responsibilities for fulfilling work permits, whether full- or part-time under 8281, Revenue Source, when they are being charged for it, what is making that determination? Because some of the differentials that you see . . . like you might have a local versus an expat in let us say an actuary. A local actuary is down as \$120,000, whereas a foreign actuary is coming in at \$188,000. So that is a significant difference going the other way.

So if you had the standard for the job being \$50,000 and somebody is coming in at \$30,000 that is exploitation. If you have got the standard for the job being \$30,000 and you are now promoting that same job and allowing a permit for \$80,000, it is the other way to the disadvantage of Bermudians. And I am just wondering if there is any direction that the Minister has in terms of whether this . . . because that is clearly not equitable. Or are we just going to wait until there is maybe a human rights test in that area to make a determination in terms of policy. I would just be curious about that.

I think for the minute, because there are many questions that I had asked, I will take my seat and allow others to contribute to the debate and certainly give the Minister the opportunity to respond to some of the questions so that we have the opportunity . . . can you just confirm for me, Mr. Chairman, the time?

The Chairman: [It is] 2:50.

Mrs. Patricia J. Gordon-Pamplin: Okay, thank you very much. We have 30 [minutes].

The Chairman: Any further speakers?

The Chair recognises the Honourable Member Trevor Moniz.

Hon. Trevor G. Moniz: Thank you, Mr. Chairman.

I just wanted to go over a few matters that my colleague had already covered. I did have a word with the Minister before lunch just to alert him to the areas I am interested in.

We are looking at Head 27, which is Immigration, at page B-307 in the Budget Book. I was looking at the Revenue Summary, which my colleague, the Honourable Pat Gordon-Pamplin, was discussing before lunch. There the numbers seem to be a bit sort of challenged. And I just really want to add some emphasis on the points that my colleague had made.

So some of these points are not entirely new points, but just to say I was surprised at the reduction, for example, in passports (and that is programme 8277, Passport Issuance) . . . 2016/17 was 891. Then there was reduction of 20 per cent, which is an enormous reduction, to 717 for this current year 2017/18. And then a projection of 717 for the next year. It just

seemed bizarre to me that you would get a 20 per cent reduction.

I know at some point the issuance of those passports went to the UK, but I would have thought that after an initial period you would have had the same flow of passports. I mean you count, on top of that, you had all the Carne and Correia people, you had approximately 1,100 people in addition to the normal people who were applying for passports and you also had people registering, et cetera. It just seemed a bit strange to me that you would get such an enormous reduction in that period of time. Perhaps the Minister could address those past two years and the projection for this coming year.

With respect to the work permits, I had the opposite comment to make, the converse comment. And I know my colleague Pat Gordon-Pamplin, I believe, made the same comment, that there we are looking at a high number. And the revised number for this current year was 9,212. And we know we had America's Cup in there, so the last two years we had, you know, just about 9,000 in 2016/17 (8,997), and this year it looks like we are coming up over 9,000.

There is a projection for next year for a thousand more work permits and I just do not know how realistic it is with the present Government's thrust of their election platform, et cetera, that they are going to find jobs for Bermudians, et cetera. It seems difficult to me that you are going to have a 10 [per cent] to 15 per cent increase in work permits in the next year. And if you use that original 2017/18 figure it comes up to . . . you know, you are almost getting a 20 per cent increase in work permits.

And the PLP had always said that they were trying to keep the number of work permits down, increase the number of jobs for Bermudians. And now to have such a huge projected increase would seem to fly in the face (a) of reality; and (b) of the proposed policies of the new Labour Government. So I wonder if he could speak to that.

If you see the temporary permits you certainly see the numbers heading downwards. So one would assume that some of the permits during the America's Cup were those temporary types where you get, you know, three months to six months on a temporary work permit and you could . . . that looks like a more realistic projection than the others do.

And I would like to just emphasise the comments, again, that my colleague made, and to say that I thought the department did a very good job under very difficult circumstances with respect to the 20B people, the Carne and Correia court case, where they brought in some retired officers. You know, Pat Gordon-Pamplin mentioned Dr. Brewer and Judith Hall-Bean, et cetera. Those people did a sterling job in trying to help the department get out from under that number of people.

It looked like it was gotten under control, which is important. And going forward, I think, if we

looked at some of the output measures, which are over on page B-310, you know, you look at average processing time for passport issuance was four to six weeks, which you know, in my view, is a reasonable time. But when you get down to the average processing time for grant of Bermudian status, six to nine months, which was the average. But I have certainly known of ones that have taken over two years. And it is really unacceptable. And that was happening under the OBA Government, but I think something needs to happen to make the department work for effectively and efficiently.

And technology may be a part of that, but obviously, it is quite a specialised skill set that people need [to have] to work in that department. If you need to pull in retired people that seem to be the most successful . . . there was one period of time when we pulled in the accounting people who had some volunteers and, quite frankly, in my own view, from what I know about the practice of immigration law, that was a backwards step. You ended up having all sorts of new requirements that were created and people having to get new documents. It made it more bureaucratic. Pulling in the retired people seemed to be very successful, the most successful methodology.

Again, the average processing time for a grant of [Bermudian] status for both Commonwealth citizens and non-Commonwealth [citizens] in my view is too long and it is unacceptable. And that is not aimed at the present Government, because the same thing existed under the previous Government. And I am not blaming the department because it is a very difficult situation. But we need to sort it out. People . . . you know . . . quite often these issuances are time sensitive for the people involved. And to have to wait two years for the issuance of status is really not acceptable, not if we want to have a first-class jurisdiction.

The last thing . . . and obviously, you know, there are a lot of challenges, a lot of court cases. I know there are a couple of court cases now, which I think are important court cases, involving people with British nationality and what rights attach under the British Nationality Act. And I think the cases, Barbosa and, I think, Tavares, are still cases which are out there which are going to appeal and we will have to see what the courts decide in terms of the rights that those people have.

Those are some of the challenges that the Minister faces. And at the same time I am aware that the Minister has outstanding an Immigration Committee, and I know some of what they do is resting on the outcome of some of those court cases, partially. But I think that the new Government should try and work as expeditiously as possible. We obviously had a bipartisan committee when we were in Government. It moved . . . well, almost, not at all, certainly far too slowly.

And the people with whom I am most concerned are those young people who were either born

here or came here when they were very young. And I know sympathy was expressed for the plight of those people by the present Minister of Immigration, quite publicly. Sympathy was expressed for their plight by the President of the Bermuda Industrial Union. And I think across the board in Bermuda we had sympathy for those people. They know no other home than Bermuda. They are assimilated into our culture, they have gone through our schools, they have lived here all their lives, and I think it is urgent that we move that forward. I know there is a far more difficult issue of people gaining status generally and I will certainly wait to watch the report, but perhaps the Minister could give us a sort of update on that as it affects his budget. Thank you, Mr. Chairman.

The Chairman: Any further speakers?

The Chair recognises the Leader of the Opposition, Ms. Atherden.

Hon. Jeanne J. Atherden: Thank you, Mr. Chairman.

I am going to ask three quick questions, because I definitely want to leave enough time for the Minister to be able to respond.

Just to say that as you will hear as we go throughout these budget debates, my real concern is to look at performance measures because to me they are an indication of whether the departments are delivering on what we are spending the money for.

So I have a question with respect to B-304, this is the Consumer Affairs. And in the Performance Measures there is an indication that joint police and health investigations . . . the original forecast was 30. The revised forecast is 18, and now the target outcome for 2018/19 is 10. So I am just trying to wonder whether this reduction in investigations is a positive, i.e., . . . I am going to let you give me the answer because I am not going to try and second-guess you. But I do think when you see something like that—

The Chairman: Madam [Leader], will you speak to the Chair, please?

Hon. Jeanne J. Atherden: Sorry, Mr. Chairman.

So I would like to know whether we can get an indication of the change. Mr. Chairman, if the Minister could also, on page B-305—

The Chairman: Mm-hmm.

Hon. Jeanne J. Atherden: There is an indication and it says . . . this is under the Performance Measures, agreed increase of rent by mutual agreement of tenant and then it says \$6,000. I wonder if the Minister could just edify me and perhaps the public as to what that means. Also, there was the total dollar adjudication of rent increases granted of \$110,000. I just want an indication of what that means.

And last but not least, if you are looking under Labour Relations there is a performance measure that says “file client information on a daily basis, prepare case files for tribunal hearings within five working days of referrals” and so the target outcome is, obviously, one working day in one case and five working days in the other. But for me . . . and I would think that it would be nice to know the percentage achieved because it is all very well for us to have these targets, but you really want to know how well you were in terms of achieving it. So thank you, Mr. Chairman.

The Chairman: Thank you.

Any further speakers?

The Chair recognises the Honourable Member Cole Simons.

Mr. N. H. Cole Simons: I will be brief. I would like to pick up where my colleague the Shadow Attorney General set down in regard to court activity. Does the Minister have a reserve in place for the coming year for any legal action initiated by or against the Ministry of Immigration? We have had issues in regard to the domestic partnership challenge, there could be appeals on status applications, work permit applications, and there have been a number of judicial reviews recently, so my question to the Minister is what type of reserves does he have in place to address these legal costs?

The other question that I have, when the Minister was sitting on this side he was insistent upon having a review of the Immigration Act 1957—

[Inaudible interjection]

Mr. N. H. Cole Simons: Of 1956. I know we have a committee working on it. Can he give a status report on what has been achieved to date and what he intends to achieve this coming fiscal year? It is fine to say what we have done; but I want to know what he hopes to achieve in this fiscal year. So, if he can provide the community with that update it would be greatly appreciated. Thank you.

The Chairman: Thank you.

The Chair recognises the Honourable Member Pat Gordon-Pamplin.

Mrs. Patricia J. Gordon-Pamplin: Thank you, Mr. Chairman.

Mr. Chairman, I knew there was one other question, which I think is pertinent and important. On page B-10 for the Performance Measures of the Immigration Department and, specifically, the average process time for the grant of a land licence for someone with Bermudian connections and someone with no Bermudian connections. We are talking about a period of six to eight weeks or two to four months in this respect.

Recognising that the grant of a licence impacts the closure of a sale, and hence ultimately following its natural progression, revenue to the Government—because when you sell, you get money from taxes on fees—I am just wondering whether the grant of a licence, especially when there are high value properties that are being exchanged, whether we can look at how to minimise the time that it takes and guarantee the revenue. Because I do know historically some sales have actually fallen through because the vendor could not agree to the timeframe and because he could not get permission . . . because the purchaser could not get permission in ample time to make the closing date set out in the sales and purchase agreement.

I am just wondering what we can do to help to make sure and push that along because . . . not so much whether people can get the property, but whether the coffers can get the money.

The Chairman: Any further speakers?

Minister, you have the floor.

Hon. Walton Brown: Thank you, Mr. Chairman.

Mr. Chairman, I am going to answer all the sensible questions that were presented to me.

[Inaudible interjection]

Hon. Walton Brown: I said I would answer all the questions.

[Inaudible interjection]

Hon. Walton Brown: Mr. Chairman, let me just say as a general principle, we want to have an expedited process for decision-making in all areas. So those current areas where there is a period of eight weeks or four months to get certain things done or two years for status application decision, we are working hard to find ways to reduce that time while maintaining the integrity of the process. So that is our fundamental position. We are moving toward greater technology to facilitate the decision-making process, but we will try to have shorter time periods for all decision-making while maintaining the integrity of the process.

I hear someone behind me saying the blockchain will help to . . . the blockchain is our saviour, perhaps.

Let me speak to a few of these questions, Mr. Chairman, given that I have 20 minutes left. So let me first deal with the issue of Consumer Affairs and the question about web traffic. The forces that drive traffic to the Consumer Affairs website, they use marketing tools to do so. There are many articles on the Internet put out by the Consumer Affairs. There are Facebook and Instagram accounts, radio talk shows. What are people looking for? They are looking for how to file a complaint, they are looking at landlord/tenant issues,

second-hand purchases . . . there is a wide variety of matters that people are looking for with regard to Consumer Affairs.

In terms of expanding the presence, we are looking at enhanced public service radio announcements, some mailers out to the public, and some CITY programmes.

Mr. Chairman, there was a question about Parish Councils and if they are all up to date with their reports. Many are not up to date and they have not been up to date for a number of years, so that would have been a practice under the previous Government. It is a matter that needs to be addressed and we are in the process of addressing that.

Passports, a very big issue. The British have acted in ways that are contrary to our interests by taking away our right to print our passports. We are working very hard to try to get that back. I met with the relevant UK people about two or three weeks ago in London. They expressed a level of sympathy with the issues that were raised, but, to date, there has been no concrete action. So we might need to sort of step up the pressure on the UK.

It is irresponsible of the UK to take away something from us which we had for decades on the premise that there was a security threat. There has never been a security breach in the issuance of our passports, while on the other hand the UK have, on more than one occasion, had security breaches. So it is a challenge for us and we are working hard to get it back.

The issue of the code. The UK has attempted to address the issue of the code by informing airlines that we do not require a visa to go to the United States. The US Customs and Border Patrol has issued a card that you can take to the airlines to show that you do not need a visa to go to the United States, but that is inadequate. We need to get the proper coding on our passports and that is a priority of this Government. We want to get the passports printed back in Bermuda—that is a priority. The British are being reluctant in that respect, but we will continue to try to do that.

Fronting. It is funny that the Honourable Shadow Minister will raise the issue of fronting and infer that we have done nothing on that matter. I made a statement in Parliament earlier in this session, Mr. Chairman, which spoke to how we have identified about 120 cases of suspected fronting. When I was sitting on that side I mentioned that there was a file in Government's possession that spoke to this fronting matter, and I was told by the substantive Minister that there was no such file. Well, we found the file which they did not seem able to find.

Mrs. Patricia J. Gordon-Pamplin: Point of order, Mr. Chairman.

The Chairman: What is your point of order?

POINT OF ORDER

Mrs. Patricia J. Gordon-Pamplin: I just wanted to make sure that the information that the Honourable Minister indicated was correct. I did not say that there was no such file. The Minister asked about the file. I said I did not know, [that] we had asked for an investigation to be had within the department to turn up the file to which he referred, and we were told at that point in time it could not be found. So I did not say the file did not exist. The individual . . . when we asked for it to be presented, it was clearly indicated that the file could not be found at that point in time. I do not know where it was.

The Chairman: Carry on, Minister.

Hon. Walton Brown: So, Mr. Chairman, the file could not be found until the PLP resumed power. That should be sufficient information for all of us to arrive at a conclusion.

But that is a matter that we are currently looking at. We have identified the resource to be able to properly assess these possible cases of fronting, and once that resource is in place we will begin the process of a more deliberative examination of the suspected cases.

The Honourable Shadow Minister asked a question about what happens to those people who have filed incorrect information, either deliberately or inadvertently. Well, if you file false information deliberately there is a very severe penalty, which can go from revocation of a permit to not getting a permit or revoking of some other privilege that you had been granted by this Government, to a slap on the wrist if it is inadvertent. But it is done on a case-by-case basis. We do try to retain a level of fair play when we examine issues and people do honestly make mistakes. But there are also those who wilfully violate policy and law, and they will be dealt with accordingly.

It is just a challenge for me to read my own handwriting, Mr. Chairman, so let me just go by memory on some of the issues. I have my own glasses as well.

But there was a question about the police certificates. Under the OBA the requirement for police certificates to be submitted with a work permit application was withdrawn. That created a situation where you possibly had people coming here on work permits with criminal records—a practice that has led to discriminatory practices against Bermudians seeking employment, because Bermudians are required to get a security check in many instances. So we reinstated that requirement for the police certificates to be submitted. And we have found a number of employers who have had the audacity to submit work permit applications for people with severe criminal records. We would not have known that otherwise. And so in each and every instance where there is a severe or serious

enough criminal conviction on file those work permits are denied. We do not want to have criminals coming into Bermuda. It is just that simple.

Oh, here are some numbers. We do not know . . . I do not know, as the Minister . . . the Honourable Member will know that the Minister does not see every work permit application. We see the ones that have challenges. But the board gets those permit applications and they will be able to assess at one level whether to refuse based on that.

I can undertake to get that information, but I do know that employers are audacious enough to apply for a work permit even though the person has a criminal conviction on a matter that is serious enough to warrant our attention. And under the OBA you no doubt had a number of people coming here with serious criminal convictions.

Adopted children. Well, the Honourable Member will know that as a result of the recommendations from the Immigration Reform Working Group we changed the legislation to allow any adopted child of a Bermudian to be recognised as Bermudian as if that person was born Bermudian. So it was already in place. The mechanism was already in place for those children to be recognised as Bermudian on adoption.

[Inaudible interjection]

Hon. Walton Brown: Right. So the question becomes how long does it take to process?

I already spoke to the urgency that we have to expedite the decision-making process in each and every instance. My PS knows, as does all the technical staff, that I am impatient for change. I want to see things happening a lot faster. So we are working to try to get decisions made a lot sooner. But I can assure you that sometimes the delay rests with the applicant where they have not submitted all the proper documentation, they have been asked to resubmit and they have not.

I had a complaint just this week where someone was making a complaint about how long it took to get a status application processed and he had not submitted the required information. But he came to me to find out what could be done. Well, he has to fill out the form properly. That is how you get to that person.

Persons on the Stop List. No one has a right to enter any country. Even though we think we have an inherent right to enter the United States, we do not. And no one has an inherent right to enter Bermuda. People get put on the Stop List for a variety of reasons. Oftentimes it is a result of a criminal conviction. And the normal process is they will be on the Stop List for five years, and then you apply to be taken off. You have to meet certain criteria. If you meet those criteria, you most likely will be taken off the list, unless, of course, in the estimation of the responsible Minister the matter for which they were put on the Stop List is

a very serious matter. So that could lead to a longer or an indefinite period on the Stop List.

The Government House processes naturalisation requests. Naturalisation is a consequence of our colonial status and the operation in Bermuda of the British Nationality Act. The British Nationality Act is, of course, as you know, Mr. Chairman, a British piece of legislation. We have to grant the UK the authority because they have that inherent authority to deal with issues of naturalisation. In the past we dealt with it, but it is not a Bermuda issue. It is for the UK to decide who gets naturalised and so, therefore, that responsibility is fully within the remit of Government House and they do as they please in that regard. You cannot secure Bermudian status unless you are first naturalised, but that is a British matter and I always try to encourage the British to be mindful of our constitutional responsibilities, as we are mindful of theirs. So they have responsibility for naturalisation and they process it. We do not need to process it. So they can do that.

There was an issue about Workforce Development. I cannot remember the question, but it had to do with the interaction between Workforce Development and Immigration. If someone wants to refresh my memory, I will give you the answer.

Mrs. Patricia J. Gordon-Pamplin: Yes, there was a procedure . . . I am sorry, Mr. Chairman, may I?

There was a procedure that was being implemented just around this time . . . well, last summer, in which in order for somebody to qualify for obtaining a work permit, they would first have to get a sign-off (this was in specific professions) from Workforce Development to indicate that there was no Bermudian available before that work permit would get processed with the Department. And that was to ensure Bermudianisation. So I was just questioning how . . . you know, how that is going.

Hon. Walton Brown: Right. That process works. It does not work as efficiently as it should work, Mr. Chairman, because sometimes you have people who, because of certain other considerations, simply click a button and apply for every single job. And it puts a great burden on the employer to process applications where the people have no qualifications whatsoever for that position. So we need to fine tune how that works between Workforce Development and Immigration, but the structure is sound because it provides a vehicle for people to easily apply for positions. We have to just get a closer fit, a better fit between those who apply and the qualifications.

There was a concern raised about the decline in . . . no, the increase in birth certificates being issued.

The Chairman: Mm-hmm.

Hon. Walton Brown: Well, if you consider that there seems to be a growing number of people who are applying for the British passport, you have to send all your documents. So you have to get your birth certificate. It does not only mean that people who are newly born get a birth certificate, so that is an obvious matter.

And then you asked some questions about the cost of off-site filing. I am not sure if that . . . you have to pay to rent facilities to store information. We are trying to digitise as much as possible. And the more you digitise the less you will need to pay for any kind of rental space, and this is a priority for us.

Any other questions?

Mrs. Patricia J. Gordon-Pamplin: I am sorry, Mr. Chairman.

The Chairman: Go ahead. Sorry, sorry.

Mrs. Patricia J. Gordon-Pamplin: Okay, okay, fine. Thank you. I did not want to just be presumptuous.

I just wanted to refer to the Minister's response on passports, because when I spoke with the Minister prior to . . . well, actually, on Budget day, and he said that the matter was in hand and it would not take a whole lot of money to do. What the Minister has now indicated is that there is this piece of paper which you can get from the US Customs and Border Control which basically says that we do not need a visa to go into the United States, which the Minister indicated was not adequate. So, I accept that.

The question that I have is, Having met with the British (I think he said a couple of weeks ago), and knowing that they have not come to a definitive position with respect to us printing our passports again, and knowing that there is no money in the budget to buy another printing machine that would be adequate to be able to do it, how can we assert ourselves so that we are not beholden to somebody in the UK giving us a passport that has a code on it that is of no consequence or no use to us?

And let me just briefly say that I applaud the Chief Immigration Officer for coming up with a resolution with respect to former Ministers' passports in terms of having to . . . under normal circumstances, you relinquish your passport if you are no longer a Minister and you get a new one. But at this point we are unable to replace like with like. And I think that the key is not so much about the passports and getting a passport. We cannot let the British say to us—which they have done by taking over the printing—that they are going to do it and you take what you get. So, there has to be either some money set aside, which there is none in the budget for passport printing, or there has got to be something else, because what I anticipated hearing from the Minister I did not hear, and I just wonder if he can clarify that.

Hon. Walton Brown: Well, sorry—

The Chairman: Go ahead, Minister.

Hon. Walton Brown: Mr. Chairman, let me just say that there is money in the budget to provide for an interim step to secure the right code on our passport. That money has already been allocated.

The more important issue though is that there is a remedy to deal with the British. The question is whether or not we have the fortitude in this country to properly assess all the remedies before us. Because here we are, a mature, well-developed country, going with our hands out to the UK asking them, pleading with them to do the right thing with regard to our passports. There is a remedy and everyone knows the remedy. But we are in Budget Debate, Mr. Chairman, so perhaps this is not the ideal time for having that debate.

The Chairman: Member [Gordon-]Pamplin.

Mrs. Patricia J. Gordon-Pamplin: Yes, thank you, Mr. Chairman.

I just want to clarify. The Minister indicated that there was funding in the budget to provide an interim solution to having a proper code put on the passport. I did not hear anything surrounding that interim step in terms of what it is that we are going to get. So if the Minister can explain that then it might shed some light on it.

The Chairman: Minister?

Hon. Walton Brown: I would be happy to, Mr. Chairman.

We know that it is going to cost about \$100,000 to have the code key located at the UK passport printing office to give us the correct code—the BMU Code. We have that. We have done the research. We have identified what we need. And if the British were not so obstinate we could have that code in place tomorrow. And then Bermudians will be able to travel without the hardship that they currently endure to go to United States from out of Bermuda directly or from a third country. So we have that money put aside. We have the ability to get it done tomorrow were the British to fully carry out their responsibilities under the UN Charter. But, of course, as many of us should know, they do not carry out their responsibilities under Article 73 of the UN Charter.

And, you know, given that we are talking so much about fundamental rights of late, you would have thought that rights enshrined in the UN Charter would precede rights on almost every other level, Mr. Chairman.

The Chairman: Any further speakers?
Member Moniz.

Hon. Trevor G. Moniz: Yes. The Minister did not address any of my questions, in particular whether the projections were realistic for the proposed large increase in work permits in this coming year, which is thank you.

Hon. Walton Brown: Well, as I said, Mr. Chairman, I was going to answer all the . . . I will answer all questions.

The proposed increase has to do with the confidence that this Government has in the growth in the economy. And I know that I believe the Honourable Member made a comment about how could a party that is so committed to getting Bermudians employed talk about an increase in work permits. Only someone who does not fully appreciate how growth takes place in Bermuda would make that kind of a comment, because there is nothing incompatible about increasing work permits and increasing opportunities for Bermudians to be employed.

Everyone should know that during the early 2000s . . . I do not know whether it was 2006 or 2007, we had a boom in the economy. We had full employment. We had over-employment. And we had 12,000 work permits. So it is not just a give and take . . . a zero sum between Bermudian employment versus work permit employment. The two can go hand in hand. And the important point here is that we want to ensure that Bermudians are fully employed and fully engaged in employment opportunities while we grow our economy.

The Minister for National Security will speak very eloquently about the opportunities in cryptocurrency and blockchain technology. That is going to be a fundamental driver for our economy and that will create a number of jobs, both locally and from a work permit standpoint.

The Chairman: Any further . . . Member Moniz?

Hon. Trevor G. Moniz: Thank you, Mr. Chairman.

So the Minister stands by the prediction that in a period of 12 months they are going to issue between 1,000 and 2,500 new work permits. Thank you, Mr. Chairman.

The Chairman: Minister?

Hon. Walton Brown: Well, Mr. Chairman, the Honourable Member has read the brief very carefully and that is why it is called a projection. Projections can speak to a trajectory—what you intend, what you predict will happen. Predictions do not always happen. I mean, we had predictions in July last year and they did not happen the way some people predicted it.

So, you know, you make a prediction. You take all your facts together, you make an assumption and then you make a prediction. But we will see. That is our goal. That is what we intend to accomplish.

The Chairman: Minister, do you want to move your heads?

Hon. Walton Brown: I have another minute, do I not, Mr. Chairman?

The Chairman: Minister, do you want to move your heads?

Hon. Walton Brown: I am happy to be guided by you, Mr. Chairman.

[Inaudible interjection]

The Chairman: We want to get healthy.

Hon. Walton Brown: Mr. Chairman, I move that Heads 93, 27, and 29 be approved.

The Chairman: Any objections to the moving of these heads . . . the approval of these heads?

There appear to be no objections.

Approved.

[Motion carried: The Ministry of Home Affairs: Head 93, Headquarters; Head 27, Department of Immigration; and Head 29, Department of Registry General were approved and stand part of the Estimates of Revenue and Expenditure for the year 2018/19.]

The Chairman: Now we go on to the Health and Seniors with Minister Kim Wilson.

MINISTRY OF HEALTH AND SENIORS

Hon. Kim N. Wilson: Thank you and good afternoon, Mr. Chairman. I move for the following heads to be considered: Head 21—Ministry of Health Headquarters; Head 22—Department of Health; Head 24—Hospitals; and Head 91—Health Insurance be now taken under consideration.

The Chairman: Yes.

HEAD 21—MINISTRY HEADQUARTERS

Hon. Kim N. Wilson: Mr. Chairman, it gives me great pleasure to present the Budget for Ministry of Health overall, starting with Head 21, the Ministry of Health Headquarters, found on pages B-153 to B-159 of the Budget Book.

Mr. Chairman, the mandate of the Ministry Headquarters is to “serve as the policy directorate for Bermuda’s health system.” (quote/unquote)

Expenditure Overview

Hon. Kim N. Wilson: Mr. Chairman, the Headquarters allocation consists of 6 per cent of the budgeted

allocation for the Ministry as a whole. A total of \$11,488,000 has been allocated for this head for 2018/19, which represents an increase of \$302,000 or nearly 3 per cent over the original budget of 2017/18.

This change is due to increases in general administration to provide for care of a young adult with severe developmental and mental health challenges whose care needs cannot be locally met and the Ministry was ordered by the courts to fund the care overseas while local capacity is developed. This represents \$256,000 of the total increase.

In addition, there are smaller increases to the corporate services and epidemiology and surveillance budgets to support additional capacity for policy development and regulation. I will speak of these in more detail under the respective business units.

Manpower

Hon. Kim N. Wilson: Mr. Chairman, with respect to manpower, overall there is no change in manpower for this head as detailed on page B-156 of the Budget Book. Overall, the Ministry Headquarters has 45 established posts representing three programmes.

However, I want to pause here briefly, Mr. Chairman, to remind us all that across the Ministry of Health we inherited a total of 81 vacant positions out of the 355 established posts. This is 23 per cent of the Ministry’s total workforce and it has had severe impact on both the Ministry’s ability to meet the public health needs of our community and on the staff who are stressed beyond capacity and are now at a breaking point.

Few people are aware of the depth of damage caused to our services by the dramatic hiring freezes imposed by the previous Government. We are now making strides to remedy these deficits and hiring the nurses, social workers, dental hygienists, paraprofessionals, and so on who are desperately needed to provide front-line services for vulnerable and dependent persons in our community, largely seniors and persons with disabilities.

Mr. Chairman, I will now speak on each of the sections and business units under this particular head.

2101—General Administration and Corporate Services

Hon. Kim N. Wilson: The business programme 2101, General, comprises a small team of 11 persons and a budget largely dedicated to grants for the community.

Mr. Chairman, in total, over \$5 million of the unit’s total budget of \$7.7 million is for grants. The balance serves to run the operational and strategic engines of the Ministry through the Accounts Section and our Corporate Services.

Output Measures

Hon. Kim N. Wilson: Mr. Chairman, the output measures for these business units can be found at page B-157. Some highlights of the Ministry's performance measures are better demonstrated in the Ministry of Health Roadmap, which was updated for 2018 to 2022 and is going to be circulated actually to Honourable Members, if they wish to have them. The Clerk has them actually in his possession. And I believe it will help, Mr. Chairman, to provide a helpful overview of the Ministry as a whole.

Specific measures I want to highlight are as follows, Mr. Chairman:

Under 31000, General Administration and, again, Mr. Chairman, I refer you to page B-154. Health insurance rates and medical fees will not be ready for the 1 April 2018. This is due to the long needed conversion of the BHB fees to a rational methodology to standardise fee levels to an internationally accepted standard based on the relative value of procedures. As I have stated previously, we are undertaking this initiative as we speak, but having learned of this requirement belatedly it is not possible to complete the task for April 1st. Without the final BHB fees the premiums cannot be finalised. Therefore, we will be bringing, Mr. Chairman, all of the changes together for a 1st of June implementation, seeking to table the changes in this Honourable House either by the end of this term or immediately upon commencing the next term.

Mr. Chairman, I can also advise at this time, however, that while the impact of a new relative value unit fee structure will be revenue neutral to BHB, we anticipate an increase to the standard premium rate due to continued increases in utilisation of hospital services. The hospital is full beyond capacity, which means more services have to be paid for and that the premiums have to be adjusted to absorb the care needs of our older, sicker, population.

Mr. Chairman, regarding business unit 31015, Grants and Administration, this can be found on page C-17 which lists the Ministry of Health's grants to a number of agencies providing essential front-line services to aid public health and social assistance. These are, Mr. Chairman:

- \$100,000 for grants to external bodies;
- \$2,862,000 for the LCCA to cover overseas medical care for un- and under-insured persons;
- \$125,000 for the Bermuda Nurse's Council to support the regulation of nurses;
- \$700,000 for the Bermuda Health Council, which I will also speak about in more detail momentarily;
- \$38,000 for Age Concern;
- \$753,000 for the following rest homes: Lorraine Rest Home (\$502,000); and Matilda Smith Rest Home (\$250,000);

- \$300,000 will be allocated for the Packwood Rest Home;
- \$300,000 for Summerhaven;
- \$300,000 for Admiralty House;
- \$10,000 for SART (Sexual Assault Response Team);
- \$13,000 for Tomorrow's Voices; and
- \$100,000 for Public Health Scholarships.

Mr. Chairman, our commitment to the Dr. Barbara Ball Public Health Scholarship is unwavering. We are currently accepting applications for the 2018/19 academic year and anticipate awarding \$100,000 in scholarships, once again, to deserving students in key public health areas. We continue to prioritise areas in which we are aware of manpower deficits in public health such as nursing, social work, and the allied health professions.

Mr. Chairman, under business unit 31020, Corporate Services, I have to highlight that the impact of implementing the Public Access to Information (PATI) Act on the Ministry of Health has been significant and highly detrimental. Whilst we fully support the spirit of PATI and go on to more lengths than most to provide accountability and transparency to the public through our website, PATI was implemented by the previous Government without providing any resources whatsoever to carry out the function. This year my Ministry has handled in excess of 24 PATI requests to date, plus 11 internal and ICO reviews, which absorb a tremendous amount of staff time and resources. A PATI request can take anywhere between 10 and 40 hours or more of staff time, which means that other work gets delayed and the work loads of an already stretched team are burdened even more.

At present, Mr. Chairman, officers are dealing with several extraordinarily burdensome PATI requests. I do not know what they are all about, obviously, but for example some of them relate to the development of the . . . I am sorry, some of the time being spent on PATI requests could be better utilised by staff doing things such as the furtherance in the development of Protection of Persons in Care Act, as well as the establishment of a Public Guardian Office.

And these two very important initiatives, Mr. Chairman, regrettably, have been stalled because of the time that has been spent on all of the PATI requests. PATI is certainly a great idea, Mr. Chairman, and I applaud it and actually spoke highly of it when we debated this in the House. However, it does detract from being able to actively deliver and improve services for the public, and it is not clear that the spirit actually intended for PATI is truly being met.

Major Policy Changes

Hon. Kim N. Wilson: Mr. Chairman, I would like to now turn to Major Policy Changes.

Mr. Chairman, the most significant policy change in the current year has been with respect to

the development of proposals to introduce a sugar tax. This initiative was in our platform and our Throne Speech and it has been developed quickly to send the strongest message to the community that this Government is serious about tackling obesity and chronic diseases. The consultation period finishes tomorrow, on the 1st of March, and we will move fast thereafter to analyse the feedback, implement a new regime by June of this year.

Plans for the Upcoming Year

Hon. Kim N. Wilson: Mr. Chairman, under the business unit we will be bringing a number of legislative changes in the upcoming years, including updates to several health professional statutes, such as Midwives and Allied Health. However, the most exciting and important initiatives we will be pressing ahead with are development of a framework to better protect vulnerable adults and reform of our health financing system under the Bermuda Health Strategy.

Now, Mr. Chairman, as I have said in other places, a lot of movement has been taking place under the auspices of the Bermuda Health Strategy. And I am very proud, Mr. Chairman, to note that the seeds that we planted—the PLP Government—previously with respect to the National Health Plan is what has led to these developments. However, we remain short of the main prize, Mr. Chairman, and that is universal health coverage. And we will now press ahead full steam with reforming our health financing system and basic benefits package to achieve a better, fairer, health system in which we can properly control health costs. Watch this space as this work ramps up over the coming months on which we will consult comprehensively, just as we have done with respect to the sugar tax, the Care Homes Code of Practice, and the amendments to the Mental Health Act, all of which are listed in our health consultation pages on the Government's website.

2102—Office of the Chief Medical Officer

Hon. Kim N. Wilson: Mr. Chairman, the budget for the Office of the Chief Medical Officer (CMO), programme 2102, can be found at page B-154 of the Budget Book.

Its budget for fiscal year 2018/19 is \$904,000. The Office of the CMO budget is divided between two cost centres, namely, Health Care Registration and Regulation, which represents cost centre 31030; and Epidemiology and Surveillance, which represents cost centre 31040.

Mr. Chairman, the Office of the CMO is completing its fifth year of operation distinct from the Department of Health. The Office is responsible for implementing essential public health functions such as:

- assuring a competent health work force on the Island;

- assuring access to safe medications;
- conducting regular community health status assessments; and
- monitoring and controlling diseases.

Mr. Chairman, historically this weighty remit relied on the efforts of a 6.25 full-time equivalent staff. That included the chief medical officer, one administrative assistant, a registrations manager, an assessment officer, a surveillance officer, a nurse epidemiologist and a pharmacy inspector who provides a maximum of 40 hours per month of consultative services.

Mr. Chairman, in 2017 the Office of the CMO underwent a review by Management Consulting Services to formally establish two posts which have been seconded over the long term. The outcome was that the two additional posts were approved by Cabinet to be established within the Office, namely, an administrative assistant, whose sole responsibility is to support health care registration and drug control requirements; and a community health nurse to assist with disease surveillance, prevention and control activities. The posts are being transferred from the Health Insurance Department and the Department of Health, respectively.

Mr. Chairman, during the past year the activities of the Office of the CMO continue to be guided by the Bermuda Health Action Plan 2014–2019. In 2017 the Office of the CMO completed a multi-sectoral collaboration on health workforce planning. The broadly consulted plan is captured in the Bermuda Health Workforce, 2017 document and the companion document entitled “Human Resources for Health Strategic Plan, Bermuda 2018–2020.” Both documents can be found on the government website under the Health Reports. In the coming year implementation of the Human Resources for Health Strategic Plan will be promoted and monitored by the Office of the CMO.

Mr. Chairman, information from the Steps to a Well Bermuda survey was incorporated along with recent hospital and health system data to complete an updated publication of Health in Review 2017, an international comparative analysis of Bermuda health system indicators. This publication contains a wealth of standardised comparisons of our population's health and other health system parameters to developed countries across the globe. These comparisons inform our health system planning for years to come, enabling us to make rational, evidence-based, decisions as we formulate policy and development programmes. This publication can also be found on the Government website under Health Reports.

Mr. Chairman, preliminary work on establishing a chronic disease register began in 2017 and will be accelerated in the coming year. This project will focus on monitoring diabetes and chronic kidney disease in Bermuda. In 2017 the office's work in this area was stalled by the need to focus on the public health requirements of the mass gathering surrounding the events of the 35th America's Cup. The epidemiology

and surveillance unit of the Office of the CMO embarked on the multi-sectoral preparedness activities required to assure a safe and healthy visit for the thousands of guests to the Island during the America's Cup Event. As we all witnessed, the event unfolded without any significant public health incidents.

Bermuda's public health preparedness was guided by technical input from the Pan American Health Organization (PAHO), experts on mass gatherings and high-risk infection prevention and control. In addition, the Caribbean Public Health Agency experts supported our activities to enhance surveillance in hotels and provided food safety training to food handlers in a variety of establishments.

The Office of the CMO will continue to engage PAHO and CARFA in the coming year to ensure completion of several key public health projects. These, Mr. Chairman, include the following:

- Preparations for our second chronic disease community health assessments through the Steps Survey of 2019.
- Advancing the Tourism and Health Initiative in partnership with the Ministry of Tourism. This initiative supports a healthy tourism product so that Bermuda will continue to be amongst the world's safest destinations.
- Training a range of health care professionals in the field of epidemiology. These skills are required for a rapid response to disease outbreak and to infection prevention and control; and
- Addressing the emerging global threat of antimicrobial resistance (AMR). The Office of the CMO will partner with the Department of the Environment and Natural Resources to develop a national action plan for this. The goal is to avoid what the World Health Organization warns may be a return to the pre-antibiotic era.

Mr. Chairman, in addition to these pressing activities, the Office of the CMO will complete the automation process for health professional registration and will spearhead the complete overhaul of the outdated Medical Practitioners Act 1950.

2103—Ageing and Disability Services

Hon. Kim N. Wilson: Turning now, Mr. Chairman, to Ageing and Disability Services. The current account estimates for the Ministry's Ageing and Disability Services can be found listed as the National Office for Seniors and the Physically Challenged, programme 2103. And I will refer you, Mr. Chairman, to page B-154.

Ageing and Disability Services (ADS) has a budget of \$2,883,000, which is the same as the original estimate for 2017/18, though \$501,000 higher than the revised estimate. ADS operates three programmes, Mr. Chairman:

1. Office for Ageing, 31135;
2. Office of the Disabled, 31135; and
3. K. Margaret Carter Centre, 31160.

Mr. Chairman, ADS's mission is to improve the quality of life for seniors and persons with physical and intellectual disabilities. This is achieved by regulating, coordinating and ensuring the delivery of programmes and by collaborating with a network of stakeholders. ADS serves as a repository of information for seniors and persons with disabilities. In the coming year the Ministry will continue to improve the accessibility, sustainability, and quality of Bermuda's long-term care system and protection of our most vulnerable.

Mr. Chairman, the K. Margaret Carter Centre (KMCC) provides direct support for persons with intellectual disabilities in the community. K. Margaret Carter Centre has a budget of \$1.8 million to fund 19 staff delivering direct client services to 53 service users participating in six different programmes. To address current problems with understaffing and staff burnout, vacant posts currently at KMCC are currently being filled. However, client/staff ratios remain significantly poor than other similar organisations. Staff vacation or sick leave adds further strain to a minimally resourced system.

Mr. Chairman, an important component of ADS's work at KMCC revolves around increased employment and in-house contracts for persons with disabilities. This includes ensuring alignment with the International Labour Organization's report of 2013. To this end the Employment Training Division at KMCC links clients to various businesses. To date, Mr. Chairman, 87 per cent of a select population of clients have been placed in community-based employment whilst 75 per cent are in-house on contract work.

Mr. Chairman, since June 2017 the Ministry of Health, Mid-Atlantic Wellness Institute, and various other stakeholders participated in a series of visioning workshops for persons with intellectual disabilities in Bermuda. The objective is to develop a coordinated vision that streamlines services for persons with intellectual disabilities. Action items have been developed and ADS will continue to work on their advancement through 2018/19.

With respect to Ageing, Mr. Chairman, in the near future ADS will transition to a model that will encompass compliance, adult protection (which is inclusive of its case management), and education and awareness. ADS has approval for nine full-time positions.

Six posts are filled at present and the Ministry is at its advanced stages of recruiting the remaining posts. Further, in an effort to assist the office, management will engage the services of an education officer and inspection officer to ensure compliance while offering assistance to care home administrators.

Case Management

Hon. Kim N. Wilson: Mr. Chairman, ADS manages general and complex cases for seniors and persons with disabilities. In 2017/18 the Case Management team managed 230 general cases and 25 complex cases. Over the past year the team has faced struggles managing complex cases which range from evictions of seniors due to lack of capacity and serious rental arrears and the burial of deceased individuals who had no next of kin. This is in addition to the relocation of an intellectually disabled young person who presents with challenging behaviours and mental health issues, which I mentioned previously, Mr. Chairman, at the beginning of this brief. Other complexities include the absence of next of kin or family support, a lack of helping services, no financial resources, and no supporting legal or policy frameworks to put the necessary care in place.

Mr. Chairman, complex care cases always come with a higher degree of risk and vulnerability, including diminished mental capacity, serious safety risks, and non-existent or unstable support systems. These cases often require either hospital admission or care home placement, neither of which is available most of the time. Nevertheless, the system continues to absorb the cost of approximately 120 additional similar cases at the cost of between \$20,000 and \$40,000 a month as such individuals become stuck in a hospital bed because there is no one available to care for them. This is our current system's greatest dysfunction.

Compliance

Hon. Kim N. Wilson: Under the head Compliance, Mr. Chairman, ADS is responsible for overseeing two pieces of legislation—the Senior Abuse Act and the Care Homes Legislation. This year we intend to amend the Senior Abuse Register Act 2008 and explore the implementation of an adult protection framework embedded with a public guardian role. This implementation will ensure more effective management of our most vulnerable, and assist with the management of our complex care cases.

In 2017 there were 43 investigated cases of alleged abuse. Abuse types are defined as: physical, psychological, financial, and neglect. All reported cases were investigated and substantially either case-managed, where appropriate, or referred to the Bermuda Police Service for further investigation.

To assist with increased education and public awareness a Senior Abuse Information brochure was produced and published in December 2017. The 2018/19 communications plan includes a roll-out of these brochures to the public and relevant stakeholders. In an effort to continue improvement between organisations, policy development started in 2017 with the Bermuda Police Service, Department of [Public]

Prosecutions, and the Attorney General's Chambers and this will continue.

The Residential Care Homes and Nursing Homes Act 1999 was, as you will recall, Mr. Chairman, amended in 2017 to improve regulatory oversight and improve the quality of care in Bermuda. As part of that amendment we developed and consulted on a code of practice which sets the minimum quality care standards for care homes registered under the Act. The consultation feedback is being compiled and implementation is anticipated for April 2018.

Education and Awareness

Hon. Kim N. Wilson: Mr. Chairman, an important development under the Long-term Care Action Plan was the development of a web resource page listing training and educational opportunities for caregivers and long-term care professionals. The challenges with long-term care cannot be met only with money or beds. It requires improvements in the skills of caregivers and the health workforce to support persons ageing at home. We have a great deal more work to do in this regard and have to put resources in place to develop a long-term care strategy for Bermuda over the coming months.

Bermuda Health Council

Hon. Kim N. Wilson: Lastly, for this head, Mr. Chairman, I want to highlight the work of the Bermuda Health Council, a quango under the Ministry whose operations are funded in large part through a Government grant to conduct regulatory functions on the Ministry's behalf.

Mr. Chairman, the Bermuda Health Council's general purpose is to regulate, coordinate, and enhance the delivery of health services. The grant for the Bermuda Health Council can be found on page C-17, cost centre 6895, under the Ministry of Health. In 2018/19 the Health Council's grant will be \$700,000, which is a reduction of \$100,000 from the previous year. The Health Council's total revenue is supplemented by a transfer from the Mutual Reinsurance Fund (MRF) and since January of 2018 by the new licensing fees for health insurers for a total budget of \$1.3 million for 2018/19.

Mr. Chairman, in 2017/18 the work of the Health Council focused on four strategic areas:

1. care quality and standards;
2. regulation;
3. health system financing and economics; and
4. audits and governance.

Some of the year's highlight achievements are as follows: Care quality and standards. Mr. Chairman, to look at ways to improve health and patient care the Health Council facilitated the addition of the home-based palliative care and increased benefits for kidney transplantation. The Health Council partnered with the

Ministry of Health and other stakeholders to develop the unique patient identifiers as a precursor to the National Electronic Health System.

Mr. Chairman, the Health Council publishes the names of health professionals that are registered to practice, enabling the public to identify appropriately trained professionals. Between 2016 and 2017 registered health professionals increased by 220 to the total sum of 2,330.

The Health Council also monitors the regulation of health professionals. The Health Council handled 27 complaints and 4 legal actions, compared to 16 complaints and 2 legal actions the prior year.

Through regular analysis of over two million yearly health claims the Health Council evaluates the market needs for health entrepreneurs and trends in use.

Regulation. Mr. Chairman, the Health Council partners with the Registrar of Companies on health system capacity. The Health Council led 20 health technology reviews to collaboration with over 40 local experts in medicine, nursing, allied health, pharmacy, insurance, and health policy. The Health Council is also working with 255 health facilities who volunteer to participate in a registration process designed to enhance public confidence.

Mr. Chairman, the Health Council enhanced its regulatory oversight by facilitating an increase in total licensing fees collected from health insurers from \$7,000 per annum to \$337,500 per annum. This will contribute to offset the cost of health system regulation by the Health Council. Through collaborative efforts by the Health Council all local health insurers can now process electronic claims.

Mr. Chairman, between April and December 2017 the Health Council investigated 319 employee health insurance policies reported as inactive, and conducted 5 inspections representing 1,499 employees. After investigation and responding to 49 complaints and queries, 53 per cent (169) of the policies were reactivated and 49 per cent (717) of employees regained health insurance coverage.

Mr. Chairman, Financing and Economics. The Health Council published the 2017 National Health Accounts Report. The report details a total health system expenditure of \$701.4 million which, regrettably, Mr. Chairman, results in a per capita expenditure of \$11,362—both of which have increased marginally from the previous year. The Council conducts the annual actuarial reviews of the standard premium rate and published the Annual Actuarial Review Report (inclusive of premiums) for the MRF and Standard Health Benefit.

Concerning audit and governance, Mr. Chairman, to continue its track record of timely financial transparency, the Health Council, in close collaboration with the Auditor General, tabled its audited financial statements and annual report 2016/17.

Mr. Chairman, to enhance public education the Health Council upgraded its digital media platforms and hosted a public health care forum in 2017 to discuss future health care reform.

Looking to the future, Mr. Chairman, looking forward to 2018/19 the Health Council will continue the development of a health financing reform plan towards universal health coverage and a more value-based system. In 2018/19 the Health Council will make legislative proposals to introduce prescription drug formulary, enhanced data validity and implement more robust fraud monitoring.

Lastly, Mr. Chairman, I would like to acknowledge the 2018/19 Bermuda Health Council Board members whose expertise will contribute to its ongoing achievements:

- Dr. Alicia Stovell-Washington, who is the Chairperson, is a highly respected physician providing leadership for the Health Council;
- Mr. Granville Russell, who is the Deputy Chairman providing nursing expertise;
- Dr. Annabel Fountain is providing a physician's voice on behalf of the Bermuda Medical Doctor's Association;
- Mr. Sandro Fubler, representing Allied Health;
- Dr. Darrien Ray, representing Mental Health Perspectives;
- Dr. Claudette Flemming, representing the needs of seniors;
- Mrs. Michelle Jackson, representing health insurers' expertise;
- Mrs. Laure Marshall, providing informatics and financing expertise;
- Mrs. Venetta Symonds, representing the hospital; and
- Mrs. Cynthia Thomas, who brings legal expertise to the table.

In addition, I would also like to acknowledge the ex officio members of the Board: the Health Council CEO, the Permanent Secretary for Health and the Chief Medical Officer as well as the Financial Secretary.

Mr. Chairman, this concludes my remarks for Head 21, Ministry Headquarters.

HEAD 22—DEPARTMENT OF HEALTH

Hon. Kim N. Wilson: Mr. Chairman, Head 22, Department of Health can be found at pages B-160 to B-171 of the Budget Book.

Vision and Mission

Hon. Kim N. Wilson: The Department of Health's vision is, *Healthy people in healthy communities*.

The department promotes and protects the physical, psychological and social well-being of the community to enable Bermuda's residents to realise their optimum quality of life. [There are] 280 Depart-

ment of Health officers, which is at page B-163, who work in 31 programmes to assure the health and well-being of the general population.

Mr. Chairman, the total current expenditure is estimated to be \$28,912,000 for 2018/19 and represents an increase of \$1.5 million or 6 per cent higher than the 2017/18 original budget; and 3 per cent or \$380,000 approximately 12 per cent higher than the 2017/18 revised budget. Most of these increases are attributable to thawing frozen Department of Health posts as detailed at page B-163 as follows:

- ten posts to provide long-term care to elders;
- five nurses to promote the health of young children and the general population of the community;
- three vector control staff; and
- one safety and health officer.

Mr. Chairman, the Department of Health's overarching strategic theme is to halt the rise in obesity and diabetes. To this end, the Health Promotion Office develops and implements policies, programmes, and products that will promote health and wellness in the community in collaboration with public health partners. The Department of Health has initiated the "whole of society" approach to halting the rise of obesity and diabetes locally.

In January, Mr. Chairman, you may remember that the Department convened a symposium where 187 delegates from all parts of the society attended. Delegates used a matrix comprising six life stages overlaid with five disease intervention points as a framework for a draft national plan. The draft national plan is packed with commitments from the delegates. An extensive gaps analysis is underway by a committee as the plan comes together and this summer the department will convene a formal oversight committee to assure implementation and to create accountability structures.

Mr. Chairman, the Throne Speech 2017 stated: "The Government will lead the way in wellness by encouraging its employees to make healthy choices, and will contribute to their well-being by offering programmes, incentives and education to support the journey to a healthier public service."

The Department of Health will be collaborating closely with the Department of Human Resources in this regard. To facilitate the public service to be more physically active, the Health Promotions Office has launched the Government of Bermuda's 100 Million Steps Challenge, which will run up until the 6 of April 2018. It is a step competition between the 11 Government ministries and each of them is being paired with a middle school. The Ministry with the highest step average at the end of the competition wins and the middle school it represents will win a prize for health and wellness initiatives.

Mr. Chairman, the Healthy Schools Programme is designed to promote health in schools through community health partners and the Depart-

ment of Health's school-based programmes, such as: Child and School Health, Nutrition Services, Oral Health, Community Rehabilitation Services, and Environmental Health. Healthy Schools has been adopted by 28 of 31 public and primary schools since 2014. The main challenge that Healthy Schools continues to experience is that there is a low level of compliance to the Healthy Schools nutrition policy from cafeteria vendors. Some school children can still buy high-calorie fried, sugary and salty foods at school. We do remain steadfast in our efforts, however, to continue progress and halt these unhealthy practices.

Mr. Chairman, the 2018/19 budget estimates for Health Promotion and Healthy Schools are listed at cost centres 32240 and 32265 on page B-161 and the combined 2018/19 budget estimate is \$458,000.

Mr. Chairman, Nutrition Services has been working on collaborative projects with partners to achieve healthy eating practices in Bermuda. Nutrition Services organised the "Grow, Eat, Save" Workshops producing 124 graduates in two classes after completion of a five-week workshop. Partners included the instructor, Chaplain Kevin Santucci, BELCO, Animal and Garden House, Department of Parks, Department of the Environment, and the Bermuda Agricultural Club.

Nutrition Services partnered with Butterfield & Vallis for healthy food sampling in supermarkets.

Collaborative partners within the Department of Health include health visitors' follow-up for six months, with all new mothers and their babies to be assessed. They also survey exclusive breastfeeding rates. This has highlighted barriers to breastfeeding in our communities, such as the need for breastfeeding policies supporting breastfeeding in our workplaces. Related policy work includes partnering with KEMH Maternity Ward for a baby-friendly hospital initiative and accreditation, drafting of the Department of Health Breastfeeding Policy, and drafting the Department of Health Infant and Young Food Policy.

New initiatives for Nutrition Services include providing the Complete Health Improvement Programme (CHIP) for HIP clients 18 to 44 years of age. This 12-week programme can assist the high-risk population with life style skills to minimise the consequences of illness or disease. Nutrition Services will also draft a Community Garden Framework and guidelines for established Parish Community Gardens.

Mr. Chairman, the 2018/19 budget estimates for Nutrition Services can be located at cost centre 32110 on page B-160 of the Budget Book. And this has been allocated the sum of \$189,140.

Mr. Chairman, the mission of the Maternal Health and Family Planning Clinic is:

- to provide women of Bermuda with high-quality accessible and affordable reproductive health services;

- to promote planned parenthood amongst women of reproductive age; and
- to offer anti-natal and post-natal care for women who are under- or un-insured.

Last year Bermuda was formally validated as having eliminated mother-to-child transmission of HIV and syphilis. This is a distinguished accomplishment met by few countries globally.

Mr. Chairman, the Department of Health provides the Communicable Diseases Clinic and services to prevent and control the spread of communicable diseases; educate the community about sexually transmitted infections, HIV and other communicable infections; and provide education to promote sexual health. The management of the two programmes is being merged under the Maternal Health and Family Planning Programme as the newly branded Sexual and Reproductive Health Programme.

Mr. Chairman, the 2017/18 budget estimate for Sexual and Reproductive Health is listed at cost centre 32040 on page B-160 and is \$915,314.

Mr. Chairman, the Clinical Laboratory is situated at the Hamilton Health Centre. There the bulk of the clinical testing work is performed for Child Health, School Clinics, Oral Health and the Sexual and Reproductive Health Programmes.

Mr. Chairman, the 2018/19 budget estimate for the Clinical Laboratory is listed at cost centre 32090 at page B-160 of the Budget Book and has been allocated the sum of \$276,204.

The Child Health Programme consists of four sub-programmes: Child Health; School Health (including asthma education); Travel Health; and Immunization. The community health nurses closely monitor packed lunches for all 10-year-olds and educate on healthy nutrition. The results vary by school, but some have shown significant and consistent improvements with healthy lunch options. An identified area for strengthening is parent engagement.

Bermuda's Expanded Programme on Immunization (EPI) plans for the needs of vaccines in the child and adult schedules. Immunization coverage is 87 per cent at one year of age, which is 8 per cent below the global targets, thereby increasing our vulnerability as a community. The primary challenge is the lack of an information system linked with the private sector to improve efficiency, timely reporting, and analysis of individual and population health data for decision making. An assessment of the vaccine cold chain and the related training was conducted by visiting PAHO technical experts. Site visits were conducted around the Island and a main recommendation was made to establish a vaccine cold room to build existing storage capacity.

Mr. Chairman, the 2017/18 budget estimate for Child Health is listed at cost centre 32030 on page B-160 and is \$1,876,307.

Mr. Chairman, Occupational Therapy and Physiotherapist [OTPT] services were provided to

maximise the functional potential of individuals with delays in normal motor development or with physical movement challenges.

The OTPT Seniors Team aims to increase awareness of health prevention for seniors and to support clients to remain as independent as possible in their own homes. Therapy's Seniors Team conducts home safety and fall risk assessments for all seniors that are referred with the intention of minimizing the risk of falls at home. Client and caregiver training were provided to maximise function and promote ageing in place.

The OTPT Paediatric Team aim to increase early recognition of development delays and to provide a more equitable service for children and young people with sensory motor delays throughout the year and not just during school term time. School-aged children with additional learning needs due to complex health conditions and/or sensory motor delays require regular monitoring and intervention to retain their functional ability and to access education.

Mr. Chairman, the 2018/19 budget estimate for Physiotherapy and Occupational Therapy is listed at cost centre 32080 and 32120 on page B-160 of the Budget Book. The budget for these cost centres is \$1,024,834 and \$1,032,276, respectively.

The Department of Health, Speech and Language programme provides community-based speech therapy services in homes, schools, and clinic settings across the Island. The ability to communicate well is [the] key to the development of healthy relationships, a good education, a successful career, and a vibrant social life. Communicating effectively is the cornerstone of a healthy community. This year 274 incoming P-1 students were screened during the summer. This activity has proven to provide an opportunity for the parents of the students to speak directly with a speech/language pathologist about any concerns that they may have regarding their child's communication abilities. Overall 71 children were referred to the Early Intervention Programme with 52 of these having been seen for a screening assessment. Twenty-nine students have been referred to the school-based programme, all of whom have received a full assessment. Approximately 375 clients were followed for regular intervention by both programmes.

Mr. Chairman, the 2018/19 budget estimate for Speech and Language Services is listed at cost centre 32100 on page B-160 of the Budget Book and is budgeted for the sum of \$1,555,423.

Community Health Nurses are responsible for ensuring the community has access to health services from ages 18 until the end of life. This programme is designed to provide preventative measures through health education on related disease and illness. Community Health Nurses assist the Financial Assistance Department and Ageing and Disability Services in the health needs assessment of any potential client. Services include:

- conducting wellness clinics;
- assisting with Child Health clinics;
- providing Flu Express services to the community;
- assisting other Allied Health sectors and the community with health promotion activities such as the "Taking it to the Streets" health screenings at barber shops and other private sector pop-up events for the Health Promotions team or with Age Concern.

Mr. Chairman, the 2018/19 budget estimate for Community Health and Community Health Administration is listed at cost centres 32060 and 32010 on page B-160 of the Budget Book. And the combined budget estimate is \$3,200,000.

Mr. Chairman, the Oral Health section provides dental health services to Bermuda's children. Prevention, consultation, and dental hygiene are provided for children up to 18 years of age, as long as they remain in school. The preventative dental staff visits each classroom in the preschool and the primary school setting to provide dental education. Fluoride supplementation in the form of drops and tablets is provided in school or at home free of charge. Comprehensive dental care services are also provided in a clinic setting.

Mr. Chairman, the 2018/19 budget estimate for Oral Health is listed at cost centres 32150, 32155 and 32160 on page B-161 and the combined 2018/19 budget estimate is \$1,493,000.

Mr. Chairman, this past year the Forensic Laboratory Programme achieved the first on-Island screening process for fentanyl in blood, urine and toxicology. Over the past year there has been an increase in submissions of cannabis edibles and with the change in legislation, which effectively allows cannabinoid with less than 1 per cent THC to be in one's possession, it became imperative for the lab to be able to accurately quantify THC in a variety of mediums.

Further the Public Health Lab adopted a new method of detecting microbial indicators in portable water samples that is consistent with global standards. The new method gives faster results. Approximately 62 per cent of residential water samples submitted do not meet bacterial standards for drinking water and, therefore, could contain disease-causing bacteria. Tank water in Bermuda is open to contamination from any foreign matter that lands on the roof. The Department of Health strongly recommends that tank water should be treated by disinfection so that it can be used safely for drinking and cooking.

Mr. Chairman, the 2018/19 budget estimates for [the] Central Laboratory are listed at cost centres 32200, 32210 and 32220 and those are listed on page B-161. And the 2018/19 combined budget estimate for all three of those cost items is \$1,241,000.

Mr. Chairman, Vector Control is a hard-working team that gets results and ensures that

threats of rodent-borne or mosquito-borne diseases like Zika do not manifest themselves in Bermuda. It is our opinion that Vector Control's work has made a significant contribution to Bermuda's attractiveness as a tourism destination.

The 2018/19 budget estimates for Vector Control is listed at cost centre 32190 and is listed on page B-161. And the 2018/19 budget estimate is \$1,603,907.

Mr. Chairman, new day care standards were released in November 2017. All stakeholders involved in the development of our children, from the governing agencies to parents and child care providers, are now clear on what is expected from them. The Environmental Health section administers the licensing process and collaborates closely with child protection officers, child development officers, and health visitors in ensuring quality of care. Training for day care providers is done in collaboration with the Ministry of Education's Child Development Programme.

Mr. Chairman, the Quarantine Act and Regulations were recently revised to ensure that Bermuda is in alignment with the International Health Regulations and are being implemented by the Environmental Health Team as a specialised Port Health Unit is being created. A quarantine and isolation room will be featured in the new Sky Port Arrivals facility and will allow Bermuda's compliance with international health requirements.

The 2018/19 budget estimates for Environmental Health are listed at cost centres 32170, 32171, 32172, 32173, 32175 and 32180 and, Mr. Chairman, can all be found on page B-161. And the combined estimates for all of those heads and cost centres that I just spoke about, Mr. Chairman, is \$1,563,879.

Mr. Chairman, the Department of Health also operates two exemplary long-term care facilities, namely, the Sylvia Richardson Care Facility in St. George's and Lefroy Centre in God's country of Somerset. They provide care, promote independence, and optimum health in persons aged 65 years and older who have significant unmet nursing and care needs requiring 24-hour facility-based care. Additional funding was approved for the reopening, Mr. Chairman, of 10 nursing beds at the Sylvia Richardson Care Facility. These funds will provide for additional staff needs. Although the 10 beds were previously designated, occupied and funded at the assisted living, or more independent care level, it was recognised that this no longer reflects the level of care needed in the population, particularly with the positive growth in home care options. Currently there are 33 occupied nursing care beds at Sylvia Richardson, plus the 10 vacant beds mentioned above. The increase in funding and staffing will allow for all 43 beds to be at nursing care level.

Mr. Chairman, the 2018/19 budget estimates for Sylvia Richardson Care Facility is listed at cost centre 32015 on page B-160 of the Budget Book the sum of \$5,856,454 has been budgeted. The 2018/19

budget estimate for Lefroy Care Community is listed at cost centre 32000 at page B-161 and the 2018/19 budget estimate is \$4,859,565.

Mr. Chairman, revenues from the Department of Health are projected to reach \$3,606,000 for 2018/19. These estimates can be found at page B-162. These revenues come from the sale of medications, vaccines and biologicals; fees for clinical services; patent fees from the two long-term care facilities; as well as fees for licenses and permits issued by the Environmental Health section of the Department.

Mr. Chairman, this concludes Head 22.

HEAD 24—HOSPITALS

Hon. Kim N. Wilson: Now moving on to Head 24, which can be found at pages B-172 and B-173 of the Budget Book.

Mr. Chairman, the mandate of the Hospitals Head is: “To provide free hospital care for the young and indigent and subsidised hospital care for the elderly and to fund the operation of the Mid-Atlantic Wellness Institute.”

Significantly, Mr. Chairman, the Hospitals allocation represents 77 per cent of the total Ministry of Health budget. A total of \$145,675,000 has been allocated for this Head for 2018/19, which represents an increase of \$25,474,000, or 21 per cent, over the original budget of 2017/18. This change is due to the reinstatement of the subsidy budget to 2016/17 levels. As was noted by the Minister of Finance during the presentation of the budget, this Government restored the funding cut by the former Government to fund the America’s Cup. By reinstating this funding we are moving towards re-establishing the sustainability of the Hospital while larger health financing reforms take place, though we recognise that even with this increase there is still not enough funding to cover the cost—

Hon. Jeanne J. Atherden: Point of order, Mr. Chairman.

Hon. Kim N. Wilson: —of providing the services.

The Chairman: What is your point of order, Member Atherden?

POINT OF ORDER

[Misleading]

Hon. Jeanne J. Atherden: The Minister is misleading the House because we have stated and we state once again, the funding that was cut for the King Edward Hospital had nothing to do with the America’s Cup. It was due to the financial sustainability of the Bermuda Hospitals Board.

An Hon. Member: That’s not true.

The Chairman: Member, continue.

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

Mr. Chairman, by reinstating those funds we are moving towards re-establishing the sustainability of the hospital while larger health financing reforms take place, though we recognise that, even with this increase, there is still not enough funding to cover the cost of providing services to these subsidised populations.

Mr. Chairman, as shown, of the total allocated amount, \$108,330,000 is for patient care at the King Edward Acute Care Hospital, and \$37,334,000 is to fund mental health services at MWI.

Mr. Chairman, as noted throughout my remarks, like most developed nations, Bermuda is challenged by rising health care costs related to an ageing and increasingly unhealthy population. At King Edward, Mr. Chairman, people over 65 account for 38 per cent of all cases and 65 per cent of all patient days. Seniors are 28 per cent more likely than younger patients to have a complication or morbidity. On average, Mr. Chairman, seniors stay in hospital for 12.6 more days than younger patients and seniors are also 50 per cent more likely to be readmitted than younger patients.

MWI is also being impacted, Mr. Chairman, as MWI has a residential unit for a limited number of seniors with mental health issues. Seniors are also more likely to suffer from depression, pushing up out-patient and in-patient demand.

Mr. Chairman, this demographic is costly to care for. And, as part of the Long-term Care Action Plan, BHB this year worked with the Ministry of Health’s Insurance Department to introduce a long-term care needs assessment form to categorise the needs of patients. The intent is to use this for every senior going through Emergency to an inpatient ward until they are transitioned out. Fees were aligned with these categories significantly reducing fees paid by BHB.

Mr. Chairman, Financial Recovery Plan. BHB has developed a Financial Recovery Plan. The shortfalls BHB is addressing on top of the budget cut in the current fiscal year are as follows: Changes to Standard Health Benefit fees relating to diagnostic imaging and dialysis in 2017/18 resulted in a reduction of approximately \$16 million.

Subsidy restrictions: last year in 2016/17 HID recognised \$116 million of BHB claims out of \$124 million total submitted, but only \$108 million was actually paid. The total submitted claims for 2017/18 will not be known until after the end of the fiscal year, but it is expected to be approximately \$119 million.

The available subsidy budget was set at \$82,856,000, a nearly \$36 million shortfall against adjudicated claim amounts. The revised per diem rate for continuing and long-term care patients was reduced from \$1,250 to \$658.

The overall reduction in revenue from fiscal year 2018/19 is expected to be on the order of \$40-60 million before the impact of inflationary pressures are considered. The 2018 deficit alone will be about \$40 million. BHB expenses have tracked consistently below budget all year and undertook a rigorous review of provisions and accruals. This may reduce the final deficit figure.

Mr. Chairman, to address the shortfall of \$40 million in the fiscal year and the expected shortfall of \$26 million in the coming fiscal year, BHB Financial Recovery Plan aims to make \$20 million in savings over the next four years. For 2018/19 BHB is aiming to make \$5 million in non-recurrent savings and \$7.7 million of recurrent savings. Despite these saving programmes the continuing shortfall in subsidy and revenue will likely result in a negative cash impact of \$25 million in the coming fiscal year. This is an improvement over the 2017/18 position, but still not enough revenue to meet its legislated obligations. Continued deficit financial positions in future years will further impact cash and constrain BHB in its ability to meet ongoing service delivery requirements.

Mr. Chairman, with respect to Disaster Preparedness BHB has national duties that it absorbs into its operating costs, such as, the 24/7 Emergency Disaster Support. One hurricane alone cost BHB half a million dollars in initial staff time due to the required lock-downs and the two shifts of staff to continue to caring for persons throughout a storm. The preparation for these disasters and storms is vital to the country and its cost has to be recognised. In 2017/18 BHB was prepared to manage any instances throughout America's Cup in addition to its annual preparedness for unexpected events and storms. Investments included a disaster communications system called Spok, which sends texts, emails, and automated phone messages when a disaster alert is sent out.

Mr. Chairman, concerning Community-Driven Improvements. After a community conversation event in February 2017 with over 90 participants BHB heard that it needs to clarify what it does; show compassion to those it serves (especially seniors); demonstrate care for us in mind, body and spirit; and be clear on what services it is providing and how.

Since the community spoke, BHB has changed its welcoming hours to make it easier for patients to have close family or friends stay 24 hours when they choose. The welcoming hours for all visitors were also extended. A Patient and Family Advocacy Council is being developed and work was undertaken with pastoral representatives so that patients could identify if and when they want spiritual support. Work is underway to improve care provided to seniors by supplementing existing standards associated with the nurses improving care of health system's elders at BHB with a programme of improvements to become a more senior friendly hospital.

Mr. Chairman, a conversation for reducing the gap between mental health and acute care medical services also took place at this event. Since then work by BHB with the Ministry has taken a revised Mental Health Act to consultation. The Forensic Mental Health Strategy was completed and transferred to the Ministry of National Security for review and implementation.

Outreach and Education took place through Mental Health Awareness Week, the Mindframe PhotoVoice Exhibition and a Teen Life Skills Programme, which has been so successful the organising team was a finalist in 2017 for an International Staff Recognition Award.

To continue the conversation, in January of this year MWI ran another community conversation about seven MWI projects to improve services. Projects discussed ranged from a strategy to address mental health stigma to supervised group homes, engagement for intellectual disabilities, education for substance abuse, an enhanced teen life skills, and an assertive outreach programme for children and adolescents. We look forward to seeing these projects progress in the coming fiscal year.

Clinical Services Plan. Mr. Chairman, a conversational theme in last year's community event was what services BHB could or should offer. This subsequently became the focus of a Clinical Services Plan project in 2017. There are no surprises. BHB cannot easily divest itself of services that were developed based on need, clinical requirements, and a lack of other providers, especially in the areas of long-term care, mental health and intellectual disability. But BHB can see great opportunity for improving how services are provided by starting more collaboration and cooperation with other providers and government agencies. This is where the work in 2018/19 will pick up.

Mr. Chairman, collaboration is seen as [the] key going forward. BHB partnered with Bermuda Cancer and Health to bring radiation therapy to Bermuda this year—better for patients and families who can now be treated at home, better for us all, as it reduces costs and keeps these costs on Island where surpluses can be reinvested into services for our community.

Patient-centred Medical Home. Mr. Chairman, an example of investing to save in the existing fiscal year was the establishment of the patient-centred medical home. BHB invested about \$1 million in space and staff to care for people who have a chronic illness, such as diabetes, who do not have a GP or are either under- or un-insured. The patient-centred medical home saves costs to the system because it avoids the high fees of emergency and inpatient care. It improves lives because people can better manage their conditions and avoid hospitalisation and complications.

Does it work? Well, Mr. Chairman, there are currently 167 people in this service. Comparing one year before the patient-centred medical home opened

to one year after, the total number of acute care encounters for this patient group was nearly halved. Emergency visits dropped by 57 per cent from 469 to 201. Hospital admissions also dropped by 50 per cent from 111 to 55. Hypertension from first entry into the services to their most recent visit dropped by over 20 per cent. The results from the A1C test for diabetes saw a mean improvement of 33.5 per cent.

So, Mr. Chairman, as you can see, this programme is proving extremely beneficial to patients and to the health system. I am grateful to the Hospitals team for conceiving and implementing the programme and look forward to the final conclusions of the evaluation to establish how to proceed going forward.

Mr. Chairman, improving ageing facilities. At MWI \$800,000 was invested in replacing the Somers Ward, the psychiatric inpatient roof. Renovations are close to completion in the substance abuse and methadone clinic areas and services were temporarily moved to KEMH while the work was carried out. Child and Adolescent Services required work in the inpatient area and improvements to the Health Information Management Services area at MWI are still under way.

Work is also being carried out in the older areas of the general wing of King Edward where the Rehabilitation Day Hospital was providing services.

Investing in training staff. Mr. Chairman, a donation of \$350,000 by the Bermuda Hospitals Charitable Trust was made this year for staff training and scholarships. This enabled new scholarships to be offered including: scholarships for the Nursing Programme at the Bermuda College; [and] the two scholarships for nurses who graduate from the Bermuda College programme who wish to undertake the two-year training as mental health nurses at Northampton University.

We have complex challenges to address as a country, but I thank the Board, management and the staff of BHB for their ongoing hard work.

Mr. Chairman, this concludes my presentation for Head 24, Hospitals.

HEAD 91—HEALTH INSURANCE

Hon. Kim N. Wilson: Mr. Chairman, the current account estimates of Head 91—Health Insurance, begins at page B-174 of the Budget Book. A total of \$3,995,000 has been allocated for this Head for fiscal year 2018/19, which is the same as the approved 2017/18 budget.

Head 91 is the partial source of funding behind the Health Insurance Department (HID), which is responsible for developing and administering the Government's social health insurance products offered to the public, including the Health Insurance Plan (HIP), the FutureCare Plan, the Mutual Reinsurance Fund (MRF), and the Government's Subsidy

Programme, which pays towards hospitalisation costs of select populations.

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Mr. Chairman, the mission of the Health Insurance Department is to deliver health benefit products with participant focus, consistency, stakeholder collaboration, coordination of affordable benefits, and prudent fiscal and operational management. Effectively, the role of HID is to provide access to affordable health insurance to all residents of Bermuda. Fulfilling this mandate is particularly a challenge for HID in light of Bermuda's high health care cost, coupled with the present-day epidemic of chronic illness. Employing methods to control poorly managed chronic illness and spiralling health care costs will substantially reduce financial pressure to the system.

Mr. Chairman, despite increases in utilisation and claims costs, HID policyholders experienced a reduction to monthly premiums in 2017/18 due to the \$4.07 drop in the Standard Premium Rate; thus, HID premiums decreased to \$429.24 per month and FutureCare to \$500.14 per month. HID premiums remain low to the financial support provided by the Government and the Mutual Reinsurance Fund. This year FutureCare policyholders also benefited from HID allowing overseas benefit payments for annual eye exams and prescription eyewear. Mr. Chairman, this change was requested by policyholders and HID was able to deliver, thus enabling more cost-effective coverage with no impact on claims payments as the covered amount did not change.

Another value-added benefit HID was able to offer to policyholders was a wellness clinic facilitated by HID nurses where policyholders had their blood pressure and weight checked when they came in to pay their premiums. The clinic was an instant success with many praising the effort and stating, "What a great additional benefit to be seen by a nurse for free when paying my premium." (quote/unquote) Unfortunately, [due to the] HID's limited resources, continuing the clinic has proved challenging. Increased requests for assessments and follow-up for the personal home care and enhanced care pilot coverage benefits have severely hindered our nurses' abilities to effectively run the clinic on a consistent basis.

Mr. Chairman, in spite of the resource challenges, HID continued its commitment to reversing the chronic disease epidemic through the administration of the Enhanced Care Pilot, or ECP programme, which was designed to meet some of the health care needs of the underinsured and uninsured population

and reduce hospitalisation. The Enhanced Care Pilot programme currently has over 190 participants benefiting from better management of their chronic diseases and access to health care for associated comorbidities.

Success stories include participants with weight loss of five or more pounds, reduction in and removal from some medications, and noticeable changes in energy levels. The Enhanced Care Pilot participants have provided positive feedback about the programme and HID nurses, and participants look forward to their doctor and nurse follow-ups. They are pleased with their results and extremely appreciative of the support being provided by Government to manage their complex health issues. The sense of having someone in their corner has dramatically changed participants' outlook on life and in many cases improved their quality of life.

Mr. Chairman, if you recall, providing radiation therapy in Bermuda for HIP and FutureCare policyholders was one of the 2017 Throne Speech initiatives. HID delivered on this Government promise to allow utilisation of local lifesaving radiation treatments through the introduction of a new supplement benefit and fee schedule for radiation therapy at Bermuda Cancer and Health Centre. HID and FutureCare policyholders now have access to an on-Island radiation treatment surrounded by family and friends, less financial burden for out-of-pocket expenses, and less disruption in family and work life. This is a positive impact for policyholders, as HID has ensured that there is no co-pay associated with radiation treatment on-Island. We are extremely grateful to our partners at Bermuda Cancer and Health [Centre] for facilitating this programme without impacting the premiums.

HID also experienced a monumental achievement in receiving their first qualified opinion from the Auditor General for each of the funds under the department's management for the fiscal year ending 31 March 2015.

[Inaudible interjection]

Hon. Kim N. Wilson: The first "qualified opinion" from the Auditor General for each of the funds under the department's management for the fiscal year ending 31 March 2015.

The HIP, FutureCare, and Mutual Reinsurance Funds have a history of repeated denials spanning approximately seven years which was due to the data clean-up related to HID's undertaking of a massive automation project. Delays and submission of the 2014/15 financial statements were the result of the automation project, HID staff cuts and several staff turnovers. Although HID experienced many challenges, the staff worked extremely hard to accomplish this qualified opinion for the three funds and we are now on track to receive clean audits going forward. It is a well-deserved result for the team and for the country.

Mr. Chairman, I will now summarise the operating results of the various funds under HID's administration, followed by a discussion the performance indicators for the department over that period.

PART 1: OPERATING RESULTS

HIP Operating Results

Hon. Kim N. Wilson: The projected HIP headcount for 31 March 2018 is approximately 3,134 persons as compared to the previous year's figures of 3,166. This is a decrease of 32 persons, or roughly 1 per cent, which could be a result of policyholders ageing and converting to FutureCare. Protected HIP premiums earned for fiscal 2017/18 are \$17.5 million, a decrease of \$81,000, or negative 0.5 per cent from 2016/17. Claims incurred in 2016/17 totalled \$29.9 million with 2017/18 projected to be \$25.8 million. HIP has allocated approximately \$1.1 million in administrative expenses in fiscal 2017/18.

FutureCare Operating Results

Hon. Kim N. Wilson: The projected headcount for FutureCare was approximately 4,167 persons at 31 March 2018, which will be an increase of 198 persons, or roughly 5 per cent, when compared to the headcount of 3,969 as of 31 March 2017. Continued growth of FutureCare's headcount can be contributed Bermuda's ageing population seeking affordable health coverage.

Protected FutureCare premiums earned for fiscal 2017/18 were \$24.5 million, an increase of \$567,000, or 2.4 per cent from the fiscal year 2017/18. Projected claims incurred for 2017/18 totalled \$27.5 million, a decrease of approximately \$2.4 million from 2016/17. Administration expenses of approximately \$1.1 million will be incurred by FutureCare for the fiscal year 2017/18.

MRF Operating Results

Hon. Kim N. Wilson: The MRF premium for 2017/18 was \$91.57 per month, an increase of \$20.85, or 29.5 per cent from the prior fiscal year. The projected premiums to be received by the MRF for the year ended 31 March 2018 totalled \$51 million. This represents a \$10.5 million increase, or 26 per cent compared to fiscal year 2016/17.

This increase is due to dialysis, kidney transplants, and anti-rejection drugs benefits moving to the Mutual Reinsurance Fund from the Standard Health Benefit in June 2017.

Administrative expenses of \$1.1 million have been allocated to the Mutual Reinsurance Fund for the 2017/18 fiscal period.

Subsidy Operating Results

Hon. Kim N. Wilson: Mr. Chairman, for the year ended 31 March 2018, Consolidated Fund will pay approximately \$81 million for hospitalisation claims under the youth, aged and indigent subsidy programmes. This amount is approximately a 23 per cent decrease from the previous fiscal year's \$105 million. There is \$1 million budgeted in the Consolidated Fund for fiscal year 2017/18 which contributes towards the administration of the aged, youth, and indigent programmes.

PART 2: PERFORMANCE MEASURES (QUALITATIVE SERVICE PERFORMANCE)

Hon. Kim N. Wilson: Mr. Chairman, we now consider the department's Qualitative Service Performance found on pages B-176 and B-177 of the Budget Book. HID is heavily subsidised due to the absence of underwriting requirements; therefore, some of our performance results differ significantly from commercial insurance industry standards.

Performance indicators of note encompass:

- medical loss ratios;
- actual claims expenses incurred (in dollars) along with a comparison with the previous years (expressed as a percentage);
- claims turnaround times; and
- procedural and financial accuracy of key functions.

Loss Ratios

Hon. Kim N. Wilson: Based purely on the premiums collected, the department's projected medical loss ratio for fiscal year 2017/18 is 147 per cent for HIP and 112 per cent for FutureCare. In fiscal 2016/17 HIP's medical loss ratio was 178 per cent and FutureCare's was 120 per cent. Both medical loss ratios have decreased, primarily due the transfer of benefits for dialysis, kidney transplants, and anti-rejection drugs to the Mutual Reinsurance Fund.

Mr. Chairman, HID has never medically underwritten any individual applying for health insurance coverage. Therefore, the plan assumes a high level of risk that private plans never face. This represents the social mandate of the plans under our management.

The health insurance coverage offered by the department is recognised as insurance that is available and affordable to all residents of Bermuda regardless of their health status. Therefore, the plans require significant financial support from the Government. The alternative would remove affordable health insurance options available to the public and Government would, as a result, pay larger amounts through indigent subsidy claims. Thanks to the funding provided by Government and the Mutual Reinsurance Fund transfers,

both FutureCare and HIP are properly funded programmes, achieving overall projected loss ratios for fiscal 2017/18 of 93 per cent for HIP and 105 per cent for FutureCare for a combined loss ratio of 99 per cent.

Claims Paid

Hon. Kim N. Wilson: The department paid out approximately \$163 million in total claims incurred in fiscal 2016/17. We forecast paying an estimated \$149 million for all the funds for fiscal year 2017/18, a decrease of approximately \$14 million, which is primarily due to the caps placed in subsidy claims for 2017/18.

Turnaround Times

Hon. Kim N. Wilson: Mr. Chairman, for the past number of years HID has consistently maintained a high standard of claims processing with a steady 14-day turnaround time and a 99 per cent accuracy rate. The turnaround time for new enrolment administration is two days, with 98 per cent accuracy. The turnaround time for eligibility changes and adjustments, also at two days, with 98 per cent accuracy. The department's turnaround times are independently verified.

Thanks must be given to HID's various business partners Sutherland Healthcare Solutions, Argus Insurance, ProServe, and Global Medical Management, Inc. The valuable support provided by each of these organisations is greatly appreciated. Finally, Mr. Chairman, I would like to thank the Health Insurance Department and the members of the Health Insurance Committee for their diligence and commitment.

This ends my presentation on Head 91. In closing, Mr. Chairman, as you can see, the mandate of the Ministry of Health is wide-ranging and expansive. We are lucky to benefit from the dedication and expertise of a broad range of health and business professionals whose commitment to public health is unwavering, despite the deep challenges with resources and growing health needs in the community. I am indebted to our staff and to our health partners who work miracles on a daily basis to plug gaps and catch people who have fallen through the net to care for their health and social needs. Their herculean efforts have to be recognised and applauded by the whole community, because without them Bermuda would look very, very different. We look forward to further reforms of the health system coming soon to address the known deficits and to achieve the Ministry's vision for healthy people and healthy communities.

This concludes my budget brief for Health. Thank you, Mr. Chairman.

The Chairman: Thank you, Minister.

Are there any other Members who would care to speak to these heads?

The Chair now recognises the Shadow Minister for Health, Ms. Jackson.

Ms. Susan E. Jackson: Thank you, Mr. Chairman.

I would like to begin by thanking the angels that work in the Ministry of Health. I have certainly had an opportunity over the last few years to become more familiar with the Ministry itself, in general, by sitting on a number of councils and being able to work on some special projects, which I would like to share a bit more on later. I have found that the staff and the support within the Ministry and all of its departments is exemplary and I certainly thank them for all the hard work they do. I would also like to thank the former Minister of Health who has also given an awful lot of her time and passion to the Ministry. She has brought the Ministry this far and I certainly commend and congratulate the newly appointed Minister of Health, in this her first budget, and for all of her efforts moving forward.

I would like to begin with Head 21 and just talk a little about the Ministry itself, from a global view. And that is that, certainly, having looked at health from a new perspective, I really have noticed that health in Bermuda is really very much alive in all of the ministries, in every aspect of our lives. I do not believe that we are spending or giving enough attention to health as a fundamental core, sort of, systemic root of some of the weaknesses that we have in our community and how we might be able to improve on our standard of living across the board.

I look at situations, like we have just had our newest Member speaking to road safety as their new chairman. I cannot help but see and feel how the Ministry of Health has some sort of role to play in discovering and researching the reasons why we have so many road fatalities and road accidents. Is there something that is going on that has to do with the ill health of our community? That needs to be addressed, identified and worked on.

I would also like to continue that in saying that just about all of our ministries have some aspect of . . . especially from the mental health perspective . . . some aspect of mental health that we as a Ministry of Health can address with more diligence and more recognition and more validation in order to give the people of this Island a better sense of healing and recovery.

I mean, even if we look at immigration. We had the Minister of Home Affairs today who gave his presentation on the budget. And the Ministry of Health has a role to play in immigration. There are a number of people who suffer great anxiety, depression, [and] frustration. It is all part of bureaucracy, by all means. But it does not negate the fact that the Ministry of Health does have the potential to provide support at all levels, whether it is through simple education or whether it is through actual services that are provided to the different ministries to allow people who are ad-

ressing negative ill health when going through certain government experiences, procedures and bureaucracy, an opportunity to have a place where they can go and be able to work through some of their ill health and frustration, depression, et cetera.

Certainly, when I look at things like the Ministry of Social Development and Sport, there are two sides of it from a Ministry of Health perspective. One is that, yes, absolutely, the health issues in sports right now, albeit have improved significantly, but things like anti-doping [and] things like the members of sports teams and athletes abusing drugs. Even looking at it from a physical perspective of having physical ailments and what the Ministry of Health could do to be a part of that conversation to alleviate and reduce some of the negativity from health-induced complications to allow our community to be absolutely as healthy as possible when participating in such activities.

Another recent piece that we have seen in the news has been the introduction of our new legislation around the decriminalisation of cannabis. Well, the Minister has gotten up and has said that there is an education programme that will be put in place for anyone, in particular the youth, who may be caught with small amounts of cannabis. My interest is in the idea that the Ministry of Health could put in place, or could drive a strategy to inform young people to educate them before they actually experiment with cannabis, or any drug, to make absolutely sure that they understand, especially amongst some of our young black males, that there are many psychotic disorders that can be triggered by the use cannabis (in particular). In particular, there is schizophrenia. I am aware that there is a population within our community families who are now living with young people who have experimented with cannabis and are now being treated for schizophrenia and are living with lifestyle changes that they did not expect. And much of it has been precipitated by the use of cannabis in our community.

So I stress and mention again that the Ministry of Health I believe has a further role to play in making sure that our ministries are very much aware of health in the work that the individual ministries do. The Minister of Health can speak to many of these situations and programmes and developments and strategies that different ministries around Government are implementing and see it from a health perspective. So the Minister of Health is the advocate for health in all of our ministries in making sure that any of the programmes, legislation that we put in place is certainly seen and defended and advocated for from a health perspective.

Mr. Chairman, I would also like to speak to a couple of other projects that I did not hear too much about in the Minister's speech. I would just like to find out a little bit more about whether these projects will be taking place in the future and, if so, it may be diffi-

cult to talk about dollar amounts at this point, but whether they will be economically feasible at this time.

One that is most interesting to me is the merging of the health clinics with the King Edward Memorial Hospital clinics so that there would be an opportunity for both the Ministry of Health and the Bermuda Hospitals Board to combine the efforts so that our clinics can evolve into something that we have not so far experienced. There may be even, just through conversation and maybe some brainstorming, an opportunity to see where we may be able to provide better services to the community through our clinics through a joint partnership of some sort.

This kind of clinic does not necessarily have to be, sort of, an emergency service. It still is understood that the clinics through the Ministry are very much around care, preventative care, and vaccinations for our youth as well as for those who are travelling overseas, that there are clinics for communicable diseases. But I just wonder whether there isn't an opportunity to use the facilities that we have Island-wide to, again, enhance the services, or the demands for services, coming out of the Bermuda Hospitals Board and those that are in the Ministry's clinics.

One of the councils that I sat on for a bit was a senior advisory council. And there was some discussion, and certainly a plan was developed around ageing at home. I am curious whether . . . there was some talk about maybe as much as \$10 million, Mr. Chairman, being dedicated to the development of an ageing at home plan. I am just wondering where we are with that plan.

Much of it, as I recall, was based on how we might be able to work with and attract people within the community who may be themselves at a mature age, or have chosen to retire from their employment and may be interested in getting more involved in community work, and we as a Ministry would pull together a programme that allowed for community workers of all levels, including registered nurses who may have retired or are seeking some additional activity in their daily lives and create programmes that would allow for additional support in the home for those who are ageing.

My vision for people who are living at home—they are ageing, their health may be good, but they are more fragile by the day, by the month and by the year—is that there would be a structured programme in place that would allow for the community to be able to maintain the health and just the oversight and observation of those who are ageing at home, that there would be additional visitors to the home that would be able to give at least cursory preventive wellness checks for those who are ageing at home. There may be an opportunity for activities to be implemented in a structured framework that would allow for those who are ageing at home to have some form of daily activity so that that they would be able to maintain a standard of life where they were able to get out, or people

would come in to stimulate and keep them attached to the community.

I understand that there has always been and there continues to be quite an interest in ageing at home. I believe that there is considerably more detail that would be required as many people have unique circumstances of which we as a Ministry and as a country would have to identify and be able to support. We will continue to work with that, but I would very much like to see and find out what the progress is of ageing at home.

The Chairman: Shadow Minister, just very quickly. I just want to remind everyone here, and you are on your feet so this would apply to you as well, we want as much as possible to focus on the respective heads that are under discussion, those being [Heads] 21, 22, 24, and 91. Just by way of reminder. Thank you.

Ms. Susan E. Jackson: Thank you. And I am on Head 21, speaking to the Ministry of Health.

There were a couple of other features that I would like to mention today that will also maybe provide some thought, some stimulation for ideas. That is that there seem to me to be an awful lot of programmes that are made available through the Ministry of Health, you know, to the point of the Minister almost saying that staff are becoming burnt-out. So I wonder if some of those plans and activities cannot be driven by more of an online web-based kind of programme that will allow (in particular) the civil servants an opportunity to participate in wellness programmes without there being such a huge demand on time and creativity of the Ministry of Health staff.

There are a number of health programmes that are on the web in the Internet world right now. One of which that comes to mind is such that the company that subscribes to this wellness programme, they only have to pay based on the number of employees who sign up. The employees who are member of this web-based wellness programme are rewarded with points. The point system then gives them an opportunity to either earn cash or reduce their insurance premium.

The kinds of programmes that are available are numerous. It starts off with an actual health assessment where the member is expected to go and have a physical. The blood work is then imputed into a secure system within this website. From that the website then generates a health age, it generates some suggestions on where this particular enrolled participant can go with their health. So the system has the statistics of and the data of the employee, and then can develop a programme in which to—

Hon. Wayne Caines: Point of order.

The Chairman: Yes, Minister, your point of order?

POINT OF ORDER

Hon. Wayne Caines: Can I ask you a question? Can we be directed to the line item in the response that she is replying to so we can follow it? Thank you. Thank you, sir.

The Chairman: Thank you, Minister. You will note that I did advise that only a few minutes ago.

You may resume, Shadow Minister.

Ms. Susan E. Jackson: Yes, and as I said, I am still speaking to the Ministry of Health Headquarters. And that is Head 21.

So the website then allows for participants to do online e-learning. It allows participants to provide the system with results from physical health and physical activity that they may have participated in in the community. All of this is then compounded to provide each employee with a measure of their health. It has been most successfully received in a number of organisations. It would appear to me that the investment in an Internet-based wellness programme would provide for a great potential for participation and improved health results for members of the civil service.

So, again, it would appear to me that it would be a cost-saving, cost-efficient way of managing employee health within the entire civil service as well as reducing the costs involved, and the Ministry of Health staff demands if there were some sort of Internet-based health wellness programme.

I would like to now move to Ageing and Disability Services, which is line item 31135. It falls under 2103.

I have had an opportunity to get to meet and work with the Ageing and Disability Services team. They are vibrant. They are young. They are energetic, they are articulate, and certainly know their topics of expertise. They are very much resourced stretched. I certainly encourage and am enthusiastic to see that there have been approvals for additional staff to join the team. I would just like to bring a couple of the, sort of, challenges that the Ageing and Disability Services have faced over the years.

In particular, it starts with the inspectors. I am not sure that there are enough inspectors that are visiting the rest homes, the nursing homes and other facilities that the Ageing and Disability Services are responsible for, which also includes K. Margaret Carter Centre (KMCC). The inspections that are carried out are comprehensive. They are very time-consuming and require quite a bit of demand from inspectors. I certainly look forward to and hope that the Minister will make sure that the human resources are provided so that there are enough inspectors to carry out the very important work that they do, as far entering into the various facilities and being able to make sure that all of the standards are being met as far as the health

and safety and care of the residents at the different facilities.

The other weakness is that when there are not enough inspectors it then slows down much of the procedures around recertification and licencing. This can cause some frustration amongst those who require this in order to be able to carry on a number of functions, including banking, and making sure that they are able to demonstrate that they are licenced and that they are credible organisations in order to carry out their business outside of government. So I certainly am looking forward to the idea that the Minister will continue to support Ageing and Disability Services and provide, in particular, the inspectors needed to carry out that work.

My other question around the Ageing and Disability Services is the ability to provide the resources. There are a number of nursing homes and rest homes and mixed-use facilities and residents in the community. They reach out to the Ageing and Disability Services for support and for resources. There are not many people on that team, which can make it challenging for the Ageing and Disability Services team to be able to provide the resources and the support that is being requested of them. I believe that with the more resource and support that the facilities can get, then the more likely it is that we will be able to reduce some of the hazards that may occur because there are not different systems and procedures and processes in place to support the residents.

I am also interested in . . . and I am still under the line item of Ageing and Disability Services. I was just kind of questioning . . . so I can bring this up again later on. When there are facilities that fall under the Ministry of Health, and they may be the K. Margaret Carter Centre, it could be Sylvia Richardson or Lefroy House, when an inspector comes to the facility and carries out their due diligence and there clearly will be some issues that will need to be addressed, I am just wondering, when some of those issues that need to be addressed are actually maintenance issues that another Ministry needs to carry out, is there any way that the Ministry of Health would be able, through the Ageing and Disability Services, to expedite some of the maintenance so that not only the residents of facilities would then be more comfortable and safer but that they would also be able to expedite maintenance on facilities or provide whatever kind of resource is needed that the inspectors require, that another Ministry, whether it is Public Works is going to provide, that it can be expedited so that the various rest homes and nursing homes and facilities and residents that fall under Ageing and Disability Services, that these needs can be addressed as quickly as possible.

I would now like to move on to 31160, K. Margaret Carter Centre. Although there is not much movement in the costs that will be applied to the centre for the 2018/19 budget period, I would like to just

speak to some of the performance measurements that came out of the K. Margaret Carter Centre this year.

I am just noticing that there has not necessarily been a marginal increase in performance of the members who do attend the K. Margaret Carter Centre on a daily basis. I know that a few months back there were concerns. Parents were concerned. They felt that their children were not receiving the kind of skills attainment, and the kind of therapy and training that was expected.

I know that there have been some challenges there with a reduction in staff and some other administrative issues. But in all of that, unfortunately, the Ministry under the K. Margaret Carter Centre were not able to really improve on the skills level of the participants. I certainly would ask the Minister if she could provide me and the community with some sort of answers on what kinds of initiatives are going to be either put in place or reinstated at the K. Margaret Carter Centre in the 2018/19 budget year to work on improving those performance scores.

I would now like to move on to Head . . . no, I am going to stick with the Head 21, under Grants. It is 7052 and I believe that that is on one of the "C" pages.

[Inaudible interjection]

Ms. Susan E. Jackson: It is C-17. Thank you very much.

I would like to begin with Summerhaven. A year ago Summerhaven was brought to my attention. I have had an opportunity to work very closely with Summerhaven and it has given me an opportunity to not only become more familiar with how the Ministry of Health works, but also to understand the importance of the grants that are given to the various organisations.

Certainly, Summerhaven has been struggling financially for some time, so going into the facility and being able to understand how important it is to manage the funds carefully because they are limited and, it is so important that every dollar is used and there is value and there is the positive result from any of the grants received from the Ministry for any facility or organisation that is, in particular, serving our vulnerable.

At Summerhaven there was an opportunity for me to understand and be able to prioritise where the money is being spent. Certainly, the safety and security of our residents at Summerhaven is an example that in any facility or organisation that is receiving grants, that the safety is so important. We have to always recognise the fact that there will be individuals in our community who will try to take advantage of a government-funded organisation, because there is an opportunity to receive what they would consider to be free resources. So in order to save and maintain funding and investment for those most vulnerable and

those most in need in our community, we have to make sure that the able-bodied do not in any way usurp the services that are provided to the residents and community.

In particular as well . . . and I certainly thank the Ministry of Health for their ability to provide for the mobility of the residents. Being able to make sure they are able to travel to visit family, to get to the doctor, to go to the grocery store, to head into town, to be able to work, is so important. It must be recognised that when grants are given to organisations it is not always just to cover what one might consider to be utilities and wages and salaries, but it is actually there to provide a good quality standard of living, as well as to provide for safety and to give a lifestyle that which can certainly be in line with anyone living in the community. It has been quite an experience for me to see. When the needs of our community are being met then we find that those who are working to support are able to have a feeling of well-being.

With all of that, I would like to now move on to line 6895, and that is the [Bermuda] Health Council. I noticed that the grant has been reduced. And I am curious whether the reduction in the grant is being supplemented by an increase in the insurer's payments for licencing.

A few months ago we were able to pass legislation that increased insurer's premiums, or licensing fees, to the Health Council and they moved from what had been historically \$1,000 a year. They are now tiered upward of almost \$182,000. With that substantial increase, I am just curious whether any of that increase is going to be supplementing the Health Council's costs, whether any of that funding will go into the Mutual Reinsurance Fund (MRF) and what other services we may be able to expect based on the increasing amount of insurer's fees.

Line item 6869 is listed as Grants to External Bodies, and I am wondering if the Minister might be able to just expand on that a little. This being my first time having an opportunity to speak to a head such as this, I am not privy to the details of the grants to external bodies. I am just wondering if I can get a little more detail on that. I am wondering whether this is where something like the Office of the Public Guardian might sit in a Budget Book. Certainly there has been interest for a number of years to see whether we can get an Office of the Public Guardian established in Bermuda. I do know that there would be a need for some funding in order to do the research and change quite a bit of legislation to a number of Bills so that it would accommodate and speak directly to this new legislation around the protection of seniors.

If we have an office, I would suspect that we might be able to rely on the community and that we may even be able to get some pro bono work from the legal fraternity. But I am wondering if the Minister can add to that explanation of the Grants to External Bodies, if she could also give some insights to the next

steps around the Public Guardian and what might be involved in getting that off the ground and established.

I would like to now move over to Head 22, the Department of Health. I would like to speak a little of the Sylvia Richardson. As I understand it, the Sylvia Richardson had some real issues with their elevators not working for some time. I did not hear the Minister speak much to that, but I am wondering whether there were any costs involved [and] whether there will be any supplementaries around that. I do know now that the elevators have been fixed and are operational, which is now allowing for an entire floor to reopen. The Minister did mention that as many as 10 beds would now become available.

Hon. Kim N. Wilson: Point of clarification, Mr. Chairman.

The Chairman: Will the Shadow Minister accept a point of clarification from the Minister?

Ms. Susan E. Jackson: Yes.

POINT OF CLARIFICATION

Hon. Kim N. Wilson: The Shadow, Honourable Member, indicated that the reason that the upper floor was being [closed] right now was because of the issue concerning the elevator. That is not correct. As I said in my brief, it was an issue about some frozen posts that are throughout the whole Ministry, including Sylvia Richardson. And some of those posts in this new budget, funding will be unfrozen. So we will be facilitating further unfrozen posts; it had nothing to do with the fact that the elevator previously had been out of service.

The Chairman: Thank you, Minister.
You may resume, Shadow Minister.

Ms. Susan E. Jackson: Thank you.

Well, with beds on an upper floor and the reopening of the elevators and the unfreezing of staff positions means that we are now able to look at the idea of as many as 10 beds being reopened. And, of course, there are a number of people in the community who have been asking and requesting and applying to Sylvia Richardson to get into the facility. I am asking and wondering whether those beds will be made available to the public or are these beds going to be prioritised with those who are maybe coming out of the hospital and those who have the most acute care needs?

Also when looking at Lefroy [House] and Sylvia Richardson, I did not notice anywhere that shows the number of residents living at either of the locations. I did notice that there seemed to be more accidents, more falls at the Sylvia Richardson versus the Lefroy. I do not know if the Minister might be able to

give us a little insight into that. I can understand that there may be times when a family member may say, *My mother, my father has been in hospital, is weak, but we would very much like to see if we can strengthen our parent so that they can become mobile again.* And they are taking a risk because the facilities may be aware that the resident is in a fragile state and so if they fall . . . you know, does it become an official incident because the fall has taken place or is this a risk that is on the family, that if a fall does occur, that they have in some way said, *We will take responsibility because it is something that we want,* which may be against either Lefroy or Sylvia Richardson's advice. I am just interested in finding out why the comparison of falls is so different.

I would now like to move to something completely different, which is line item 3219 [sic]. This is completely pivoting to Vector Control.

[Inaudible interjections]

Ms. Susan E. Jackson: Yes.

The Chairman: Shadow Minister, can you just inform us as to which page you are going to address?

Ms. Susan E. Jackson: It is [page] B-161.

[Inaudible interjection]

Ms. Susan E. Jackson: Yes, 32190.

The Chairman: What page again is that?

Ms. Susan E. Jackson: B-161.

The Chairman: B-161, okay. Cost centre?

Ms. Susan E. Jackson: [It is] 32190.

The Chairman: Vector Control.
You may proceed.

Ms. Susan E. Jackson: Thank you.

So there have been some public concerns around vector control. I am asking the Minister what is being [put] in place to make sure that the standards and procedures are being reinforced. Is it that we need to spend more money on training? Do we need more people who are on the team to be able to properly carry out and install and maintain the traps for the rodents that are being addressed? I am not completely sure, but I am wondering if the poisons are changed from time to time and what the supplies are like for vector control. I have received information, whether it is true or not, that supplies can run low for the poisons. And if that is the case, what kind of impact is that having? I did notice that there has been an increase in the rodent population. Is it because we are

running out of supplies? Is it because the rats are becoming tolerant to the poisons we are using? Or is there a decrease in the team, the size of the team, or a need for additional team members in order to carry out those duties?

Staying within 32190, I am also concerned, and asking what will be done just to make sure that there is continued vigilance, to make sure that our mosquito population remains under control. Especially as we are entering into the first rainy season and then the warm summer months where mosquitos will be generated, we will have tourists on the Island, and what kind of words of support and comfort can we give to the tourism industry as well as our community that we will be able to manage and maintain a Zika virus-free environment during the summer months?

I have another question along with my Grants to External [Bodies], organisations. On page B-162, there is Professional Services. And there is mention of Professional Services under the Ministry as well. I am just curious because there is as much as a \$500,000 increase—

[Inaudible interjections]

Ms. Susan E. Jackson: It is under Professional Services. It is Head 22. It is on page B-162.

Hon. Kim N. Wilson: Line item?

Ms. Susan E. Jackson: There isn't . . . it is under—

The Chairman: Professional—

Ms. Susan E. Jackson: —object code descriptions. It starts with salaries, wages . . . and there are professional services.

The Chairman: Yes, Shadow Minister. You can go ahead.

Ms. Susan E. Jackson: I am just curious what those professional services are and why there would be . . . what the increases for the estimations for 2018/19 . . .
[Pause]

Ms. Susan E. Jackson: On page B-166, under line item 32110, Nutrition, I noticed that the *Eat Well Bermuda Plate* is being discontinued. I am just wondering if the Minister can give us a little insight as to why that is taking place. And under Nutrition it also brings to mind . . . this is something that the Minister actually brought up in the past, and that is the idea of being able to have restaurants and other food service organisations provide nutritional information at the point of purchase so that people can understand the calorie and fat content before or while they are purchasing food, and whether the *Eat Well Bermuda Plate* had

anything to do with that and, again, why it would be discontinued.

Also, on page B-168, number of food hygiene complaints received, the percentage of food hygiene complaints resolved, this is something that is new. I am wondering if the Minister can just give us a bit of information about that performance measure that is being put in place. It is business unit 32110, Nutrition. Is that the *Eat Well*?

And the next one is business unit 32172, Food and Beverage Safety. As I continue on, I have a question around oral health. I noticed that there has been an increase, and I am just finding . . . oral health is on page B-163, and I guess it would be under 32160. There are three line items there. But I am curious as to what the increase is. It is moving from a budget of \$279,000 and it is being increased to \$184,000. That can be found on page B-161, and it is under the increase of \$279,000 is 32150, Oral Health Control. And then 32160, Oral Health Prevention, there is an increase of \$184,000. And I am just curious what additional services will be provided that are going to be costing that additional amount of money.

I would now like to move on to Head 24, Hospitals. It starts on B-172. Again, certainly with all of the reading and listening and following that I have done around the hospital and their challenges over the last few years, I certainly commend the hospital and its staff and the board for all that they have done. I understand that there is now a move to see whether the hospital can become . . . I am just going to preface by saying that so much attention is given to the money around the hospital. And it has been worrisome, and how we are going to meet our needs, and it is such a substantial amount of money that it attracts a lot of attention. But, clearly, the CEO and members of the hospital have taken a pivot and are saying that we can work this on two fronts, and the second front is, What is the customer experience? How do we make sure that we are providing a quality service to the patients that come through the door?

I am aware of satisfaction surveys that have been put in place, and that there is a desire to build up a team to improve the customer experience, and I certainly wish the hospital all the best as they listen to the customers who say look at the client journey when a patient visits the hospital, as well as the family, and how they can make sure that this experience is a positive one, albeit, in often tragic or very sort of severe traumatic times.

I am just asking the Minister a couple of questions around this. What are the current statuses around the accreditation? I know that there have been regular exercises to make sure that accreditation is maintained, and I am just curious to make sure that we are still actively participating in the accreditation which I believe is in Canada. So, I am not even sure when the accreditation takes place, if it is reoccurring annually, or if there is a longer timeframe.

I do want to bring up one sort of negative experience to see whether there is anything that the Minister can do to alleviate the idea that . . . while out canvassing I was listening to a member of our community who has a number of physical ailments and ill health, and is often at the hospital because they are unable to financially care for and take care of their preventative medicine. So they are oftentimes in a chronic situation when they need medical attention and have found that it has been very difficult for them, falling into indigence, you know, that they have been unable to receive their level of care as quickly as they may have expected and have been told that they are being sort of prioritised based on their ability to pay. So, given the fact that government does spend so much money to subsidise those that are unable to pay, I am just wondering if the Minister might be able to speak to any terms of reference or service level agreements that may be had with the Bermuda Hospitals Board to make sure that all patients receive a fair and equal level of treatment.

I am still on Head 24, but I would like to speak a bit on the Mid-Atlantic Wellness Institute, 34010, which falls still on page B-172. There were some thoughts about some ideas on things that may be implemented to sort of boost the good will of the Mid-Atlantic Wellness Institute, or to be able to provide services out in the community. And I am wondering if the Minister might be able to speak to any progress around a clubhouse in town and supervised community homes, a teen life skills programme and addiction services as an outreach. These all sound like they are great ideas, and it would be wonderful for them to be implemented. I am not aware of any costs, as these were not outlined when I was made aware of the suggestions. But certainly, this is the kind of service that may be able to, again, boost the goodwill of the hospital in the community, as well as provide support services to those who are still receiving services at the Bermuda Mid-Atlantic Wellness Institute, but are not physically on the premises all the time.

If you do not mind, I would like to just take my seat . . . I do not know if the Minister wants to address a couple of those issues now.

No? Yes?

Mr. Chairman, I am just going to take my seat for a bit and allow another Member to have some time.

The Chairman: Thank you, Shadow Minister.

The Chair will now ask if any other Members wish to weigh in on these respective heads. The Chair now recognises the Opposition Leader, Mrs. Atherden. You have the floor, Madam.

Hon. Jeanne J. Atherden: Thank you, Mr. Chairman.

Mr. Chairman, I will start off and go right to a concern that I have with respect to the numbers. I am looking on page B-154. This is business unit 2101,

General. And the code is 31015, Grants, Administration. According to the Book, the actual results were \$4,854,000. The original was for 2017/18 was \$5,342,000. The revised is \$5,542,000. And the estimate is \$5,342,000. The reason I am saying all of these numbers is because when you then go to C-17, which is where the grants are actually listed, according to the Book there, the actual is \$4,794,000, which is \$60,000 less than what is in B-154. The 2017/18 is \$5,263,000, which is [\$]79[,000] less. What I find significant is the fact that in this for revised 2017/18, it is actually \$6,321,000, which is \$778,000 more than what is on page B-154.

So, I am asking the Minister, is this grant to external bodies, the \$778,000 that is listed there . . . is this the money that the Ministry paid to the . . . for the CT scans to the Brown-Darrell Clinic? I am asking that because it is a number that is very similar and it says a grant to external bodies, and I would like the Minister to answer that question, whether that is the case.

Now, I am going to go on with all the rest of my issues.

With respect to K. Margaret Carter [Centre], as my colleague has said, we actually understand . . . sorry, let me back up. B-154, which is National Office for Seniors and Physically Challenged. According to the Book here, \$378,000 is going to be added to Ageing and Disability Services. I think the Minister in her brief, although I did not have it, my colleague did have it, so I appreciate the fact that she gave it to her. I think that we understand that there is the need to have some additional services in that area. I think where we always get into the dilemma, and this is the dilemma that I think everybody is having, where you have the Budget Book on B-156, which says that employees for that whole department . . . the original estimate was 45, the revised estimate is 45 and the next year's estimate is 45. So, technically, there is no change in headcount. Yes, there is an indication when you deal with the briefs that there was not sufficient staffing.

I think this is a dilemma we are finding as we go through further. But looking at the headcount, if we are looking at the books, this difference between what is shown as revised, and what is shown as actual. But I do think that at least the Minister has indicated what is being done and for the purposes of the man on the street who is out there wondering how his money is being spent, it is very important for us to know that Ageing and Disability Services is going to get that extra staff, because, as the Minister said, the more seniors the more things that need to be dealt with. So it is very important that this actually results in something that will actually improve the quality of their care.

If you now go to what the Minister said with respect to her brief, she indicated that ADS was going to have some full-time physicians, that there was going to be an education officer and then a compliance officer, which is good. But, as I say, the problem is,

according to the Book, the heads were there and there is no addition in staff. So it either meant that the heads were there and it was not utilised and it is now going to be utilised. But it just begs the question as to how soon those persons can come on board, because I think that things that need to be done in that area are very important and they are overdue. I think we all recognise that everybody has been working towards this.

The office of the CMO [Chief Medical Officer] (and I am going to go to the next head), which is still on that same B-154. The Minister had indicated that the services were at least dealt with by secondment. So I understand that. I understand now. And this is something that I think lots of people need to understand. And the reason I am pointing it out is because sometimes the headcount is not there. You have the departments that are really trying to do their best for their clients, looking at other ways in which to try and render the services. And secondments are sometimes the way that this occurs. So, I think it is rather unfair that it is sometimes suggested that because the headcount was not there, the managers did not try and make sure that the clients were served. And the fact that at least now the posts have been provided by secondment and there is going to be a transfer from HID [Health Insurance Department]. This is the managers utilising what is available to them. And they have to be applauded because if there is an area where you can have efficiencies and move staff from one area to another area then that is what should happen.

With respect to the B-155, which was the . . . this is the revenue summary. There is an indication that the registration for doctors, the original estimate for the revenue was \$6,000. But I need to backtrack . . . the actual for the year before, 2016/17, was \$100,000. The original estimate for 2017/18 was \$6,000. Now I am mindful that it might be a two-year registration, so it could be that is why you have what appears to be a small number for the 2017/18, because that would only be new doctors that would have come on board. And then I am presuming that for 2017/18 it had been revised up to \$50,000 and for 2018/19, which is why we have another \$50,000. So I think that this is where we can at least see that the time which is spent by the office of the CMO . . . at least now the revenues are being generated because for too long we had the CMO doing things which are beneficial, but not being able to recover some of that. I know that it does not recover all the amount of time allocated, but at least it makes a clear indication that that service has to be paid for.

There was an indication in the Minister's brief about the health workforce planning. And I am pointing that out because that is something that the CMO was involved in. And I can say that I was involved in it when I was the Minister. And I am very happy that the CMO and the Minister were working on that. And I am

just pointing this out, because when we had the discussion this morning about the Ministry of Labour and Home Affairs, I think my colleague asked the question about whether in that Ministry they were still consulting with the bodies in terms of before they allowed work permits to come on Island. And it just raised the question that with the Minister here talking about the fact that the CMO had spent a lot of time implementing the strategic planning for the medical workforce, I just want to make sure that we do not have a disconnect because it does not make sense for the CMO to be working on what Bermuda needs in terms of workforce if the Ministry of Labour that actually dispenses the work permits if there is not what I call this joining at the hips . . . not the joining up of the hips, but the joining of the mind, because going forward I know that the Ministry of Labour and Home Affairs is also working with the Department of Education for workforce development. And it is all related. It is all related as we talk about what does Bermuda need, and plan.

So there was an indication that . . . there was a suggestion of developing a web resource page for senior abuse management. And I applaud that, because I think too often people out there do not know where to go and where to turn to. And it is something that is very difficult for them to try and decide who they should talk to, how much courage they are going to get up, and lots of times they do not have the courage because it is a concern, especially if it is a family member. So to at least have something on a web resource page would at least get them the information so that, after looking at it, if they really believe that it is something that they should do, they at least will be fortified. And I am very pleased to see that this is something that is happening.

With respect to increasing the licensing fees, I think the Minister answered a question that I think my colleague [asked] with respect to BHeC [Bermuda Health Council] grant being reduced, but the fact that BHeC is picking some of that up through the licensing fees that they get. So this was something that was developed, and I am pleased to see that it is progressing, because going forward, a large portion of BHeC's time is involved in licensing the various professions, making sure that they do what they are supposed to do. And it works two ways, because if people know that they are going to be licensed they expect the body that licensed them to be on their game. And on the opposite side are the people who are doing the licensing feel that they can be on their game, they have a job to do. I am pleased to see that this is happening and I know that the Minister gave thanks to the board that she has, recognising that there was a board that was there before, and I think they also need to be recognised for bringing this health care and what I call the attention to health care quite far along.

And I just want to say, Mr. Chairman, if nothing else, I think we have to understand that health

care is so important. And it is such a big expenditure that one should try not to politicise it. That, you know, I am not going to turn around and say, *Well, I had the roadmap that went from 2014 to 2019, and this is the one that goes from 2018 to 2022*, because it is all a progression. And everybody is building on things that have been developed. So that is why I was pleased that the Minister turned around and talked about some things that were happening.

Now, if you look over on Community Health, and that is . . . I am going now to B-160, Department of Health. There are two observations that I need to make. And this is starting off with the Sylvia Richardson, which is code 32015. I am pleased to see that the Ministry has found money to open up that wing. I think that there is an element, or two aspects, of this in terms of opening it up. Because the wing was not opened . . . and this is where I find sometimes you get what is the chicken and what is the egg, because the wing could have been opened and utilised just for what I call the normal type of service. Not the specialised service that is being put there. People could have been on those floors. But they were not. And part of the reason they were not on those floors was because the elevator was not working and, therefore, we did not want to have them stuck up there. So I think if we do not acknowledge that, then we are not being transparent.

So now, having not had those beds utilised and having the elevator functioning, I am so pleased that the money is being found, because that was something that when I was the Minister of Health we had the conversation started with BHB. BHB has indicated that they have people that could be released. And that those people are blocking up their beds, because they do not need the type of care. But they are not ready to go home. So, by the Ministry turning around and finding this money so that the staffing can be found and the beds can be used, I think that is excellent.

What I would also hope, though, is that the fees that can be charged for these beds will be appropriate to the care that is being rendered. And I say that because in the past there has been a tendency to say just because it is Sylvia Richardson, which is a government facility, that government should not charge for the appropriate care. And I think you have to get out of that. We have to turn around and say that if they had been in BHB they would have been charging a certain fee. They are now down in Sylvia Richardson, they have to have a certain level of care that you have to provide. And I think that this is the time that the charge should be made for the care that is appropriate to what is being delivered. It will be less than what would be at BHB, but it is more than the normal people who are down there that are more, what I call the residential care.

So I would like to think that the Minister is going to have that happen because we have to start try-

ing to allocate the care levels to make them realistic in terms of what we charge. If we do not start doing that, if we do not turn around and understand the whole complexity of what we are paying for and what we are delivering, we then need to start to figure out how do we make sure that there are the various appropriate settings.

I know that we have developed the Ministry and the members. And I see the permanent secretary, I see the controller, I see the people here from BHB. Everybody has been working to try and produce these plans. And the bottom line is that this is everybody trying to make sure that we know how much it costs, we know which facilities we need and, therefore, we turn around and we deliver on them.

So from my perspective, looking at the additional cost for Sylvia Richardson, I am pleased to see that. But I have to ask the question: If I look at Lefroy Care Community, I am a little concerned because Lefroy House was one of those facilities that . . . you know, you had the two. You had Sylvia Richardson down in St. George's, and you have Lefroy up on Somerset. And they were developed to pretty much deliver the same type of care.

And what I fear has happened, and I fear it that it is continuing, is that Lefroy is now becoming what I call the "Cinderella" of the service. So Sylvia Richardson is getting more and Lefroy is now starting to be the Cinderella there, sitting in her tattered clothes doing what is required. And I saw that. And that is no reflection on the services they deliver. Because Cinderella did her work; she just did not have pretty clothes.

So it is important for us to turn around and say that Lefroy House needs to have the type of renovation that is required. Without doing that, two things are happening. They are making adjustments for facilities that they cannot use, which means beds are not being utilised. They are sitting there, and anytime something happens it means that they are [unable], whether it is a storm, or something else, they are turning and they are not being able to render the service. So if I am looking at this head, 32000, which says that not only are they not having any more, they are actually having \$62,000 less, then I believe that I would at least ask the Ministry and the Finance Minister to re-examine.

I know that at one stage there were insurance payments that could have been utilised and there was an opportunity for a capital expenditure project, and I just believe that the people up in the West End . . . there was an opportunity to turn around and use Lefroy House as a centre for all of the other residential homes that are up there. And I just worry that the longer we wait and not do something with them, Cinderella . . . I do not know if Prince Charming is ever going to come along. So we really do have to do something. We have to, because the numbers of seniors are [increasing], they are living longer, and what

we want to do with them . . . if we do not start to plug this hole, then it is going to get worse and worse.

So, I will now go down . . . if I look at B-160, Maternal Health. I am asking this because this is 32040, Maternal Health, and if the Minister could just explain something that she said. As I say, I did not have her brief, so I was making my notes. I thought she was saying that something was being grouped under Maternal Health. But, even though I was listening and writing it down, I could not understand what was being grouped under that.

With respect to 32030, in terms of child health, the OTs and the PTs . . . sorry, I am under the wrong one . . . 32010, which is Community Health. I am really pleased that we have that additional money put into Community Health, because this goes back to what we have been talking about all along. The more you can do to have the community start to take charge of their care, the more you can do for them to start to say, *Well, let's try and understand what our blood pressure is. Let's start to understand what are the issues with our health*, the better off they will be. And I always used to say that the same way people used to look at the clinics and say that for children they would view the government clinics as a place to go and as a place to look out and help themselves, I would like to think that as we go forward the Community Health will also start to play that same role so that seniors will get out there and start to avail themselves of the services and not stay home and suffer, not stay home and, when they finally get so bad, go to the hospital so that we have a long way to go to bring them back to health; and also come there and end up utilising services that are more expensive than they need. So I was pleased to see that this was happening.

Getting down to B-172, which is the Hospitals, it was interesting because, of course, the hospital has always played a significant role in the health care. In addition to delivering the in-patient care it has taken on so many out-patient roles. So I was pleased to hear that the hospital was developing the long-term care needs assessment form, because I would think that this ties very substantially into the long-term care objectives that the committee, which was started a long time ago, and I believe is still in place, . . . it would start to help the community and those who are tasked with developing the strategy to be able to understand what type of facilities need to be built. And I know that there is a government initiative talking about trying to encourage people in the private sector to build long-term care facilities. So, being able to develop the needs assessment form, you will be able to turn around and know what type of facility should be built.

But I would like to think the mere fact that there is a recognition that there are different stages of care, there is acute care, and there is what I call a lower level of care, not long term, but not something that you can be released to go back into your nursing

home, your rest home. As we start to make sure that those fees are developed, this will make sure that the transition to health care reform, financing reform, will mean that we will have much more information on which to turn and try and base our conclusions.

It was interesting that the hospital talked about what they are doing with respect to trying to increase their sustainability, what they are doing with respect to understanding the changes in the services that they deliver, and I was really pleased to hear that they started to talk about the diagnostic imaging. They were talking about what they are doing with respect to the services that they offer, and it is very significant that now they are talking about utilising, even doing more, in terms of diagnostic imaging because it is a 24-hour operation. And I have always maintained that if it is 24 hours and it has machinery we should be utilising it so that Bermuda can take advantage of it. So, the mere fact that they will be coming up with savings over the next four years is a continuation of what they have been doing.

There was something that I was really pleased to hear about, and I am going to talk about it for two minutes, and then I am going to ask another question.

The Patient Centred Medical Home. There was the indication that the emergency visits had dropped by 57 per cent. The hospital visits had dropped by 50 per cent. Hypertension was dropped (and I do not have all the percentages), and the diabetes had dropped. But what struck me was the hospital produced the statistics that showed that the programme was working.

Now, I have to ask the Minister . . . there is something that was called the Enhanced Care pilot. There was a small indication of a few statistics about that. And I was disappointed. And I will really express my disappointment because the Enhanced Care pilot started before the Patient Centred Medical Home. And if I am hearing the information, it seemed to me that if the hospital has 190 participants, it sounded to me like the . . . if the Enhanced Care pilot had 190, it seemed to me that the hospital would start at less and has fewer physicians involved in it . . . was going almost neck-in-neck in terms of the people that they were servicing. And it worries me, because the . . . I would have thought that the Enhanced Care pilot should have had more participants.

And I was disappointed that the type of information that was given was very . . . I am going to choose my words carefully. It was not as informative as it could have been in terms of weight loss, removal of some medication, more energy. That does not translate into emergency visits dropped, hospital visits dropped, hypertension . . . and I believe that when we started to do these two pilots there was some definition of some types of statistics, some type of information which was going to be captured, so that one can start to compare which one of these programmes

was as effective as it could be. At some point in time, you have to start to say if something is really working well, do some more of it. If something is not working as well, then modify it.

So I just would say to the Minister that I believe that perhaps you have to stretch your managers to start to say, *What is happening with this pilot? What is happening with this other pilot?* So that you can start to look at how effective they are.

And the reason being, the other side of it, and I do not know whether the Minister can answer the question, but I am going to ask it. The managers involved in the Enhanced Care pilot should indicate to us how many people they had hoped to have up at this level, how many physicians are actually involved in the pilot, and is it progressing according to what they thought it should be?

I think the hospital is indicating that it is going along and it is going along the way it should be. But until we can get that information I believe that as the Minister you are not going to be able to get the type of information that you need to be able to make some of those decisions.

With respect to HIP [Health Insurance Plan], it was difficult . . . and I know that the Minister was trying to provide some information. I am now going over to Head 91, which is the Health Insurance Department. And that is where the Minister was trying to give us some information about HIP and FutureCare and the MRF [Mutual Reinsurance Fund] and trying to give us a little bit of information about the subsidies. But it was difficult to follow in terms of the loss ratios. I think she was indicating that for FutureCare and HIP . . . I think the HIP loss ratio was 93 and for FutureCare it was 87. But I think she was indicating that what I call positive loss ratio was because some other services, which I think was dialysis and something else, might have been transferred and gone over to MRF. So, if she can confirm that . . . and I think I am looking down at the bottom. It says, "total claims for MRF, dialysis." So I think I am correct that those two plans have had the benefit of having an improved loss ratio because the dialysis, which has also been what I call a big user of money, has ended up being transferred.

So, with respect to some of the indicators, I think I heard my colleague ask something about the emerging of the health clinic. And I just wondered if that is something that is being considered, because I know that there has always been a concern about whether the various clinics that the government has, whether it be the community clinic, the children's clinic, the clinics throughout the Island, at Somerset, St. George's, and Hamilton, whether they were utilised as much as they could have been. And I was just wondering whether any consideration has been given to turning around and utilising the clinics in an expanded basis, because it is unfortunate that when I saw it . . . and I have to look. I do not think it was actually in the performance statistics. It was not utilised as much as

it could be. So I am going to ask the question and if it is there, then you can come back and tell me it was. But I do not see it. If you could tell me the average number of people that are seen in the clinics in Somerset, St. George's, and Hamilton, because that turns around and lets us know whether it has become more effective. I think the community health initiative that you are going to put, I think that will go a long way to making people realise that it is centred.

I think the Minister has indicated that the health insurance premiums will not be changed until June, which is fair. I know that there is lots of work to be done. I wonder if the Minister would give us some sort of indication as to what type of . . . what direction she believes the premiums might go. Now, that might be—

[Inaudible interjections]

Hon. Jeanne J. Atherden: Well, Mr. . . . no, I thought I heard the Minister talking just a minute, but it was a male's voice. So I knew it could not be the Minister.

So, then what I am trying to determine is . . . there is . . . seniors are out there and everyone is out there looking at the cost of health. We want to make sure that all of the levers that could be pulled with respect to moving people into homes that are more suitable, turning around making sure that . . . I know you cannot build residences and facilities immediately to turn around and get some of the beds. But there have been lots of other initiatives which you talked about, which is the Department of Health going through, and the Well Bermuda, some of the other . . . trying to make people understand . . . the diabetes initiative. And I just wondered whether you are able to perhaps give us a little more feedback on some of these initiatives with respect to the . . . there was a suggestion about an integrated electronic health system. This is in the book that you gave out. And I just wondered if the Minister is able to provide any feedback on where that was . . . how is that developing.

The reason being that before I left the Ministry, I know that this was something that was being worked on, I think with PAHO [Pan American Health Organization]. And we also knew that there was a possibility of coming up with a pilot so that if there is something that is being worked on out there which will improve how we capture out data and will improve how we manage the controls, I think it would be good.

I think I will turn it over now to my colleague. I think I have some more things, but my colleague has some questions. Thank you, Mr. Chairman.

The Chairman: Thank you, Opposition Leader.

Any other Member wish to speak to these specific heads?

Again, the Chair recognises the Shadow Minister of Health.

Ms. Susan E. Jackson: Thank you, very much.

I would like to speak to Head 91 for a bit, Health Insurance. And that is on page B-174. I would like to begin . . . there is a line, actually on B-176, and it is talking about one of the performance measures, total claims to MRF. And it has dialysis in brackets.

Now, I remember that there was some adjustments made to legislation. But I am just wondering if the Minister can speak to the over \$14 million that has now been forecast for that and give us and the listening public some idea of what that \$14 million is being used for.

I also am interested in the . . . looking under the Health Insurance, there is one particular benefit for insurers, and it is that a caregiver who is put in place can be paid a stipend for providing that service to their loved one or to a neighbour, friend or colleague, whatever. But I am just wondering if there is any kind of training or skills requirement or criteria around the idea of having a caregiver. It is certainly becoming more popular as people are living at home, whether it is a member of their family, or others who want to provide this service. Is there any particular requirement for the caregiver in order to receive the funds? And if there is no particular requirement or criteria to receive the funding now, would it enhance the quality of care if there was some sort of training put in place?

So, if I can get some information on that it would be appreciated.

I also noted that the Minister in her brief talked about the new equipment for radiation that is at the Bermuda Health Cancer Centre, and that there will not be any co-pay for that. I am just wondering if there is a timeline on that, or whether some adjustment will be made in the future around having a co-pay for radiation services in Bermuda. I certainly know that there are other co-pays involved with the health insurance in Bermuda and some of it can be quite pricy. So, I do not know whether right now there is some supplement in place in order to allow for the no co-pay for radiation, and whether it will balance itself out and potentially adjust co-pays for other services and surgeries that fall under the same insurance plan.

I also wanted to make a clarification. Earlier on I mentioned . . . I was talking about ageing at home. And the page it would have fallen under was just the Ministry of Health Headquarters, Head 21, on B-154. Having thought about it a little further, I realise that the \$10 million for ageing at home was also part of a programme to see if we could encourage people to actually get involved in either building or developing homes or any kind of living facilities for those who want to age [at home], and whether there has been any progress, interest, or uptake.

I did attend a forum and a very well-attended presentation [for] people who would be interested in possibly converting buildings to accommodate some form of assisted living or building from scratch. And

there were a number of concerns and challenges involved in providing those kinds of services. Things like having to make the investment in elevators, or an elevator to get to upper floors, and other kinds of major expenses in order to renovate existing dwellings to have homes that would be available for those who want to remain in a residential facility as they age. So I do not know whether some of those challenges have been overcome or not, or have been addressed at this point.

Just going back . . . I am still under Head 21, the Ministry of Health, line item for the K. Margaret Carter Centre, 31160. In the Minister's brief, on page 14, she does discuss that to date 87 per cent of a select population of clients have been placed in community based employment. And I am just wondering what that 87 per cent . . . how many people are in that population of clients that are eligible for the community based employment?

[Mrs. Renee Ming, Chairman]

Ms. Susan E. Jackson: I believe that at the moment all of my questions have been asked. And, Madam Chairman, I am going to take my seat for a moment and see if we can get some answers to some of the questions. Thank you.

The Chairman: Thank you, Honourable Member.

Would any other Honourable Member like to speak to the Heads 21, 22, 24, or 91?

No other Member?

Minister?

Hon. Kim N. Wilson: Thank you.

Madam Chairman, I will attempt to answer the questions, and I will start from the back with the most recently asked questions, and move forward.

The question from my Shadow concerning the K. Margaret Carter Centre and the services, the 87 per cent of the persons in the community, on that same page of the brief two paragraphs above does refer to the fact that there are 53 users. So, it is in the brief. Fifty-three users for 87 per cent.

Okay, here we go. There was a question asked by the Honourable Opposition Leader concerning the electronic health record. I can indicate to the Honourable Member and others listening that the electronic health record is being developed as a collaborative effort between all health system stakeholders, including BMDA [Bermuda Medical Doctors Association], BHB, IDT Health Professionals and the Ministry of Health and local insurers. The basis of the electronic health record is the unique patient identifier, which is a number used to correctly identify patients. The unique patient identifier is currently being piloted in three community offices, as well as at the Department of Health clinics, and work is underway for its use by insurers, BHB, and other stakeholders.

PAHO is assisting the Ministry of Health and the Health Council to develop a health information system. They have conducted a review of Bermuda's infrastructure in 2017 and a final report is pending. And upon receipt of that report, I will bring it here.

With respect to the question from the Honourable Shadow Minister concerning Care Homes Development, the Government has committed \$10 million in guarantee to support long-term care bed capacity development. And we are also exploring other tax rebates to aid developers and home adaptations for ageing at home.

With respect to the question concerning radiation, there are no co-pays to policyholders for local radiation and, as the brief indicated, HIP and FutureCare patients are the ones that the legislation we recently passed are able to take advantage of that at no extra pay. And we are not at this time considering any co-pays for this benefit.

The personal homecare giver, the question that was asked by the Honourable Shadow as well, was, What is the skills training? There are different levels. So, if you are a home care giver/companion, the requirements are that you have CPR training as well as first aid, and as well, you must have a police vetting certificate. We are looking at ways to improve this regulation, and I can also add, which is in furtherance to another question similarly asked previously by the Honourable Shadow, that the Bermuda College course is available with respect to nursing assistants. The course is available, and the webpage of the Ministry of Health lists all of the training opportunities for the caregivers within the community.

The question was asked concerning the use of clinics. There were two questions. The first one, or the most recent one, by the Honourable Opposition Leader with respect to the clinics and using them as health centres, the emphasis. Only 2 per cent of the health system resources go to prevention. And as such, the Department of Health cannot become treatment oriented. And they would rather spend their money, obviously, on prevention.

The Department of Health clinics are—the question was whether they can be evolved and be further leveraged. The preventative care, which includes vaccines, communicable diseases. Now, the Department of Health is actually reviewing its services and has a draft plan to better address the prevention of non-communicable chronic diseases. Joint partnerships are possible; however, infrastructure needs investments, resources, new skill mix, and the like. So that is in situ . . .

[Pause]

Hon. Kim N. Wilson: The question concerning . . . Oh, that was more a statement, sorry. Okay, the question of the MP Jackson. Lefroy has 38 residents, and Sylvia Richardson has 40 residents currently. And

then, of course, it will be increasing to 50. With respect to the question concerning falls, both Sylvia Richardson and Lefroy have adopted what is referred to as the Eden [Alternative] philosophy of care. The patients are treated, as much as possible, as if they are being cared for in their own homes. And they maintain their own daily routines, clothes, chores, with assistance, but not given complete control over the chores. With respect to the patients, restraint is unethical.

And while everything is done to assure that falls are minimised, there can be individual factors that cause numbers to fluctuate. All falls are reported, and policies and procedures for care staff are rigorously overseen to assess risk, communicate the risk, and manage the risk of falls. Just because the falls are reported as statistics does not mean that there were any injuries or the residents themselves are unsafe. A patient who slid out of a chair, for example, that would be reported in the performance measures as a fall.

[Pause]

Hon. Kim N. Wilson: Okay. The question concerning the maternal health. This was asked by the Honourable Opposition Leader. Programme 23040, the Maternal Health Programme, is being merged with Communicable Disease, which is line item 32050. And the new programme will be the Sexual and Reproductive Health.

The other question concerning C-17, with respect to the grants. The 6869 line item, Grants to External Bodies, the \$778,000 does represent the payment to the Brown-Darrell clinic, as has been discussed in this House. And that is under the revised estimates 2017/18. And the estimate of 1819, the \$100,000, which was a question asked by the Honourable Shadow, represents the reduction that was going to the grant of Bermuda Health Care Centre of \$100,000. That money will be utilised for other grants.

It is correct concerning the question of the Honourable Opposition Leader concerning the health professional, the doctors' registration. The re-registration was done in 2016, and the next registration period will be 2018. There was also an overall increase in all health professional registration fees, approximately a \$100 increase for physicians' re-registration. The total amount that the Health Council will collect from the insurance relicensing fees that we passed a few months ago will be \$337,000.

I think that answers the questions that were asked. There was a lot of commentary and also some suggestions. Thank you, Honourable Opposition Leader, for things that we can consider, as well, for implementation.

That is all I have for this point, Madam Chairman.

The Chairman: Thank you, Minister.

We have come to the end. No? You have another Member who wishes to speak?

Do you have any more questions? Okay.

Hon. Jeanne J. Atherden: Madam Chairman, if the Minister could . . . she answered my question last. And I have another question with respect to the Grants External Bodies for \$778,000, which she indicates is the funds that were given to the Brown-Darrell Clinic. I guess I have two further questions. One, recognising that, as the former Minister who tabled the fees on the basis of the recommendation from the Health Council, I need to understand, and I think Bermuda wants to understand, the basis for the \$778,000, and also to determine whether there will be any further funds given to this particular external body in 2018/19—for this particular area of granting.

The Chairman: Does any other Member wish to speak or ask any questions at this time?

Hon. Kim N. Wilson: Madam Chairman, that \$778,000 in line item 6869 represents the money that has been budgeted for with respect to this grant to the Brown-Darrell Clinic. However, as you would have noticed in a previous debate, we indicated that we are paying it based on the actual services provided.

The Chairman: Any other questions?

Hon. Jeanne J. Atherden: Sorry, Madam Chairman. I just want clarification as to, that seemed to relate to the year ended March 31st, 2018. And I just wanted to establish that the Minister was then saying that she had not budgeted anything for 2018/19 for this particular area.

The Chairman: Minister, do you understand the question that she has put?

Hon. Kim N. Wilson: I think I do. As the Budget Book reflects, the \$778,000 represents the grant for revised estimate 2017/18. And that will be paid based on the actual services delivered.

The Chairman: Thank you.
Any other questions?

Hon. Jeanne J. Atherden: Sorry. Maybe I am not putting it clearly enough. Because the Grants to External Bodies indicate, and it is March 31st, there is \$100,000, indicating that same line for 2018/19. I just wanted to be clear as to whether this \$100,000 is to be paid to the same external body or a different external body, because I wanted to make sure that I was not misunderstanding or drawing a wrong conclusion.

The Chairman: Any other questions?

Minister, are you going to respond at this time?

Hon. Kim N. Wilson: Yes.

The Chairman: Thank you.

Hon. Kim N. Wilson: As I indicated previously, that \$100,000 that is under the estimate for 2018/19 represents the \$100,000 reduction to the grant to the Bermuda Health Council. You will recall that I said that it is \$700,000. It represents a \$100,000 . . . and that money has not been designated yet. But it will be used to support other grantees as the needs emerge throughout this year.

The Chairman: Thank you, Minister.
Any other questions at this time?
I recognise the Opposition Leader.

Hon. Jeanne J. Atherden: Sorry, Madam Chairman.
I think I understood what the Minister said. But just for clarity, I think the Minister has said that the \$778,000 is what has been put into this year's budget. It will be based on the actual services, using the calculation that they have come up with. But I just want to also, based on what she said at one stage, it seemed to be that there was not going to be a further payment in 2018/19 to this particular entity. But she did indicate that there was \$100,000 in there that could be utilised to pay other people. And I guess anybody could be another person. But I just wanted clarity that, at the current time, there is not anything in the budget for 2018/19 as an extension to the previous entity that might be looking to claim some of that \$778,000.

The Chairman: Are there any other questions?
The Chair recognises the Honourable Member from constituency 29.

Hon. Zane J. S. De Silva: Thank you, Madam Chairman.

It is interesting that the Opposition Leader should really want to drill down on getting an answer to that particular line item when that particular Honourable Member of this House was part and parcel of the draconian—*draconian*—steps that were taken to try and shut . . . and let us not mince words. When the Opposition Leader talks about *outside entity*, she is talking about Dr. Brown and the Brown-Darrell Clinic.

So it is interesting that she should want to know . . . and she asked several times if that entity—in other words, Dr. Brown's clinic—will receive any of the money from the draconian cuts that were made that seriously affected that business, so much so that it closed. A clinic that our people, in particular our black seniors, have gotten comfortable going to. Be-

cause we know the history in Bermuda with regard to how senior black people are affected by the hospital.

[Inaudible interjections]

The Chairman: Excuse me. Can we please have one conversation begin at this time? Thank you.

Continue, Honourable Member from [constituency] 29.

Hon. Zane J. S. De Silva: Thank you very much.

Yes, and as they have been doing for the last two hours, and I have been sitting here very patiently listening when they were talking about the Health Department, and we could talk about any one of the heads, because that is exactly what they have been doing. I would have expected that I would have the same leeway that they have had over the last several hours, while I have been sitting here patiently listening.

But, like I said, it is interesting that the Honourable Member in particular should want to drill down and ask the same question in different ways maybe five times in about 20 minutes. I find it very interesting.

And it is my hope, it is my hope, it is my hope that this question that the Honourable Member asked . . . I would like to think that those fees that were cut from our former Leader and Premier of this country—someone who was innovative and entrepreneurial enough to bring in a CT scanner outside of the hospital for the people of this country—I would hope that those fees would be taken right back to where they were last year when they were cut.

See, the difference, Madam Chairman, is that, you know, you have to remember. It is all right for the [former] Minister to cut the fees for Dr. Brown's clinic. It is easy for them to cut that and run him out of business. But, you see . . . and then, of course, the old caveat, the red herring that was thrown in there was that the hospital would also be cut. Their CT fees would be cut.

But the red herring there, Madam Chairman, is this. We all know in this House that if the hospital runs short of funds, we know that they will come back to this House next time this year with a supplementary to make up for any shortfall. Because the hospital cannot close. Dr. Brown does not have that luxury. Brown-Darrell Clinic does not have that luxury. You cut their fees so much . . . I wonder how many people in this House or in Bermuda or in the world could take a 60 [per cent] to 70 per cent pay cut and survive.

And then, the Honourable Members opposite also talked about the long-term care for our seniors. And they are hoping that entrepreneurs will open some senior homes to care for our ageing population that is going to double in the next 15–20 years. Let us just hope that they do not get back in power after maybe some of our young entrepreneurs build a few senior homes, and they base their business plan on

the income that presently gets charged to folks to house or look after our seniors. Let us hope that, after they have spent a few million dollars building homes, we [don't] have a change of Government and they say, *Wait a minute. Those owners are not the right colour. They are not the right type of owners. Let us cut their fees by 50–60 per cent and shut them down, too.*

So let us hope the PLP stay in power for a long time and we will not have any more of that happening to our entrepreneurs and our people.

You know, a former chairman, going way back when to (I am sure my colleague, Wayne Furbert, will remember) Dr. James King. Dr. James King is a former Chairman of the Bermuda Hospitals Board. And while he was Chairman of the Hospitals Board, he was Chairman of the UBP. He was also the Chairman of Argus. And he was also performing surgeries at the hospital. But guess where he sent his bills? To Argus.

Can you imagine if the PLP were to get in Government all of a sudden we cut his fees by 50–60 per cent?

But they talk about a relationship that Dr. Brown had with Lahey Clinic, which he never hid from the people of this country. In fact, many of the people of this country had benefited from the relationship of Dr. Brown and Lahey Clinic. Every time he had them come to Bermuda he would have a press conference, never hid it, he informed the people of this country, *Guess what? Once upon a time, there was a certain segment in our community that couldn't go away and receive treatment.* So what did Dr. Brown do? He was going to strike a relationship and bring Lahey to the people of Bermuda. I would like to think that, during the last 20 years, there have been many lives saved because of that relationship.

But, you know, it is funny. The candidate for the OBA in the election, and former Health Council member, Simone Barton, who ran for the OBA in the last election, has the same relationship with a New York hospital. I wonder if a lawsuit is going to be slapped on that hospital? It does the same thing as Dr. Brown was doing with Lahey. And she is not a doctor. So I wonder if anybody from the OBA or the former Attorney General, Mr. Trevor Moniz, is going to make any noise about that! Because he sure did not like the relationship between Lahey and Dr. Brown. And I am sure he must have known about the relationship between Simone Barton and her New York hospital. He seemed to know everything about Dr. Brown. Maybe one day he is going to tell us how the Attorney General received the emails and bank accounts of Dr. Brown!

But I will move on, Madam Chairman. But, see, all of these things . . . and, Madam Chairman, you are probably wondering why I am on this step with regard to health. Well, it is the Lahey Clinic. It is the Health Department. We have heard from the Minister that the health care costs in this country are still \$700

million a year, \$11,000-odd per person. We have heard that. I hope, I hope that this lawsuit that the former Attorney General, Trevor Moniz, slapped on that hospital is not going to cost the taxpayers of this country millions of dollars in recuperation.

Now, whilst I am on my feet, Madam Chairman, I would just like to touch on a few things. It seemed like they have only had two speakers. I know they are low on numbers on the other side. But I have only heard two people speak from the OBA today.

[Inaudible interjection]

Hon. Zane J. S. De Silva: That is all I have heard, from the Opposition Leader Jeanne Atherden and MP Susan Jackson.

The Chairman: Member, if you can direct your comments to the Chair, please.

Hon. Zane J. S. De Silva: Yes.

The Chairman: Thank you.

Hon. Zane J. S. De Silva: Yes, Madam Chairman.

But, Madam Chairman, they talked about Lefroy House. And the Honourable Member Jeanne Atherden, former Health Minister, said she is worried about, *The longer we leave Lefroy House, the worse it will get*. She worries.

Well, Madam Chairman, I remember when I was Health Minister, and former OBA Premier Dunkley said that if he were the Health Minister, he would shut Lefroy House down. Well, they won the election in 2012. They were in power for four and a half years, shortest Government in our history. In four and a half years, what did they do? I did not see the candidate, Ray Charlton, taking pictures and sending them to the *Royal Gazette* every week for the last four and a half years. But nothing has changed up there. But they were going to shut it down.

Premier Dunkley, former Premier Dunkley, one of the shortest premierships in our history, too . . . they have got two records in that regard. He talked about he would shut it down. Hmph! And then the Honourable Member, Opposition Leader, said she is worried that it is going to get worse and worse. The question is, What did she do? Ironically, she became Health Minister. What did she do about Lefroy House while she was there? Zilch.

And the Honourable Opposition Leader asks, *How many people do we have visiting our clinics?* She put that to the Health Minister. That was the question: *How many people are visiting our clinics?* I mean, she was only Health Minister a couple of months ago. What does she think? That we have had an epidemic or something over the last six months?

Now, Madam Chairman, whilst we are talking about the Health Insurance Department—

The Chairman: Are you referring to a particular head?

Hon. Zane J. S. De Silva: Yes, I will tell you what. I am talking about Head 21, Madam Chairman, page B-154. And it is the Ministry of Health Headquarters.

The Chairman: Thank you.

Hon. Zane J. S. De Silva: Yes. And, you know, I am sorry for pin-balling around a little bit. But I will make sure that I call out the head every so often, and the page, and maybe even the cost centre to which I am referring, unlike those across the aisle.

Madam Chairman, whilst we are talking about health care costs in the country, you will know that two weeks ago Senator Simons, who sits in another place, made a statement. And he actually called our Minister . . . he actually said it in another place. He called her a liar. I have the newspaper clipping right here. I could table it for everybody if you like. And with your indulgence, I will quote, Madam Chairman. "Andrew Simons of the One Bermuda Alliance said Kim Wilson, the Minister of Health, had lied when she claimed the OBA ignored technical recommendations when fees for the procedures were slashed."

Now, let us be clear, the fees were slashed significantly more than what the technical officers suggested. Now, if I had to believe one person or another, I will tell you who I believe. I am believing our Minister and the advice that she received, the information that she received from the same technical officers, same Health Council, same Permanent Secretary. So I have to believe that the information our Minister was given was correct. So, somebody, somebody is not telling the truth. I could tell you what. I know our Health Minister and what she stands for. I would think that she is telling the truth. So, maybe the Opposition Leader can clarify that once and for all.

The other thing, the other thing, Madam Chairman, that the Opposition Leader said, and I quote, with your indulgence, the February 9th Hansard, the Honourable Jeanne Atherden got up on a point of order and said, "the Member is again misleading the House, because at the same time the diagnostic imaging fees were adjusted so were the labs." [Page 1015] And I quote, and I can table this from Hansard, and it is highlighted if anyone needs to quick-reference it.

Now, we have been told, Madam Chairman, that the lab fees have not been reduced. So we have two bits of serious misinformation that have been put in the public, mentioned in this House and yet to be clarified. Now maybe the Honourable former Minister of Health, the now current Opposition Leader will stand up and tell the people of this country exactly what the real deal is with regard to lab fees and the technical officers' advice when it came to dropping fees for Brown-Darrell Clinic.

Madam Chairman, that is it for now. Thank you.

The Chairman: Thank you, Member.

Would any other Member wish to speak?

We recognise the Member from constituency 9.

Hon. Trevor G. Moniz: Thank you, Madam Chairman.

We are here at page C-17, and we are talking about the Ministry of Health Headquarters, the 6869, Grant to External Bodies, the 778, the mysterious \$778,000 which was granted to the Brown-Darrell Clinic. Now, the Member who just took his seat—

Hon. Zane J. S. De Silva: Point of order, Madam Chairman.

POINT OF ORDER

[Misleading]

Hon. Zane J. S. De Silva: The Honourable Member is misleading the House. He just said *mysterious 778*. I think he is imputing something funny. But the Minister has very well, specifically, stated what the 778 was for.

The Chairman: Thank you, Honourable Member.

Hon. Trevor G. Moniz: With all due respect, we will have to agree to differ, as usual, as I do with that Honourable Member. It is a mysterious amount because I can look through this Book from top to bottom, I see no other similar grant that is paid to anyone like that. I am sorry. I think it is a one-of-a-kind. It is a special case.

The Chairman: Are you posing it as a question, Honourable Member?

Hon. Trevor G. Moniz: Sorry?

The Chairman: Are you posing that as a question to the Minister?

Hon. Trevor G. Moniz: No, no, no, no, no.

[Inaudible interjections]

Hon. Trevor G. Moniz: Ah! Cause trouble? It is too late now. That Honourable Member just did. He got up to his . . . I think he was protecting his boss. So we will have to speak to the item. He posed several questions to me and invited me to stand up and answer them. That is what I am doing. I will stand up and answer his questions.

Hon. Zane J. S. De Silva: Madam . . . Madam—
Madam . . . Madam Chairman, point of order.

POINT OF ORDER

Hon. Zane J. S. De Silva: For the Honourable Member to say that I am answering to my boss, I think that is a little bit unparliamentary. Maybe he is jealous of our relationship, and I understand that. But I think that that is a little bit unparliamentary, and it should be withdrawn.

Hon. Trevor G. Moniz: Madam Chairman, I am happy to withdraw it . . . *his business partner*.

Are you happy with that?

Hon. Zane J. S. De Silva: Thank you very much.

Hon. Trevor G. Moniz: Your business partner. Okay.

The Chairman: Thank you, Honourable Member, Please proceed.

Hon. Trevor G. Moniz: I do not know which one is the senior partner, or if they are equal partners; I do not know.

Hon. Zane J. S. De Silva: You know! You have seen all of his emails!

[Laughter]

Hon. Trevor G. Moniz: He says I have seen all of his emails.

The Chairman: Honourable Member, please proceed. Thank you.

Hon. Trevor G. Moniz: Madam Chairman, he referred to the court case with Lahey. And anybody who wants can go online and see the elements of the claim by the Bermuda Government against Lahey. And there are allegations in there which in no time—

Hon. Derrick V. Burgess, Sr.: Point of order, Madam Chairman.

The Chairman: I recognise the Honourable Member from constituency 5.

POINT OF ORDER

Hon. Derrick V. Burgess, Sr.: Yes. The purpose of this debate is to talk about the specifics of the heads. Lahey is not mentioned under any of these heads. And I would advise the Honourable Member that he should stick by the rules.

The Chairman: Honourable Member.

Hon. Trevor G. Moniz: Madam Chairman, it is a bit late for that, because that gentleman just ran on for 10 or 20 minutes about Lahey.

Hon. Zane J. S. De Silva: Point of order, Madam Chairman.

An Hon. Member: Yes.

POINT OF ORDER
[Misleading]

Hon. Zane J. S. De Silva: I did not give any specifics! He is misleading the House. I did not give any specifics. I just talked about the case in general and what it may cost the taxpayers of this country.

Hon. Trevor G. Moniz: Well, with all due respect, Madam Chairman, that is not true either. He specifically addressed me and specifically asked how I got hold of certain secret emails of Dr. Brown. You know, he is very concerned that I got . . .
[Inaudible interjections]

Hon. Trevor G. Moniz: It was interesting he never denied the truth of what is in the claim, or the truth of what is alleged to have been emailed. But he is saying, *Oh, those were secret emails. You weren't meant to see those emails. They were secret*—for some reason.

Hon. Zane J. S. De Silva: Point of order! Point of order, Madam Chairman.

The Chairman: Honourable Member.

POINT OF ORDER
[Misleading]

Hon. Zane J. S. De Silva: He is certainly misleading the House, Madam Chairman. I did not say they were secret emails. I said emails that he had access to as the Attorney General that he should not have. Maybe whilst he is on his feet he could tell the people of Bermuda how he got those, as Attorney General.

The Chairman: Honourable Member, can we move on? We are here today . . .

Hon. Trevor G. Moniz: Thank you, thank you, thank you.

The Chairman: Thank you very much.

Hon. Trevor G. Moniz: I have no idea why the Honourable Member is carrying on like that.

Hon. Zane J. S. De Silva: Oh, you know!

Hon. Trevor G. Moniz: I hope it is not a guilty mind, but there you go.

Hon. Zane J. S. De Silva: No, it ain't no guilty mind! It is like those shredded papers—

[Crosstalk]

Hon. Trevor G. Moniz: So, all we would like to see is that these matters come out in the clear and be straight as to why the monies are being paid out. It is no secret, and he spoke to the motivations and he—

Hon. Zane J. S. De Silva: Point of order, Madam Chairman. He has got to sit down when we do a point of order. Do we not sit down—

Hon. Trevor G. Moniz: If this is really a point of order or is it just more nonsense?

Hon. Zane J. S. De Silva: Point of order.

The Chairman: Proceed.

POINT OF ORDER
[Misleading]

Hon. Zane J. S. De Silva: The Honourable Member is certainly misleading the House when he says, *Why don't we come out clean and clear?* The Minister has held a press conference just a few weeks ago to explain exactly what she has done. So, nothing has been under cover. It is been very clear and open as to what we have done and why we have done it.

Unlike these shredded papers from the former Attorney General's Office that no one can find.

The Chairman: Thank you.

Hon. Trevor G. Moniz: Wow, you know, for—

The Chairman: Honourable Member from constituency—

[Crosstalk]

Hon. Trevor G. Moniz: For somebody who got fired from Cabinet for his behaviour . . . I do not know. He does make so much noise.

The Chairman: Honourable Member. Honourable Member. Thank you.

Hon. Trevor G. Moniz: So there you go.

The Chairman: We are here to do the heads.

Hon. Trevor G. Moniz: The Honourable Member, he was accusing me of certain behaviour. But just be aware that Dr. Brown, when he had the opportunity to

speak to the \$778,000, went on television. He was on Fresh TV. He did not express concern for the patients so much as to say *he felt that his wallet had been taken from him*. That is a direct quote. *They have taken my wallet from me*. In other words, *My source of money has been taken from me*. That was his concern. But when he spoke to the closing of the Brown-Darrell Clinic, he spoke of six employees.

Hon. Derrick V. Burgess, Sr.: Point of order, Madam Chairman.

The Chairman: Point of order.

POINT OF ORDER

Hon. Derrick V. Burgess, Sr.: The Member has been in this Parliament long enough to know that on this debate you speak to specifics of the Budget, the heads of this Budget. That is what you are supposed to be speaking to. He should know better.

Hon. Trevor G. Moniz: It is a little bit late for that, brother.

The Chairman: Honourable Member.

Hon. Trevor G. Moniz: Madam Chairman, questions were posed to me by the Member on that side. Now, no one stopped him and said, *You should not be asking those questions*.

[Crosstalk]

The Chairman: Honourable Member, do I need to remind you of the Standing Orders?

Hon. Trevor G. Moniz: No, no, no. I know exactly how they work.

The Chairman: Okay. Well, then, please proceed.

Hon. Trevor G. Moniz: I saw what he did. I saw him right over there. He is giggling over there now. So I just want to remind Members that is what it was about. To negate what he said, there has never been a satisfactory explanation why this money is being paid. Thank you, Madam Chairman.

The Chairman: Thank you.

Would any other Member like to speak or, I am sorry, ask questions at this time?

No.

Minister.

Hon. Kim N. Wilson: Madam Chairman, I move the following heads: Head 21, the Ministry of Health; Head 91, the Health Insurance; Head 24, Hospitals; and Head 22, the Department of Health.

The Chairman: Thank you, Minister.

It has been moved that the Heads 21, 22, 24, and 91 be approved.

Is there any objection to that motion?

No objection.

[*Motion carried: Ministry of Health and Seniors: Head 21, Headquarters; Head 91, Health Insurance; Head 24, Hospitals; and Head 22, Department of Health were approved and stand part of the Estimates of Revenue and Expenditure for the year 2018/19.*]

The Chairman: Would the Minister like to rise and report?

Hon. Kim N. Wilson: Yes, Madam Chairman. I move that we rise and report progress, please.

The Chairman: It has been moved that the Committee rise and report progress, and ask for leave to sit again.

Is there any objection to that motion?

No objection.

Agreed to. Thank you.

[*Motion carried: The Committee of Supply agreed to rise and report progress, and sought leave to sit again.*]

House resumed at 6:34 pm

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

REPORT OF COMMITTEE

ESTIMATES OF REVENUE AND EXPENDITURE FOR THE YEAR 2018/19

The Speaker: Good evening, Members.

Is there any objection to the Committee reporting back to the House?

No objections.

We now move on to the next item. And it is Order No. 2, in the name of the Minister of Health.

Minister, you have the floor.

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

I move that the Bill entitled the Health Insurance Amendment Act 2018 be now read a second time.

The Speaker: Continue, Minister.

BILL

SECOND READING

HEALTH INSURANCE AMENDMENT ACT 2018

Hon. Kim N. Wilson: Mr. Speaker, I am pleased to bring to this Honourable House today the Bill entitled the Health Insurance Amendment Act 2018. This Government is committed to enabling greater efficiencies in the conduct of public functions, and this Bill is intended to support this aim.

This Bill proposes to merge the Health Insurance Fund and the FutureCare Fund into a single fund to gain operational efficiencies and to enable the Health Insurance Committee to authorise grants to the fund during the fiscal year, with the approval of the Minister.

To be clear, Mr. Speaker, the merger of the funds will still enable HIP [Health Insurance Plan] and FutureCare to continue to be offered to the public, in their current form. The policies and policyholders are not impacted by this change. However, the merger will allow the Health Insurance Department to gain administrative and operational efficiency in accounting records and audits.

In addition, Mr. Speaker, the Bill proposes to clarify that the Health Insurance Committee, with the approval of the Minister, may approve the payments of amounts to the fund directly, as needed, in order to address a point that was raised by the Auditor General.

Sections 12 and 13A of the Health Insurance Act 1970, Mr. Speaker, stipulate that the Health Insurance Committee [HIC] may approve payments to the Health Insurance Fund and the FutureCare Fund from the Consolidated Fund, subject to the approval of the House of Assembly, signified by resolution. It is understood that the intent of the Act is for the annual budgeted amount to be approved by the House of Assembly during the annual Budget Debate. Amounts paid to the funds during the fiscal year, when necessary, have historically been approved by HIC and the Minister to assist with the fund's cash flow, in order to avoid supplementary requests. This is a practical approach that does not impact approved budgets.

Mr. Speaker, this Bill seeks to clarify the intent of the Act and to regularise the current practice, as understood and as applied historically. Having the HIC and Minister approve payments from available budgets is more efficient for all concerned. A number of associated statutes are also amended in order to effect the proposed changes—in particular, the Health Insurance Act, 1970, which is the principal Act; the Health Insurance (Audit of Accounts) Regulations 1971; and the Health Insurance (Mutual Re-Insurance Fund) (Prescribed Sum) Order 2014.

As a matter of housekeeping, the Bill removes the reference to the “initial sum” paid to the credit of the FutureCare Fund, and the related requirement that the initial sum is to be increased by resolution of the House of Assembly and of the Health Insurance Committee, as these are no longer relevant.

This represents the full amendments proposed by this Bill.

The Speaker: Thank you, Minister.

Does any other Member wish to speak?

I recognise the Honourable Member Jackson.

Honourable Member Jackson, you have the floor.

Ms. Susan E. Jackson: Thank you, Mr. Speaker.

I just rise to my feet to say that this sounds like an efficiency. And so, there certainly are not any concerns on this side. It is a good thing when we are able to coordinate our efforts to make sure that things are run smoothly and that the administration is kept as simple as possible.

So, you know, certainly, understanding that HIP has been in existence for a number of years and FutureCare is a relatively new plan, that there would have been separate instruments put in place when FutureCare was first launched. And so, it is very much understood that, at this stage it would be best, rather than transferring funds and trying to keep two balances and two separate funds going at the same time, to pull them together. And so, the combined efforts sound positive to me. And I am in full approval.

Thank you, Mr. Speaker.

The Speaker: Thank you, Madam Honourable Member.

Does any other Honourable Member wish to speak? I recognise the Honourable Member Gibbons. Honourable Member Gibbons, you have the floor.

Hon. Dr. E. Grant Gibbons: Thank you, Mr. Speaker. And I will be brief.

I understand that, obviously, part of what is being addressed here are comments by the Auditor General in terms of clarifying the intent of the Health Insurance Act.

I wonder if the Minister could give us a sense of the dollar amount of those efficiencies? Obviously, you are going down from two audits down to one audit. There may be other issues, as well, in terms of people keeping track of the two funds.

Will there be any savings in terms of headcount or other efficiencies besides the audit costs? And if there is an estimate of the actual amount of savings, that would certainly be of interest to the House, I am sure. Thank you, Mr. Speaker.

The Speaker: Thank you. Thank you, Member.

Does any other Member wish to speak?

No other Member.

Minister, would you like to reply?

Hon. Kim N. Wilson: Yes, thank you, Mr. Speaker.

I may be able to provide . . . yes, there will be no savings with respect to headcounts. The savings

are mostly with respect to the time that is being managed by the staff to do both accounts, two separate accounts.

The Speaker: Honourable Member, are you satisfied with the answer?

Hon. Dr. E. Grant Gibbons: Yes.

The Speaker: Okay.

Minister, would you like to continue on?

Hon. Kim N. Wilson: Thank you.

Mr. Speaker, I now move that the Bill be now committed.

The Speaker: Thank you.

Mr. Deputy.

House in Committee at 6:42 pm

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

COMMITTEE ON BILL

HEALTH INSURANCE AMENDMENT ACT 2018

The Chairman: Minister, you have the floor.

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

In light of the lack of objection with respect to this, I would like to move all of the clauses, 1 through 13.

The Chairman: Any objection to moving the clauses, 1 through 13?

There appear to be none.
Continue, Minister.

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

This Bill seeks to amend the Health Insurance Act 1970, which is the principal Act; the Health Insurance (Audit of Accounts) Regulations 1971; and the Health Insurance (Mutual Re-Insurance Fund) (Prescribed Sum) Order 2014, to provide for the merging of the Health Insurance Fund and the FutureCare Fund while preserving the Health Insurance Plan and the FutureCare plan as two distinct plans.

It would also remove the reference to the “initial sum” paid to the credit of the Fund and the related requirement that the initial sum is to be increased by resolution of the House of Assembly and of the Health Insurance Committee (the Committee).

Mr. Chairman, clauses 1 and 2 are self-explanatory.

Clause 3 repeals the definition of “FutureCare Fund” in section 1 of the principal Act, as the FutureCare Fund will cease to exist.

Clause 4, Mr. Chairman, repeals section 3A(2A)(c) of the principal Act, which provides for

payments to the FutureCare Fund out of the Re-Insurance Fund.

Clause 5 amends section 11C(1)(b) of the principal Act by deleting the reference to the FutureCare Fund.

Clause 6 amends section 12 of the principal Act. Section 12(1) is amended to reflect that the FutureCare Fund would be merged with the Health Insurance Fund [the Fund] and that premiums in respect of both the Health Insurance plan and the FutureCare plan would be paid into the Fund. Claims in respect of both plans would also be paid out of the Fund. Section 12(2), which refers to the “initial sum” paid to the credit of the Fund, is repealed and replaced by a provision that allows the Committee, with the approval of the Minister, to pay to the credit of the Fund monies appropriated by the Legislature. Section 12(3), which provides for the initial sum to be increased by resolution, is repealed because this would no longer apply.

Clause 7 repeals section 13A (FutureCare Fund) of the principal Act.

Clause 8 amends section 16 (Accounts) to delete references to the FutureCare Fund.

Clause 9 amends section 17 (Annual Report) to delete references to the FutureCare Fund.

Clause 10 amends the Health Insurance (Audit of Accounts) Regulations 1971 to delete a reference to the FutureCare Fund.

Clause 11 amends the Health Insurance (Mutual Re-Insurance Fund) (Prescribed Sum) Order 2014 to provide that the sum which is currently paid from the Mutual Re-Insurance Fund into the FutureCare Fund is to be paid into the merged Health Insurance Fund (hereinafter referred to as the Fund).

Clause 12 provides that, on the coming into operation of the Act, (a) the FutureCare Fund shall be wound up, and the Committee shall pay any balance then standing to the credit of the FutureCare Fund into the Health Insurance; and (b) all of the assets and liabilities of the FutureCare Fund shall be transferred to the Fund.

Clause 13 provides that the Act comes into operation on the 1st of April 2018.

The Chairman: Any further speakers?

There appear to be none.

Hon. Dr. E. Grant Gibbons: Mr. Chairman.

The Chairman: Oh, I am sorry.

Hon. Dr. E. Grant Gibbons: Actually, it is a technical question, if I may. It is clause 6. And I just happened to be looking at the principal Act. And it is clause 6, where section 12 of the principal Act is amended, in clause 6(c) by repealing subsection (3), and then clause 6(d) by inserting a new section 12(4) at the end of section 12(3).

I am just curious. Maybe it is a technical drafting point. We have now got, in the principal Act, if this goes ahead, sections 12(1) and 12(2). We are repealing 12(3). And then we end up with section 12(4). So I am curious as to why we did not simply put this new subsection (4) in subsection (3), as opposed to leaving out (1), (2), repeal (3), and now there is subsection (4). Maybe it is something that can be addressed between here and the Senate. I do not know whether it is an issue or not.

The Chairman: Minister, do you want to respond?

Hon. Kim N. Wilson: I am afraid I cannot quite answer that, unfortunately. I think we finished a lot earlier than anticipated. So the drafter actually has not reached [here as yet]. I do not know if the Honourable Member would allow me to provide an answer to him at a later time. Obviously, if it is a drafting error, which I highly doubt, knowing the drafter, then it can be corrected in the Senate.

The Chairman: Member?

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

Yes, that is fine. As I said, it is a technical point. There may be a reason for it. But to leave a gap of 1, 2, and then 4, just seemed odd to me.

Thank you.

The Chairman: Any further speakers?

There appear to be none.

Minister, do you want to move those clauses?

Hon. Kim N. Wilson: Yes, Mr. Chairman.

I would like to move . . .

The Chairman: Just a minute.

Hon. Kim N. Wilson: I would like to now move the Preamble.

The Chairman: Yes. Any objections to approving the Preamble?

There appear to be none. Continue.

Hon. Kim N. Wilson: Mr. Chairman, I would like to now move that the Bill be reported to the House, as printed.

The Chairman: You have to move the clauses.

Hon. Kim N. Wilson: I move clauses 1 through 13, Mr. Chairman.

The Chairman: Yes, any objections?

There appear to be none.

Hon. Kim N. Wilson: Mr. Chairman, I now move that the Bill be reported to the House, as printed.

The Chairman: It has been moved that the Bill be reported to the House, as printed.

Are there any objections to that motion?

There appear to be none.

All Members in favour of the motion, please signify by saying Aye, and those against, say No.

AYES.

The Chairman: The Bill is approved.

[Motion carried: The Health Insurance Amendment Act 2018 was considered by a Committee of the whole House and passed without amendment.]

House resumed at 6:48 pm

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

REPORT OF COMMITTEE

HEALTH INSURANCE AMENDMENT ACT 2018

The Speaker: Members, are there any objections to the Bill being reported back to the House?

No objections. Thank you.

We will move on to the next item. The next items [Order] No. 3 and [Order No.] 4 are being carried over. Am I correct?

We are dealing with [Order] No. 5. Order No. 5, again, is in the name of the Minister of Health.

Minister Wilson, you have the floor.

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

I move that the Bill entitled the Psychological Practitioners Act 2018 be now read the second time.

The Speaker: Continue.

BILL

SECOND READING

PSYCHOLOGICAL PRACTITIONERS ACT 2018

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

I am pleased to bring to this Honourable House today the Bill entitled the Psychological Practitioners Act 2018. Mr. Speaker, the regulation of health care professionals is essential to ensure high-quality care. The Psychological Practitioners Act 1998 (hereinafter, Mr. Speaker, with your leave, I will refer to it as the 1998 Act).

The Speaker: Continue.

Hon. Kim N. Wilson: It is the legislation that ensures regulation of psychologists through registration, monitoring, complaint-handling, and disciplinary procedures. The Psychological Practitioners Bill 2018 seeks to modernise the 1998 Act in order to align it with the Ministry's other health care professionals legislation. The Bill intends to repeal and replace the 1998 Act. The Bermuda Psychologist Registration Council is the statutory body charged with ensuring that these high standards of professional competence and conduct are upheld, and to advise the Ministry of Health on issues pertaining to them. Accordingly, the council and the Ministry's efforts to advance standards of professional practices are ongoing.

Mr. Speaker, since the 1998 Act was last amended, further revisions were identified as necessary to address key issues around registration and re-registration, complaint-handling processes and other procedures, including a re-organisation of the legislation for better flow and understanding. It is important to note that many of the provisions in the 1998 Act are incorporated into this 2018 Bill; however, there are several updates that were required.

Mr. Speaker, these updates, developed in consultation with the Bermuda Psychologist Registration Council, are (1) to improve the council's procedures, including de-corporatising the council to allow representation by the Attorney General's Chambers for appeals; (2) to improve registration and re-registration procedures; (3) to significantly improve the complaints-handling procedures through the establishment of a Psychological Practitioners Professional Conduct Committee; (4) to change the appeals processes from the Cabinet to the Supreme Court; and (5) to modernise the language and change the flow of the Act, where required, in order to provide clarity and improve accessibility to stakeholders.

Mr. Speaker, the changes to the disciplinary and appeals procedures were identified due to a 2005 Supreme Court judgment that required a review of all health professional procedures to ensure that complaint-handling and disciplinary processes are appropriate. The 2018 Bill aims to standardise practices across health care professions, thereby improving Bermuda's regulatory system. In addition, the changes ensure that psychologists are subject to a more just disciplinary system.

Mr. Speaker, one new provision is the requirement for indemnity insurance. Honourable Members should be aware that the Ministry is committed to safeguarding public welfare and implementing best practices in the regulation of health professionals. Indemnity insurance coverage protects the practitioner and the public from claims of negligence and malpractice. It is encouraged by professional psychological associations and also a requirement for registration in the United Kingdom and Australia. Most recently, this requirement was established in the Medical Practitioners Amendment Act 2016.

Overall, Mr. Speaker, the Psychological Practitioners Act 2018 ensures high standards of practice that protect both the providers and the patients.

Mr. Speaker, this represents the full amendments proposed by this Bill. Thank you.

The Speaker: Thank you, Minister.

Does any other Member wish to speak?

I recognise the Honourable Member Jackson. Honourable Member Jackson, you have the floor.

Ms. Susan E. Jackson: Thank you, Mr. Speaker.

If I recall, this is a piece of work that the professionals have been working on for some time. And so, I would imagine that there is a level of satisfaction that this new piece of updated legislation is now being put in place, into law.

My only comment, and I certainly do not really have anything to criticise about the legislation other than to say that, you know, it is a council. And the administration of having councils needs to be taken into serious consideration, especially around complaint handling and the ability of the council to make sure that it continues to meet regularly; that it has a very clearly defined and active practice of coming together and making sure that they meet regularly and carry out the business of the council; and that they follow through on all of the processes and procedures, especially around complaints handling.

But other than that, I can say that, again, this is certainly an improvement. It is wonderful to see that we have this updated legislation. And I certainly hope that this is able to serve the psychological practitioners, as well as any patients and their families and friends. Thank you.

The Speaker: Thank you, Member.

Does any other Member wish to speak?

No other Member.

Minister.

Hon. Kim N. Wilson: Yes, Mr. Speaker. I would like to now move that this Bill now be committed.

The Speaker: Thank you.

Deputy.

House in Committee at 6:55 pm

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

COMMITTEE ON BILL

PSYCHOLOGICAL PRACTITIONERS ACT 2018

The Chairman: Honourable Members, we are now in Committee of the Whole House for further consideration of the Bill entitled the Psychological Practitioners Act 2018.

I call on the Minister in charge to proceed. Minister, you have the floor.

Hon. Kim N. Wilson: Mr. Chairman, I would like to move all 36 clauses.

The Chairman: Are there any objections to moving all 36 clauses?

There appear to be none. Continue, Madam.

Hon. Kim N. Wilson: Okay, Mr. Chairman. I will, though, provide the submissions with respect to these in the groups and topics as they appear in the legislation.

Mr. Chairman, clauses 1 through 3 concern the citation and interpretation and title protection.

Clause 1 provides for the title of the Bill.

Clause 2 provides the interpretation of terms used in the Bill.

And clause 3 provides that a person who is not a registered psychologist in Bermuda shall not practise as or use the name "psychologist."

Mr. Chairman, clauses 4 through 8 concern the Bermuda Psychologists Council.

Clause 4 establishes the Bermuda Psychologists Council.

Clause 5 provides the functions of the council.

Clause 6 provides protection for members of the council from personal liability.

Clause 7 provides that Schedule 1, Mr. Chairman, has effect in relation to the constitution of the council.

Clause 8 provides for the preparation, content, and dissemination of a code of conduct.

Mr. Chairman, clauses 9 through 19 concern the registration of psychologists.

Clause 9 sets out the requirements to be registered as a psychologist.

Clause 10 provides the registration process to become a psychologist.

Clause 11 provides the period of time a certificate of registration is valid.

Clause 12 sets out the requirements for re-registration as a psychologist.

Clause 13 provides what occurs when there is a lapse of a certificate of registration.

Clause 14 is the procedure that a registered psychologist follows when intending to be absent from Bermuda or practising outside of Bermuda for a period of 12 months.

Clause 15 provides that the council may, for special reasons, authorise a person who practises psychology in an overseas jurisdiction (referred to as an "authorized visiting psychologist") to practise psychology in Bermuda for a limited time and in limited practice areas.

Clause 16 provides that a qualified person (referred to as a "locum tenens") may be authorised to

practise as a registered psychologist should a registered psychologist be absent from practise.

Clause 17 provides the grounds the council has for suspending or restricting a certificate of registration.

Clause 18 provides for the restoration of a registered psychologist's name to the Register of Psychologists.

Clause 19 provides for the mandatory reporting of a registered psychologist performing his or her duties while impaired, to the Psychological Practitioners Professional Conduct Committee.

Mr. Chairman, I now would like to go on to clauses 20 through 23, which concern the Register of the Psychologists.

Clause 20 provides for the Register of Psychologists, to be maintained by the Registrar General.

Clause 21 provides that the Registrar General is to publish, by notice in the *Gazette*, the names and particulars in the Register.

Clause 22 provides for the voluntary removal of a registered psychologist from the register.

Clause 23 provides the ways a registered psychologist may be struck off the register.

Moving now, Mr. Chairman, to clauses 24 through 27, which all deal with the professional conduct committee.

Clause 24 establishes the Psychological Practitioner Professional Conduct Committee.

Clause 25 provides the means by which the committee investigates a complaint made against a registered psychologist.

Clause 26 provides that the council conducts an inquiry into a complaint investigated by the committee.

Clause 27 provides that, in the absence of a complaint, the council may, of its own initiative, hold an inquiry for specified reasons.

Mr. Chairman, clauses 28 through 31 deal specifically with offences and appeals.

Clause 28 creates certain offences under the Act.

Clause 29 creates the offence for persons making a false statement in connection with an application or a matter [failing] to be performed under the Act.

Clause 30 provides that a person convicted of the offence of making a false statement will have his or her name struck off the Register.

Clause 31 provides that a person aggrieved by a decision of the council shall appeal to the Supreme Court.

Clauses 32 through 36 concerns regulations, revocation, consequential and transitional amendments and commencement.

Clause 32 gives the Minister the power to make regulations.

Clause 33 provides the consequential amendments.

Clause 34 revokes the Psychological Practitioners Act 1998 and the Psychological Practitioners Registration Regulations 2003.

Clause 35 provides transitional provisions.

Clause 36 provides for the commencement of the Bill.

Thank you, Mr. Chairman.

The Chairman: Any further speakers?

The Chair recognises the Opposition Leader, Mrs. Atherden. You have the floor.

Hon. Jeanne J. Atherden: Thank you, Mr. Chairman.

I just wanted to say that I am obviously mindful of why this is coming into effect, having been the previous Minister. And I think it is very important for us, as we tidy up some of the concerns that the psychologists had, especially with one being able, when complaints were made, to investigate it. And then also with respect to being able to close up a loophole where people would come from abroad, call themselves psychologists, and then not be able to turn around and say they are actually properly registered.

And you know what Bermuda is like. Unless people know exactly that you are legitimate, there is a tendency to just take people on face value. So I do believe that this is good, and I believe that many more of the associations will start to take that clause out where you do not appeal to Cabinet, you go to the Supreme Court, because that was found to be an issue in a number of the professional bodies. So I appreciate and understand, and am glad we are moving forward.

Thank you, Mr. Chairman.

The Chairman: Any further speakers?

Minister you have the floor.

Oh, I am sorry; the Chair recognises the Honourable Member, Tinee Furbert, from constituency 4.

Mrs. Tinee Furbert: Thank you, Mr. Chairman.

I just wanted to speak to this Bill. I am very satisfied and happy with this Bill. Just as the Member who previously spoke in regard to persons coming back who have different variations of psychology or psychology-type degrees, that this is very succinct in the explanation of what a psychologist is so that we are very clear in regard as to who can practice psychology.

I also just wanted to speak to clause 24 where it speaks to the Professional Conduct Committee having the power to be able to investigate practitioners inside and outside of Bermuda. I think that is very important that they have the powers to be able to do that when practicing, or wanting to practice in Bermuda.

Thank you, Mr. Chairman.

The Chairman: Any further speakers?

Minister, you have the floor.

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

I would like to move clauses 1 through 36.

The Chairman: Any objections to moving clauses 1 through 36?

There appear to be none.

They are approved.

[Motion carried: Clauses 1 through 36 passed.]

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

I move that the preamble now be approved.

The Chairman: Any objections to the preamble?

There appear to be none.

Hon. Kim N. Wilson: Mr. Chairman, I move that the Bill be reported to the House as printed.

The Chairman: You have to move the Schedules.

Hon. Kim N. Wilson: I would like to move both Schedules. Thank you, Mr. Chairman.

The Chairman: Any objection to the Schedules being approved?

There appear to be none.

They are approved.

[Motion carried: Schedules 1 and 2 passed.]

Hon. Kim N. Wilson: I move that the Bill be reported to the House as printed.

The Chairman: It has been moved that clauses 1 through 36 be approved, also it has been moved that the preamble be approved. Are there any objections?

There appear to be none.

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

The Chairman: The Bill will be reported to the House as printed.

[Motion carried: The Psychological Practitioners Act 2018 was considered by a Committee of the whole House and passed without amendment.]

House resumed 7:04 pm

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

REPORT OF COMMITTEE

PSYCHOLOGICAL PRACTITIONERS ACT 2018

The Speaker: Members, any objections to the Psychological Practitioners Act 2018 being reported to the House?

No objections. The Bill is approved.

We move on to the next item. The last item is the Second Reading of the Land Tax Temporary Amendment Act 2018. And it is the Junior Minister who is going to lead this.

Junior Minister, you have the floor.

BILL

SECOND READING

LAND TAX TEMPORARY AMENDMENT ACT 2018

Hon. Wayne L. Furbert: Thank you, Mr. Speaker.

Mr. Chairman, with the Government's recommendation I move the Bill entitled the Land Tax Temporary Amendment Act 2018 now be read the second time.

The Speaker: Continue on.

Hon. Wayne L. Furbert: Mr. Speaker, the Government wishes the Honourable House to give consideration to a Bill entitled the Land Tax Temporary Amendment Act 2018.

Honourable Members are aware that in January 2018 the Government published a pre-Budget Report as part of the preparation process for the 2018/19 Budget, which reflected the Government's decision to participate in the open budget initiative. One of the main objectives of a pre-Budget Report is to provide a document that elicits discussion from stakeholders. Prior to finalising the Budget, the Government held a public forum and meetings with stakeholders and discussed various issues associated with the Budget.

Mr. Speaker, the report discussed various policy options that were under consideration for the 2018/19 Budget. One of the considerations for inclusion in the 2018/19 Budget was to broaden the tax base by taxing commercial rents. The tax would have been charged on persons who rent out commercial properties for rental income. Initially it was proposed that the tax would be charged on the annual rental value off of properties and that a certain deduction, such as mortgage payments would be allowed. It was also proposed to have exemptions for certain areas such as the economic empowerment zone. And we were considering 5 per cent of commercial rent.

Mr. Speaker, following pre-budget consultation it was announced in the 2018/19 Budget Statement that Government would not introduce a tax on commercial rents, but, rather, as a temporary measure, it would increase land tax rates on commercial properties by 5 per cent to yield an additional \$17 million in land tax per year. This temporary increase would generate additional revenue, while the Tax Reform Commission, which has been set up, looks at commercial rent, and the income earned from commercial properties whose income is not currently sub-

ject to taxation. So all that would be looked at during the Tax Reform Commission.

It was also noted that properties in the economic empowerment zone will be exempted from this temporary increase.

Mr. Speaker, during the pre-budget process, the Ministry met with members of the real estate section of the Chamber of Commerce, and also received feedback via email. The Ministry carefully considered all submissions, and for the sake of simplicity and efficiency decided not to move forward with the commercial rent tax this year.

However, the revenue requirement is immediate. Therefore, it was proposed . . . as a matter of fact, it was suggested by the real estate individuals that we met with that it should be put to the land tax. However, the Government requirement is immediate. Therefore, it is proposed, on a temporary basis, to increase land tax on commercial rents by 5 per cent to fill this void.

Mr. Speaker, land tax is charged under the authority of the Land Valuation and Tax Act 1967 and the Land Tax Act 1967.

It is assessed on the ARV, annual rental value, of each valuation unit, depending on whether the unit is a private dwelling or a commercial property. The rate on commercial properties is currently 7.0 per cent, and was raised in 2016 when it was increased from 5.5 per cent to 7.0 per cent. Rates were also increased in . . . let's go back. Rates were first of all increased in 2015 from 4.4 per cent to 5.5 per cent. There was an increase again in 2016 from 5.5 per cent to 7.0 per cent.

Mr. Speaker, the Bill provides for the following: increased land tax on commercial properties from 7 per cent to 12 per cent for two tax periods only, commencing July 1, 2018. It provides exemptions to properties in all economic empowerment zones.

Mr. Speaker, the Ministry of Finance is confident that this approach will provide the Government with the required amount of revenue to meet our 2018/19 deficit reduction programme, and believes that a revised temporary rate increase is fair.

With those introductory remarks, Mr. Speaker, I now read for the second time a Bill entitled the Land Tax Temporary Amendment Act 2018. Thank you, Mr. Speaker.

The Speaker: Thank you, Junior Minister.

Does any other Member wish to speak?

I recognise the Honourable Opposition Leader. You have the floor.

Hon. Jeanne J. Atherden: Mr. Speaker, having gone through the Budget Debate, I think we understand the dilemma that the Minister and the Government found themselves in, in the sense that they would have hoped to have implemented the general services tax. They were not able to . . . the commercial rent tax, sorry. They were not able to implement the commer-

cial rent tax. But, at the same time, they had a budget that they had to lead and they had to balance and they had revenues that had to come. So the opportunity to use the land tax for these same commercial areas was a way for them to try to turn around and come up with that revenue.

Obviously, taking it from 7 per cent to 12 per cent, I am presuming that was the requisite amount to get the revenue they hoped for. I also realise that they have only done it for these two periods, the year, because I am sure that they would hope that the Tax Reform Commission that is looking at tax reform will have the opportunity to turn around and come back with its report.

I think the only thing, and I am saying this because it does not matter because the Government has put its budget in and things have to be looked at. I do think that we have to understand that it will affect the ordinary man, because many of them have leases that have, what I call, flow-through, which means that it is not going to be the owners who are going to end up paying this tax, it is going to flow through to the tenants. But, that being said, the Government still has to try and generate the revenue.

I also recognise that there are some places that are perhaps not rented so the owners themselves are already under pressure in terms of not being able to get revenues from their rents. And, if that is the case, that it is not rented, then they will have to pay it. But I do think that it is very important as we go forward to be able to have the Tax Reform Commission, and I acknowledge my participation in that commission, to come up with what we believe is appropriate, bearing in mind we all said that we wanted to get something that was more progressive, more equitable, and this, right now, does not meet the bill, but we know that the Finance Minister had to do something to balance those revenues. And we have to then just get on with trying to get a better system. Thank you, Mr. Speaker.

The Speaker: Thank you, Opposition Leader.

Yes, we have another speaker here. I recognise the Honourable Member De Silva. You have the floor.

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

Mr. Speaker, some people may wonder if I am going to object to this Bill or support it. Yes, and I will declare my interest, as I am sure the Honourable Member Grant Gibbons will declare his if he stands up, that is for sure.

Mind you, if I have to declare mine it will take about 30 seconds; it will take the Honourable Member about 30 minutes to declare his. And then he would still be in contempt for lack of information.

[Laughter]

Hon. Zane J. S. De Silva: But, Mr. Speaker, seriously speaking, I am glad to support this Bill tonight. Whilst it will affect me and my family, I have always said that those who have more should pay more, Mr. Speaker. I am certainly glad that this particular Bill is here before the House tonight.

I am very happy to see that the empowerment zones will not be affected by this change. So that is a very good . . . it should be very good music in the ears of those in those zones, people who have properties in those zones. So I am very glad to hear that and I support it wholeheartedly. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Member wish to speak?

I recognise the Honourable Member Grant Gibbons. You have the floor.

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

How can I deny a request like that from the Honourable Member who just sat—

[Laughter]

The Speaker: Now he indicated that you were going to take half an hour. Is that true?

Hon. Dr. E. Grant Gibbons: Sorry?

The Speaker: He indicated you were going to take a half hour, is that true?

Hon. Dr. E. Grant Gibbons: No. I am happy to declare interest, but that is really . . . it was not so much what I think the Government sees as normal commercial properties.

What I was actually interested in was, and it has not been mentioned so far, to what degree was there consultation with the hospitality industry. What we are in effect doing in the increase in the valuation unit from 7 per cent to 12 per cent, is increasing by a little over 70 per cent. That is a fair hike. And I believe hotels and guest cottages and others will be caught under this, unless, of course, they have a provision . . . some of the newer ones have a provision—

[Inaudible interjection]

The Speaker: Only one speaker; one speaker, speak to the Chair.

Hon. Dr. E. Grant Gibbons: It may have full last year but they are probably not going to be that full this year.

So, in essence, as we all know, a lot of our hotel properties operate on a fairly thin margin. And, I am curious, as I said, as to whether there was any consultation with them because a 70 per cent increase in their tax could be quite significant.

I noticed a bit of scurrying going on over on the other side, but in the actual principal Land Tax Act it is quite clear that the guest houses, cottage colonies, hotels and tourist accommodations, are not considered to be private dwellings and, therefore, from my read of it, are caught under the increase here.

So, the question is, Was there consultation? And has the Government considered the impact on the hospitality industry for the July through July year coming up? Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Member wish to speak?

I recognise the Honourable Premier. You have the floor.

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

Mr. Speaker, one of the hallmarks of this Government is making sure that we reach out to numerous persons when we are considering the policy impacts. The Member who just took his seat asked if the Government had considered the impact on hotels and other hospitality industries. I am happy to report to the Honourable Shadow Minister that we did. And we had a full list, as we were concerned as the impact to the hospitality industry.

As the Minister speaks about the changes that this may have on small guest houses and all the rest, we did analyse the entire scale of all the properties and we figure this will be something that could be borne. As everyone knows, no one likes to pay an increase in taxes. There will be two particular properties that will see their land tax go up by a significant amount. Those would be the two largest hotel properties on the Island, which will be the Fairmount Southampton and also the Hamilton Princess. And then the other increases will not be as large as the ones for those two properties.

One of the things we are looking for is clarification as to whether some of those properties enjoy concessions. We did get a list of the concessions that were granted and we are checking to see whether or not land tax is included in those particular concessions.

But overall, Mr. Speaker, I think that it is important to note that as has been stated by the Junior Minister, and also stated by the Opposition Leader, who both sit on the Tax Reform Commission, it is important to note that this is a temporary measure. And, therefore, written in this Act is that it is temporary, and it will cease to exist after a year to provide the space for the Government to make the changes, to finish the consultation on a broader scale in regard to tax reform, so that we can put something that is fair and equitable in place to have a fairer society than we currently have, Mr. Speaker.

So, it is temporary. The concerns which are noted from the hospitality industry by the Members on the other side were taken into consideration in the

final preparation of this Bill. But, on balance, we felt that we should proceed and go ahead. Thank you, Mr. Speaker.

The Speaker: Thank you, Mr. Premier.

Does any other Member wish to speak?

No other Member? I call on the Junior Minister.

Hon. Wayne L. Furbert: Thank you, Mr. Speaker.

The Minister of Finance, the Premier, is absolutely correct. We did take into consideration all of the different avenues. We also recognise, like I said, in 2015 the tax rate went up by 25 per cent. And the previous year it went up by 27 per cent. So in two years the former Government increased it by 52 per cent. I do not know whether they took into consideration those individuals at that time. But we recognise . . . and those are permanent; ours are temporary.

So, next year the Leader of the Opposition and I sit on the Tax [Reform Commission] and all these things will be looked at. I do not have anything else further to say. I thank those individuals who support it, recognising the situation. Like I said, when we first talked about increasing commercial rent on ARV it was just to be charging the actual owners. And it was 5 per cent. And we received somewhere between \$284 million to \$300 million in commercial rent collected on a yearly basis in Bermuda. The highest was in 2008, about \$320 million. But it has dropped off . . . it has risen up a little bit over time.

And it has many facets as to the reason why there is property distress, people have gone out, invested it and built more rental units. And there has been a shrinkage within the . . . as far as consolidation of companies. But this Government is very much interested in working on and getting growth taking place and so if our growth strategy takes into effect, we hope to have a lot of those buildings which are considered empty to be full.

So that is our position where we stand, and we will move forward from there. So, Mr. Speaker, based on that, I move that the Bill be committed.

The Speaker: Thank you, Junior Minister.
Deputy Speaker.

House in Committee at 7:22 pm

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

COMMITTEE ON BILL

LAND TAX TEMPORARY AMENDMENT ACT 2018

The Chairman: Honourable Members, we are now in Committee of the whole House for consideration of the Bill entitled the Land Tax Temporary Amendment Act 2018.

I call on the Minister in charge to proceed. Minister, you have the floor.

Hon. Wayne L. Furbert: Thank you, Mr. Chairman.

Just so individuals in this House would know and they are worried I get it right, that there are two hotels that do have concessions, so they will not have to pay the full amount.

[Inaudible interjection]

Hon. Wayne L. Furbert: Yes.

So, Mr. Chairman, they will have some concessions.

Mr. Chairman, this Bill seeks to make a temporary amendment to the Land Tax Act 1967—

Sorry, can I move all the clauses?

The Chairman: Yes, you can.

Hon. Wayne L. Furbert: Clauses 1 through 4.

The Chairman: Any objections to moving clauses 1 through 4?

There appear to be none. Continue, Minister.

Hon. Wayne L. Furbert: Thank you.

This Bill seeks to make a temporary amendment to the Land Tax Act 1967 to increase for a period of one year from 1 July 2018 the land tax payable on a valuation unit other than a private dwelling.

Clause 1 is self-explanatory.

Clause 2 amends section 2(b) of the Land Tax Act 1967 to increase the rate of tax charged on a valuation unit other than a private dwelling from 7 per cent to 12 per cent of the unit's annual rental value.

Clause 3 provides an exemption from the increase in respect of any valuation unit within any of the economic empowerment zones designated under the Economic Development Act 1968. Areas currently designated include parts of North East Hamilton, Somerset and St George's, as shown on the maps in the respective Economic Development (Designation of Economic Empowerment Zone) Orders.

Clause 4 provides for commencement of the Act on 1 July 2018 and expiry on 1 July 2019, and clarifies that the increase in the rate of land tax will apply only in respect of the tax periods commencing on 1 July 2018 and [1] January 2019.

The Chairman: Any further speakers?

There appear to be none, Minister. Do you want to continue? Do you want to move the clauses?

Hon. Wayne L. Furbert: Yes, Mr. Chairman.

I thought I already moved the clauses. I move that the preamble be approved. And that the Bill be reported to the House as printed.

The Chairman: One second. You moved the clauses?

Hon. Wayne L. Furbert: I moved clauses 1 through 4.

The Chairman: Right.

Any objections to clauses 1 through 4 being included?

There are no objections.

Agreed to.

[Motion carried: Clauses 1 through 4 passed.]

Hon. Wayne L. Furbert: I move that the preamble be approved.

The Chairman: Any objections to the preamble being approved?

There appear to be none.

Approved.

Hon. Wayne L. Furbert: And I move that the Bill be reported to the House as printed.

The Chairman: It has been moved that the Bill be reported to the House as printed.

Is there any objection to that motion?

There appears to be none.

Agreed to.

[Motion carried: The Land Tax Temporary Amendment Act 2018 was considered by a Committee of the whole House and passed without amendment.]

REPORT OF COMMITTEE

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

LAND TAX TEMPORARY AMENDMENT ACT 2018

The Speaker: Members, are there any objections to the Land Tax Temporary Amendment Act 2018 being reported to the House?

No objections.

It has been reported to the House.

That now brings us to the end of the items on the Order Paper for today. We will do third readings.

SUSPENSION OF STANDING ORDER 21

Hon. E. David Burt: I do believe that the Honourable Minister, after being on her feet for a very long budget session and then eating dinner in the office, so, Mr. Speaker, if I may, I move that Standing Order 21 be suspended to enable me to move that a Bill entitled the Health Insurance Amendment Act 2018 be now read a third time by its title only.

The Speaker: Any objections?

No objections.

[Motion carried: Standing Order 21 suspended.]

BILL

THIRD READING

HEALTH INSURANCE AMENDMENT ACT 2018

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

Mr. Speaker, I move that the Bill be now read a third time by its title and passed.

The Speaker: Any objections?

No objections.

The Bill is now passed.

[Motion carried: The Health Insurance Amendment Act 2018 was read a third time and passed.]

The Speaker: The Minister will do the second one.

SUSPENSION OF STANDING ORDER 21

Hon. Kim N. Wilson: Mr. Speaker, I move that Standing Order 21 be suspended to enable me to move that a Bill entitled the Psychological Practitioners Act 2018 be now read a third time by its title only.

The Speaker: Any objections?
Continue Minister.

[Motion carried: Standing Order 21 suspended.]

BILL

THIRD READING

PSYCHOLOGICAL PRACTITIONERS ACT 2018

Hon. Kim N. Wilson: I move that the Bill be now read a third time by its title and passed.

The Speaker: Any objections?

The Bill has now passed.

[Motion carried: The Psychological Practitioners Act 2018 was read a third time and passed.]

The Speaker: The Junior Minister.

SUSPENSION OF STANDING ORDER 21

Hon. Wayne L. Furbert: Mr. Speaker, I move that Standing Order 21 be suspended to enable me to move that a Bill entitled the Land Tax Temporary

Amendment Act 2018 be now read a third time by its title only.

The Speaker: Any objections?

No objections.

Continue on, Junior Minister.

[Motion carried: Standing Order 21 suspended.]

BILL

THIRD READING

LAND TAX TEMPORARY AMENDMENT ACT 2018

Hon. Wayne L. Furbert: The Land Tax Temporary Amendment Act 2018. I move that the Bill now be passed.

The Speaker: Any objections to that?

No objections.

The Bill has now passed.

[Motion carried: The Land Tax Temporary Amendment Act 2018 was read a third time and passed.]

The Speaker: Now, that brings us to the end of our Order of Business for today.

Mr. Premier, would you like to take the floor?

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

I move that this House do now adjourn until Friday, March 2nd.

The Speaker: At 10:00 am.

Does any other Member wish to speak to that?

No other Member wishes to speak? The House stands adjourned until Friday at 10:00 am.

[Gavel]

[At 5:30 pm the House stood adjourned until 10:00 am, Friday, 2 March 2018.]