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Hon. K. H. Randolph Horton, JP, MP
Speaker

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BERMUDA HOUSE OF ASSEMBLY**OFFICIAL HANSARD
13 SEPTEMBER 2013
10:04 AM***Sitting Number 22 of the 2013 Session**[Hon. K. H. Randolph Horton, Speaker, in the Chair]***PRAYERS***[Prayers read by Hon. K. H. Randolph Horton, Speaker]***CONFIRMATION OF MINUTES
19 AND 26 JULY 2013**

The Speaker: Members, we first have confirmation of the Minutes of the 19th and 26th of July 2013.

Are there any objections to those Minutes?
There are none.

*[Motion carried: Minutes of 19 and 26 July 2013 confirmed]***MESSAGES FROM THE GOVERNOR**

The Speaker: There are no messages from the Governor.

**ANNOUNCEMENTS BY THE SPEAKER
OR MEMBER PRESIDING****APOLOGIES**

The Speaker: I have a couple of announcements.

First, I would like to inform the Honourable House that I received correspondence from the Honourable Member Zane De Silva, who will be off-Island for this meeting.

STANDING ORDER 56(1)(d)

The Speaker: Also, Members, I would like to point out and first of all apologise that you did not receive the Order of Business on Wednesday, as we aim to do.

I would just like to remind those responsible for providing business for the House that Standing Order 56(1)(d) says that we have a responsibility, that "The Clerk shall be responsible for preparing for each meeting an Order Paper containing the business for that meeting—copies of which shall be dispatched not less than two days before the House meets."

This means to say that information has to get to us here in the Assembly, in the House to the Clerk and myself, so that we can meet this commitment. And it is important, Members, if we are going to conduct good business, that all Members have an opportunity to peruse what is going to be discussed on the day, at least two days before.

MESSAGES FROM THE SENATE**APPOINTMENT OF SENATORS TO THE JOINT
SELECT COMMITTEE ON MANAGEMENT
STRUCTURE AND GOVERNANCE OF THE
LEGISLATURE**

The Speaker: I have a message from the Senate.

I will read the message from the Senate. It says, "I am pleased to announce the appointment of Senator Diallo V. S. Rabain, JP, and Senator Jeffrey C. Baron, JP, to serve as the Senate's representatives on the Parliamentary Joint Select Committee established by resolution of your Honourable House to examine, make recommendations and report to the House and Senate on the Legislature's Management Structure and Governance."

This from Senator the Honourable Carolanne M. Bassett, JP, the President of the Senate.

HOUSE VISITORS

The Speaker: I would just like to . . . It is difficult seeing all that distance. I do not have eyes like I used to have. And I am looking down there and I see some very familiar faces in the Gallery. I see Dame Jennifer, Bermuda's Dame Jennifer. Is that Dame Jennifer?

Dame Jennifer, I hardly recognised you from here. You are looking good, Dame Jennifer.

[Laughter]

The Speaker: Dame Jennifer is in the Gallery, along with Reverend . . . I see Reverend Tweed there, as well.

[Desk thumping]

The Speaker: Yes, yes.

PAPERS AND OTHER COMMUNICATIONS TO THE HOUSE

The Speaker: Next we have papers and communications to the House.

The Chair will first recognise the Honourable E. T. Bob Richards.

PENSION COMMISSION ANNUAL REPORT FOR YEAR ENDED DECEMBER 31, 2008

Hon. E. T. (Bob) Richards: Thank you, Mr. Speaker.

I have the honour to attach and submit for the information of the Honourable House of Assembly the Annual Report of the Pension Commission for the year ended December 31st, 2008.

The Speaker: Thank you, Honourable Minister.

Any objections to that?

The Chair will now recognise the Honourable Minister, Dr. the Honourable Grant Gibbons.

Dr. Gibbons, you have the floor.

BERMUDA GOVERNMENT SCHOLARSHIPS REGULATIONS 2013

Dr. the Hon. E. Grant Gibbons: Thank you, Mr. Speaker, and good morning.

Mr. Speaker, I have the honour to attach and submit for the information of the Honourable House of Assembly the draft Regulations entitled the Bermuda Government Scholarships Regulations 2013, as made by the Minister responsible for Education under the provisions of section 5 of the Bermuda Government Scholarships Act 2008.

The Speaker: Thank you, Honourable Minister.

Are there any objections to that?

There are none.

The Chair now will recognise again the Honourable Minister, Dr. the Honourable Grant Gibbons.

EDUCATION AMENDMENT RULES 2013

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

I have the honour to attach and submit for the information of the Honourable House of Assembly the draft Rules entitled the Education Amendment Rules 2013, as made by the Minister responsible for Education under the provisions of section 8(1) of the Education Act 1996.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Minister.

Are there any objections to that?

There are none.

STATEMENTS BY MINISTERS

The Speaker: We now move to Statements by Ministers.

I first recognise the Honourable Minister, Minister Michael Dunkley.

You have the floor.

Hon. Michael H. Dunkley: Thank you, Mr. Speaker. Good morning to you, and good morning to colleagues.

The Speaker: Thank you. Good morning to you.

CROSS-MINISTRY INITIATIVE BETWEEN DEPARTMENT FOR NATIONAL DRUG CONTROL AND DEPARTMENT OF EDUCATION

Hon. Michael H. Dunkley: Mr. Speaker, I rise this morning to update this Honourable House on the cross-Ministry initiative between the Department for National Drug Control (DNDC) and the Department of Education. This initiative supports the DNDC's drug prevention efforts and will assist the DNDC to achieve their mission of preventing the use of alcohol, tobacco and drugs by middle and high school students through afterschool programming, as highlighted in the National Drug Control Master Plan and Action Plan.

Mr. Speaker, the DNDC's afterschool programme was implemented during the 2011/12 school year, after being piloted during the 2010/11 school year. The programme for the past three years has been referred to as the DNDC's Substance Abuse Prevention Afterschool Programme for Middle School Students. The programme utilises tested and effective methods for drug prevention and incorporates the theory of Social Emotional Learning (or, SEL) for students at the middle school age level. SEL gives students the essential knowledge and skills needed to make significant community-level change whilst developing to their fullest potential possible.

Mr. Speaker, as we prepare our student population to become change agents against anti-social behaviours, such as violent crimes, delinquency, drug misuse and drug trafficking, the DNDC, with the assistance of student participants, have changed the official name of the programme from the DNDC's Afterschool Substance Abuse Programme to Teen Peace Bermuda.

Teen Peace Bermuda will focus exclusively on the benefits for youth to reduce alcohol and drug using and risk-taking behaviours through the development of social emotional learning skill sets, resiliency skills and conflict resolution, all facilitated by positive adult role models.

Mr. Speaker, participants in the Teen Peace Bermuda programme will be prepared to represent their local community on the issues facing the youth regarding drugs and alcohol and other anti-social be-

haviours in the international arena, through social media and youth-led face-to-face forums. Teen Peace Bermuda's aim will be to increase academic and social competence through the development of the following skills:

- strengthening of personal commitments against drug abuse;
- drug resistance skills;
- communication;
- study habits and academic support;
- peer relationships;
- self-[efficacy] and assertiveness; and
- ongoing reinforcement.

Mr. Speaker, the Teen Peace Bermuda programme will operate two days weekly (Wednesdays and Thursdays) from 3:45 to 5:45 at:

- Clear Water Middle School;
- Dellwood Middle School;
- Sandys Middle School;
- T. N. Tatem Middle School; and
- Whitney Institute Middle School.

Mr. Speaker, the Department for National Drug Control and the Ministry of Public Safety understand that providing young people with supportive, pro-social role models, opportunities and recognition, and the tools to make positive choices is an essential step in ensuring the well-being of our youth and securing Bermuda's future.

Mr. Speaker, we are pleased to offer this in coordination with the Department of Education.

Thank you, sir.

The Speaker: Thank you very much, Honourable Minister.

The Chair will now recognise the Honourable Minister of Finance.

Minister Bob Richards, you have the floor.

BERMUDA GOVERNMENT (US)\$750 MILLION SENIOR UNSECURED NOTES ISSUE DUE IN 2024

Hon. E. T. (Bob) Richards: Thank you, Mr. Speaker.

Mr. Speaker, Honourable Members will recall that on Tuesday, July 30th this year, the Government of Bermuda raised (US)\$750 million in long 10-year bonds. Therefore, in accordance with section 2(3) of the Government Loans Act 1978, I rise this morning to inform this Honourable House of the execution of this borrowing transaction, pursuant to the requirements of the Act.

Mr. Speaker, I can now report on this successful capital markets transaction which raised (US)\$750 million in 10-year bonds, at an all-in yield of just 4.854 per cent by the Government of Bermuda. The transaction represents the largest-ever bond transaction and lowest-ever bond spread for the Gov-

ernment of Bermuda in the public bond markets. Now, what do I mean by "bond spread"? The bond spread is the difference between the yield on Bermuda's bond as compared to the yield on a US Treasury 10-year bond. This spread is the measure of whether we obtained a good deal or not; the smaller the spread, the better the deal.

Mr. Speaker, here is a brief synopsis of the process that led to this successful transaction: As announced on Monday, July 22nd, 2013, the Bermuda Government conducted meetings with international investors to provide them with an update on economic and fiscal developments in the country. This also allowed us to evaluate market conditions and potential funding opportunities to implement the Ministry of Finance's new, already announced multi-year borrowing strategy. This is called a "road show" in the capital markets.

The Government conducted an effective and well-timed road show across the United States, as well as the UK, and successfully educated institutional investors on our credit. More importantly, investors were also informed of the Government's plan to turn around the economy and reduce deficit levels. Our two-track strategy which strikes a balance between, on the one hand, responsible growth through deregulation and tax incentives, and on the other hand, disciplined financial management, was clearly explained to investors.

Mr. Speaker, during the rigorous four-day road show, the Government team had investor meetings in New York, Boston, Los Angeles and London. In total, there were 23 investor presentations and the team had three conference calls, one on our way to the airport with other investors.

It should be noted that there is a stringent in-depth level of due diligence and sophisticated analysis conducted by all potential investors on any issuer in the international capital markets. The Bermuda Government, as an issuer, has to provide in-depth analysis in the following areas:

- political and social stability;
- stability of the business base;
- historical fiscal responsibility;
- current fiscal responsibility;
- macroeconomic policy;
- current account surplus or deficit;
- trade account surplus or deficit;
- confidence in the legal system; and
- regulatory environment.

This analysis allows investors to gain a full understanding of the issuer. Complete assurance and confidence in the issuer must be attained before any investment is completed.

Mr. Speaker, following the road show, on Tuesday, July 30th, 2013, the transaction was announced and the transaction immediately attracted healthy demand and the attention of the world's top

institutional investors, allowing the interest rate on the notes to be reduced, thereby reducing that bond spread. The bond spread and very large order book confirmed that the market has a very favourable view of the new Government's economic turnaround plan. The success of this transaction is an independent, objective validation of our two-track strategy.

Mr. Speaker, highlights of the transactions include: On Tuesday, July 30th, 2013, the Government of Bermuda raised \$750 million of long 10-year bonds at a yield of 4.854 per cent, for a spread to US Treasuries of 225 basis points [bps]. A basis point is 1/100th of 1.00 per cent. Despite a volatile market backdrop, where emerging markets issuance volumes had virtually dried up, the transaction attracted healthy demand and the attention of the world's top investors.

The deal was announced on July 30th at 9:30 am in New York as "benchmark size—targeted at \$500 [million] to \$750 million," and attracted international demand of almost \$750 million within one hour. The Government was able to move pricing tighter from the initial guidance of Treasuries plus 237.5 basis points to revised guidance of Treasuries plus 225 basis points to 237.5 basis points, to ultimately price at the tight end of the guidance. The final order book of over \$2.25 billion (that is three times over subscribed) enabled the Government to both tighten price guidance and upsize the transaction.

Bermuda was able to further expand its international investor base with over 175 investors placing orders across the United States, Europe and Bermuda, focusing on a combination of high-quality fund managers and insurance companies. Ultimately, the cost to the Government of this transaction was a modest 20 basis points.

It is pleasing to note that, despite our ongoing economic challenges and the general volatile global rate backdrop, confidence has been maintained in the Bermuda credit story and there remains a substantial investor appetite for Bermuda Government paper, as illustrated by the success of this transaction.

Mr. Speaker, this transaction represents the first tranche of the Ministry of Finance's new multi-year borrowing strategy. As announced in a prior Ministerial Statement, it is the Government's plan to issue at least two separate tranches: a US-dollar institutional tranche and a Bermuda-dollar local tranche.

Mr. Speaker, I can advise that the Ministry has reviewed offers from local banks to manage the \$50 million local bond issue, and we will announce the successful bank in due course. It is anticipated that this transaction will be launched and closed before the end of this year. We are confident that there is significant appetite in the local retail market for Government bonds.

Thank you very much, Mr. Speaker.

The Speaker: Thank you, Honourable Minister of Finance, from constituency 11.

You would like to continue, Minister? You have another Statement?

Carry on, please.

LETTER OF COMFORT TO DEVELOPERS OF MORGAN'S POINT

Hon. E. T. (Bob) Richards: Yes, Mr. Speaker, I do.

I have another Statement on the subject of the Letter of Comfort to the developers of Morgan's Point.

Mr. Speaker, I rise today to advise Honourable Members of the Letter of Comfort that I issued to the Morgan's Point developers, Morgan's Point Limited (MPL). Honourable Members will recall that I issued a press release on August 16th, 2013, announcing that I was "examining options" to assist the Morgan's Point developers, Morgan's Point Limited, to obtain financing for the project, and to this end had issued a letter of comfort to MPL to confirm the Government's strong support for the project and willingness to provide a limited financial guaranty for the project.

Mr. Speaker, Government is committed by way of various agreements to the remediation of lands conveyed to MPL for the construction and operation of a boutique-style hotel, condominium residences, sewage treatment plant and other facilities. MPL has advised Government that the environmental remediation issues at Morgan's Point are impeding its ability to secure satisfactory construction financing for phase one of the project. In that regard, MPL has requested that the Government provide credit enhancement for the financing of phase one of the project in the form of a limited financial guaranty.

Mr. Speaker, it is generally not the policy of the Finance Ministry to issue guaranties to the private sector unless the matter is of national importance. However, the Island has not seen a new hotel development for some time, and the Government strongly supports this project and the economic benefits that it will bring to Bermuda. We must do more to attract foreign capital to our shores to develop our tourism product. At a tourism summit held earlier in the summer in Bermuda it was noted that our competitors are doing a great deal to attract financing for hotel projects. Some governments are going so far as to guarantee the debt in order to finalise the acquisition of the required financing for the project.

Mr. Speaker, I am confident that if satisfactory financing is obtained this development will turn a brownfield site into a stunning new resort—leading Bermuda back into the forefront of the hospitality industry. Once constructed, the project will create numerous jobs. Additionally, the total build will generate significant revenues for Bermuda, both through payroll tax and stamp duty from the sale of units.

Although the nature and extent of the credit enhancement cannot be quantified at this time, and will depend upon the particulars of the project and the

construction loan, I can advise this Honourable House that I have provided a Letter of Comfort to the developers to confirm the Government's willingness to consider credit enhancement for the project. This letter is required so that MPL can begin discussions with potential lenders for the project finance.

Mr. Speaker, it is important to note that, at this time, the Government has made no firm commitment. Therefore, this comfort letter is not binding. Also, if Government should decide to provide credit enhancement for the financing of phase one of the project the guaranty agreement will include conditions typically included in non-affiliated financial guaranties. Finally, this action should not be considered a precedent-setting one and is only being considered because of the environmental remediation issues at the Morgan's Point site.

Mr. Speaker, the Government is eager for the project to proceed and succeed, and is looking forward to working with the developer to achieve that objective.

Thank you, Mr. Speaker.

The Speaker: All right. Thank you, Honourable Minister. And I understand you have a third Statement. So you may continue.

BERMUDA'S ADOPTION OF MULTILATERAL CONVENTION ON MUTUAL ASSISTANCE IN TAX MATTERS

Hon. E. T. (Bob) Richards: Yes, sir. Thank you very much.

Mr. Speaker, I am pleased to be able to inform the House of the Government's request to the UK Foreign and Commonwealth Office (known as FCO) to extend the Multilateral Convention on Mutual Assistance in Tax Matters (I will refer to that as "the Convention" going on because it is a mouthful) to Bermuda, at the earliest possible opportunity.

Honourable Members will recall that on June 13th, 2013, the Premier, the Honourable Craig Cannonier, stated in a press release that Bermuda supports "in principle" the Multilateral Convention Agreement and endorses the principles of transparency and exchange of information that the Convention embodies. However, Premier Cannonier noted at that time legitimate reservations existed that had to be addressed prior to signing the document. These reservations related to costs, security of data, and treaty duplication.

Mr. Speaker, since that time, Bermuda has been in talks with HM Treasury in order to iron out these issues as quickly as possible. Following exhaustive rounds of negotiations with the UK, I can report that all our reservations have been addressed and we have received satisfactory assurances from the UK. Therefore, Mr. Speaker, on September 6th, 2013, I issued a press release stating that, as Minister

of Finance, I had made my decision to join the Multilateral Convention and that the Government of Bermuda has written to the UK Foreign and Commonwealth Office to request that the UK extend the Multilateral Convention to Bermuda.

Mr. Speaker, Honourable Members are advised that the UK, in their constitutional role, actually sign the Multilateral Convention on behalf of the crown dependencies and the overseas territories.

Mr. Speaker, it is noted that countries that have both the bilateral Tax Information Exchange Agreements (known as TIEAs) and the Multilateral Convention relationship with Bermuda will be able to elect under which of the two agreements they would send a Request for Information to Bermuda on a case-by-case basis. Every UK crown dependency and overseas territory with a network of TIEAs has this same scenario. However, the Multilateral Convention has, similar to the TIEAs, rights and safeguards of persons.

Mr. Speaker, we anticipate that countries will continue to invite Bermuda to negotiate bilateral TIEAs and that Bermuda also may seek a bilateral TIEA with particular countries, especially where the bilateral TIEA is a door opener to further opportunities to grow our economic relationship with that country and thus support job creation for Bermuda.

Mr. Speaker, the Multilateral Convention also provides a benefit for developing countries, as many of them do not have the ability to negotiate on a bilateral basis. When these countries do sign on to the Convention, it allows them to sign one multilateral agreement and simultaneously create an exchange of information network with Bermuda and many jurisdictions, rather than negotiating many individual tax agreements on a bilateral basis. Currently, there are 56 jurisdictions that are signatories to the Multilateral Convention.

Mr. Speaker, Bermuda becoming a signatory to the Multilateral Convention will further establish Bermuda's leadership in supporting international cooperation on tax matters and financial transparency.

Thank you, Mr. Speaker.

The Speaker: Thank you very much, Honourable Minister.

The Chair will now recognise the Honourable Minister for Economic Development, Dr. the Honourable Grant Gibbons.

You have the floor.

BERMUDA GOVERNMENT SCHOLARSHIPS REGULATIONS 2013

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

Mr. Speaker, I am pleased to inform my honourable colleagues that on Friday, the 26th of July, the Bermuda Government Scholarships Regulations 2013

were published in the official *Gazette*. Honourable Members will recall that earlier in this sitting of the legislature we amended the Bermuda Government Scholarships Act to:

- extend the duration of the Bermuda Government Scholarships from three to four years;
- prescribe that the Bermuda Government Scholarships can be extended to a fifth year by the Minister of Education;
- expand the eligibility requirements to include students aged 16 through 25;
- prescribe \$35,000 as the annual maximum value of the Bermuda Government Scholarships;
- give the Minister the flexibility to make an Order varying the amount of the maximum annual value of a scholarship, subject to the affirmative resolution procedure;
- remove reference to moral and physical qualifications to determine the best candidates and added specific reference to achievement; and
- allow scholars to accept additional funding by way of a scholarship, bursary, grant or award from another source.

Mr. Speaker, section 5 of the Bermuda Government Scholarships Act 2008 provides for the Minister to make regulations governing matters relating to the competition for the scholarships. In order to put into practice the amendments made to the Bermuda Government Scholarships Act, the new regulations deal with the following matters:

- The educational test for the Bermuda Government Scholarships now requires that the candidate has successfully completed a secondary education programme and qualifies for entry into an approved college or university.
- Every candidate must apply by no later than the 15th of April in the year in which the scholarship is to be awarded.
- Candidates must include the following when applying:
 - a copy of the birth certificate;
 - confirmation from the Department of Immigration of Bermudian status;
 - a certificate from the secondary school or programme at which the candidate has been a student;
 - a letter as to the extra-curricular or co-curricular activities in which the candidate has been involved;
 - two letters of recommendation attesting to academic achievements and character;
 - an acceptance letter from an approved college or university;
 - a statement of estimated costs of tuition and accommodation;

- a statement indicating whether the candidate holds or will hold any scholarship, bursary, grant or award from another source; and
- secondary school or university transcripts or other documents evidencing grades obtained up to the end of the term or semester immediately preceding the date of application.

The regulations also set out the method of payment and the conditions upon which the scholarship will be paid. There is also a provision to suspend the scholarship for cause. This provision includes an appeal provision to the Minister within 14 days of the date of the Board of Education's notice.

Mr. Speaker, Honourable Members will recall that the Bermuda Government Scholarships is an academic, merit-based scholarship that acknowledges and fosters academic distinction. It is designed to recognise and support our most dedicated and hard-working Bermudian scholars.

Mr. Speaker, while it is important to acknowledge the positive aspects of the Bermuda Government Scholarships, I must reiterate that there are financial impacts that must be considered. The amendments we have made to the Bermuda Government Scholarships Act and the regulations ensure the sustainability of the Bermuda Government Scholarships regime. While the Bermuda Government Scholarships provides direct benefits to selected dedicated scholars, its purpose is part of a larger public good that is funded by the people of Bermuda. In that regard, I believe we have made decisions that will allow the Government to recognise Bermuda's top young scholars, within a regime that can be sustained for many years to come.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Minister.

I see you have a second Statement. So, please, continue.

EDUCATION RULES 2006

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

Mr. Speaker, Members of this Honourable House will be aware that a Memorandum of Understanding between the Government of Bermuda and the Bermuda Trade Union Congress [BTUC] was signed on the 22nd of July 2013. The Bermuda Union of Teachers [BUT] and the Bermuda Public Services Union [BPSU], which represents principals, are members of the BTUC, and signatories to that Memorandum of Understanding (that MOU). Amongst several initiatives that were agreed, public officers are required to take unpaid, unworked, furlough days.

Mr. Speaker, during the consultation with the Bermuda Union of Teachers and the Bermuda Public Services Union that followed the signing of the MOU, it was agreed that it would be impossible for schools to manage *rolling* furlough days for staff, particularly in light of the ongoing issues regarding the disruption to teaching and learning and the financial cost of the provision of coverage for absence related to professional development, illness and maternity leave.

Additionally, expenditure for substitute teachers to cover furlough absences would largely negate any savings from unworked, unpaid days. Therefore, it was agreed that in order for educators to comply with the MOU the school year would have to be shortened so that all educators and other affected school staff furlough at the same time. To implement the furlough days and meet the terms of that MOU, an amendment to Rule 11(1) of the Education Rules 2006, which establishes that “the school year shall be two hundred teaching days”, was required. That amendment was published on August 30th and today [tabled] in the legislature.

Mr. Speaker, while our education union stakeholders were concerned about the implications of any loss of instructional time, there was full agreement that the only way to meet the terms of the MOU was for a simultaneous furlough of staff, thus shortening the school year. I am thankful to our union partners, the BUT and the BPSU, who worked with us to ensure this arrangement results in the least impact possible on teaching and learning.

Mr. Speaker, Honourable Members will be aware that educators work 10 months of the year, but are paid over 12. Therefore, the pro-rated equivalent furlough days for educators for the remainder of this fiscal year is five days.

Mr. Speaker, in determining the furlough days, we looked at the Christmas vacation and end of the school year. Additionally, our union stakeholders agreed to job-embedded professional development and gave up their professional development days, which will now be used as furlough days. This was a massive concession when it is considered that school would have already been closed during those days.

We have already [communicated] to the public and school administrators what the new school year will look like. However, for the information of Honourable Members, the following will occur:

- Christmas break will occur one day earlier, Thursday, the 19th of December.
- The administrative day that was to occur on Wednesday, the 19th of February, will now occur on Monday, the 6th of [January], meaning that students will return one day later from Christmas break—that is, Tuesday, the 7th of January.
- Monday the 17th through Wednesday the 19th of February will now be furlough days as op-

posed to professional development and an administrative day.

- Finally, school will end one day earlier in June. Students' last day of school will now be Wednesday, the 25th of June, with teachers finishing on Friday, the 27th of June. Therefore, Monday, the 30th of June will be a furlough day.

Mr. Speaker, the net result is that students will only lose two days of classroom time and educators will forgo three days of professional development and administrative time. This was certainly not an easy decision for anyone. However, in light of the present fiscal realities and the BTUC proposal to do their part, this was the best that we could do to meet the requirements of the Memorandum of Understanding. I ask principals, teachers, students, parents and the community to support us as we work at every level to give the best to our children during this school year.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Minister.

The Chair will now recognise the Honourable Member from Paget West, the Minister for Health and Seniors, the Honourable Patricia Gordon-Pamplin.

You have the floor.

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

The Speaker: Good morning to you. Nice to see you back.

INTEGRATION OF PROGRAMMES FOR PERSONS WITH DISABILITIES

Hon. Patricia J. Gordon-Pamplin: Thank you, sir.

Thank you for the opportunity to provide information on the progress that is being made with regard to services for those in Bermuda who have disabilities. Specifically, I would like to speak to changes planned for the services provided by the Opportunity Workshop and the Orange Valley Centre, which are intended to address the specific needs of clients. Orange Valley Centre (OVC) and our Opportunity Workshop (OWS) provide support and services to approximately 42 adults who have mild to profound cognitive or intellectual disabilities.

Mr. Speaker, in 2010 a review was conducted of the issues and concerns related to persons with cognitive disabilities. The review found, among many other things, that deficiencies related to resources coordination, and facilities are creating a burden to caregivers, parents and service providers.

Mr. Speaker, since the review a transition team has been established to deal with these concerns. This is a multi-agency team whose mandate is to identify persons with disabilities and provide a care

plan for their transition through life's various stages. This initiative is in its infancy, but has already provided relief to some families.

Another programme, which I am pleased to tell you about today, is the roll-out of various initiatives which share the common goal of improving the quality of life of persons with disabilities by preparing them for and providing them with meaningful work experience in an integrated community or sheltered employment, through vocational, rehabilitative and supervised work experience that enhances their optimum quality of life.

The programmes, which will begin from the 1st of October 2013, will include the Employment Placement Programme; the creation of a Production Centre; and the introduction of Vocational Assessment/Management Services.

The Employment Placement Programme will encourage clients with mild disabilities to unlock unrealised potential and assist them in becoming less dependent, more self-directed and socially active participants in their community. Our staff will help them to acquire work and/or volunteering skills, with the ultimate objective of obtaining full-time or part-time employment. Jobs can include, but are not limited to data entry, cleaning services, laundry services, packaging services, clerical work, the creation of cards and gifts, et cetera.

Once placed in a work environment, the programme will provide job support and follow-up services to enable the disabled person to [adapt] and adjust well to the work environment. To ensure the newly employed individual is transitioned smoothly into the job, we will provide one to two weeks (longer if needed) of job coaching and orientation.

The Production Centre Programme is an Opportunity Workshop-run workplace that provides a supportive environment where persons with disabilities can acquire job skills and vocational experience in a protective and caring work environment. The programme will provide a sheltered workshop where persons with disabilities will perform a variety of tasks and acquire on-the-job training that will enhance workplace skills. Clients will be trained in specific job skills, workplace etiquette and other disciplines.

The objectives of the Vocational Assessment/Management Services programme are:

- to assist persons with disabilities to explore job opportunities and training;
- to provide a link between disabled persons and appropriate services and resources in the community; and
- to offer assistance and counselling to persons with disabilities and/or their families on issues relating to disabilities, work and daily activities.

In addition, this programme will focus on identifying and enhancing each individual's interests, abili-

ties, aptitude, job readiness, dexterity, and coordination.

Mr. Speaker, in order to make this an effective programme, we need the assistance of the business community. We are seeking their cooperation to partner with us to provide employment opportunities for persons with disabilities. This partnership would be an organisation-specific arrangement. It is envisioned that some businesses would provide work that could be done in a sheltered workshop environment, while others would provide on-site work experiences for those who have the appropriate skills.

Mr. Speaker, in order to accommodate the three new programmes, we had to rearrange our current facilities. An adult day programme that started earlier this year and was located at the Robert's Avenue site will be moved to Orange Valley Centre. This programme is for persons who are more than 40 years old and require a more sedate daily programme. All other clients and programmes will be accommodated at the Opportunity Workshop site.

Mr. Speaker, may I just further say that I appreciate the assistance of the staff of both the Opportunity Workshop, the Orange Valley Centre, the MWI facility in helping to facilitate these transitions and these changes.

Thank you, Mr. Speaker

The Speaker: Thank you, Honourable Minister. And I believe you have a second Statement.

Hon. Patricia J. Gordon-Pamplin: I do, Mr. Speaker.

The Speaker: You may continue.

BEYOND WELLNESS MEDICAL CLINIC

Hon. Patricia J. Gordon-Pamplin: Thank you.

Mr. Speaker, I would like to take this opportunity to dispel the erroneous newspaper article which indicated that medical clinical services will not be made available for another six months. In keeping with the commitment made by this Government, I confirm that medical clinic services will be offered to those who require them, and that there will be a wellness component appended to the utilisation of those services. The approach being taken, which I will outline, provides a fulfilment of that promise, in which the wellness component is first being satisfied and further clinical services will be offered in the next phase.

That being said, Mr. Speaker, I am pleased to provide an update on plans currently underway within the Ministry of Health and Seniors to address the escalating problem of chronic diseases in Bermuda, particularly their impact on the financially disadvantaged citizens of our Island.

Mr. Speaker, the persistent rise in complications due to diabetes, hypertension, and cardiovascular disease, has been well documented in the past

several years. The impact of these chronic diseases has been shown to cripple individual health, reduce productivity, and they now represent a major factor in crippling our economy due to the accelerating cost of providing acute care for those conditions.

What makes this situation all the more unacceptable, Mr. Speaker, is that the chronic medical conditions, which so negatively impact our community's health and economy, are, for the most part, entirely preventable. We do not have to accept our current health statistics or the toll they take on the community.

Mr. Speaker, what is needed is a comprehensive, multi-disciplinary systems approach to the problem of chronic non-communicable disease in our community. Managing chronic conditions, such as diabetes, hypertension, cardiovascular disease, chronic lung disease, including asthma, as well obesity, requires a multi-disciplinary, system-wide approach. We call these five conditions "the Big Five," and together, these chronic diseases should be considered Public Enemy Number One. Improving the management of these five life-changing chronic medical conditions is the solution.

Mr. Speaker, I am pleased to announce that the Community Health Section of the Department of Health has taken up the challenge to address the problem of chronic disease management, especially in our most vulnerable citizens, those who are without access to continuous medical management of their chronic diseases. The Community Health Section has proposed a simple strategy for addressing this most pressing health problem in Bermuda. They have put forward a phased approach to improving chronic diseases management.

The phases will be rolled out gradually over the next two years, but phase one will begin to be implemented in November of this year in the form of a new public health service referred to as the "Beyond Wellness Medical Clinic." It is essential for everyone to understand that this new initiative does not purport to be the solution to the problem of chronic disease management in Bermuda or to even be the solution to fully addressing the needs of the financially underprivileged citizens in this regard. However, we envision it as one important piece of the puzzle, a step in the right direction. It can serve to fulfil an important health service gap for those in financial need.

Mr. Speaker, the complex medical, social, psychological, and financial needs of individuals with chronic non-communicable diseases (NCDs) require a multi-pronged approach. There is no single panacea, no cure-all measure, for managing chronic diseases. Also, no single health care setting can meet all these needs appropriately in a sustainable manner. Furthermore, most of the care involved in managing chronic medical conditions should and must be community based. Hospitals are designed for acute care. Chronic, non-acute medical problems have their solu-

tions in community settings, in fact, even within the homes of our citizens.

Mr. Speaker, the Ministry of Health and Seniors supports the concept of a phased approach to chronic disease management because we understand that complex, long-standing problems in society cannot be solved overnight or by quick fixes. They require planning, resources and non-partisan collaboration on solutions. We hope that a phased plan will allow these essential components to be assembled.

We also recognise the urgency of the situation and that the escalating cost of our health care system can be improved if we support all citizens so that they are able to prevent chronic medical conditions, to have access to early intervention when these conditions arise and to manage their long-term health needs in such a way that they never have health crises which require hospitalisation. We want to drive a portion of chronic disease management out of the acute care setting and into the more appropriate and financially sustainable community setting.

Mr. Speaker, we are fortunate to have a well-resourced Chronic Disease Management Unit in Bermuda to carry some of the responsibility of managing clients with chronic medical conditions. Our Chronic Disease Management Unit located at Mid-Atlantic Wellness Institute does an excellent job of educating, supporting and managing the care of chronic diseases such as diabetes, asthma and other chronic lung diseases. However, not all members of the community are able to afford the cost of this care, much less the cost of frequent private physician visits and long-term medication for their chronic illnesses.

Mr. Speaker, we know that due to the current economic conditions there are increasing numbers of Bermudians who have no insurance, or, if they have insurance, they cannot afford to pay the co-payment for frequent visits to health care professionals. It is these individuals, the under-insured citizens of the country, which the Beyond Wellness Medical Clinic aims to attract and assist with chronic disease prevention and management.

To be clear, this initiative will be reaching out exclusively to uninsured or under-insured adults who have one or more of the Big Five chronic medical conditions mentioned earlier: diabetes, hypertension, cardiovascular disease, chronic lung disease, or obesity. The Beyond Wellness Medical Clinic will be introduced as a pilot initiative in November of 2013, beginning with one afternoon per week. During the pilot phase, the Department of Health will begin to collect data to document the extent of the need for chronic disease management in uninsured and under-insured Bermudian residents. It will also provide screening for those chronic diseases, early intervention and will coordinate treatment of the specified chronic diseases with private practitioners and with the Chronic Disease Management Unit of the King Edward Memorial Hospital.

In the weeks ahead, the specific services and further details of the Beyond Wellness Medical Clinic will be shared. However, the Department of Health is already busy identifying resources and planning for the implementation of this phase of the strategy to improve chronic disease management on the Island. Partnerships are being identified through a targeted outreach to the health care community.

Mr. Speaker, it is in these areas of health care partnership, coordination and collaboration that we need much improvement. If improvements are to be seen in chronic disease management and health outcomes, the bonds of professional and inter-agency collaboration will need to be strengthened. The health care team at the Department of Health will endeavour to reach out to every segment of the community to enlist their support and cooperation in this endeavour.

In addition, the importance of personal responsibility for health will be reinforced with a wellness contract for service users. There is a role for everyone to play in managing chronic medical conditions, particularly the affected individual. To be successful, this initiative will rely on our community reaching unprecedented levels of health care collaboration and cooperation.

There are many logistics to be worked out to assure that the necessary supports are in place for the population expected to attend the Beyond Wellness Medical Clinic. It will be particularly important that the general public are well aware of the services of the proposed clinic and are equally clear on the limitations of the service. The Beyond Wellness Medical Clinic will not and cannot serve all individuals or assist with an unlimited variety of medical conditions. It is not intended to replace clinical services already well established and successfully serving clients with special health needs.

For instance, it will not have the capacity or resources to assist clients with mental health diagnoses or chemical dependency problems. Services currently exist which address these conditions quite comprehensively. This initiative cannot address all of our health care problems. The Beyond Wellness Medical Clinic aims simply to be a first step in assuring that all individuals in our community, regardless of financial resources, have access to a continuum of care to help manage their chronic medical conditions.

Mr. Speaker, today, I am very pleased to have had a chance to share with this Honourable House the Ministry's evolving plan to improve chronic disease management for the most vulnerable members of our community—those with financial limitations which prevent them from obtaining the quality and continuity of medical care that they require and which we all deserve.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Minister.

The Chair will now recognise the Honourable Minister of Tourism Development and Transport, from Southampton West Central, constituency 32, the Honourable and Learned Member Shawn Crockwell.

You have the floor, Minister Crockwell.

TRANSPORTATION PLAN 2013—UPDATE

Hon. Shawn G. Crockwell: Yes. Thank you and good morning, Mr. Speaker.

Mr. Speaker, I wish to provide an update on transportation services initiated this season by my Ministry. In February of this year, we developed a Transportation Plan that was designed to significantly improve both the quality and reliability of transportation services for all our residents and visitors. The Plan involved [extensive] input from all transportation providers in Bermuda, including taxi and minibus operators, the Department of Public Transportation and the Department of Marine and Ports, specifically the ferry service.

The plan also included input from non-transport providers, including the Transport Control Department, the Ministry of Public Works, the West End Development Corporation, the Corporation of St. George's, and the major cruise lines sailing to Bermuda on a weekly basis. The introduction of the 4,000-plus passenger capacity *Norwegian Breakaway* required us to up our game in ensuring that sufficient transportation services are provided.

Mr. Speaker, the Transportation Plan included a number of elements, including:

- enhanced bus and ferry service reliability;
- better integrated taxi and minibus service, in particular at the Royal Naval Dockyard;
- better coordination and organisation of transportation, specifically at the ground transportation area at Dockyard and at St. George's; and
- improved communications to our visitors.

I would like to touch briefly on each of these points, starting with the bus and ferry services. The Department of Public Transportation [DPT] is charged with providing regularly scheduled bus service for residents and visitors, including school bus service, sightseeing service and shuttle bus service from Dockyard to Horseshoe Bay Beach. In past years, DPT has had a number of challenges, including an ageing bus fleet and reductions in budget allocation, which contributed to mechanical and preventive maintenance issues, resulting in a high number of out-of-service buses.

For 2013, the high demands placed on DPT remained the same as in previous years, except we made the decision when we prepared our 2013 Transportation Plan to focus on preventative maintenance to reduce the number of out-of-service buses, thus improving the reliability of service. We accom-

plished this by employing a small contingent of retired employees in the maintenance section to enhance the availability of buses and to lend support to the full-time employees in that section.

The impact of this decision has been significant, and we have received a low level of complaints from our customers and we have significantly improved the reliability of the bus service. With the arrival of our new buses, scheduled for November, we should be able to continue to improve the reliability of service, moving forward.

Human resource investment is also important, and we are proud of the achievement of Mr. Jorde Smith, who concluded his apprenticeship training in automotive technology, with honours of distinction, at City College Brighton and Hove in Brighton, United Kingdom. Having well-trained and dedicated employees in the mechanic section is important in ensuring that our buses remain well maintained in the future.

Mr. Speaker, the ferry service also plays a major role in the delivery of quality public transport service to our residents and visitors. For 2013, the ferry service focused on ensuring that sufficient ferry service was provided, and that maintenance practices were improved. Similar to the DPT bus service, during the past few years, the ferry service also faced a number of challenges, including an ageing ferry fleet and reductions in annual budget allocations, which contributed to mechanical problems and out-of-service vessels. The last high-speed ferry was delivered in Bermuda in 2006.

In the development of our 2013 Transportation Plan, we made two important decisions designed to improve the reliability of the ferry service. The first decision was to lease the vessel *Millennium* to provide increased capacity from Dockyard to St. George's during the peak cruise ship season. The second decision was to modify the ferry schedule so that fewer vessels were scheduled to operate during peak travel times. This enabled us to provide backup vessels to supplement the regularly scheduled vessels when overloads occurred, which was a frequent occurrence in previous years.

Leasing the *Millennium* and modifying the scheduled service also enabled us to reduce the number of service hours and stress placed on the existing fleet, which resulted in improved maintenance and consequently improved reliability of the service. Similar to the operation of DPT bus service, we have received relatively few complaints this season on the operation of our ferry service.

Mr. Speaker, since her commencement into service in May through the first week of September, some 94,758 passengers had been carried between Dockyard and St. George's aboard the *Millennium*. A total of 554 one-way trips have so far been completed Monday through Friday, with no missed trips to date other than those cancelled due to tropical storm Gabrielle on September 10th and 11th this week. In total,

approximately 1,200 passengers per day are being carried between Dockyard and St. George's.

The vessel lease included two owner-supplied US crew and four locally sourced Bermudian crew, which has been a key component in the success of this service. As was outlined to this Honourable House at the beginning of the season, the *Millennium* will return to the United States in October. Planning for the 2014 cruise ship season is also at the moment underway, and the *Millennium* will return for next year's season. This action will ensure that we have sufficient capacity to potentially expand ferry services and retain the flexible ferry schedule we implemented this year.

Mr. Speaker, a major part of our 2013 Transportation Plan included ensuring that private transportation services be included, and that taxi and minibus services receive their fair share of the transportation pie. Early in the year, we met with the Minibus Association, the taxi dispatching companies and many private taxi and minibus operators and owners, and sought their input into improving transportation for our visitors. What resulted was improved management of transportation dispatching at Dockyard and Horseshoe Bay, and better defined areas at the ground transportation area for the taxi and minibus services to operate. We still have some more work ahead of us to ensure that the private sector continues to grow into an important part of our annual transportation plans.

Mr. Speaker, one of the more important elements of our 2013 Transportation Plan involved improved coordination and organisation of transportation, in particular at the ground transportation area at Dockyard and at St. George's.

The first decision the Ministry made was to dramatically improve the number of staff on-site to oversee their respective areas, whether they be bus, ferry, taxi or minibus. This included the placement of three transportation coordinators at Dockyard during peak times to oversee the transportation operation in the ground transportation area, including close coordination with the DPT, the ferry service supervisors and the Transport Control Department traffic supervisors.

The second decision that was made was to improve the layout of the ground transportation area at Dockyard. Working with the West End Development Corporation and the Ministry of Public Works, the ground transportation area was redesigned into specific zones for each category of transportation, including pre-arranged taxis, taxis for hire, taxi Island tours, minibuses for hire, minibus beach shuttles, minibus Island tours, and sightseeing and beach shuttle buses.

In addition, a staging area was provided at the entrance to Dockyard to handle overflow taxis and minibuses. Combined with enhanced on-site supervision and coordination, transportation has flowed smoothly in the ground transportation area, even

though there are frequently over 7,000 cruise ship visitors arriving at Dockyard on the same day. In cooperation with the Corporation of St. George's, we moved the ferry stop to Penno's Wharf, where proper shelter, toilet facilities and seating are provided. We also assigned a Marine and Ports employee to supervise the daily ferry operations in St. George's.

Mr. Speaker, the final element of our 2013 Transportation Plan was to improve communications for our visitors. This included the before-mentioned reorganisation of the ground transportation area to create clearly marked zones for each category of transportation. It also included distribution of a transportation zone map on board cruise ships, new way-finding signs throughout the area and the placement of a transportation video on board the cruise ship in each cabin. This has greatly improved the level of information provided for our visitors prior to arriving in Bermuda. Special emphasis in the video was placed on taxi and minibus services, with less emphasis on the public bus service.

Mr. Speaker, I would be remiss if I did not extend my appreciation to the dozens of personnel, working both within the Ministry and the private transportation taxi and minibus services, for their dedication in making the summer season a success. This includes bus operators and ferry crews, the DPT supervisors at Dockyard and at the Hamilton Bus Terminal, the Marine and Ports staff at the Ferry Terminal and at the ferry stop at Dockyard and St. George's, the Transport Control Department traffic officers assigned to Dockyard and transportation coordinators assigned to Dockyard.

Finally, I extend my appreciation to the taxi and minibus operator owners for working with us this season to ensure quality service is provided to our guests and residents. The extensive amount of teamwork exhibited this season is a major reason for our success.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable and Learned Member, Minister Crockwell.

The Chair will now recognise the Honourable Minister of Community, Culture and Sports.

Minister Wayne Scott, you have the floor.

COMMUNITY DRIVEN DEVELOPMENT PROGRAMME

Hon. R. Wayne Scott: Thank you, Mr. Speaker.

Mr. Speaker and Honourable Members of the House, I rise today to inform you about a new and exciting initiative within my Ministry called the Community Driven Development Programme, or CDD, that the Department of Human Affairs, in conjunction with and under the auspices of the Bermuda Women's Council, have launched.

Mr. Speaker, Bermuda is currently in the midst of an unprecedented economic crisis. Unemployment is at an all-time high, with the 2012 labour survey indicating an 8 per cent unemployment rate. In 2012, the Department of Financial Assistance, also within my Ministry, reached the \$10 million per quarter mark for financial assistance to our people in need.

Other departments within my Ministry are also stretched to their limits in an effort to save our children and families. With over 2,300 persons currently receiving financial assistance, a number that has never before been experienced, the Department of Human Affairs (DHA) embarked on this CDD programme in an effort to aid in a much-needed social recovery.

Mr. Speaker, CDD is an approach that gives control over planning, decisions and resources for projects to community groups. CDD projects operate on the principles of local empowerment, participatory governance and enhanced local capacity. CDD relies on civic engagement—i.e., where ordinary citizens and/or civil society organisations participate directly or indirectly in the project.

CDD focuses on strengthening skills, competencies and abilities of people in order that they transition from needing assistance to being self-sufficient. This is sometimes described as teaching someone how to fish instead of giving them a fish.

Mr. Speaker, the initiative focuses on developing a group of women who are unemployed or underemployed to become self-sufficient and off of financial assistance. Why only women? That question has been asked in many quarters. The simple answer is that the project began under the auspices of the Bermuda Women's Council and is being administered by the Department of Human Affairs under its gender remit.

The first meeting with the women in this CDD programme was scheduled to commemorate International Women's Day. Indeed, this CDD programme for women is the pilot programme. Mr. Speaker, it is anticipated that a CDD programme specifically designed for men will also be implemented. This programme will be separate and distinct because the requirements to break down the barriers for men to engage, open up and retool are different from what women require. The department has had to dig deep and under many layers of *stuff* into the root causes of the issues which have inhibited women in the programme from getting ahead in life. A similar process will need to be designed for a men's programme, as well.

Mr. Speaker, the objective of the current CDD initiative is to establish a day-care facility where this same group of women would be instrumental in helping to undertake some of the work required in order to get the centre operational, and where they will train and work in the various aspects of the facility, including child day care, administration, bookkeeping, maintenance, food preparation, and gardening. The intention is also for the participants to enrol their own

children in the facility, thereby saving Government the funding now needed to provide a child day-care allowance to those families.

Mr. Speaker, most importantly, the proposed day-care facility will be run by fully trained and qualified professionals, and the intention is that it will be a training ground for persons wishing to get involved in every aspect of the day-care facility. There will also be other entrepreneurial opportunities, which could be derived from the day-care project, such as transportation for the students, preparation of meals for parents to take home with them when they collect their children, and evening and weekend babysitting.

It is also anticipated that skilled persons such as carpenters, electricians and plumbers who are unable to find work, or those who are employed on the Hustle Truck or are required to do community service for Financial Assistance benefits could be involved in the renovations of a building for the facility. The vision is for a multipurpose facility that can also be used for other revenue-generating uses such as evening classes and babysitting or elder care.

These are all ideas which are emanating from the participants of the CDD project whilst in the process of preparing their business plan for the day care.

Mr. Speaker, I want now to tell you a little of what has gone on since the inception of CDD about six months ago. The CDD initiative began on the 22nd of March 2013 with an event held at Dellwood Middle School. The Department of Human Affairs and the Bermuda Women's Council, with the full support and assistance of the Department of Financial Assistance, identified and contacted a number of women who receive financial assistance and child day-care allowance to invite them to the event.

The purpose of the event was to inform the women about the CDD project and to ascertain their interest in participating. Of the 84 women who attended, approximately 40 indicated an interest in joining. Mr. Speaker, those interested women were contacted and asked to attend a number of sessions in May so that the Department of Human Affairs staff could begin an occupational and educational assessment, as well as to determine whether there was a serious commitment to the project. Approximately 30 women attended these sessions.

During these sessions, the Department of Human Affairs staff recognised that there were differing skills and ability levels and gaps in education and experience. The assessments also indicated that training would be required in the areas of basic life skills, business skills, deportment, self-esteem, empowerment, *et cetera*. Counselling in the areas of anger and relationship management was also identified as being needed, and further education in the areas of attaining the GED, early childhood education and nursing assistance would also be necessary.

Mr. Speaker, an agreement was prepared setting out the roles and responsibilities of both the par-

ticipants and the Department of Human Affairs staff. Twenty participants signed the agreement, and the project formally launched on the 8th of July 2013. A four-pronged approach is being used to increase skill levels, abilities and competencies of participants through partnering with businesses, community organisations and individuals via:

- a) workshops and seminars;
- b) field trips;
- c) certificate courses; and
- d) volunteer opportunities.

Fifteen hours of workshops, field trips and, most recently, GED school hours are provided every week in line with the requirement in the 2013 Amendments to the Financial Assistance Regulations that able-bodied persons receiving financial assistance must complete 15 hours a week of community service. Agreement was sought and received from the Department of Financial Assistance to lower the required job search forms from 20 to 5 for the participants.

Mr. Speaker, the intention is for the volunteer programme to commence in the fall, and staff, together with the Bermuda Women's Council, are now working on securing volunteer opportunities and work-shadowing prospects for the participants.

Mr. Speaker, a two-week rotating cycle of classes was designed with one week focusing on building the business plan for the day-care facility, followed by a week of workshops which concentrate on such topics as business etiquette, résumé writing, effective communication, interviewing skills, customer service training, deportment, empowerment, nutrition, food substitutes, healthy eating for kids, preparation of quick and easy meals on a budget, managing finances, anger management and relationship building, transforming your voices, and much more.

Mr. Speaker, during business planning sessions, participants review the various pieces of legislation regulating the establishment and operation of a day-care facility; research the various day care curricula; discuss what the facility will look like and what it will offer in terms of programmes, including a strength, weakness, opportunities and threat (or SWOT) analysis. The participants visited the Happy Valley Day Care facility to gather information and practical exposure, and they have also joined the Bermuda Library in order to further conduct their research.

Mr. Speaker, this CDD project has received the endorsement of the Bermuda ACE Women's Forum as a major partner in the initiative. They have graciously provided the use of space and facilities at ACE's Learning Centre on Wednesdays and Thursdays each week, and members of the ACE Women's Forum will conduct a series of workshops focusing on strategic planning, business plan writing, marketing, branding, communications and IT skills, and host a Dress for Success event over the next few months.

Mr. Speaker, recently, the participants made their first quarterly presentation at the ACE building to a number of stakeholders. I attended the event, which was absolutely awesome and inspiring. The success of that event made me renew my commitment to champion this programme in any way that I can. It was obvious that the participants have experienced personal and professional growth, along with an increase in confidence.

The audience heard words such as “change that will last,” “increase in self-esteem,” “trust and faith in people,” “positive energy” and “a decrease in behavioural conflict.” Mr. Speaker, currently, two participants have commenced a professional and career education (PACE) course at Bermuda College, and 10 participants have embarked on their GED at CARE Learning Centre. Others will continue workshops in administration, bookkeeping and other topics provided by the facilitators.

Mr. Speaker, the Department of Human Affairs and the Bermuda Women’s Council recognise that all of the participants in the CDD programme will not benefit in the same way. Some persons will move through the programme and gain employment outside of the proposed day-care initiative; others will move through the programme and be gainfully employed at the day care; and still others may not gain employment right away, but they will have the satisfaction of knowing that they have improved their circumstances for the better and increased their knowledge, skills, employability and hope for the future.

Mr. Speaker, it is anticipated that there will be other projects and initiatives under the CDD banner being unveiled in the near future. These too will be aimed at creating employment opportunities for underemployed and unemployed men and women. The objective is for the participants of the community-driven development programme who have completed the programme to feed into and be employed by these projects.

Mr. Speaker, this CDD initiative is a major plank in the Ministry’s vision to strengthen the social fabric of our community by undertaking social recovery. In order to ensure its success, the department is working with other internal and external stakeholders, many of whom are colleagues within the Ministry. These include the Bermuda ACE Women’s Forum, the Department of Financial Assistance, the Bermuda Housing Corporation, the Department of Child and Family Services, Community Education and Development Programme, CARE Learning Centre, Bermuda College, the Business and Professional Women’s Association, the Centre Against Abuse, BJ Ministries, the [Bermuda] Women’s Council, and the Department of Workforce Development.

I take this opportunity to thank them all for their efforts and contributions. The department will soon be reaching out to other community partners. Mr. Speaker, this is not business as usual—this is a dif-

ferent way of doing business. In these economic times, we must be creative and think outside the box in order to address the many facets of the problem.

There is a mother-and-daughter team in this CDD programme, and two sisters as well, who have expressed their desire to break the generational cycle of dependence in their families. So, what these mothers, grandmothers, sisters and daughters take from this programme to their individual homes will not only have a positive effect on the economy, but also a greater effect on our men, boys and girls and, hopefully, future generations of our people. This is the key to Bermuda’s social recovery.

Thank you, Mr. Speaker.

ANNOUNCEMENT BY THE SPEAKER

HOUSE VISITOR

The Speaker: Thank you very much, Honourable Minister.

Just before we take the next Minister, I want to take this opportunity to welcome in our midst, in the Gallery there, Reverend Lloyd Dees. Reverend Dees, for those of you who do not know, was a Pastor at Bethel AME Church in 1969, and has spent much of his life as a trouper for the African Methodist Church. And his mission in life, I believe, has always been improving the lot of the vulnerable.

We are very thankful Reverend Dees, that you have come to visit us this morning.

[Desk thumping]

The Speaker: The Chair will now recognise the Honourable Minister for the Environment.

Minister Sylvan Richards, you have the floor.

STATEMENTS BY MINISTERS

MAINTENANCE OF SCHOOL GROUNDS

Hon. Sylvan D. Richards, Jr.: Thank you, Mr. Speaker.

Mr. Speaker, I rise this morning to report to the Members of this Honourable House on the challenges the Department of Parks faced in the opening of our schools this past week. On behalf of the Department of Parks, I wish to extend my apologies to students, parents and teachers for any inconvenience caused as a result of landscape maintenance issues experienced during the first days of school.

Mr. Speaker, this summer’s rainfall has been exceptional, with the Island receiving over 10 inches of rain in August. This rainfall, combined with the summer sun, created the perfect growing conditions for grass growth to accelerate, and that is exactly what it did in all of our parks and schools. The net effect was grass growing an inch a day in some areas,

resulting in parks crews scrambling to maintain priority sites almost every week. Unfortunately, this rapid growth caused problems for the department's landscaping equipment, as these machines are not designed for grass heights in excess of five inches. As a result, the department experienced a surge in damaged equipment at a time when we needed this equipment the most, which, in some cases, resulted in significant repairs being required.

Mr. Speaker, as the coming school year approached, the Parks Department re-tasked as many of its maintenance crews and equipment as possible to assist the two dedicated school grounds maintenance crews in preparing for opening the 26 Government schools. This was occurring during the same period that the Parks Department was working to maintain the rest of the Island's parks, roadside verges and Government buildings to a high standard.

Mr. Speaker, I am pleased to report that all of the schools have now been attended to and work is progressing with the final tidying up of debris left by tropical storm Gabrielle. Additionally, the Department of Parks is working closely with the Ministry of Public Works to address the backlog of vehicle and equipment repairs. I am happy to report that good progress is being made, most notably with repairs to the vital Toro sit-down mowers, which are now all back online.

Mr. Speaker, a cross-Ministry plan between the Department of Parks, Department of Education and the Department of Public Works is being put in place to ensure that the completion of all landscape maintenance work of school grounds is completed prior to next year's opening day.

Mr. Speaker, as Minister of the Environment and Planning, I accept full responsibility for this failure and will work closely with the Department of Parks to prevent this from occurring in the future.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Minister.



QUESTION PERIOD

The Speaker: Members, this now takes us to Question Period. We will take questions on the first Statement, from Minister Dunkley, with reference to the cross-Ministry initiative.

And I will recognise first the Honourable and Learned Member, Kim Wilson.

Mrs. Kim N. Wilson: Thank you, Mr. Speaker, and good morning. Actually, I have no further questions with respect to that particular Statement. Thank you.

The Speaker: All right. Thank you.

The Chair will now recognise the Honourable and Learned Member from Sandys [North].

Michael Scott, you have the floor.

QUESTION 1: CROSS-MINISTRY INITIATIVE BETWEEN DEPARTMENT FOR NATIONAL DRUG CONTROL AND DEPARTMENT OF EDUCATION

[Disallowed]

Hon. Michael J. Scott: Thank you. Thank you, Mr. Speaker.

Mr. Speaker, the question is to the maker of the Statement, the Minister for Public Safety. Mr. Speaker, the question is as follows: As the country under the OBA Government faces a gun murder execution-style by a bullet fired into the back of Mr. Jonathan Dill's head and a total of five violent murders under the Public Safety Minister's watch, does the Minister of Public Safety, with responsibility to tackle crime and to stop violent crime, have another Ministerial Statement beyond cross-Ministry initiative?

The Speaker: Well, that is not really . . . Honourable Member, you are asking a question on this Ministerial Statement. You cannot ask that right now.

Hon. Michael J. Scott: Does the Minister have a further Ministerial Statement beyond the cross-Ministry initiative between the Department of National Gun Control?

The Speaker: You are still not understanding, Honourable Member. Your question has to be on the Statement. So, please, Honourable Member, please, please. Thank you. Thank you.

The Chair will now recognise the Honourable Member from St. [David's].

MP Foggo, you have the floor.

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

[Inaudible interjections]

[Gavel]

The Speaker: Members! Members, we want to be able to understand the questions, and we want to be clear.

QUESTION 1: CROSS-MINISTRY INITIATIVE BETWEEN THE DEPARTMENT FOR NATIONAL DRUG CONTROL AND THE DEPARTMENT OF EDUCATION

Ms. Lovitta F. Foggo: Mr. Speaker, my question for the Minister Dunkley is, What prescribed measures are in place if young ones who have been identified as needing further aid and regarding drug misuse and abuse . . . So, what other prescribed measures do you have in place with that programme for the young ones who have been identified by that programme as needing further assistance regarding the drug misuse and abuse?

The Speaker: Minister?

Hon. Michael H. Dunkley: Thanks to the Honourable Member for that question.

Counsellors in schools will refer them to appropriate counselling service and get the help they need.

The Speaker: Thank you, Minister.
Do you have a supplementary?

Ms. Lovitta F. Foggo: No.

The Speaker: Another question?

Ms. Lovitta F. Foggo: Yes, it is second question.

The Speaker: All right.

**QUESTION 2: CROSS-MINISTRY INITIATIVE
BETWEEN DEPARTMENT FOR NATIONAL DRUG
CONTROL AND DEPARTMENT OF EDUCATION**

Ms. Lovitta F. Foggo: What mechanisms will be in operation to assure that there is no negative impact resulting at the school level as a result of any discovery of drug misuse and abuse?

The Speaker: Minister?

Hon. Michael H. Dunkley: Mr. Speaker, I think that question is more appropriately asked to the education authorities who conduct the policies in the school, rather than to the Minister of Public Safety. It is a cross-Ministry initiative, so I think it would be more appropriate for the acting, the Junior Minister in the House, to answer that question.

The Speaker: All right. That is fair enough.
Would you care to answer it now, Honourable Member, Honourable Minister?

Dr. the Hon. E. Grant Gibbons: Mr. Speaker, she would have to repeat it. But I probably would have to get the information, because I am not, clearly, up to speed on that.

The Speaker: All right. Okay. So then, Honourable Member, if you would get it, we will make sure and get the question again so that the answer can be given. Thank you.

The Chair will now recognise . . . Do you have another question?

Ms. Lovitta F. Foggo: No. I was just going to ask you if I would have the right to ask a supplementary based on whatever next week?

The Speaker: Yes. Once he comes, I certainly would allow that.

Ms. Lovitta F. Foggo: Yes. Thank you, Mr. Speaker.

The Speaker: Yes.
The Chair now recognises the Honourable Member Walton Brown, from Pembroke [Central].

**QUESTION 1: CROSS-MINISTRY INITIATIVE
BETWEEN DEPARTMENT FOR NATIONAL DRUG
CONTROL AND DEPARTMENT OF EDUCATION**

Mr. Walton Brown: Thank you, Mr. Speaker, and good morning, colleagues.

My question for the Honourable Minister is, Can the Minister inform us as to how many people have been through the programme during its formative days? And how many are likely to be going through the programme this year?

The Speaker: Minister?

Hon. Michael H. Dunkley: Thank you, Mr. Speaker. In previous years, the programme was held in three schools and there were up to 15 individuals in each school in the programme. This year, it has been expanded to five schools, and we can accommodate up to 20 individuals in each programme.

The Speaker: Thank you, Minister.
Do you have a supplementary?

Mr. Walton Brown: Yes.

The Speaker: Yes?

SUPPLEMENTARY

Mr. Walton Brown: How are the students selected?

Hon. Michael H. Dunkley: I will have to get back with a definite answer on that.

The Speaker: Thank you.

Mr. Walton Brown: And finally, is—

The Speaker: Another question?

Mr. Walton Brown: Yes.

The Speaker: Okay.

**QUESTION 2: CROSS-MINISTRY INITIATIVE
BETWEEN DEPARTMENT FOR NATIONAL DRUG
CONTROL AND DEPARTMENT OF EDUCATION**

Mr. Walton Brown: Is there a modality in place for identifying at-risk students for them to be brought into the programme? And what is the obligation on their part?

The Speaker: Minister?

Hon. Michael H. Dunkley: I will revert on that as well.

The Speaker: Okay. All right. Thank you. Thank you very much. Thank you, Members.

We now move to the second Statement of the day, made by the Minister of Finance. And the Chair recognises the Honourable Member David Burt.

MP Burt, you have the floor.

QUESTION 1: BERMUDA GOVERNMENT (US)\$750 MILLION SENIOR UNSECURED NOTES ISSUE DUE IN 2024

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

Mr. Speaker, I would like to start off by congratulating the Minister of Finance on a successful bond issuance. And it is my sincere hope that this bet pays off for the people of Bermuda.

My question, Mr. Speaker, is, on page 2 of his Statement, the Minister says that “investors were also informed of the Government’s plan to turn around the economy and reduce deficit levels.” He further goes on to say in the Statement that the market has a very favourable view of the new Government’s economic turnaround plan.

My question, Mr. Speaker, is, Can the Minister please give us an overview of this plan?

The Speaker: Minister?

Hon. E. T. (Bob) Richards: Thank you, Mr. Speaker.

The Honourable Member seems to have a short memory. That plan was outlined in the Budget and subsequently by me on several occasions in this Honourable House. So it is well known to him and to interested members of the public.

The Speaker: All right. Thank you.
Do you have a supplementary?

Mr. E. David Burt: Absolutely, Mr. Speaker.

The Speaker: Yes. Go ahead.

SUPPLEMENTARY

Mr. E. David Burt: My supplementary question is, When the Minister outlined his economic plan, did he hand them a copy of the budget statement, or did he give them something different insofar as a written or oral plan?

The Speaker: Minister?

Hon. E. T. (Bob) Richards: These meetings were conducted one-on-one with investors. The team had a written, if you like, PowerPoint presentation, which just covered the major issues. And the presentations were done orally.

It is assumed, and I think it is a correct assumption, that in the capital market—and I refer to it in my Statement—that, you know, when you are looking to invest multiple millions of dollars, you do your homework. And the investors, all of them, had researched Bermuda. They had researched everything about Bermuda that is in the public domain, which sort of included the Budget Statement, included all of the proceedings of this House, included all the publications of local media, *et cetera*.

They would have done their homework on all those things. So, it certainly would not be necessary for us to bring stuff like that to a meeting with investors. What they wanted to know was what our plan was at that time, going forward, and how we were going to improve the economy of Bermuda. This is something that I have spoken to at length in this Honourable House and all around Bermuda—and now that we have done this bond issue—all around the world.

So that is the way it is. And I just try to bring the Honourable Member up to speed on how we do things.

The Speaker: Thank you. Thank you.

Mr. E. David Burt: Thank you.

The Speaker: Yes, Honourable Burt.

Mr. E. David Burt: Supplementary.

The Speaker: Yes, you have a second supplementary?

SUPPLEMENTARY

Mr. E. David Burt: My supplementary question is, I thank the Honourable Minister of Finance for his offer to learn me up. I think that I might have a little bit of experience in that.

The Speaker: We all learn each other up in this place.

Mr. E. David Burt: I got you. But what I would say is, the supplementary question is, the Minister just indicated that he had a written PowerPoint presentation. Would he share that PowerPoint presentation with the House, and, if not the House, will he share it with the Shadow Minister?

The Speaker: Minister?

Hon. E. T. (Bob) Richards: I do not believe that is necessary, Mr. Speaker. In any case, all the information in that PowerPoint presentation has been presented in this House. The Honourable Member will have all of that information. So the information that we provided was not proprietary, not unknown to this House.

The Speaker: Thank you.

You have a supplementary?

Hon. Marc A. R. Bean: I have a supplementary.

The Speaker: Yes.

SUPPLEMENTARIES

Hon. Marc A. R. Bean: Thank you, Mr. Speaker. Mr. Speaker, I ask the Honourable Minister, since he just stated that he has been all around the world, the world knows his economic plan. In particular, he mentions deregulation as one part of the two-pronged strategy. What does deregulation entail, in his mind? And is it applied across all sectors or just international business?

The Speaker: Minister.

Hon. E. T. (Bob) Richards: Thank you for that question, Honourable Member.

“Deregulation” refers to what we have been talking about in terms of getting rid of Government red tape. That is what I mean by deregulation. We have spoken on that. Myself and my colleagues have spoken on that at length. And it involves many departments of Government, not just Finance, but also Home Affairs. A lot of different areas of Government we need to streamline to reduce costs. So, that is what I mean by deregulation.

The Speaker: Thank you.

Another supplementary on that?

Hon. Marc A. R. Bean: Thank you, Mr. Speaker. It is actually just to further get a response on my question.

The Speaker: Go ahead.

Hon. Marc A. R. Bean: Does this deregulation apply to all sectors of the economy outside of the public service or just international business?

The Speaker: Minister?

Hon. E. T. (Bob) Richards: Yes, okay. I understand the Honourable Member’s question.

Yes, it applies to many different sectors. It applies to international business; it also applies to local business. It applies to private sector. I mean, we

cannot do everything. But what we can do as a Government is to try to make doing business simpler in Bermuda, and therefore, cheaper. And that is going to help to drive our economy, if we can be more efficient.

So, to answer your question specifically, it relates to international business, but it also relates to local business. It also relates to the provision of social services, to medical services. All these things involve costs; involve a lot of red tape. We are trying to get rid of that red tape so it makes things simpler, cheaper, more efficient.

The Speaker: All right. Thank you.

Honourable Member Burt, you have a second question?

Mr. E. David Burt: Yes.

The Speaker: Yes. Carry on.

QUESTION 2: BERMUDA GOVERNMENT (US)\$750 MILLION SENIOR UNSECURED NOTES ISSUE DUE IN 2024

Mr. E. David Burt: Thank you, Mr. Speaker. Mr. Speaker, the Minister says in his Statement that the cost to the Government of Bermuda was a “modest 20 basis points.” Would he share for the House and the listening public how much that figure is in dollars?

The Speaker: Minister?

Hon. E. T. (Bob) Richards: I do not have that on top of my head. I can get it to you in a few minutes.

But I can say this, that the financing under the PLP Government cost 30 basis points; we got it for 20.

The Speaker: All right. Thank you.

Mr. E. David Burt: Mr. Speaker—

The Speaker: You have a supplementary?

Mr. E. David Burt: Absolutely, supplementary.

The Speaker: All right.

SUPPLEMENTARY

Mr. E. David Burt: One would expect that for an issue that is 50 per cent larger, that you would get a lower spread on your basis points.

However, I would just let the Minister of Finance . . . help him out and just let him know that the answer to his question would be \$15 million.

I have a third question, Mr. Speaker.

The Speaker: You did not know the answer before you asked the question, did you?

[Laughter]

The Speaker: Did you? You just—hopefully, you just got it.

Mr. E. David Burt: Quick math, Mr. Speaker.

The Speaker: Yes.

**QUESTION 3: BERMUDA GOVERNMENT (US)\$750
MILLION SENIOR UNSECURED NOTES ISSUE
DUE IN 2024**

Mr. E. David Burt: Mr. Speaker, regarding the issue of a local bond, what steps will the Minister take to ensure that ordinary retail investors, such as my constituents in Pembroke West Central, have access to earn 4.85 per cent on their savings, which far exceeds returns at local lending institutions?

The Speaker: Minister?

Hon. E. T. (Bob) Richards: I thank the Honourable Member for that question, too.

First, let me say that there is no guarantee that the coupon rate will be 4.85 per cent. That is the first thing. It might be. I would like it to be. But we have not got there yet.

But most importantly, Mr. Speaker, the intention of the Ministry of Finance is to place retail investors at the front of the queue. We will do that. We put small investors at the front of the queue. Every small investor should be able to get what he or she wants. And what is left over will go to larger investors.

Actually, it is not unusual in the investment world to put the people that you want at the front of the queue. And those are the people that we want to put at the front of the queue.

The Speaker: All right. Thank you.
Do you have a supplementary on that?

Mr. E. David Burt: Absolutely, Mr. Speaker, a quick supplementary, if I may.

The Speaker: Yes.

SUPPLEMENTARY

Mr. E. David Burt: Given what the Minister just said, and I appreciate that because I think that that will be welcome news to my constituents, and I am sure all of our constituents. But does the Minister have any concern that this local issue may put pressure on local banks to increase their rates of savings as competi-

tion, and thus may also put pressure on local banks to then increase their lending rates?

The Speaker: Minister?

Hon. E. T. (Bob) Richards: No.

The Speaker: Thank you.

All right. Thank you, thank you very much, Minister, and Members who were asking questions.

We move now to the third Statement on Morgan's Point by Minister Richards.

And I recognise the Honourable Member David Burt, the Shadow Minister for Finance. You have the floor.

**QUESTION 1: LETTER OF COMFORT TO
DEVELOPERS OF MORGAN'S POINT**

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

Mr. Speaker, my question to the Honourable Minister of Finance is if he would please share what was Morgan's Point's Limited hotel or development plan that satisfied the Government so that a Letter of Comfort should be issued?

The Speaker: Minister?

Hon. E. T. (Bob) Richards: The Letter of Comfort is not based on necessarily a plan from Morgan's Point. The Letter of Comfort is based on the fact that the property is polluted. They cannot get financing on polluted property. I said that in my Statement, and I just reiterate that for the Honourable Member. The reason that this is being done is not because they have necessarily a great plan. A lot of people have great plans for Bermuda; plans can come and go. And Government does not guarantee those plans. All right?

The reason that this is different is because the Government is already investing millions of dollars to remediate this property. And that is what makes this different. It has got nothing to do necessarily with their plan. And incidentally, I reiterate that we have not actually committed to anything yet.

The Speaker: Thank you, Minister.
You have a supplementary on this, MP Burt?

Mr. E. David Burt: I will go with a second question, please.

The Speaker: Second question. All right.

**QUESTION 2: LETTER OF COMFORT TO
DEVELOPERS OF MORGAN'S POINT**

Mr. E. David Burt: I thank the Minister for his answer.
I would ask if the Minister is aware of, or if Morgan's Point Limited has shared with him, their plan

for securing financing that made the Government satisfied that a Letter of Comfort should be issued?

The Speaker: Minister?

Hon. E. T. (Bob) Richards: I think, Mr. Speaker, that that is putting the cart before the horse. The reason we are providing the Letter of Comfort is to enable them even to seek finance. So the answer to that question is clearly not, because, you know, they needed that Letter of Comfort to be able to even get in the door, because the property is polluted.

The Speaker: Thank you. Thank you, Minister.
Honourable Member, you have a further supplementary?

Mr. E. David Burt: Supplementary, if I could, please.

The Speaker: Yes, one more.

Mr. E. David Burt: A supplementary . . . Well, isn't this—

The Speaker: No, no. This is your first supplementary.

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

The Speaker: Correct.

SUPPLEMENTARY

Mr. E. David Burt: Minister, I understand what the Minister has said. But he earlier said that they were not able to get financing first. So one would assume that they may have tried to get financing and were turned back, and therefore had to get the Letter of Comfort.

What I would ask the Honourable Minister of Finance . . . Is China among the jurisdictions from which Morgan's Point Limited is seeking financing? And if so, does the Government support an approach to China in this regard?

The Speaker: Honourable Member, Minister?

Hon. E. T. (Bob) Richards: I do not know that. I do not know.

The Speaker: Thank you.

The Chair—you have another supplementary or another question? All right, then.

The Chair will recognise the Leader of the Opposition.

MP Marc Bean, you have the floor.

QUESTION 1: LETTER OF COMFORT TO DEVELOPERS OF MORGAN'S POINT

Hon. Marc A. R. Bean: Thank you, Mr. Speaker.

Mr. Speaker, the Honourable Minister gave the rationale for this credit enhancement as environmental clean-up. Mr. Speaker, from the Minister's perspective and with his Cabinet in discussions with the developers, would not a gaming licence serve the same purpose as the credit enhancement of making itself more viable or attractive to investors?

The Speaker: Minister?

Hon. E. T. (Bob) Richards: No.

The Speaker: Thank you.

Hon. Marc A. R. Bean: Thank you. Supplemental?

The Speaker: Yes.

Hon. Marc A. R. Bean: Mr. Speaker, I just overheard the Minister of Tourism say, yes, and the Minister of Economic Development say, no. So my supplemental is, When shall we expect, since we returned in September, a decision on the question of gaming?

The Speaker: That is not . . . That is not a part of this, yes.

Hon. Marc A. R. Bean: I retract the statement then.

The Speaker: Right. All right. Thank you.

The Chair now recognises the Honourable Member from Pembroke East, Shadow Minister of Home Affairs, MP Roban.

You have the floor.

QUESTION 1: LETTER OF COMFORT TO DEVELOPERS OF MORGAN'S POINT

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

On page 2 of the Minister's Statement, he said that "MPL has advised Government that the environmental remediation issues at Morgan's Point are impeding its ability to secure satisfactory construction financing . . ."

My question is, Since the remediation plan was already in place and part of the original agreement and the cost and path of that remediation was already outlined and not the responsibility of MPL, why is it obstructing this process, since it was already a certain component of this whole project from its very beginning?

The Speaker: Honourable Minister?

Hon. E. T. (Bob) Richards: It may have been part of the agreement, but financiers do not want to put money up for polluted property. I mean, that is basically the reality. So it does not matter what is in the deal, what is not in the deal, who is paying for the deal. If the property is polluted, you need some help to get financed. Period.

The Speaker: All right. Thank you.

Mr. Walter H. Roban: I have a supplementary, please.

The Speaker: Honourable Member, you have? Carry on with your supplementary.

SUPPLEMENTARY

Mr. Walter H. Roban: I have a supplementary to that because the Honourable Member suggests that the property, all the property is polluted. And I do not believe that is the case. A portion is. But also, there were financiers who were actually at the table with MPL originally. So, why has this issue, which I again say to my first question, was already sorted out . . . And when they signed the agreement for certain, why are they now in this position?

The Speaker: Minister?

Hon. E. T. (Bob) Richards: The Honourable Member is labouring under misinformation. It was not sorted out.

The Speaker: It was not sorted out.
All right. Do you have another?

[Crosstalk]

The Speaker: Members, take it down.
Roban, MP Roban?

Mr. Walter H. Roban: Mr. Speaker, I do have another question.

The Speaker: Another question, yes. Your second question.

Mr. Walter H. Roban: Yes, second question. On page 2—

The Speaker: On page?

Mr. Walter H. Roban: On page 2.

The Speaker: Yes?

QUESTION 2: LETTER OF COMFORT TO DEVELOPERS OF MORGAN'S POINT

Mr. Walter H. Roban: The Minister states that “our competitors are doing a great deal to attract financing for hotel projects. Some governments are going so far as to guarantee debt in order to finalize the acquisition of the required financing of the project.”

Other than what the Minister has stated in this Statement, what knowledge does he have of other forms of assistance that can go to these sorts of developments? And is he prepared to give those sorts of assistance?

The Speaker: Minister?

Hon. E. T. (Bob) Richards: Yes, that was in there, Mr. Speaker. That was in there just for the information and background as to what our competition is doing. It is not the policy of this Government to do that, as a rule. I have said that in the Statement itself. But other countries have guaranteed various projects, with varying success. There are some projects in the Caribbean that have been guaranteed by government, and the project was completed successfully. I know another project in the Caribbean where the government guaranteed, and still it just did not start.

[Inaudible interjection]

Hon. E. T. (Bob) Richards: Exactly. It still did not start.

So, you know, just because you have a Government guarantee, that is no guarantee that the job will get done.

The Speaker: Thank you, Minister.

The Chair now recognises the learned Member from Sandys [North].

MP Michael Scott, you have a supplementary?

SUPPLEMENTARIES

Hon. Michael J. Scott: I do indeed, Mr. Speaker.

To the Minister of Finance, Mr. Minister, are you aware that the land at Morgan's Point was specifically reconfigured so that the land that was used to secure the lending to the lenders was only land that was clean land, and none of the land that was troubled by pollution was the subject of secure ties in the lending? Are you aware of that? That was it.

The Speaker: Minister? Minister.

Hon. E. T. (Bob) Richards: I am not aware of that. But I can tell you this, that in Bermuda, just because you have land and security in today's world is not enough security to get a hotel built. So even if you

have got an acre of property that is clean and you have that property, you own that property without debt, you go to the bank to borrow money to build a hotel on that property, that land is not enough for you to get financing today.

The Speaker: Thank you.

You have a supplementary, another supplementary, MP Scott?

Hon. Michael J. Scott: Indeed, sir, yes.

The Speaker: Yes.

Hon. Michael J. Scott: So, is the Minister of Finance of this country indicating that the financiers have changed their position from the once-held position that required the Government to provide, as security, clean land, which the Government then provided . . . Is the Minister of Finance saying that the financiers have changed their position?

The Speaker: Minister?

Hon. E. T. (Bob) Richards: Mr. Speaker, I do not know what the position was under the PLP Government. I only know what the position is now. All right? The only thing I have for a former position is the Honourable Member's recollection of it. So I cannot comment on his recollection.

The Speaker: All right. Thank you. Thank you, Minister.

Do you have another supplementary?

Hon. Michael J. Scott: A final.

The Speaker: Your final one, yes.

Hon. Michael J. Scott: Is the Minister of Finance aware of any interest by Chinese investors from the private sector of China or the Republic of China as investors in the Morgan's Point?

The Speaker: Minister?

Hon. E. T. (Bob) Richards: No.

The Speaker: Thank you.

All right. Thank you, Members.

We now move to Minister Richards's Statement on the Multilateral Convention. And I recognise first of all the Shadow Minister for Finance, E. D. G. Burt.

You have the floor.

QUESTION 1: BERMUDA'S ADOPTION OF MULTILATERAL CONVENTION ON MUTUAL ASSISTANCE IN TAX MATTERS

Mr. E. David Burt: Mr. Speaker, I only have one question.

The Speaker: Yes.

Mr. E. David Burt: Mr. Speaker, on page 2 of the Finance Minister's Statement, the Minister of Finance says, "I can report that all of our reservations have been addressed and we have received satisfactory assurances from the UK."

Can he please advise us at this point in time or undertake to give us in writing what assurances the Government received from the United Kingdom?

The Speaker: Thank you.
Minister?

Hon. E. T. (Bob) Richards: I will get back to the Honourable Member for the detail on that. I think it is a legitimate question. I will get back to him on that.

The Speaker: All right. Thank you. Thank you.

The Chair recognises now the Honourable Member from Pembroke.

Mr. Walton Brown: I am from Pembroke.

The Speaker: He is from Pembroke, yes.
MP Walton Brown, you have the floor.

Mr. Walton Brown: Thank you, Mr. Speaker.

The Speaker: Do you have a supplementary?

Mr. Walton Brown: Yes, supplementary.

The Speaker: Yes.

SUPPLEMENTARIES

Mr. Walton Brown: Can the Minister tell this Honourable House why he felt it necessary to sign this Convention, given that Bermuda has successfully signed off on more than 40 TIEAs and no doubt continues to sign additional TIEAs? We were well on our way to doing so. Why did the Minister feel a need to give in to British pressure?

The Speaker: Thank you.
Honourable Minister?

Hon. E. T. (Bob) Richards: Yes, the characterisation of "British pressure" is one attributable to the Honourable Member, not to me.

I can say this, that there is a move in the world. We have 39 TIEAs, not over 40. And one of the things we wanted to be sure of was that the Multilateral Convention would not render the TIEAs that we laboured hard to get put in place redundant.

We also were very concerned to determine how our private sector partners were going to view the Multilateral Convention and how it affected their business, which is probably the most important thing.

It took us quite a while to be able to deal with a number of perceptions that we had about what this Multilateral Convention would do to our TIEAs and to our partners in international business. And it took—just a technical, a very technical thing—it took an inordinate period of time. Because we wanted to be sure that this was not going to hurt our business and thereby hurt our economy.

And after a long period of consultation and negotiations with Her Majesty's Government, the reservations that we did have that we thought that had to be put in there, and the declarations . . . There were reservations and declarations as part of the Multilateral Convention. And we were able to whittle those down to the ones that we felt had to be put in there. They were put in there, and at the end of the day we were satisfied, and our private sector partners were also satisfied.

So as the Honourable Member will know, that some of the so-called "pressure" being put on by the British Government was pressure in name only. I mean, for instance, there was so-called pressure about overseas territories revealing, or having a database of beneficial ownership. That was actually the Prime Minister's biggest hobbyhorse. All right? Well, Bermuda is like 60 years ahead of everybody on that. We have had a database of beneficial ownership for international company owners since the end of World War II.

So that may have been pressure for other people, but it was not pressure on us. So that is how we had to deal with this thing. Bermuda was in a different situation from many of the other overseas territories and Crown dependencies because of the way we have operated our business environment over the years.

The Speaker: Thank you. Thank you, Minister.
You have another supplementary, do you?

Mr. Walton Brown: Yes.

The Speaker: Yes, you do. Carry on.

Mr. Walton Brown: Given that one of the benefits of negotiating the TIEAs involved Bermuda being able to identify some potential benefit in signing off on the TIEA, as we did with Australia, for example, by getting electronic visa applications, what benefit do we get,

material benefit do we get having signed off on this Convention?

The Speaker: Minister?

Hon. E. T. (Bob) Richards: The first thing I would like to say is that the Multilateral Convention does not negate the TIEAs that we have put in place. If somebody asks for information, some country asks Bermuda for information, they can choose between . . . If some country with whom we have a TIEA, we can choose, a mutually agreed choice of which way to go, which one to use. So that is the first thing. It is not a situation where the Multilateral Convention has replaced the TIEAs that we have put in place. So that is an important thing.

But insofar as the reason for this is that, you know, when the major countries in the world sign up for this thing, we have to ask the question, *Do we want to be conspicuous by our absence?* These are the same major countries that our business community deals with every day. So that was the question on the table for the Bermuda Government.

So, at the end of the day, because the G5, the G8, the G20 were all on board with this thing, you know, we just have to make sure that Bermuda signed on in a way that was least harmful and most beneficial for us.

The Speaker: Thank you.

The Chair now recognises the Leader of the Opposition.

Marc Bean, you have the floor, question two.

Hon. Marc A. R. Bean: Mr. Speaker, first will be a supplemental to that question. Then I have a question.

The Speaker: Well, carry on with your supplementary.

SUPPLEMENTARY

Hon. Marc A. R. Bean: Yes. In a nutshell, does the Minister feel that our hands were tied?

The Speaker: Minister?

Hon. E. T. (Bob) Richards: I am not sure what you mean by that question.

Hon. Marc A. R. Bean: For the signing. You said the chief thing was that everybody else was going to do it. Our hands were tied—

Hon. E. T. (Bob) Richards: Well, it was the sensible thing to do. We would have been conspicuous by our absence, and then, you know, we would have had to answer all kinds of other questions. So, our hands were not tied, but we had to make the best of it.

The Speaker: Thank you, Minister.
All right, you have a question now?

**QUESTION 1: BERMUDA'S ADOPTION OF THE
MULTILATERAL CONVENTION ON MUTUAL
ASSISTANCE IN TAX MATTERS**

Hon. Marc A. R. Bean: Yes, thank you, Mr. Speaker.
I would like to thank the Minister, [because] for the first time in this Honourable House, the OBA has admitted to the great work of the previous Government in signing all those TIEAs.

[Inaudible interjections]

Hon. Marc A. R. Bean: Mr. Speaker, I have a question to the Honourable Minister: Minister, do you think that such an agreement that was just signed can have a long-term negative effect on our international business sector, specifically our wealth management sector?

The Speaker: Minister?

Hon. E. T. (Bob) Richards: No, I do not think so, Mr. Speaker. Bermuda is not in the tax haven business. We are not in the tax haven business. The wealth management sector is not in the tax haven business. We are not in the business of obscuring ownership, of ring-fencing some companies from tax, as opposed to other companies. Those are the features of tax havens.

We do not do that! So, no. It will not hurt us, because we are a transparent jurisdiction. It only hurts those jurisdictions that are in the tax haven business. It will not hurt us.

The Speaker: Yes.
Do you have a supplementary for that?

Hon. Marc A. R. Bean: Mr. Speaker, for the sake of clarity, I would like to understand the distinction between what business we do here and other jurisdictions which the Minister terms as being "in the tax haven business."

The Speaker: Minister?

Hon. Marc A. R. Bean: What is the distinction?

Hon. E. T. (Bob) Richards: I mean, this might take me some time.

[Laughter]

The Speaker: In a sentence, Minister.

Hon. E. T. (Bob) Richards: In one sentence?

The Speaker: You went to Berkeley, so you should know how to précis.

Hon. E. T. (Bob) Richards: I am not so sure that they taught me how to do that, Mr. Speaker.

The Speaker: You can précis.

Hon. E. T. (Bob) Richards: Yes, précis.

There are certain attributes that are generally accepted that are associated with tax havens. Okay? One of them is a lack of transparency. That is probably the most important one. If you are hiding things—hiding who owns the company or who owns the business, if you are non-responsive to legitimate questions from other countries on TIEAs or on conventions, if you do not respond. So, transparency and non-responsiveness is a key attribute.

The other one is whether you know who owns these companies. You know, some countries know who owns these companies, but do not want to reveal it. Most tax havens do not even know, and they do not want to know.

And the third point is, in most tax havens there is something called "ring-fencing." In other words, if certain companies in a jurisdiction are subject to tax where certain other companies are not, by law, that is called ring-fencing. All right?

But those attributes are tax havens. We do not have any of those attributes. And just before you say something that you think that the word "exempt company"—

[Inaudible interjection]

Hon. E. T. (Bob) Richards: No, no, no. I want to explain it. The word "exempt company" means that they are exempt from taxes—that is not true. Exempt companies in Bermuda are exempt from exchange control, not from taxes.

The Speaker: All right. Thank you, Minister.
You have another question?

Hon. Marc A. R. Bean: Supplementary.

The Speaker: A supplementary? Yes, carry on.

Hon. Marc A. R. Bean: Supplementary. And this is not to create—this is not a political issue.

The Speaker: Yes, just give your supplementary.

SUPPLEMENTARY

Hon. Marc A. R. Bean: Mr. Speaker, when speaking of transparency, then, what role does the principle of privacy play in our jurisdiction?

The Speaker: Minister?

Hon. E. T. (Bob) Richards: That is a philosophical question that can go on and on. But I can tell you, as we sit here on Friday the 13th, 2013—

The Speaker: What a day, huh? Friday the 13th, 2013.

Hon. E. T. (Bob) Richards: Yes. That is right.

[Laughter]

Hon. E. T. (Bob) Richards: The idea of privacy is very different from what it was 25 years ago—very different. Privacy, the rights of privacy have been eroded worldwide over the past 25–30 years. But, you know, that is the state of the world today.

[Inaudible interjection]

Hon. E. T. (Bob) Richards: Yes. It is not unique to Bermuda.

The Speaker: Thank you.

Okay. Thank you, Leader.

We now move to the next Statement, by Dr. Gibbons, with reference to scholarships. And I have one question.

I recognise the Honourable Member from constituency 3.

MP Lovitta Foggo, you have the floor.

QUESTION 1: BERMUDA GOVERNMENT SCHOLARSHIPS REGULATIONS 2013

Ms. Lovitta F. Foggo: My main concern is about scholarship recipients who are successful both with Government and in the private sector. There are some private sector—

The Speaker: Question, Member?

Ms. Lovitta F. Foggo: Yes. I am just . . . there are some private sector institutions who still mandate that the recipient only take one scholarship.

So my question to the Minister is, In the event that we have a student who is successful at the Government sector, will the Minister undertake to provide either the value of that private scholarship that the student will lose or some portion of it if the Government scholarship does not cover all costs such as tuition, room and board, and other related expenses?

The Speaker: Minister? Minister, Dr. Grant Gibbons, has the floor.

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

Mr. Speaker, I am going to do my best on that one. I think the Honourable Member will be aware that, under the Bermuda Government Scholarships, \$35,000 is the max for tuition and accommodation. In addition to that change, in terms of the prescribed amount that is possible, the Government also changed the ability for students to accept outside scholarships, bursaries and grants they were not able to accept before.

So, I do not think there has been any effort to try and sort of match up all the Government scholarships with all of the outside scholarships out there and figure which ones on the private side will be allowed to be shared with the Government scholarship. So I do not know what the net result is.

But what I do know is that the maximum amount that was asked for this time was basically a little over \$93,000 from the four scholarship recipients. So, it was well under the \$35,000 if you take four times that amount, which would be about, basically, \$140,000. So, of the four that applied, in aggregate, it was under the \$140,000, which was the maximum.

I do not know if that helps or not.

The Speaker: Thank you, Honourable Member. Thank you very much.

We now move to the next Statement by Dr. Gibbons, with reference to Education Rules. And the Chair will recognise, first of all, the Honourable Member, MP Weeks, from Pembroke East [Central].

MP Weeks, you have the floor.

Mr. Michael A. Weeks: No, Mr. Speaker, I do not have a question.

The Speaker: Oh, you don't? All right. Thank you, Member.

The Chair now recognises the Honourable Member from constituency 17, Pembroke Central.

MP Walton Brown, you have the floor.

QUESTION 1: EDUCATION RULES 2006

Mr. Walton Brown: Thank you, Mr. Speaker.

Mr. Speaker, given that the Minister for Education has stated publicly that the optimum conditions for student learning and success is to have an extended school day, is the Government at all concerned that, in actually shortening the school year, we are creating less than optimal conditions for our young people to learn and to succeed?

The Speaker: Minister?

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

Mr. Speaker, I think it is acknowledged that the efforts to reduce the school year was a situation that was essentially a consequence of the union nego-

tiations with Government. Under the circumstances, I think the Ministry, as far as I can tell, is very pleased at the outcome, which has resulted in only two less classroom days in the course of that 200-day-in-school year. That is less than 1 per cent.

I think the understanding is that those two days can be addressed by teachers and educators during this process. So I think that, under the circumstances, it is a very good outcome, because the union, the BUT and the BPSU, has essentially given up some of their professional development to sort of mitigate some of the potential loss of those school days. So, under the circumstances, I think it is certainly manageable, as far as I understand it.

The issue of lengthening the school day is an entirely different issue, and I am sure the Minister of Education will be addressing that in due course.

Thank you.

Mr. Walton Brown: And the second question, Mr. Speaker?

The Speaker: Yes. You have a second question? Yes.

QUESTION 2: EDUCATION RULES 2006

Mr. Walton Brown: Yes. Mr. Speaker, given that the furlough days, the 12 furlough days applied across Government, is a measure to reduce the total financial obligation of Government, and given that in other areas of Government where the furlough days are applied, there has been no reduction at all in the Government service—however, with respect to education, it is the one area in which the actual reduction of service is taking place—I am just wondering why, given the priority that the Government has stated it attributes to young people, why there could not have been some alternative in place to ensure that in the one area that we all know requires great focus and involvement, in fact, is the only area where the diminution of service is actually carried out in terms of the reduction of days?

The Speaker: Minister?

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

I think the answer to that is that each Government department and Ministry did its best to mitigate the way they handled the reduction of one day per month. I think the Ministry of Education looked at it, and I believe they felt this was the best solution. Because, as mentioned in the Statement, other ways of doing it, whether there were substitute teachers or other approaches to it, would have simply negated any cost reduction, which would have gone against the basic grain of what was intended to happen here.

I think, as I said before, the issue is probably not going to be material in terms of the impact on students, given the fact it is only two days out of the entire school year. Thank you, Mr. Speaker.

The Speaker: All right. Thank you, Minister.

You have a supplementary or a question?

Ms. Lovitta F. Foggo: It's a question.

The Speaker: Yes.

QUESTION 1: EDUCATION RULES 2006

Ms. Lovitta F. Foggo: I did not quite hear the first question from the Shadow Minister. So, my concern, Mr. Speaker, is, with the reduction of the school year. And given that the Government, in months gone by, were looking at extending the school year, and with the Cambridge programme in particular, where the young ones at elementary school will be sitting exams in April, there is already a reduction—with the diminishment of professional development for teachers and the reduction in the school year, what is being done to ensure student success? Because they are already pretty much stretched in terms of covering the Cambridge curriculum.

The Speaker: What is going to be done for student success? Minister?

Dr. the Hon. E. Grant Gibbons: I think I have answered this to some degree, Mr. Speaker. I have said that the reduction of two days is not going to be material, that both the educators and the department and the Ministry feel that they can handle the curriculum and handle the education that is required, given what they are working with.

Thank you, Mr. Speaker.

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

All right. That is the Education Rules.

No questions for Minister Gordon-Pamplin—yes, we do have. The Chair recognises the Member Roban.

Mr. Walter H. Roban: This is relating to the Health Ministerial Statement?

The Speaker: Yes, yes, that is what you asked for.

Mr. Walter H. Roban: I do not have any questions on that.

The Speaker: Okay, fine, fine.

We move now to Minister Crockwell's Statement. And I will recognise MP Lawrence Scott.

MP Scott, you have the floor.

QUESTION 1: 2013 TRANSPORTATION PLAN UPDATE

Mr. W. Lawrence Scott: Thank you, Mr. Speaker.

In regards to page 2 of the Minister's Statement, if the Transport Minister's plan has increased their reliability of bus services Island-wide, can he explain how, as recent as yesterday, there were reports of schoolchildren stranded as a result of several broken buses?

The Speaker: Minister?

Hon. Shawn G. Crockwell: Yes, thank you, Mr. Speaker.

Yes, yesterday we did experience some minor mechanical issues such as in relation to the door, some issues in relation to wet seats, where there had been a crack in the windows and, with the rain, some of the seats got wet.

The public needs to know that as a result of some of the minor—sometimes it could be a minor issue that would cause a bus to come out of service for a short period of time. And that is what occurred yesterday. But those issues have been, by and large, remedied.

The Speaker: Thank you, Minister.
You have a supplementary?

Mr. W. Lawrence Scott: No, the second question.

The Speaker: Okay. The second question.

QUESTION 2: 2013 TRANSPORTATION PLAN UPDATE

Mr. W. Lawrence Scott: My second question is in regards to the *Millennium*. In preparation for next year, why did the Minister already decide to extend the contract with the *Millennium* instead of using that funding to fix and upgrade the existing fleet?

The Speaker: Minister?

Hon. Shawn G. Crockwell: Yes, thank you, Mr. Speaker.

In terms of long-term strategy, we looked at how successful the *Millennium* was this year, which allowed for the actual fleet to have regular maintenance. What was happening in previous years, because these ferries were stressed, [was that] they were unable to have their regular maintenance upgrades. The *Millennium* allowed this to happen. It was extraordinarily successful. I do not believe that we had any ferries coming out of the fleet over the summer.

The original plan was to have it . . . And this original plan did not originate with this Government. The original plan was to have a two-year agreement

with the *Millennium*. Because this year was extraordinarily successful, we thought it prudent to extend it to the second year.

The Speaker: Thank you, Minister.
You have a third question?

Mr. W. Lawrence Scott: I have a supplementary.

The Speaker: Supplementary, yes.

SUPPLEMENTARIES

Mr. W. Lawrence Scott: So then, why did the Minister not put this out to tender or put it out for bid for the local tour boat operators first as to abide by the Marine Board Act 1962?

The Speaker: Minister?

Hon. Shawn G. Crockwell: Yes, Mr. Speaker. As you will know, these issues have been canvassed previously. And I believe that question came up, that it was determined that what we wanted in terms of capacity, the amount of passengers that the *Millennium* can carry, that in this case, based on the research that was done, this company was the only company that was able to provide those services.

The Speaker: All right. Thank you.

Mr. W. Lawrence Scott: And my second supplementary?

The Speaker: Yes.

Mr. W. Lawrence Scott: Would the Minister not agree that the Government could save more money in the long term by investing in a ferry themselves, i.e., dry lease versus a wet lease, as wet leases are more expensive?

The Speaker: Minister?

Hon. Shawn G. Crockwell: Mr. Speaker, I do know that we are looking into the purchase of a new ferry, which is in excess of \$6 million. We do not have those funds right now. Based on the funds that are available to the Ministry, in order to provide an efficient and effective ferry fleet, this was the most prudent course of action.

The Speaker: Thank you, Minister.

Mr. W. Lawrence Scott: And my third supplementary on this one.

The Speaker: Yes?

Mr. W. Lawrence Scott: Can the Minister provide documentation to this Honourable House to show whether the *Millennium* is below, on or over budget for this season?

The Speaker: Minister?

Hon. Shawn G. Crockwell: Certainly, we will do that. The actual term concludes at the end of this month. So it is still on-going. But once the season is over, we can provide those details.

The Speaker: All right. Thank you.

Mr. W. Lawrence Scott: Again, this is my last question.

The Speaker: Yes?

QUESTION 3: 2013 TRANSPORTATION PLAN UPDATE

Mr. W. Lawrence Scott: In the 2013 Transportation Plan, has the Minister addressed the unfair competition when it comes to the public bus service versus the taxi and minibus operators, as the public buses seemingly get first dibs at the visitors at Dockyard?

The Speaker: Minister?

Hon. Shawn G. Crockwell: The Honourable Member may recall last year when we had some challenges in relation to transporting our tourists across the Island. And at that time, we did not have the effective bus and ferry system.

It was because of those challenges that we brought in the buses to provide some of the services and the like. Because of the success [of doing that], that impacted on the business with taxis and other services. We have been in dialogue with them. And if we can be assured that by reducing some of those bus services and the like, that the taxis will be able to fill the gap, then we will do so.

But right now, our number-one priority is to ensure that we do not have stranded tourists in Dockyard unable to get across the Island to enjoy their vacation.

The Speaker: Thank you.

Yes, you have a supplementary? Yes?

SUPPLEMENTARY

Hon. Marc A. R. Bean: Supplementary. Thank you.

Minister, that being the case, have you received any feedback from the private sector within this Transportation Plan—i.e., the taxis and minibuses—as to the effect of the application of this plan? Have

they made money while being in direct competition with Government transport?

Hon. Shawn G. Crockwell: I thank the Opposition Leader.

At the beginning of the season, we certainly heard the concerns that they were not getting the same type of business that they were used to, especially when we had more cruise passengers coming. Of course, the cruise passengers were preferring the ferries and buses, and then the taxis would get what was left over after that.

We have, again, had conversations with them that if we can work out a plan where we can be assured, as the Government, that taxis would be available, that they would take the passengers to the beach, then pick them up after the tourist has enjoyed the beach (and they may be a bit sandy), if we can get guarantees that it would be an effective and efficient service, then we think we can try and reduce the Government transportation that is down in Dockyard.

The Speaker: Thank you.

Yes, yes, Honourable Member. Carry on.

Hon. Marc A. R. Bean: Mr. Speaker, I am actually rising to deal with a matter of urgent public importance. We have no more questions.

The Speaker: Okay. Yes. All right. Right. We are getting close to the end, so I guess if you would like to move to that.

The Honourable Member has come, indicating that he had a matter of urgent public importance. Members will know that Members have to be informed beforehand of questions that are going to be asked, except in Ministerial Statements, but also in matters of urgent importance to the country.

The Leader of the Opposition has come with a question that I consider to be of urgent importance, and so I would now ask . . . He wants to ask a question of the Premier. And so, I would, at this time, give the floor to the Leader of the Opposition.

MATTER OF URGENT PUBLIC IMPORTANCE

QUESTION ON PREMIER'S TRIP TO GIBRALTAR

Hon. Marc A. R. Bean: Thank you very much, Mr. Speaker, this question is directed to the Honourable Premier.

Mr. Speaker, we are very surprised to note that the Honourable Premier has not given a Ministerial Statement regarding to his recent trip to Gibraltar.

Mr. Speaker, recent statements by the Honourable Premier have led to questions that have to be asked. Mr. Speaker, the first question is, Can the Honourable Premier please clarify for this Honourable

House and the people of Bermuda, based on his discussions at the OTC, what is the difference between the terms *self-determination*, but not *independence*?

The Speaker: Honourable Premier?

Hon. L. Craig Cannonier: Thank you. Thank you, Mr. Speaker, and I appreciate the question.

Certainly, we will be bringing a Statement to the House. Unfortunately, we were still into meetings right on through to Thursday, which were also held in London, which is why you do not have a Statement today. We do want to make sure that we give the regulated time to the House here so that they are aware of that Statement as well. But we met right on up until Thursday, and so I came in, flew in Thursday night.

But as you know, also, I have put statements out in the public media as to what was going on in Gibraltar. But let us get to the question, the other question that he had. He did make that comment.

The Speaker: Yes, and Honourable Premier, remember that the House of Assembly is above all else.

Hon. L. Craig Cannonier: Yes, yes, yes.

The Speaker: In terms of the information, that type of information. So that is why I allowed the question.

Hon. L. Craig Cannonier: Yes. No, certainly. And again, we would have had a Statement prepared. We promised we would do that when we take these trips.

The Speaker: Right.

Hon. L. Craig Cannonier: But the allotted time was not [enough] for civil servants to get prepared.

The Speaker: That is fine. That is appreciated.

Hon. L. Craig Cannonier: Yes.

So, as far as “self-determination” is concerned, and “independence,” [there was] a rather interesting meeting that we did have in Gibraltar with the other overseas territories. I can say that the concern was that we did not, as overseas territories, have enough say in the matters of running our country.

Now, certainly, Bermuda, when it comes to self-determination, its Constitution is well ahead of many of the other overseas territories, and it is viewed by the other overseas territories as being the envy of these territories.

Independence is a breakaway completely from British rule. Self-determination, as we were in Gibraltar, which was a new term that I had seen in Gibraltar, was the fact that we wanted to have—

An Hon. Member: “Self-determination” was a new term?

Hon. L. Craig Cannonier: Sorry?

An Hon. Member: “Self-determination” was a new term?

[Crosstalk]

The Speaker: Carry on, Premier.

[Inaudible interjections]

Hon. L. Craig Cannonier: That is what you asked, self-determination. Yes. And we are going there now. I just gave to you what we believe to be independence, our break from British rule.

The Speaker: Carry on, Premier.

Hon. L. Craig Cannonier: So I will give an example of self-determination. It is believed that, with the constitutions amongst the overseas territories, that we do have—

[Crosstalk]

[Gavel]

The Speaker: Members, let us listen.

Hon. L. Craig Cannonier: Self-determination is to have more say in the running of the country. An example of that would be in the choosing of a Governor over Bermuda. And it was felt that we did not have enough determination over who that person was. These are the kinds of examples that were being discussed during this meeting.

And so the difference between self-determination and independence was, “independence” being a complete breakaway from the rule of [the] British, over Britain; “self-determination” meaning that we would remain under the UK, but that we would have more say in our decision-making, where we are limited.

The Speaker: All right. Thank you.
Do you have a supplementary?

Hon. Marc A. R. Bean: Yes, thank you. Supplementary, real quick.

The Speaker: Yes?

SUPPLEMENTARY

Hon. Marc A. R. Bean: The Honourable Premier speaks of self-determination and uses a reference to the selection of the Governor.

Now, in applying self-determination in a move from our current status to full independence, it is only a question of the reserve powers. So, in terms of the reserve powers, what is the Government's policy towards self-determination in terms of the reserve powers contained in our constitutional order today?

The Speaker: Premier?

Hon. L. Craig Cannonier: At this present time, that has not been determined. This is something new that we are discussing as overseas territories.

The Speaker: Thank you, Premier.

Hon. Marc A. R. Bean: Supplementary?

[Crosstalk]

The Speaker: The Chair will recognise the Member from Pembroke East.

QUESTION ON PREMIER'S TRIP TO GIBRALTAR

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

In light of the Premier's comments as it relates to this matter, the Premier specifically said that the issue of self-determination was, for us, one having to deal with the issue of choosing the person who is the Head of State, that that was an issue that we might want to forward.

I would like to know, Mr. Speaker, what other issues, along with the other territories, did the Premier specifically outline would come under this particular category?

The Speaker: Premier?

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

Again, that was one area that I spoke to, and that was probably the only area that I was allowed, or that we agreed that we would speak to the public concerning. We do have our UKOTA [United Kingdom Overseas Territories Association] meeting coming up in November.

This was a strategic meeting for us to lay out how we deal with our relationship with Britain, and for me to reveal those things right now would get in the way of those negotiations.

The Speaker: All right. Thank you.

Honourable Leader of the Opposition, you have—

SUPPLEMENTARY

Hon. Marc A. R. Bean: Thank you, Mr. Speaker. Real quickly, yes, I have another supplementary.

I am asking the Premier for his position and his Government's position on the issue of self-dependence as it applies to the reserve powers. For instance, the police and who controls the police, and the regiment, and foreign affairs.

The Speaker: Yes.

Hon. L. Craig Cannonier: Again, as I said, it is to be discussed as we move forward. As the Premier of this country, I believe that we need to have more say. I said that originally. We need more say in determining who our Government is, who runs the regiment and the police. We should have more say in that. And that is what we are discussing.

The Speaker: All right.

Hon. Marc A. R. Bean: Last question. Last question.

[Gavel]

The Speaker: Done. All right. Time.

[Pause]

REPORTS OF COMMITTEES

The Speaker: There are no Reports of Committees.

QUESTION PERIOD

WRITTEN ANSWERS

The Speaker: We do have written responses from the Honourable Patricia Gordon-Pamplin on questions from Mr. Zane De Silva, and written responses from the Honourable Michael Dunkley on questions from Mr. Walter Roban. And those are revised written responses to be tabled by the Honourable M. H. Dunkley. The amended responses were dated 30th of August to questions from Mr. W. H. Roban.

Mr. Walter H. Roban: Mr. Speaker, if you oblige me, I have not received any copies of those actual questions from Mr. Dunkley.

The Speaker: All right. Thank you. Thank you. We will follow that up, MP Roban. Thank you very much.

Proceedings suspended at 12:30 pm

Proceedings resumed at 2:00 pm

[Hon. K. H. Randolph Horton, Speaker, in the Chair]

CONGRATULATORY AND/OR OBITUARY SPEECHES

The Speaker: Members, we are now at Congratulatory and/or Obituary Speeches. I recognise the Honourable Member from St. George's, MP Lovitta Foggo.
You have the floor.

Ms. Lovitta F. Foggo: Mr. Speaker, I just have one congratulatory remark, and that is to the Eastern Counties Organisation and in particular to St. David's Cricket Club for their successes at that event. As hosts, the grounds and everything were quite spectacular and indeed each match proved to be quite entertaining.

So again, congratulations to St. David's Cricket Club for being the victors of the Eastern County matches and, indeed, to the Eastern Counties Association who oversaw such.

The Speaker: The Chair will now recognise the Honourable Member from Warwick West, constituency 28, MP Jeff Sousa.

You have the floor.

Mr. Jeff Sousa: Good afternoon, Mr. Speaker and honourable colleagues and the listening audience.

The Speaker: Good afternoon.

Mr. Jeff Sousa: I rise this afternoon to send condolences to the immediate family of my first cousin, Stephen Oliver Sousa. Many will remember him as "Steve-O" or "Stevie." He was a very popular Warwick West resident and frequented the Burnt House Hill/Riddell's Bay/White's Grocery area on his bike. And many would have seen him because he loved his bike and he loved sodas.

I remember Stevie as a young man. He always had a habit of grabbing the person's garbage cans after they were at the gate and taking them back to the door. Also another fond memory I have is anytime your bike was missing on Burnt House Hill and that Middle Road area, you knew Stevie had it.

[Laughter]

Mr. Jeff Sousa: Because obviously Stevie's bike was sitting there, he had made a trade. But Stevie was, again, a very, very, very popular. . .

[Inaudible interjection]

Mr. Jeff Sousa: And he was always around the Riddell's Bay Esso Gas Station because his father (my uncle Benny Sousa) ran that gas station, so he was always around the gas station.

But Stevie was a colourful character of Warwick West. Of course, he [had] Down's Syndrome. But

we are all God's children, and I hope my cousin will rest in peace.

The Speaker: Thank you.

Mr. Jeff Sousa: I am sorry. I do want to associate also MP Glenn Smith and MP Susan Jackson as well.

The Speaker: All right, thank you.

The Chair now recognises the Honourable Member from Pembroke East, MP Roban, from constituency 15.

You have the floor.

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

I just wish to give a congratulatory message (and I am sure my honourable colleague, Mr. Weeks, will want to be associated with this) to the African Methodist Episcopal Church Heard Chapel that celebrated its 110th anniversary on September 8th of this year. It was a great service. Mr. Weeks and I were there and we had a fabulous time.

It was overseen by Reverend Haskell, and it was a fun and rich service. The members of Heard Chapel . . . and we essentially share a level of ownership (I wouldn't say "ownership", but of like connection) with the church because it is basically in my constituency, but close to his constituency as well. And so we usually get invited to the events there. But this was a very important moment in Heard Chapel's history and we were honoured to be there.

So we would like to have a congratulatory message sent to the Heard Chapel family for this very momentous occasion.

Thank you.

The Speaker: Thank you, Honourable Member.

The Chair now recognises the Honourable Member from Pembroke East—East Central—yes, sorry—Pembroke East Central, the Honourable Michael Weeks.

You have the floor.

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

The Speaker: Good afternoon.

Mr. Michael A. Weeks: I would like to take this opportunity to have a letter of congratulation sent to the family of Nahki Wells. He was voted the player of the month in England. I would like to associate the Minister of Sport Mr. Scott, MP Sousa . . . I believe everybody—the Members of Parliament. It is a feat that has not been achieved before, in my opinion, by another Bermudian, to have been named player of the month in England. And I wish him well and I know everybody wishes him and his family well.

Mr. Speaker, I also rise this afternoon on a sombre note to send condolences to the family of Jonathan Dill. He was cold-bloodedly shot down on Labour Day.

Again, I think I could honestly say that I associate the whole House with that. His father Stephen is only a cousin of mine but we came up in school together—Central, Berkeley—so we guys became very close. I knew Stephen and Sandra (who was his high school sweetheart) from way back in Berkeley.

This is just another example of the senseless crime that is taking place. And I commend all of those partners who are trying their best to assist in arresting the perpetrators of this heinous crime.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

The Chair now recognises . . . she has got on the right colour today, so she gets recognised early.

[Laughter]

The Speaker: I recognise the Honourable Member, Jeanne Atherden.

You have the floor.

Mrs. Jeanne J. Atherden: Thank you, Mr. Speaker. I realise that being down in the corner you have to make sure that there is something that makes you visible—

The Speaker: Absolutely.

Mrs. Jeanne J. Atherden: —and red for Somerset is always going to be standout.

The Speaker: Absolutely, absolutely.

[Desk thumping]

Mrs. Jeanne J. Atherden: Mr. Speaker, I rise on two sad notes to ask to have messages of condolences sent to two families of two of my constituents, the first being the family of Philip Hugh Petty.

I met Mr. Petty when I was starting to canvass as a candidate in Pembroke West. And I must admit, after having have been elected I decided that it was time to get out again and go out and visit the constituents (because I didn't want them to say we only see you every five years) so I went out again to talk to them and I met Mr. Petty about three or four weeks ago, and he was talking about his health and the fact that he had needed some sort of medical treatment but he was not able to get it for at least six or seven weeks, and he said, *I am fine, go off and go and visit all the other people in the constituency. I am okay.* And then to get a call saying that he had succumbed to his illnesses and had been rushed abroad and died, it was really sad.

With respect also to the family of the late Lydia Betty Smith, I met Mrs. Smith years ago. She lived on Seagull Lane. I met her years ago when I was growing up . . . Okay, Mr. Weeks, also Mr. Brown and Mr. Commissiong. When I was growing up, Betty was the type of person that would always be there and you would be talking to her. And when I started canvassing, I went up again to her house and we were talking about how I knew her and what had happened with my family growing up there and we talked about her sons and the neighbourhood. And so, once again, it was time to start off and . . . I do not know, you suddenly pick certain places to go and Seagull Lane was the place that I needed to go down and see some people and I saw her again.

So when I turned to today's paper to get some details about Mr. Petty and I looked there and I saw her picture . . . and I do not know, sometimes people do not realise having a picture there just brings to your attention those individuals and all the memories flow back about what they have done in the past and how you know them.

So I would like to have these messages of condolence sent to these individuals, but also I would like to say to us—all of us in the House—we never know what tomorrow is going to bring. So every time we are out there we need to make sure that we do something that I learned years ago. I never go to bed angry and I also always make sure that I help the person that is important to me, because you never know what tomorrow is going to bring.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

The Chair now recognises the Leader of the Opposition, MP Marc Bean.

You have the floor.

Hon. Marc A. R. Bean: Thank you, Mr. Speaker.

I certainly would like to be associated with the remarks that MP Weeks gave for Nahki Wells. I certainly consider Nahki ready for the top flight in the EPL, Mr. Speaker.

Mr. Speaker, I rise to ask the House to give condolences to the family of the late Avonn Browne who had a bad bike accident on his birthday on Harbour Road. Avonn Browne is the grandson of Mr. Archie Browne, Sr.—

The Speaker: Oh, yes.

Hon. Marc A. R. Bean: —and the son of Mr. Archie Browne, Jr. and a close friend of mine from primary school. In fact, Mr. Speaker, a day before he passed away I was with Avonn at another one of our friend's birthday parties up in White Hill, and I would have never have thought that when I reached California that I would get news that that was the last time I would

talk to him. So I would like for condolences to be sent out to the family of Avonn Browne.

Likewise, I would like condolences to be sent to the family of Mr. Ras Carlton Butler, Jr. of Somerset. Many people knew Ras Carlton as “Butler” and he was . . . to this day I would say he was one of the greatest artists and sculptors using wood as the medium that Bermuda has ever produced. And I have a feeling that—and I think everyone would like to be associated with it—I have a feeling that the value of his art has increased since his untimely demise. Many people recall Mr. Butler as being a person who would sit between Arnold’s Supermarket and Market Place of Somerset. He was the Rastaman that never wore shoes. He never wore shoes. He was a musician. Actually, he was just a complete artist. And so I would like for this House to send condolences to his entire family.

Thank you.

The Speaker: Thank you, Honourable Member.

The Chair now recognises the Honourable Minister of Finance, Mr. Bob Richards.

You have the floor.

Hon. E. T. (Bob) Richards: Thank you, Mr. Speaker.

I would like the House to send condolences to the family of the late Pat Ferguson. I think the whole House would like to be associated with the condolences. Mr. Speaker, I see from the expression on your face that you did not know that she had passed away.

Pat Ferguson was extremely well known in Warwick and in Bermuda at large. She was a lady with a great zest for life and a great passion for Bermuda. And she expressed that passion in numerous letters to the media, letters to the editor, *et cetera*, on her views of what was right with Bermuda and what was wrong with Bermuda and what needed to be done about it. And I think most people became familiar with her writing and as . . . in recent years, in fact, it was amazing that she was writing anything because her sight was failing, but she still managed to write in any case.

In Warwick she was also well known because she had for many years a little dog that could not have been any bigger than a breadbox whose name was “Bunkie” and she doted on that dog like nobody I have ever seen dote upon a pet. And everybody knew about Pat and . . . you know, when you got to talk to her when she was finished talking to you about politics, she would talk to you about Bunkie. But she was very well known in Warwick.

I first met her in a political setting I think back in maybe the '80's when she was involved in politics. And I always found her to be somewhat of a political barometer and when she . . . I went around her house in . . . even though I was not running in her constituency, I went around to see her in 1998 and she just

upbraided myself and Larry Scott. She really upbraided us and I realised that we—then being the United Bermuda Party (Larry and I were running for the United Bermuda Party at the time)—were in serious trouble because Pat had been a great supporter of UBP and it was sort of like the beginning of the end because we had lost the support of Pat Ferguson. And subsequently, of course, she became a supporter of the One Bermuda Alliance. But that was after some scepticism on her part and there are a number of us in Warwick who had to go around to Spring Hill and tell Pat the good news which she eventually accepted and became a supporter of ours.

So I would like to have the House send condolences to her family—her two daughters and her one granddaughter.

On a lighter note, I would like the House to send congratulations to Doorman Nick—Nick DeRosa—a doorman at the Fairmont Southampton Princess—

The Speaker: Great, great.

Hon. E. T. (Bob) Richards: —who was . . . who was—

[Inaudible interjections]

Hon. E. T. (Bob) Richards: I think the whole House wants to be associated with that one too, Mr. Speaker.

Nick DeRosa was mentioned by none other than a writer for Forbes magazine, which is a very prestigious publication. About one of their writers who came to Bermuda and the only thing he could talk about was Doorman Nick. Any of us who have been to Southampton Princess know what this guy is talking about. Nick is a fantastic individual and, you know, the kind of person that we need to help our tourism going forward. So I would like congratulations to be sent to Nick.

Thank you.

The Speaker: Thank you, Honourable Member.

The Chair now recognises the Honourable Member from Sandys South, MP Lister.

You have the floor.

Hon. Terry E. Lister: Thank you, Mr. Speaker, and good afternoon to you.

The Speaker: Thank you, good afternoon to you.

Hon. Terry E. Lister: I want to start with two condolences: One of my neighbours, Mr. James Anderson, passed away over the summer period. He was 87 years old; he had a long successful life. He was a softball player and a cricketer down at Somerset Bridge Recreation Club. But he was better known as a golfer—a long-time golfer. So I wish to have the

House extend condolences to his wife, Ida, and his two sons, Fred and Alvin, and their families.

Also, on this same line, we have the loss a few weeks ago of William [Andrew] (Joe) Proctor, a Somerset Cup Match player who played between '54 and '62. And he was a good man, raised in a good family, children, grandchildren and again 86 years old—almost the same age as Mr. Anderson. And I would like you to send condolences to his wife for me on my behalf and the Honourable Member Kim Wilson.

Mr. Speaker, I want to send congratulations to Ms. Janet (Pinky) Todd who was the scorer at Cup Match for some 30 years.

The Speaker: A good scorer, too, a good scorer.

Hon. Terry E. Lister: A good scorer, yes, through the good and bad. And I want to extend congratulations from other Members of the House as well.

Now since I am on Cup Match, Mr. Speaker, I will upset some I guess. I will congratulate Mr. Tre Manders, a teenager is his second Cup Match scoring a flawless 100. Now that is really something.

[Desk thumping]

Hon. Terry E. Lister: That is a feat. It is almost like a family tradition because as you know his father and his uncle both played for Somerset and his other uncle had the bad fortune to play for St. George's but he did make two centuries. So this was really a feat in the family.

[Inaudible interjection]

Hon. Terry E. Lister: And then someone has just said to me the unnecessary—*Don't forget Mr. Cup Match.* Mr. Cup Match!

Mr. Speaker, the last two years you and I attended the Somerset prize-giving together, you were away this year and the Honourable Member Kim Wilson attended in your place. But this year—

[Inaudible interjection]

Hon. Terry E. Lister: My gracious. As a by-product, let me say that I wish, on behalf of all the people of Somerset, to thank the Honourable Deputy Premier for his continued support of Somerset in the Cup Match. It is very serious. And I really mean it.

[Inaudible interjection and desk thumping]

Hon. Terry E. Lister: Thank you, Mr. Deputy [Premier].

Now, Mr. Speaker, I believe that the people giving awards this year at Cup Match made up some new awards just so that Janeiro would not get every-

thing! He just cleaned up, and rightly so. The first man to score four 100's in Cup Match, the most runs overall—24 wickets—as you know, Mr. Speaker, there are not that many people taking 25 wickets in Cup Match. And I think . . . I am not sure, but I think he made a commitment to go five more years and probably five more centuries. So we are looking forward to that.

Now the last person I want to congratulate, Mr. Speaker, is Roy-Allan Burch. Roy-Allan (as people will remember) participated in Barcelona in the FIMA World Championships and he was able to lower his Bermuda record in the 100m down to 50.66. Roy's overall record speaks for itself. Bermuda has some outstanding athletes in the various sports—I have named some here today—but I think Roy stands head and shoulders amongst the group.

Thank you, Mr. Speaker.

The Speaker: All right. Thank you, Honourable Member.

The Chair will now recognise the Honourable Member from Devonshire North [West] the Honourable Member Glenn Smith.

You have the floor.

Mr. Glen Smith: Good afternoon, Mr. Speaker.

You do not recognise my red shorts but you recognise the lady in the red dress that is fine.

The Speaker: You are hiding your shorts. Now I can see them, yes.

Mr. Glen Smith: Mr. Speaker, I would like to send condolences from this House today for a constituent of mine, Mr. Charles Rochester.

Mr. Rochester was married to his wife Frances for 45 years. He has two very successful children—his daughter, Dr. Dawn Rochester, is a pharmacist and his son, Dale Rochester, who has represented Bermuda on several occasions in the equestrian world. Mr. Rochester's passions were softball and football. I believe originally he was from the White Hill area and he worked for Works and Engineering for 22 years.

[Inaudible interjection]

Mr. Glen Smith: Because he is from White Hill, perfect. Thank you.

Unfortunately, Mr. Rochester was a fighter to the end. He suffered from bipolar, and later in 2012 and 2013 when I met Mr. Rochester he had suffered several strokes and spent a full year in KEMH.

So thank you, Mr. Speaker.

The Speaker: Thank you very much, Honourable Member.

The Chair now recognises the Honourable Member from Warwick [South East], MP Lawrence Scott.

You have the floor.

Mr. W. Lawrence Scott: Thank you, Mr. Speaker. I just want to be brief and congratulate Kondwani Williams and Malissa Williams for exchanging their vows and going down that road in matrimony over the last week or so and we wish them all the best. We wish them all the best.

The Speaker: All right. Thank you very much, Honourable Member.

Mr. W. Lawrence Scott: And real quick . . . and also Senator Marc Daniels also exchanged vows as well. I would like to send them congratulations.

The Speaker: Thank you, thank you, Honourable Member.

The Chair now recognises the Honourable Minister of Economic Development, Minister Dr. Grant Gibbons.

You have the floor.

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

Mr. Speaker, I rise on a couple of matters. But I would first like to be associated with the condolences of my honourable colleague, Mr. Richards, to Pat Ferguson. I cannot say I knew Pat that well, but I have certainly known her for a number of years. And I was thinking, as I was sitting there, that there was that old expression “the pen is mightier than the sword.” And if Pat had been around when that phrase had come up it would have been about Pat. She certainly had the courage of her convictions and (as we all know) was not in the least bit afraid to express those convictions as well. But a wonderful lady and certainly very thoughtful, and I think she added a lot to both the political and the social life in Bermuda.

Mr. Speaker, I would also like to ask that condolences be sent to the family of Peter Doyles who passed away recently. Honourable Members may remember that Pete Doyles was the Director of Continuing Education at Bermuda College back in the late '80s and early '90s. And there were literally thousands of mature students and other students who went through that—

The Speaker: He was high school principal. He was a principal at—

Dr. the Hon. E. Grant Gibbons: That is right, before that.

The Speaker: He was a principal at Northlands before this.

Dr. the Hon. E. Grant Gibbons: I do not know his entire history, but certainly an educator over many years. And I think more recently he was associated with Bermuda Insurance Institute as well. But a wonderful gentleman who contributed an enormous amount to Bermuda. And I think I would ask that condolences be sent to his wife, Lynn, and his family as well.

And finally, Mr. Speaker, while I am on my feet there was an award ceremony, but I would like particularly to send congratulations to the four Bermuda Government scholars. And those were Rachel Leah Ball, Jesse Marshall, John Russell, Xiaoyu Sun, who were all given these Bermuda Scholarships awards a little bit earlier on in the summer.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

The Chair will now recognise the Honourable Member from Pembroke Central, constituency 17.

Mr. Walton Brown: Thank you, Mr. Speaker.

I would like to be associated with the letter of condolence to Mrs. Doyles, a former colleague of mine at Bermuda College.

I would also like to be associated with the letters of congratulations to the Bermuda Scholarships winners as well, Mr. Speaker.

And Mr. Speaker, I am going to ask that this House send a letter of congratulations to the twin brothers—Dwayne and Wayne Caines. At a time when people are caught up with their own lives and are all very busy, these two gentlemen engaged in a profound act of kindness as the school year commenced. They gave free haircuts to every child who wanted one prior to going to school. They gave over 200 free haircuts to young men. And that was a small act of kindness, but no doubt, Mr. Speaker, it had a big impact on the lives of these young people. And my colleague, Minister Crockwell, wants to be associated, Lawrence Scott, let us say the whole entire House because we do not recognise the tremendous time that people commit to their professional lives, but this act of kindness should not go unnoticed by this House, Mr. Speaker. So let us congratulate them on that tremendous act.

Thank you.

The Speaker: Thank you, Honourable Member.

The Chair now recognises the Deputy Speaker from constituency 4.

You have the floor.

Take your time.

Mrs. Suzann Roberts-Holshouser: Thank you, Mr. Speaker, I am just going to make sure my microphone is set up and running properly.

Thank you for this opportunity. I stand to my feet this afternoon in the hopes that the House will

send a letter of condolences to the family of Ms. Phyllis Madge Lindo (affectionately known by myself as Aunt Madge).

I met Aunt Madge through, of course, my parents as members of Christchurch Devonshire as a youngster. As I grew older, Aunt Madge was one of those individuals that I would always turn to; especially when I was on the outs with my own mother she would be the one that I would turn to. Madge Lindo was one of those individuals that I think we all would like to share a little bit of her enthusiasm for life. She was energetic, she was rambunctious, she was spirited, she had the energy, she stood strong as a woman, she brought her family together and kept her family together as she truly understood what family meant. And she will certainly be missed by her family and many, many, many of her friends. I would also like this message to be extended to the Minister Dunkley and the Member of Parliament, Mr. Glenn Smith.

In addition to that letter of condolences, I would like to acknowledge in the House today the presence of Miss Elide von Alvensleben. I would like the House to extend a letter of condolences as we recognise the passing of her father. Her father was Bodo von Alvensleben who was a well-known hotelier in Bermuda. He came to the Island in the 1950s and left later in the 1970s. I would also like to have recognised with that Minister Crockwell, Minister Gibbons, Member Cole Simons, Minister Scott, the House.

Mr. von Alvensleben was paramount in putting Bermuda on the map. Even though he was not from Bermuda, Bermuda was where his heart was. Bermuda is certainly where his daughter's heart is and I would love for the House to recognise all that he has done for Bermuda.

[Desk thumping]

The Speaker: Thank you very much, Honourable Member.

The Chair now recognises the Honourable Member from Pembroke South East, MP Rolfe Commissiong.

You have the floor.

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

Mr. Speaker, I would ask the House to extend condolences to the family of Mr. Richard James (Beesy) Greene who passed away during the latter part of August. He was the son of Alice (now) Butler and the late legendary Walter (Dickie) Greene. I knew Beesy as he was affectionately called around Central Pembroke and the environs of Hamilton. I knew him for over three decades. And I would just say that Mr. Beesy Greene was a classic archetypical Bermuda character.

And I always remember—

[Timer beeps]

Mr. Rolfe Commissiong: —and I want to associate MP Weeks with these comments. I have always cherished the fact that . . . I never knew back then that I would eventually go on to become his elected representative. But I remember that just prior to the election Mr. Greene had a mantra that I will always cherish. Some people would say some constituents or residents would say, *He hasn't been to my house*. But with Mr. Greene it was, *You ain't got to worry about comin' here, Rolfe, I got your back. Don't worry about that*. And I will always remember that.

[Inaudible interjection]

Mr. Rolfe Commissiong: In this case it was true. But Mr. Greene and his family . . . again, he leaves behind a number of children, and I would like, again, for this House to extend condolences to that Bermudian family.

Thank you.

The Speaker: Thank you, Honourable Member.

The Chair now recognises the Honourable and Learned Member, the Minister for Tourism, MP Shawn Crockwell.

Minister Crockwell, you have the floor.

Hon. Shawn G. Crockwell: Mr. Speaker, I would like to be associated with the letter of condolence to the family of Mrs. Pat Ferguson. I am sure that I am not the only politician to say this, but she always knew how to get my phone number, Mr. Speaker. And she would call me whether it was to give me encouragement or whether it was to put me in my place. But she was not shy to let us know what her position was and, you know, we all have those types of supporters on our side and certainly that is the bedrock of our political parties to have such passionate supporters like Pat. And so I would like to extend my condolence to her family.

Also I would like to be associated with the condolences to Ras Butler. There is no question. I lived in the Somerset area for about seven years and he was always a feature there. He had fantastic art. And he was also someone you did not want to mess with. He was one strong gentleman, but [it was] always good to sit down and talk to him. And it was certainly sad to hear of his passing.

Mr. Speaker, I would like letters of congratulations to go out to, first of all, Mr. Jimmy Tweed. Mr. Tweed was the recipient of the first Visitor Industry Partnership Sunshine Award that was put out. I would like to associate MP Weeks and Minister Dunkley and Minister Patricia Gordon-Pamplin. I am very pleased to be a part of presenting Mr. Tweed with his award. In addition to the fact that he was doing something that was very good for tourism—he was helping a tourist—and he was actually recommended and nom-

inated by those tourists to be the recipient of this award, but he is also a bus driver. So in my capacity as the Minister of Tourism and Transport, I was able to extend my appreciation to what he is doing in giving our tourists a wonderful experience when they are using our public transportation.

The Minister of Finance stole my thunder in relation to Doorman Nick—Mr. Nick DeRosa. Again, I would like to be associated with the congratulations for his recent acknowledgment. As the Minister said, if you have ever been to Fairmont Southampton, he greets you with a smile as it was stated in the article. He is the epitome of customer service. So that was well earned.

Also, Mr. Speaker, I would like a letter of congratulation to go to Mr. Stephen Coddington (better known as “PJ”) for recently becoming the President of North Village Community Club. I know it as the Red Devils, Mr. Speaker, as that has been my team since I was a little boy.

The Speaker: And he also went to Warwick Sec.

Hon. Shawn G. Crockwell: Yes. And he also went to BI, he was a classmate of mine at Bermuda Institute. And so I was very happy to see that he had got to that particular point at North Village. I would like to associate the Opposition Leader and MP Weeks. And I certainly would like to say to the outgoing president, Mr. Shervin Dill, thank you for your many years of service to the club. We all know that North Village is one of the premier clubs in Bermuda. It has always been for a long time, even when you were playing, Mr. Speaker.

The Speaker: They came second at that time.

Hon. Shawn G. Crockwell: They came second under you. I would also like to associate the entire House and send congratulations to Mr. Dill as well for his service. It is those types of roles, Mr. Speaker, we are the ones who get the recognition in the public and in the press but it is the roles of serving as presidents of these types of organisations that really help form and shape our community. So I wish Stephen, “PJ,” all the best in this endeavour.

[Inaudible interjection]

Hon. Shawn G. Crockwell: Thank you, Mr. Speaker.

The Speaker: Thank you.

[Inaudible interjection]

Hon. Shawn G. Crockwell: But those are not recognised.

The Speaker: Thank you, Honourable Member.

Are there any other Honourable Members who would care to speak?

The Chair will recognise the Honourable Member from Pembroke West Central, constituency 18, E. D. G. Burt.

You have the floor.

Mr. E. David Burt: Thank you, Mr. Speaker, and good afternoon.

Mr. Speaker, I rise today with three requests for letters to be sent. The first, I would like to request that a letter of condolence be sent to the family of Alan Michael Trott and specifically to his mother who is a constituent of mine—

The Speaker: Sybil Trott.

Mr. E. David Burt: —Mrs. Sybil Trott, whom we all refer to in my constituency as Aunt Sybil, on the untimely passing of her son. I spoke with her earlier this week, of course, she was very saddened, and there is nothing that anyone can say, but I made sure that I passed on the encouragement from myself and of course on behalf of my branch and that she will receive it from the House.

I would also like to send condolences, if I could ask the House to send condolences to the family of Mr. Steven Iris who was senselessly murdered last night *[sic]*. I do not know Mr. Iris, but I do know—

[Inaudible interjections]

The Speaker: You said “last night.” I thought you said.

Mr. E. David Burt: My apologies.

The Speaker: Last month.

Mr. E. David Burt: Last month. I do not know . . . I did not know Mr. Iris, but I do know his mother Ms. Dee-AH Iris-Outerbridge. And I do know that, of course, with the loss of a child . . . it was a very traumatic experience for her. So I hope that the House would send a letter of condolence to her.

And on a brighter note, Mr. Speaker, I do believe that Members may recall that I spoke about one of my constituents in a Motion to Adjourn the last time we were sitting and I would just like to speak about that constituent again. And that is Miss Shonté Campbell because we were speaking about her going away to school and she was awarded the KPMG Scholarship for \$20,000 a year for the next three years. So I just wanted to send a letter of congratulation to her.

[Inaudible interjection]

Mr. E. David Burt: That is the one. She has represented Bermuda well in the past. She has represented

her family well in the past and I am sure she will continue to do great things on the awarding of the scholarship. So I would hope that we could send a letter of congratulations to her. And I would associate the Leader of the Opposition with that.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Are there any other Honourable Members who would care to speak?

The Chair now recognises the Honourable Deputy Speaker [*sic*] from constituency 10.

Minister Dunkley, you have the floor.

Hon. Michael H. Dunkley: With all due respect, Mr. Speaker, I am not the Deputy Speaker. That is the fine young lady that sits over on that end.

The Speaker: Deputy Premier. Excuse me, Deputy Premier.

Hon. Michael H. Dunkley: That Burt's swizzle is getting around.

[Laughter and crosstalk]

Hon. Michael H. Dunkley: Mr. Speaker, I ask this Honourable House to send congratulations to the Bermuda Bodybuilding and Fitness Federation for their Night of Champions that was held in the middle of August. And my honourable colleague, Jeff Sousa, wanted to be associated as well. And the Honourable Walter Roban was at that event.

Some Hon. Members: Walter Brown.

Hon. Michael H. Dunkley: Sorry, Walter Brown was at that event.

Certainly, Mr. Speaker, it was a wonderful event and I was pleased to see so many top-quality athletes in attendance that night and performing. And certainly the Bermuda Bodybuilding and Fitness Federation and all the champions should be congratulated on the work they have done.

Also, Mr. Speaker, I ask this Honourable Chamber to send congratulations to Eric Bean and the Jarrico Dance Company and associate the Honourable Premier with this as well. They put on in the middle of August three nights of dance at the Earl Cameron Theatre using both Bermudians and overseas dancers, but the vast majority were Bermudian. I am not a big ballet fan myself, Mr. Speaker, but—

[Laughter]

Hon. Michael H. Dunkley: —that night of entertainment was first class, Mr. Speaker. And Eric Bean, who works a lot overseas, should be commended for what he has done.

Mr. Speaker, I would like this Honourable House to send congratulations to Digicel Bermuda and associate my honourable colleague, the Minister of Economic Development, Dr. Gibbons, with these as well. Digicel Bermuda just opened up a business solutions centre yesterday in town. And certainly I have always been impressed with the business model of Digicel in Bermuda and how they have grown from just a cellular provider to much more than that. And now with over \$150 million invested in the Bermuda market they are opening their business centre. And I am pleased to see that there will be 20 new jobs created between this year and next year, and that goes a long way towards that 2,000 jobs that the One Bermuda Alliance Government promised, Mr. Speaker.

Mr. Speaker, I would also like to send congratulations to a constituent of mine, Philando "Runskie" Hill, who went down to Jamaica and participated in the International Reggae Film Festival in Ocho Rios. And he certainly created a great buzz with the work he did there. In my canvassing in the Clarendon Lane area I have been impressed by this young man and his devotion to music. And certainly it is great to see some recognition given to him, Mr. Speaker.

Mr. Speaker, I do not need to be associated again with the comments from other colleagues so I will move on to some other matters that I would like to get in my three minutes of time.

But turning to a sadder note, I would ask this Honourable Chamber to send condolences to the family of Stewart Minors who passed away just after the House adjourned before Cup Match. Mr. Minors was the father-in-law of the former Member Patrice Minors. So I would like to send condolences to the family of Mr. Minors.

Also to the family of Michael North who passed away just a couple of days ago. I had the opportunity to know the family quite well and know that they were such a close family. And even in spite of the divisions they had within the family in regards to the English football league teams, they certainly were very close. And on his coffin you could tell that he was a Tottenham Hotspur fan to the last day.

The Speaker: Oh, he had good sense!

Hon. Michael H. Dunkley: Mr. Speaker, I will not go there.

Mr. Speaker, the Honourable Member Burt did ask for condolences to be sent to the family of Alan Michael Trott. I would like to be associated with that as well. I had the opportunity to go to the funeral yesterday and a very moving tribute was given by Colonel Lamb during the funeral. And I had always been impressed through the illness of Mr. Trott how he never lost his passion for his family, he never lost his passion for the community, and he certainly never lost his

passion for his job. Right up until the very end as he was capable of, he still showed up at work.

And he built such a strong bond in the community. He even built a strong bond within the farm facility with inmates down there. They looked forward to him coming on duty. So at the young age, Mr. Speaker, he leaves behind a grieving wife and family, and I think we should remember them in our prayers.

Thank you, sir.

The Speaker: All right, thank you, Honourable Member.

The Chair now recognises the Minister for Health and Seniors, Minister Patricia Gordon-Pamplin. You have the floor.

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

Mr. Speaker, just very briefly, I would like to be associated with the remarks of condolences to the family of Pat Ferguson. I believe Members have already, in their various tributes to her, have articulated the [kind of] woman that she was. And all I say is that she was a person . . . if you needed a friend, she could be it, she would have been it. She gave you advice whether solicited or not, whether appreciated or not. You never had to question where she stood on any issue. But she was indeed somebody who was loyal and on whom one could absolutely rely when the occasion demanded.

I would also like, Mr. Speaker, to send a letter of congratulations to one of my constituents who will tomorrow celebrate her 100th birthday. That is Mrs. Carlotta Wilkinson of Dudley Hill in Paget. And Mrs. Wilkinson is as alert, she is as wonderful as anybody could be, she is the mother to Irvin Wilkinson and her daughter Janet. And in fact they decided that they would have a celebration in honour of this 100th birthday to which she said, *I don't need any celebrations!* And her daughter was finally able to convince her by saying, *Well mom, you must celebrate this hundred because you are not going to see another hundred.* So with that said, I would ask that this Honourable House send a letter of congratulations and well wishes to Mrs. Carlotta Wilkinson of Dudley Hill in Paget.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Are there any other Honourable Members who would care to speak?

No other Members would care to speak.

I would just like to ask the House to send condolences to the family of Agnes Proctor who died . . . Agnes Proctor, she was 115 years old [*sic*] and she was in my—

[Inaudible interjection]

The Speaker: Sorry, 105. What is another 10 years when you are 100? What is another 10 years? But she was 105 years old.

She was one of my constituents and a very strong . . . from a very strong Proctor family there on Rockywold . . . what is the address?

[Inaudible interjection]

The Speaker: Rockywold Drive, that is right. So we want to send condolences to that family.

And then also I would just like to associate myself with the words with reference to Alan Trott who was a former student of mine, particularly to his mother, Sybil. His mother, Sybil, was a real, real, really good parent for her children. So condolences to Mrs. Trott and the rest of her family.

MATTERS OF PRIVILEGE

The Speaker: There are none.

PERSONAL EXPLANATIONS

The Speaker: There are none.

Mr. Derrick V. Burgess, Sr.: Mr. Speaker.

The Speaker: Yes.

Mr. Derrick V. Burgess, Sr.: Excuse me, I have one on the Congratulations.

The Speaker: You are . . . all right, you are on your feet.

CONGRATULATORY AND/OR OBITUARY SPEECH

Mr. Derrick V. Burgess, Sr.: Thank you, thank you, you are so kind and you are loved by everyone in the world.

[Laughter]

Mr. Derrick V. Burgess, Sr.: Mr. Speaker, I would like this House to send condolences to the family of Ros [Rosalind] Perinchief Johnson who passed a few weeks ago. I would like to associate my cousin, Cole Simons, with it. You know, she leaves her husband Martin and children.

The Speaker: Ooh.

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

The Speaker: All right. Thank you.

INTRODUCTION OF BILLS

The Speaker: I will recognise first of all the Honourable Minister of Tourism Development and Transport, Minister Shawn Crockwell.

You have the floor.

FIRST READINGS

PARK HYATT (ST. GEORGE'S) RESORT REPEAL ACT 2013

Hon. Shawn G. Crockwell: Thank you, Mr. Speaker.
Mr. Speaker, I hereby introduce and read for the first time a Bill entitled the Park Hyatt (St. George's) Resort Repeal Act 2013.

Mr. Speaker, I ask that the said Bill be set down on the Order Paper for the next day of meeting.

The Speaker: Are there any objections?
There are none.
Minister, I think you have another?

BERMUDA TOURISM AUTHORITY ACT 2013

Hon. Shawn G. Crockwell: Yes, I do Mr. Speaker.
Mr. Speaker, I hereby introduce and read for the first time by its title a Bill entitled the Bermuda Tourism Authority Act 2013.

Mr. Speaker, I ask that the said Bill be set down on the Order Paper for the next day of meeting.
Thank you, Mr. Speaker.

The Speaker: All right. Thank you.
Are there any objections to that?
There are none.
Thank you, Minister.
The Chair now recognises the Honourable Minister for Economic Development, the Honourable Dr. Grant Gibbons.
You have the floor

INCENTIVES FOR JOB MAKERS ACT 2013

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

Mr. Speaker, I hereby introduce and read for the first time by its title a Bill entitled the Incentives for Job Makers Act 2013.

Mr. Speaker, I ask that the said Bill be set down on the Order Paper for the next day of meeting.

The Speaker: Thank you.
Are there any objections?
There are none.
Carry on. Yes, the Chair now recognises the Honourable Minister Dunkley.
You have the floor.

BERMUDA IMMIGRATION AND PROTECTION AMENDMENT (NO. 2) ACT 2013

Hon. Michael H. Dunkley: Thank you, Mr. Speaker.
Mr. Speaker, I hereby introduce and read for the first time by its title a Bill entitled the Bermuda Immigration and Protection Amendment (No. 2) Act 2013.

Mr. Speaker, I ask that the said Bill be set down on the Order Paper for the next day of meeting.

The Speaker: All right. Thank you.
Are there any objections?
There are none.

[Inaudible interjection]

The Speaker: Yes, absolutely, absolutely. This is done for every single Bill.
The Chair now recognises the Honourable Minister of Finance, Minister Richards.
You have the floor.

INVESTMENT FUNDS AMENDMENT ACT 2013

Hon. E. T. (Bob) Richards: Thank you, Mr. Speaker.
Mr. Speaker, I hereby introduce and read for the first time by its title a Bill entitled the Investment Funds Amendment Act 2013.

Mr. Speaker, I ask that the said Bill be set down on the Order Paper for the next day of meeting.

The Speaker: Thank you, Honourable Member.
Are there any objections to that?
There are none.
Thank you, Minister.
The Chair now recognises the Honourable and Learned Member, the Honourable Attorney General, M. J. Pettingill.
You have the floor.

PROCEEDS OF CRIME AMENDMENT (NO. 2) ACT 2013

Hon. Mark J. Pettingill: Thank you, Mr. Speaker.
Mr. Speaker, I hereby introduce and read for the first time by its title a Bill entitled the Proceeds of Crime Amendment (No. 2) Act 2013.

Mr. Speaker, I ask that the said Bill be set down on the Order Paper for the next meeting.

The Speaker: Thank you, Minister.
Are there any objections?
There are none.
That will be on the Order Paper.

NOTICES OF MOTIONS

The Speaker: The Chair will recognise the Honourable Minister, the Deputy Premier.

ADOPTION OF A MANDATORY RANDOM DRUG TESTING POLICY FOR MEMBERS OF THE LEGISLATURE

Hon. Michael H. Dunkley: Thank you, Mr. Speaker.

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

“In an effort to ensure that Bermuda’s Legislature meets the highest standards of governance for democratic legislatures and in order to lead by example; be it resolved that this Honourable House approves and adopts a mandatory random drug testing policy for Members of the Legislature and that a Joint Select Committee be appointed to consider and determine the specifics, implementation and monitoring of the said Policy.”

Thank you, sir.

The Speaker: Thank you, Minister.

Are there any objections?

There are none.

That will be on the Paper next week.

ORDERS OF THE DAY

The Speaker: The Chair will recognise first Attorney General, the [Honourable and] Learned Member, MP Mark Pettingill.

WITHDRAWAL OF BILL

PROCEEDS OF CRIME AND RELATED MEASURES AMENDMENT ACT 2013

[tabled on 26 July 2013]

Hon. Mark J. Pettingill: Thank you, Mr. Speaker.

Mr. Speaker, the first Order of the day deals with the Proceeds of Crime and Related Measures Amendment Act 2013.

Mr. Speaker, I move, under the provisions of Standing Order 48, that the Bill entitled the Proceeds of Crime and Related Measures Amendment Act 2013 be withdrawn and discharged from the Order Paper as I have a revised version of the Bill to be introduced for the consideration of the House.

The Speaker: All right, thank you.

Are there any objections?

Carry on, Minister.

[Motion carried: The Proceeds of Crime and Related Measures Amendment Act 2013, tabled on 26 July 2013, was withdrawn.]

SUSPENSION OF STANDING ORDER 14(1)

Hon. Mark J. Pettingill: Mr. Speaker, I move that Standing Order 14(1) be suspended so that I may introduce and read for the first time by its title the revised Bill entitled the Proceeds of Crime and Related Measures Amendment Act 2013.

The Speaker: Are there any objections?

There are none.

Carry on, Minister.

BILL

FIRST READING

PROCEEDS OF CRIME AND RELATED MEASURES AMENDMENT ACT 2013

[Motion carried: Standing Order 14(1) suspended, Proceeds of Crime and Related Measures Amendment Act 2013 given a first reading]

SUSPENSION OF STANDING ORDER 28(3)

Hon. Mark J. Pettingill: Mr. Speaker, I move that Standing Order 28(3) be suspended that I may proceed . . . I am sorry. I am jumping ahead of the gun, I think.

The Speaker: Sorry? No, you need to—

Hon. Mark J. Pettingill: That is quite right. I apologise.

The Speaker: Yes.

Hon. Mark J. Pettingill: Mr. Speaker, I move that Standing Order 28(3) be suspended so I may now proceed with the Second Reading of the revised Bill entitled the Proceeds of Crime and Related Measures Amendment Act 2013.

The Speaker: Thank you.

Are there any objections to that?

There are none.

[Motion carried: Standing Order 28(3) suspended.]

The Speaker: So Member you will carry on with your brief for your Bill.

Hon. Mark J. Pettingill: Thank you, Mr. Speaker. It will just take a moment.

[Pause]

Hon. Mark J. Pettingill: Please, Mr. Speaker?

The Speaker: I am sorry, Honourable Member, please carry on. I was waiting for you to start.

BILL

SECOND READING

PROCEEDS OF CRIME AND RELATED MEASURES AMENDMENT ACT 2013

Hon. Mark J. Pettingill: Mr. Speaker, first, if I may, I just wanted to say I am obliged to my learned and honourable friend on the other side, Ms. Wilson, and the Whip and Members of the Opposition for in fact consenting to the manner in which this is being laid.

It is a revised version of the initial Bill. Just by way of brief explanation because this involves FATF and CFATF and international rules that relate to AML and proceeds of crime, it is kind of a constantly moving target, so over the course of the time it was laid, because of certain things that were viewed, this was the best course to take until we added some amendments before we even got here and then have laid it by way of a revised version to the original Bill now put to debate. And this is obviously a more expedient way to deal with it, for there could have been a lot longer route, so I am obliged to Members on the other side for taking this course.

Mr. Speaker, I hereby present this Honourable House for its consideration the Bill entitled the Proceeds of Crime and Related Measures Amendment Act 2013.

Mr. Speaker, this Bill seeks to make amendments primarily to the Proceeds of Crime Act 1997 (POCA), the Anti-Terrorism (Financial and Other Measures) Act 2004 (ATFA), the Proceeds of Crime (Anti-Money Laundering Anti-Terrorism Financing) Regulations 2008, and the Criminal Code Act 1907 (the Code).

Furthermore, Mr. Speaker, this is the first of two legislative initiatives being brought forward to this Honourable House to complement the proceeds of updating Bermuda's regime to combat money laundering, terrorist financing, and the financing and proliferation in line with the recommendations made by the assesses in the Bermuda 2007 Mutual Evaluation Report issued by the International Monetary Fund (IMF). The legislative package is part of Bermuda's ongoing process to ensure that our domestic anti-money laundering/anti-terrorist financing framework has a high level of compliance with international standards and also that Bermuda addresses such matters within the deadline set by the reviewing bodies.

Mr. Speaker, Members of this Honourable House will be aware that Bermuda is regarded as one of the world's foremost centres for international business and financial services. Our reputation in this regard has been built over many years and reflects

(among other things) a well-developed and robust regulatory regime, as well as a strong and effective Know Your Customer [KYC] framework. Our achievements in these areas have been highlighted in many of the external assessments carried out in relation to Bermuda's regime.

Mr. Speaker, I am delighted to report that Bermuda's 2007 AML/ATF review confirmed the strength of our regime and that we are generally in compliance with international standards. It is, however, highlighted that [there are] some gaps which need to be addressed. Accordingly, our legal framework in relation to the fight against money laundering and terrorist financing continues to be updated and enhanced since that report. Bermuda continues to ensure that there are significant impediments to illicit and unethical business dealings and appropriate action is taken to . . . if such activity is discovered.

Mr. Speaker, Honourable Members will recall the amendments that have been made to POCA and ATFA as part of Bermuda's national action plan to ensure a high level of compliance with the international standards and to allow us to more effectively prevent and defer money laundering and terrorist financing. Regulations have been put into place to ensure that appropriate measures, customer due diligence (both at the beginning of the business relationship and on an ongoing basis), and to provide for a risk-based approach for the implementation of AML/CFT systems and controls. Additionally, the scope of these regulations has been broadened to include an expanded range of financial institutions including trusts and corporate service providers as well as lawyers and accountants.

Mr. Speaker, these regulations were those previously referred to as the Proceeds of Crime (Anti-Money Laundering and Anti-Terrorist Financing) Regulations 2008, and were subject to Parliamentary scrutiny on the affirmative resolution process. Further, a comprehensive framework has been developed under the Proceeds of Crime (Anti-Money Laundering Anti-Terrorism Financing Supervision and Enforcement) Act 2008 to ensure that relevant entities including financial institutions and specific non-financial business and persons are appropriately supervised. The Financial Intelligence Agency (FIA) has also been established as Bermuda's independent authority to receive and analyse reports on suspicious transactions under the FIA, [Financial Intelligence Agency Amendment] Act 2008.

Mr. Speaker, in tandem with legislative initiatives a number of operative administrative actions have also been undertaken. The various changes made to Bermuda's regime since the 2007 report have resulted in higher numbers of money laundering cases being successfully prosecuted. We have since witnessed a corresponding rise in confiscations and forfeitures, better facilitation in investigations in other

jurisdictions, and a greater ability to identify and remedy vulnerabilities.

Mr. Speaker, it would be appropriate at this point to provide some additional background information before proceeding with the substance of the legislation.

In relation to combating money laundering and terrorist financing, the standard setting body is the Financial Action Task Force (FATF). The FATF is an intergovernmental body whose objectives are to set standards and promote effective implementation of legal, regulatory, and operational measures from combating money laundering, terrorist financing, and other related threats to the integrity of the international financial system. Bermuda is a well-regarded and active member of the Caribbean Financial Action Task Force (CFATF) which is an associate member of the FATF. As a result of taking on key responsibilities as a representative of CFATF, Bermuda has been very involved in the work of the FATF including chairing a joint CFATF project whose report was approved and published by both bodies in 2010.

Mr. Speaker, the international standards for combating money laundering and the financing of terrorism were revised in 2012 in what I will refer to as the "FATF recommendations." I am pleased to note that Bermuda participated in various discussions and deliberations which formed part of the revisions process, and therefore developed a keen understanding of the legislative amendments required. Some of the changes being made in this Bill, therefore, reflect the requirements under the revised standards.

With your indulgence, Mr. Speaker, and with the indulgence of the Honourable Members of the House, I will briefly outline some of the contents of the Bill.

As noted previously, the proposed amendments now before the House are primarily to deal with the outstanding matters from the 2007 IMF report. However, a few of the provisions ensure that there is consistency between the ATFA and POCA where relevant. And there are also updates to the framework to reflect the 2012 changes to the international standards.

Mr. Speaker, the change to POCA, which should first be highlighted, refers to section 46 where a new section has been added to create a direct obligation to report suspicions of money laundering and terrorist financing to the Financial Intelligence Agency. Previously, the legislation created this obligation indirectly by essentially allowing for an offence to be committed if such a report was not made. However, as part of the revisions to the FATF standards, the FATF requires that a direct legislative obligation now be imposed and, therefore, we are seeking to amend our legislation in line with the revised requirements.

The changes proposed to section 47 of POCA explicitly allow for the offences of tipping-off to apply to any disclosure on the filing and content of suspi-

cious transaction reports other than where such disclosure is made to a supervisory of the competent authority.

Mr. Speaker, the Misuse of Drugs Act contains a specific provision for confiscation of property which represents instrumentalities intended to be used in the commission of drug trafficking offences. However, no such provision exists in the Bermuda legislation in relation to money laundering and other non-drug trafficking predicate offences. The gap was noted in the 2007 report. To address this, clause 14 of the Bill proposes that a new section be added to the Criminal Code. It is intended that any funds that arrive from any such action will be placed in the Confiscated Assets Fund, and this is addressed in clause 5 of the Bill as an amendment to POCA.

Mr. Speaker, the requirement to ensure that provisions of the relevant international conventions are fully implemented is a key requirement of the FATF recommendations. Recommendation 36 relating to international cooperation requires countries to implement (among other things) the United Nations International Convention for the Suppression of the Financing of Terrorism (SFT Convention) and the Palermo Convention, otherwise known as the United Nations Convention against Transnational Organised Crime. And I will be bringing another Bill today, Mr. Speaker, to address that.

Mr. Speaker, in the 2007 IMF report it was stated that through ATFA most of the provisions of the SFT Convention were incorporated into the Bermuda legislative framework, while most of the provisions of the Palermo Convention were addressed through the Police and Criminal Evidence Act 2006 (PACE), POCA and the [Criminal] Code. Accordingly the National Anti-Money Laundering Committee carried out a comprehensive analysis of the Conventions and the domestic legislative provisions resulting in the Bill submitted today for consideration. It should be further noted that a request has been sent to the UK authorities to have the SFT and Palermo Conventions extended to Bermuda.

Mr. Speaker, this Bill also contains regulatory amendments which reflect the greater international focus on higher risk transactions and jurisdictions. In addition, the regulations will now provide for the greater clarity on which employees of a supervised entity must receive relevant training and a requirement that there should be appropriate screening in the process of hiring such persons so they meet these high standards.

Mr. Speaker, with those introductory remarks I now welcome the participation of the Honourable Members in the Second Reading of the Bill entitled the Proceeds of Crime and Related Measures Amendment Act 2013.

Thank you, Mr. Speaker.

The Speaker: All right, thank you, Honourable Member.

Is there any other Honourable Member who would care to speak?

Yes, the Chair recognises the Honourable and Learned Member from Sandys [South Central], the Learned Member, Kim Wilson.

You have the floor.

Mrs. Kim N. Wilson: Thank you, Mr. Speaker, and good afternoon.

Mr. Speaker, the Bill that we are debating right now, as well as the one that will follow, all involve international obligations. And, for that, the Opposition does not oppose the passing of these two pieces of legislation, principally, because, as the Learned and Honourable Attorney General indicated, Bermuda was assessed in 2007 and there were a number of areas of vulnerability that were identified.

Shortly following that there were a number of legislative amendments to the Proceeds of Crime Act and a number of other pieces of legislation that commenced around 2008 under the then-Bermuda Progressive Labour Party Government to ensure compliance with respect to our international obligations. So, of course, for those reasons we will not be opposing the continuation of a process which was started under our . . . the PLP Government.

I smile a little bit because my learned friend indicated that there were just a few amendments, and I appreciate that we did receive them yesterday around twelve o'clock and—

The Speaker: [It was] 11:46 am.

Mrs. Kim N. Wilson: When you received it. I received it around twelve o'clock, but thank you.

And there were more than a few. But, needless to say, when I spoke to the Whip about it, and upon reviewing them, I realised that these were matters that had to be addressed and that no doubt when this Bill was tabled previously it was a matter of expediency so that we could make certain representations to our international bodies to ensure that we were taking steps in the right direction for compliance.

Mr. Speaker, when it comes to these two pieces of legislation . . . and if you do not mind (so that I am not repeating myself), if I can just spend a few moments . . . but my submissions will be for both [pieces of] legislation because they are in tandem.

The Speaker: We are going to deal with just the first one. One at a time.

Mrs. Kim N. Wilson: I know. I understand. I appreciate that.

The Speaker: Okay, so then you want us to remember what you say now and—

Mrs. Kim N. Wilson: Well, I do not mind repeating myself. Actually—

The Speaker: Okay.

Mrs. Kim N. Wilson: —I like the sound of my voice, so I will repeat myself again when we get to the next Bill. But in any event—

[Inaudible interjection]

Mrs. Kim N. Wilson: Yes. As I have indicated, Mr. Speaker, the Opposition does not oppose the passing of both of these critically important pieces of legislation.

Thank you.

The Speaker: Thank you, Honourable Member.

Is there any other Honourable Member who would care to speak?

Honourable and Learned Member you have the floor, Mr. Attorney General.

Hon. Mark J. Pettingill: I am obliged to you my honourable and learned friend.

Mr. Speaker, as you are aware it did . . . this was one that went to the wire. As a matter of fact, the goalpost was moving even as of last week because, as you have seen, it references a lot of the international impact that we have to pay attention to.

The Speaker: You know now what it is like to be—

Hon. Mark J. Pettingill: Now, I know. I sympathise with my friend and I know she sympathises with me.

The Speaker: Yes.

Hon. Mark J. Pettingill: That is why on these things, when it comes to these things, when we are casting around things like CFATF and FATF and AMLATF and all the rest of it, a lot of people might not necessarily get those terms—

The Speaker: It is moving.

Hon. Mark J. Pettingill: But my learned friend and I do, and we know that the impact is largely because these are things that through international agreements (I will put it that way) we all have to be on the same playing field and on the same page.

The Speaker: I am sure.

Hon. Mark J. Pettingill: And it is a constantly growing and moving and vacillating target. And it is very, very important for our regime that we have this and that we do this. But it is these types of things . . . this is the

reason why it is a bit of an exception that something like this would be revised and come in this way, because of that moving target. Again, I am obliged to my friend—my learned friend, my honourable and learned friend.

So, Mr. Speaker, if I may, I move that the Bill entitled the Proceeds of Crime and Related Measures Amendment Act 2013 be now read the second time. Sorry, I move down . . . I am in Committee now.

The Speaker: You have got to go a little further down there. You are now going to Committee.

Hon. Mark J. Pettingill: I move that the Bill now be—

The Speaker: Committed.

Hon. Mark J. Pettingill: Mr. Speaker, I move that the Bill be now committed.

The Speaker: Go to Committee, yes.

Hon. Mark J. Pettingill: Thank you.

The Speaker: Are there any objections to the Bill going to Committee?

I would ask that the Deputy Speaker, Mrs. Roberts-Holshouser, if you would please take the Chair [of Committee].

House in Committee at 3:08 pm

[Mrs. Suzann Roberts-Holshouser, Chairman]

COMMITTEE ON BILL

PROCEEDS OF CRIME AND RELATED MEASURES AMENDMENT ACT 2013

The Chairman: Honourable Members, we are now in Committee of the whole House for further consideration of the Bill entitled Proceeds of Crime and Related Measures Amendment Act 2013.

I call on the Minister in charge to proceed.

Minister, you have the floor.

Hon. Mark J. Pettingill: Thank you, Madam Chairman.

The purpose of the Act is to amend the Proceeds of Crime Amendment Act 1997 (POCA), the Anti-Terrorism (Financial and Other Measures) Act 2004, the Criminal Code Act 1907, the Criminal Justice (International Cooperation) [Bermuda] Act 1994, and the Proceeds of Crime (Anti-Money Laundering and Anti-Terrorist Financing) Regulations 2008 to give effect to the Financial Action Task Force (FATF) recommendations to the global standards relating to the combating of money laundering, terrorist financing and the financing of proliferation. To specifically ad-

dress the outstanding assessor recommendations in Bermuda's 2007 Mutual Evaluation Report issued by the International Monetary Fund.

Madam Chairman, clause 1 is the title of the Bill.

Clause 2 amends section 46 of POCA adding a new subsection (A1) which specifically states that persons must report suspicious transactions in relation to money laundering or terrorist financing. The rationale behind that particular clause: Previously Bermuda had imposed in section 46 an indirect obligation to report suspicious transactions based on possible prosecution for failure to report. However, the FATF requirements relating to the mandatory legal obligation to report suspicious transactions to the Financial Intelligence Agency had been revised to state that it must be a direct obligation.

In particular, section 4 of the interpretive note to FATF Recommendation 20, Reporting of Suspicious Transactions, states: "The reporting requirement should be a direct mandatory obligation, and any indirect or implicit obligation to report suspicious transactions, whether by reason of possible prosecution for a money laundering or terrorist financing offence or otherwise (so called "indirect reporting"), is not acceptable."

Therefore, this provision is to satisfy a requirement from the revision to the standards.

Clause 3 amends section 47 of POCA [1997] to make it an offence for a person to disclose to any other person the suspicious transaction report or related information that has been filed with the Financial Investigation Agency (FIA).

Rationale: The provision satisfies the FATF Recommendation requirement that states that financial institutions, their direct officers and employees, should be prohibited from law from disclosing or from tipping-off the fact that a suspicious activity report or related information has been filed with the FIA Recommendation 21 of Tipping-off and Confidentiality. This amendment addresses a gap identified in the 2007 report.

Clause 4 amends section 49 of POCA to allow the National Anti-Money Laundering Committee to advise the Minister on the additional matters concerning terrorist financing and the financing of proliferation.

Rationale: This provision specifies a law in the mandate of the National Anti-Money Laundering Committee and includes matters concerning terrorist financing and the financing of proliferation. It addresses a deficiency identified by the 2007 report, but in reality merely brings the law into line with practice.

Clause 5 amends section 55A(2)(a) of POCA by adding the words "or a deprivation order." The rationale for this is that the provision provides for proceeds of crime forfeited under deprivation order to be deposited in the Confiscated Assets Fund. Provisions to make deprivation orders have been added as an amendment to the Criminal Code (see clause 14).

Clause 6 amends section 3 of the ATFA [Anti-Terrorism (Financial and Other Measures) Act, 2004] by deleting and substituting subsection (1), thereby broadening the definition of terrorism to include the purpose of racial, ethnic, or philosophical causes.

Rationale: This provision reflects the requirements of the United Nations International Convention for the Suppression of Financing of Terrorism (SFT Convention). Recommendation 36 “International Cooperation”, of the FATF requires countries to implement the SFT Convention. In this regard the SFT Convention requires countries to adopt measures to ensure that criminal acts within the scope of the SFT Convention are, under no circumstances, justifiable by consideration of a political, philosophical, ideological, racial, ethnic, religious, or other similar nature.

Section 3(1)(c) of the ATFA means this provision in relation to political, religious, or ideological causes. However, clause 5 of this Act is necessary to ensure that section 3(1)(c) of the ATFA 2004 also covers racial, ethnic, or philosophical cause. This provision is, again, to address the 2007 report.

Clause 7, Madam Chairman, amends section 3(2) of the ATFA, thereby broadening the recognised means by which acts of terrorism can be committed.

Rationale: This provision ensures that all acts covered by the list of nine conventions referred to in the CFT Convention are included in the meaning of terrorism. The ATFA Amendment Act 2008 amended ATFA to incorporate three of the nine conventions. However, the remaining six conventions were not included in the definition. This provision, again, addresses the 2007 report.

Clause 8 amends section 5(1)(b), (2)(b) and (3)(b) of the ATFA, broadening the prescribed offences to include financing of terrorism organisations and the financing of a person or persons participating in terrorist activity.

The rationale, Madam Chairman, is that this provision ensures that the requirements of the SFT Convention in relation to the scope of the offence of fund raising for terrorism is extended to cover financing of terrorist organisations and the financing of individuals participating in terrorist activity, as ATFA currently only refers to the financing of terrorist acts. This provision addresses, again, the 2007 report.

Clause 9 amends section 9(9) of the ATFA, thereby increasing the prescribed penalties for offences under the section—disclosure from \$10,000 or six months or both on summary [conviction] and \$100,000 or five years or both; indictment to \$15,000 or three years or both summary as an unlimited fine or 10 years or both under indictment.

Rationale: This provision ensures consistency between POCA and ATFA in relation to penalties for the failure to file a suspicious activity report (SAR). This clause increases the relevant penalties in the ATFA in line with the penalties in POCA.

Clause 10 amends section 10A making it an offence for any person to disclose to another person his knowledge of a suspicion that a disclosure or related information has been filed.

Rationale: This provision satisfies the FATF Recommendation requirement that states that financial institutions, their directors, officers, employees should be prohibited by law from disclosing or tipping-off. The fact that a suspicious activity report or related information has been filed with the FIA is under Recommendation 21 “Tipping-off and Confidentiality”. And this addresses the 2007 report also.

Clause 11 amends section 12(O) of the ATFA to correct an incorrect cross-reference.

Rationale: This provision ensures consistency between POCA and the ATFA in relation to the use of guidance. Under both Acts the court, in determining whether a person has committed certain types of offences, may consider whether a defendant followed any guidance issued by the relevant supervisory authority. Currently in POCA this defence extends to the failure to file an SAR. However, in ATFA the defence is not available. The ATFA is therefore being amended to include this offence in the list of offences the court may consider in relation to whether guidance has been followed.

Clause 12 amends section 15A of the ATFA to update the reference to the latest terrorist asset-freezing, Overseas Territories Order in Council. The Terrorist Asset-Freezing etc. Act 2010 (Overseas Territories) Order 2011.

Clause 13 amends paragraph 9(1) of the Schedule 3 to the ATFA to allow third-party persons who assert an interest in any cash detained to have the cash (in whole or in part) released to them.

Rationale: This provision reflects the requirement for the SFT Convention in relation to freezing or seizure of funds and the protection of the right of third parties acting in good faith. This provision addresses the 2007 report.

(I know this is scintillating stuff.)

Clause 14 amends the Criminal Code Act 1907 by deleting the Part note “Restitution and Reparation” and substituting a Part note “Restitution, Reparation and Deprivation,” and by inserting section 701A to allow a court, by way of a deprivation order, to deprive a convicted person of tainted property.

Rationale: This provision empowers the court to deprive a convicted person of property that was used, or intended to be used, in order to carry out criminal conduct. This amendment satisfies a recommendation in the 2007 Mutual Evaluation Report as it provides for the confiscation of property where the property constituted items of instrumentalities intended for use in the commission of an offence which captures all predicate offences and that is contained in clause 5.

Clause 15 amends the Criminal Code Act 1907 by deleting section 127(3) as it conflicts with

some of the amendments being made by way of this Act.

Madam Chairman, the rationale is that as a result the amendments made by clause 16 of the POCA Bill, this section is no longer valid because it notes that an offender is liable to imprisonment for a term not exceeding seven years, and some of the amendments provide for a term of imprisonment greater than seven years. Thus [section] 127(3) should be repealed.

Clause 16 amends provisions of Part VII of the Criminal Code Act 1907 by increasing the penalties of certain offences including corruption, extortion, judicial corruption, perjury, offences relating to witnesses, destroying evidence, conspiring to bring false accusation to defeat justice, *et cetera*.

Rationale: The provision reflects the requirements of the Palermo Convention in relation to the appropriate level of sanctions for offences in the Palermo Convention, which must take into account the gravity of the offence. The Bermuda penalties for certain corruption and obstruction of justice offences were deemed too low as compared with other offences in Bermuda and other jurisdictions. This clause increases the penalties for sections 111, 112, 116, 118, 392 of the Criminal Code Corruption-related Offences, from penalties that range from 12 months to five years to \$50,000 or five years or both on summary conviction, and unlimited fine or 15 years or both on indictment.

And the penalties for sections 120, 122-129, 134 of the Criminal Code, Obstruction of Justice related offences, for penalties that range from 12 months to five years to \$50,000 or five years or both on summary conviction, and unlimited fine or 10 years or both on indictment. This addresses the 2007 report.

Clause 17 amends section 11C of the Criminal Justice (International Cooperation) (Bermuda) Act 1994 to clarify that nothing in this Act shall prohibit the giving of assistance by persons in Bermuda in connection with the obligation of a lawful agreement or treaty.

The rationale for this is that although in practice it has not been seen to be a problem in the past, it was agreed that this amendment should be made as the issue was raised in the 2007 report that there exists the possibility that in the absence of specific language there could be a legal challenge to actions being taken in this regard.

Clause 18 amends the Criminal Justice (International Cooperation) (Bermuda) Act 1994 by inserting section 27A, adding protection against prosecution for persons coming to Bermuda for the purpose of assisting in the proceedings of the investigations during the time which they are in Bermuda for such purposes.

The rationale is that this provision enhances the effectiveness of the Mutual Legal Assistance measures reflecting the non-prosecution of a witness,

et cetera, requirements of the Palermo Convention. This addresses the 2007 report.

Clause 19 amends and enhances regulation 7 in the Proceeds of Crime (Anti-Money Laundering and Anti-Terrorism Financing) Regulations 2008, by clarifying that ongoing monitoring must include all complex, unusually large transactions, and unusual patterns of transactions which have no apparent economic or lawful purpose.

Rationale: This was a specific requirement of the 2007 report, and although we were of the view that such matters were already addressed through the use of a more general wording, it was agreed that the specific language in this regard should be incorporated into the legislative framework.

Clause 20 amends regulation 11 of the Proceeds of Crime (Anti-Money Laundering and Anti-Terrorism Financing) Regulations 2008, to enhance the requirements of enhanced due diligence.

The rationale is that this provision is to ensure the enhanced due diligence is applied in relation to transactions involving high risk jurisdictions or jurisdictions subject to international sanctions. (There is a list). This addresses an outstanding matter from the 2007 report.

Clause 21 amends regulation 14(1)(b) of the Proceeds of Crime (Anti-Money Laundering and Anti-Terrorism Financing) Regulations 2008, to mandate that the relevant person must satisfy himself that the reliance of a third party is appropriate given the level of risk for the jurisdiction in which the party to be relied upon is usually resident and they will remain liable for any failure to apply such measures.

The rationale is that this provision enhances the current provisions on reliance, reinforcing that there must be an evaluation based on risk of whether reliance is appropriate, and highlighting that even if there is reliance, the relevant person retains the liability for the failure to apply required CDE measures. And this addresses an outstanding item from the 2007 report.

Clause 22 amends regulation 15 of the Proceeds of Crime (Anti-Money Laundering and Anti-Terrorism Financing) Regulations 2008, to clarify that all documents related to the investigation of complex transactions, unusually large transactions, and unusual patterns of transactions, in relation to records kept in accordance with regulation 7, must be recorded and kept for a minimum period of five years.

Rationale: This provision reinforces the recordkeeping requirements as it relates to specified types of transactions (and this is clause 19 above) and an outstanding matter from the 2007 report.

Clause 23, Madam Chairman, amends regulation 18 of the Proceeds of Crime (Anti-Money Laundering and Anti-Terrorism Financing) Regulations 2008, broadening the meaning of "relevant employee."

Rationale: This provision details who falls into the category of relevant employee in relation to the

requirements relating to the training and other such matters, and requires such persons to be properly screened prior to hiring, an outstanding matter from the 2007 report.

Clause 24 amends regulation 19 in the Proceeds of Crime (Anti-Money Laundering and Anti-Terrorism Financing) Regulations 2008, by including reference to 14(1).

Rationale: This provision ensures that the listing of the regulations subject to the sanctions is updated in line with the amendments being made in clause 21 above.

Clause 25 sets out by way of a Schedule to the Act the consequential amendments and are detailed below. These amendments all relate to the implementation of the Palermo Convention, and are part of the requirements for completing the 2007 report.

Clause 26 is the commencement provision.

The Schedule which arises from clause 25 makes consequential amendments to the Criminal Code Parliament Act 1957, Public Treasury (Administration and Payments) Act 1969, and the Parliamentary Election Act 1978.

Paragraph 1 in the Schedule inserts a section in the Criminal Code for the offence of corrupting or threatening a holder of judicial office or law enforcement official with penalties of \$50,000 or five years or both on summary conviction and an unlimited fine or 10 years or both on indictment.

Rationale: This provision reflects the requirements of the Palermo Convention in relation to the obstruction of justice offences.

Paragraph 2 of the Schedule amends section 15 and 16 of the Parliament Act 1957 by increasing the penalties for bribery from five years or \$84,000 or both to \$50,000 or five years or both on summary and unlimited fine or 15 years or both on indictment.

Rationale: This provision and those in paragraphs 3 and 4 below reflect the full requirement of the Palermo Convention. A level of sanctions for the corruption of offences under the Palermo Convention must take into account the gravity of the offence.

Paragraph 3 of the Schedule amends section 33B(5) of the Public Treasury (Administration and Payments) Act 1969, in relation to the offences of collusion related to government contracts by increasing the penalties from the 12 months or \$10,000 or both to \$50,000 and 5 years or both on summary conviction, and unlimited fine or 15 years or both on indictment.

Paragraph 4 of the Schedule amends section 66 of the Parliamentary Election Act 1978, in relation to offences of bribery and undue influence by increasing the penalties from two years or \$1,000 or both to \$50,000 or five years or both on summary conviction and an unlimited fine or 15 years or both on indictment.

Madam Chairman, I move that clauses 1 [through] 26 of the Bill be approved.

The Chairman: Thank you, are there any Members that would like to speak to clauses 1 [through] 6—

Hon. Mark J. Pettingill: [Through] 26.

The Chairman: —[through] 26 of the Bill . . . and the Schedule associated with it?

Hon. Mark J. Pettingill: And the associated Schedule.

The Chairman: Thank you.

The Chair recognises the Shadow Attorney General and Shadow Minister of Legal Affairs, Ms. Kim N. Wilson.

You have the floor.

Mrs. Kim N. Wilson: Thank you, Madam Chairman.

I just have a few very, very brief comments and one question.

Particularly as it relates to the Anti-Terrorism (Financial and Other Measures) Act 2004, and the amendments that are proposed, I am referring specifically to clause 8. I think, particularly for our listening audience, because, regrettably, it looks like my learned friend has cleared the Chambers.

[Laughter]

Mrs. Kim N. Wilson: But I think this is riveting stuff so I think it is really, really critical information. But I think it is important particularly for our listeners to appreciate that this particular provision broadens the prescribed offences with respect to the financing of terrorism.

Now, we have a lot of pieces of legislation that deal with terrorist financing, and heretofore the act of terrorism was what created the offence and a penalty that would follow. However, we are just on the anniversary—the 12-year anniversary—of September 11th. And if we look at that as an example prior to the passing of this Bill, the *act*—the plane flying into the World Trade Centre—is what ignites the offence. However, now we are putting in provisions in our legislation that will say that if you help to finance—you provide money for Al-Qaeda, or any other type of terrorist organisation—you are now committing an offence.

And in furtherance of this I am glad to see that the penalties for such offences have increased, which shows the importance of the offences here and that Bermuda is also committed to meeting our international obligation and joining with the rest of our international partners to do our part in this little area of the world to ensure, as best as possible, that we are not providing any type of financing of terrorism and so forth through our doors—we are mitigating those.

Also really quickly with respect to the enhanced due diligence, and that is the amendment to the POCA regulations. Again, I think that that is a very

important note because now we are seeing that if you are dealing with individuals—legal or (what is it?) legal persons and natural persons—so that is an extension which I think is critical, again, following the international obligations. But in instances where a person, or transactions from or in a country which represent a higher risk of money laundering—okay, well, let us say, Syria (and we all read the newspapers)—

[Laughter]

Mrs. Kim N. Wilson: Well, it is topical—corruption, terrorism financing, as well as the international sanctions.

I think that is critical because not every country hits the international sanctions list. Many of them, some smaller countries that may be less populated but yet still feature heavily in the high-risk category where they may be a conduit for the transport of any of these types of terrorist activities or money laundering. So I think that is really critical.

And my last question . . . and it is not cheeky. I am not saying this tongue-in-cheek, but I am just curious if the Minister and Honourable Attorney General, particularly as it relates to clauses 8, 9 and 10 of ATFA, and some of the other provisions concerning the relevance of keeping records . . . the regs, amending the POCA regs, keeping records and the enhanced due diligence. I am certain that consultation would have taken place, but I am just curious what was the Bar Council's position on those particular elements?

The Chairman: Thank you.

In the interim, are there any other Members that would like to speak to the questions that have been put before us . . . 1 through 26 and the Schedule?

[No audible reply]

The Chairman: Fine.

We are going to address that question first.

Hon. Mark J. Pettingill: Right. I am happy to address that.

My understanding is, in just checking on that, because I know that they were informed with regard to what was transpiring, and that with regard to those particular areas we did not get a response. We did on other things, but they did not . . . apparently, the information I have, is that they did not respond with regard to those . . . those lawyers. I will not make any comment in relation to that, but that is the information I have. They were circulated.

They have responded in other areas that we are going to address, but not in regard to those ones that my learned friend raises.

The Chairman: Thank you.

The Chair recognises the Member from Sandys South, constituency 33, Mr. T E. Lister.

You have the floor.

Hon. Terry E. Lister: Thank you, Madam Chairman.

I agree that this whole Act is a series of amendments and adjustments that are overdue, that bring us in line with international standards, which is a good thing. We in Bermuda have always felt ourselves to be at the front of the game rather than in the back of the game or somewhere in the middle.

The amendment to section 46 which in fact requires now that people report suspected transactions or suspicious transactions related to money laundering is something that I think people would have been doing all along.

[Inaudible interjection]

Hon. Terry E. Lister: Yes, that is the intent. But now we are codifying it, putting it in law, and this is something that we can be very pleased about and satisfied with.

I have a question for the Minister, for the Attorney General. [Clause] 7 which amends section 3(2), [new subsection] (m) talks about different targets where the terrorism bombing could attack . . . let us see—

[Inaudible interjection]

The Chairman: Page 4?

Hon. Terry E. Lister: I think it is.

The Chairman: It is clause 7, [new subsection] (m).

Hon. Terry E. Lister: It was [clause] 6 before, it is [clause] 7 now?

[Inaudible interjection]

Hon. Terry E. Lister: Yes. It [(m)] says “involves terrorist bombings, the unlawful intentional delivery, placement, charge of detonator, . . . against a place of public use, a government facility, a public transportation or an infrastructure facility.”

Because of the way we have seen people carrying on overseas when they are targeting things, often schools are targets. And I would have liked to have seen schools specifically mentioned. Now, I think schools could be covered under “government facility.” I think schools could be covered under “an infrastructure facility.” I would concede that. But just showing how serious one felt about it, I believe it would be helpful if we had schools set out separately. And they certainly have been the target over the years, there is no question about that.

Just moving on to clause 14 the Deprivation Orders—this is something, again, where people who have been involved in crime, that benefitted from the crime, and now we are trying to take back the benefits and to make it less attractive, realising that what you gain will be taken away from you. However, sometimes we leave the door open and give people wiggle room. And when I looked at [new section 701A] 3(c) I wondered exactly what 3(c) meant.

It says, “In considering whether a deprivation order should be made under subsection (1), the court shall have regard to—” [And it outlines] (a), (b), and (c). [Subsection] (c) says “any hardship that may reasonably be expected to be caused to any person by the operation of the order.”

Now that is really wiggle room because individual “A” may be doing the act and they may have a spouse, they may have children, and they are the only breadwinner in the family so to speak. And these other people are going to be severely hurt and damaged by the taking away of the assets that have been acquired illegally by this individual. So this subclause now gives the court the opportunity to allow the family to retain these assets because these are the only assets the family has. So I would like the Minister to really—the Attorney General—to really get me to understand what “hardship” in the context of this subclause actually means.

Thank you.

The Chairman: Thank you, Minister.

Hon. Mark J. Pettingill: I am obliged to the Honourable Member for his questions and I will start with that one as it comes up. He will also have known that . . . I am sure he will enjoy reading the other Bill that was laid today in relation to the POCA amendments because that will probably in part address his question.

I will do it by way of analogy, as best as I can. But there are a number of scenarios that may arise. You may have the situation where an individual is caught under the situation where the family is entirely innocent—they have got a legit working father in business and all the rest of it and it turns out (and this type of thing has happened, you know, we have seen movies and things like this in reality as well) and he turns out to be Pablo Escobar. The kids are in the middle of the school term and the wife is pregnant and one of the other kids is on medical treatment and all the rest of it. And the bad money, I guess, is supporting this. I think that the rationale is that in that type of analogous circumstance it is almost grossly draconian and punitive on the innocent family to immediately cut them off.

I think that what . . . putting on my kind of judicial hat now (I have sat on the bench in a lower place before), it would be open to a judge to weigh a timeline along the lines of, we are going to allow for this type of support for a period of time until the mother can get work, until we can figure out through social

services what we are going to do now with these type of people.

So I would see it almost as allowing for a judicial discretion to be exercised while there is a transition. Because if you are going from a position of where Pablo Escobar has been taking care of all your needs and you think he is a wonderful, charitable, daddy that has a legitimate job and he turns out to be this drug lord that you are going to have to go from the life that you have got and been provided for and taken care of and school and everything to probably having the Government take care you is the way it is going to go until mommy goes to work.

Well, there is going to be a gap there. And I think the logic would be that you are not just going to remove everybody out from their house and throw them immediately out on to the streets. You are going to transition them from the dirty money (as it was phrased to me the other day, which I think is a good term), from the dirty money lifestyle into society where they have to make their own way, where the kids have to be provided for and so on and so forth. It just provides for that type of discretion.

I use that analogy. I think there are probably many, many others, but I think that is probably the best one. And I have seen cases recently here where a judge looks at that and says, *No, no, the mother is working . . . you know, it is a little bit hard. Yes, you have got to move out of the mansion into a condo. Get on with it. You will adjust and, you know, we are not going to allow for any type of leeway like that.* That type of scenario.

In relation to the Deprivation Orders I should say this, they are not the confiscation of money—not to mix apples and oranges—because some of that may be coming, and certainly some of that will be contained in relation to seizures, but property that was used in connection with the commission of the offence. So it is also the position of . . . the court would have to look at it and figure out which funds are which . . . you know, by which are . . . are these legit funds? Is it a mixed bag and so on and so forth? Were these actually used for an offence?

It may be the situation like I described where you have got all the money you can basically attribute to it, which is a different scenario. It may be where you look at it and say, *No, no, no. You did have a legitimate job but you are taking \$10,000 and trying to buy a bunch of drugs to increase your profitability.* So therefore it is the \$10,000 that becomes subject to that type of situation as opposed to all the funds. So it is the money that is in connection with the commission of the particular offence, i.e., the drug dealing.

With regard to the section 46, the obligation always existed in law, but it was indirect and now it is being made a direct obligation, so it was indirect before.

Schools are under the international standards. I think the Honourable Member hit right on it. They are

included in the definition under the Government because of . . . you know, education covers both sectors. So that is why it comes in there. And I think they deemed that you know they have not specifically included it because it comes under the international standard of being covered by Government.

So I join the Honourable Member in that it would have been something that, had it been necessary, we would have obviously put schools in, because that type of thing has happened, but it is covered. Okay?

Those are the answers to those questions.

The Chairman: Thank you. Are there any other Members that would like to speak to 1 through 26 and the Schedule that has attached?

There are no other questions.
Minister, you have the floor.

Hon. Mark J. Pettingill: We are getting there, Madam Chairman.

I move that the clauses now be approved—

The Chairman: And the Schedule.

Hon. Mark J. Pettingill: And I move the Schedule now be approved. And, Madam Chairman, I move the Preamble and I move that the Bill—

The Chairman: One at a time.

Hon. Mark J. Pettingill: Oh, sorry.

The Chairman: Thank you.

Hon. Mark J. Pettingill: Okay, I move that clauses 1 through 26 of the Bill be approved.

The Chairman: It has been moved that clauses 1 through 26 and the Schedule of consequential amendments be approved.

Are there any objections to that motion?
There are no objections.
Agreed to.

[Gavel]

[Motion carried: Clauses 1 through 26 and the Schedule passed.]

Hon. Mark J. Pettingill: Madam Chairman, I move that the Schedule be approved.

The Chairman: We just—

Hon. Mark J. Pettingill: No, I did not. You said to do—

The Chairman: I did it.

Hon. Mark J. Pettingill: Oh, you did it? Okay. You jumped ahead of me.

Madam Chairman, I move the Preamble.

The Chairman: It has been moved that the Preamble be approved.

Is there any objection to that motion?
No objection.
Agreed to.

[Gavel]

Hon. Mark J. Pettingill: Madam Chairman, I move that the Bill now be reported to the House.

The Chairman: It has been moved that the Bill be reported to the House as printed.

Are there any objections to that motion?
No objection.
Agreed to.

[Gavel]

The Chairman: The Bill will be reported to the House as printed.

[Motion carried: The Proceeds of Crime and Related Measures Amendment Act 2013 was considered by a Committee of the whole House and passed without amendment.]

[Pause]

House resumed at 3:43 pm

[Hon. K. H. Randolph Horton, Speaker, in the Chair]

REPORT OF COMMITTEE

PROCEEDS OF CRIME AND RELATED MEASURES AMENDMENT ACT 2013

The Speaker: Members, we have the Proceeds of Crime and Related Measures Amendment Act 2013. The revised Bill was approved by the House.

Any objections to that?
We now move on to Order No. 2.

I recognise now the Attorney General, the Learned Member, Minister Mark Pettingill.

WITHDRAWAL OF BILL

TRANSNATIONAL ORGANISED CRIME ACT 2013

[tabled on 26 July 2013]

Hon. Mark J. Pettingill: Thank you, Mr. Speaker.
Mr. Speaker, this is the Transnational Organised Crime Act 2013.

The Speaker: And if you would just go through the same procedure again for the record.

Hon. Mark J. Pettingill: I will, yes.

The Speaker: Yes.

Hon. Mark J. Pettingill: I am obliged to you, Mr. Speaker, I have it here.

Mr. Speaker, I move that under the provisions of Standing Order 48, Order No. 2 on the Order Paper, the Bill entitled the Transnational Organised Crime Act 2013 be withdrawn and discharged from the Order Paper as I have a revised version of the Bill to be introduced for the consideration of the House.

The Speaker: Are there any objections?

There are none.
Carry on, Minister.

[Motion carried: The Transnational Organised Crime Act 2013, tabled on 26 July 2013, was withdrawn.]

SUSPENSION OF STANDING ORDER 14(1)

Hon. Mark J. Pettingill: Mr. Speaker, I move that Standing Order 14(1) be suspended so that I may now introduce and read for the first time by its title the revised Bill entitled the Transnational Organised Crime Act 2013.

The Speaker: Thank you, Minister.

Are there any objections?
There are none.
Move on.

BILL

FIRST READING

TRANSNATIONAL ORGANISED CRIME ACT 2013

[Motion carried: Standing Order 14(1) was suspended and the Transnational Organised Crime Act 2013 was given a first reading.]

SUSPENSION OF STANDING ORDER 28(3)

Hon. Mark J. Pettingill: Mr. Speaker, I move that Standing Order 28(3) be suspended so that I may now proceed with the Second Reading of the revised Bill entitled the Transnational Organised Crime Act 2013.

The Speaker: Are there any objections?

There are none.
Minister, carry on with your brief.

[Motion carried: Standing Order 28(3) suspended.]

BILL

SECOND READING

TRANSNATIONAL ORGANISED CRIME ACT 2013

Hon. Mark J. Pettingill: I am obliged to you, Mr. Speaker.

Mr. Speaker, I rise again today to introduce to the Legislature the Bill entitled the Transnational Organised Crime Bill 2013.

This Bill seeks to domestically implement key provisions of the United Nations Convention against Transnational Organised Crime, also known as the Palermo Convention. Provisions of the Bill will further strengthen Bermuda's legislative regime relating to human trafficking, smuggling of persons and related crimes. These measures will add to our on-going efforts to ensure that our regime to combat money laundering and terrorist financing and the financing of proliferation has a high level of compliance with the relevant international standards.

Mr. Speaker, at first glance it may not be perceived that the matters addressed in this Bill are major issues for Bermuda internally. However, Government has repeatedly expressed and demonstrated a strong commitment to participate in the global fight to combat money laundering and terrorist financing and other such illicit acts and also to prevent or address any such activities within its borders. These measures are, therefore, vital to our international profile and to our status as a global business destination.

Mr. Speaker, as part of the said commitment through membership in the Caribbean Action Task Force Bermuda has been actively involved in the work of the Financial Action Task Force (FATF), the global standard setting body in this area. We have therefore taken significant steps to ensure that Bermuda appropriately incorporated FATF requirements into our framework. These standards, which are known as the FATF recommendations, explicitly require countries to take steps to become party to certain specified international conventions which include the Palermo Convention and to fully implement them.

Mr. Speaker, as highlighted in Bermuda's 2007 detailed assessment report on our anti-money laundering and combating the financing of terrorism regime, many of the provisions of the Palermo Convention are already enshrined in domestic legislation such as the Police and Criminal Evidence Act 2006 (PACE), the Proceeds of Crime Act 1998 (POCA), and the Criminal Code.

However, a detailed assessment of the Palermo Convention and the relevant domestic legislative provisions determined that further augmentation of our legislative framework is needed to appropriately satisfy the requirements of the Convention. Creating a separate Act to address the identified deficiencies was deemed to be the most effective approach.

Mr. Speaker, by way of background I would just highlight that the Palermo Convention is the United Nations sponsored multi-lateral treaty intended to address organised crime. The Convention has three protocols which are as follows:

- The protocol to prevent, suppress and punish trafficking in persons, especially women and children.
- The protocol against the smuggling of migrants by land, sea and air.
- The protocol against the illicit manufacturing and trafficking in firearms.

Both the conventions of these protocols contain very comprehensive requirements representing relevant levels of international law on human trafficking, arms trafficking, and money laundering.

Mr. Speaker, as noted previously, most of the requirements of the Palermo Convention were already enshrined in key domestic, criminal, and money laundering legislation. This Bill will, therefore, ensure the outstanding elements are effectively addressed. It should also be highlighted that discussions with UK authorities have already commenced to request the Conventions be extended to Bermuda. Once these provisions are enacted matters should be able to be finalised so that Bermuda will also become party to the Convention to address the requirements under Recommendation 36 of FATF.

Mr. Speaker, with those brief comments I now read for the second time the Bill entitled the Transnational Organised Crime Act 2013.

Thank you, Mr. Speaker.

The Speaker: Thank you, Learned Attorney General.

The Chair will now recognise the Shadow Attorney General, the Learned Member from Sandys [South Central], MP Kim Wilson.

You have the floor.

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

Mr. Speaker, my other world outside of this is I have been retained by the Bar, ICAB [Institute of Chartered Accountants of Bermuda], AML (Anti-Money Laundering), Anti-Terrorism Financing Board to act as a supervisor. And under our legislation, under our jurisdiction, we have the competent authority that helps to supervise financial institutions, *et cetera*, to make sure that they are compliant with money laundering and terrorist-financing. And in addition to that we have the Financial Intelligence Agency, which my learned friend the Honourable Minister of [Legal] Affairs and the Attorney General spoke about. And then we have the professional body that I have just referred to.

So in my other role I have an opportunity to review the regulated professional law firms as well as the accounting firms to ensure that they are compliant with some of the legislation that we have been speak-

ing about over the last hour, particularly as it relates to their particular profession.

During the course of these on-site reviews that I have been conducting, one in particular comes to mind from yesterday, a number of the persons that I have interviewed and spoken to seem to equate money laundering, and other types of international crimes, simply with drugs. And that is probably because that is what we mostly hear about, and we hear about the drug cartels in Latin America, *et cetera*. So they just think that money laundering only relates to drugs.

And then when we start discussing the broader aspects concerning transnational organised criminal activities that also entail transferring money and other items (which I will speak about in a moment). Then their eyes are widened. And I think . . . I am so thrilled that we are finally enacting the provisions of the Palermo Convention. I recall back in the—

The Speaker: You are making this very exciting.

[Laughter and crosstalk]

Mrs. Kim N. Wilson: The . . . I recall—

The Speaker: I am sorry, Honourable Member. I am very sorry, Honourable Member.

Mrs. Kim N. Wilson: Mr. Speaker, the former Attorney General of England and Wales, Baroness Scotland, I recall that in several meetings with her (when I was formerly the Attorney General) one of the things that the United Kingdom was interested in was ensuring that the Colonies were compliant with the Palermo Conventions. So I am really thrilled to see this piece of legislation here. And I think it just further solidifies Bermuda's commitment to ensuring that we are also part of the world's obligation to fight international organised crime.

Gone are the days where organised crime was like the bikers in Canada or New Zealand . . . they have the biker groups or . . . the Mafia and the cartel and all those types of organisations. International crime has taken . . . transnational organised crime has taken on a huge new remit, and I am . . . it is important that people recognise that this legislation really is critical to Bermuda and to the world because we are part of a global community. And by us enacting this piece of legislation we are showing the world that we will do our part in the middle of the Atlantic to help to mitigate against transnational organised crime.

Just for an example really quickly, Mr. Speaker, like I said people think that money laundering just involves money laundering from drugs, but then we look at this legislation and the importance of how it will affect and create offences for smuggling people. We recognise that smuggling and trafficking is almost estimated at 2.5 million people last year that were smuggled or trafficked—not just women—largely

women and children, but trafficked throughout the world. We now can say in Bermuda we have legislation that says that we will not permit that. We are joining the rest of the world to say we are saying no to smuggling of children and individuals—human trafficking is almost worth \$20 billion a year from the smuggling that takes place from jurisdictions.

We know the scale of profits as we know, Mr. Speaker, concerning organised crime has increased as well when it relates to the drug trade. And in addition, Mr. Speaker, it has been reported that last year alone in Afghanistan \$50 billion was attributed and raised as a result of the drugs and the heroine that they grow. In the United States, \$40 billion [worth] of cocaine [was trafficked] this past year. So we recognise that it is a huge trade. And if we can do what we can to close the gates here in Bermuda so that we can prevent it coming in and/or prevent it going out to another jurisdiction, then we are certainly joining the international community and we need to be commended for this. And I am glad, again, that the Government is bringing this Bill.

In addition, we have other types of transnational organised crime, in addition to money laundering and the smuggling of people. Fraud and financial scams—the Internet . . . what we are seeing now . . . when the Palermo Convention first came into effect in 2004, what we are seeing now is like a huge difference in the use of the Internet and the scams and the frauds that are connected on the Internet. As a result, these criminal minds are getting more and more sophisticated, and the Internet is helping. Gone are the days . . . you may remember, Mr. Speaker, about 10 or 15 years ago there would be these letters that would come out from perhaps some African country. You would get it in the mail and it would say, oh, you know (a number of people have heard those and read them), *If you send me money and your details and rah, rah, rah, rah, then we will help you invest it.*

Now, because of the Internet, that same individual that is sitting somewhere in the world can just push a button and send thousands of letters in that similar vein, which again is an example of transnational organised crime. Thousands of people can be affected. So the Internet itself . . . and I am not quite sure what the statistics are, but we know that many people, many homes have computers and Internet. So individual homes can be affected by transnational organised crime units and syndicates. So, again, I am applauding the Government for the legislation that we are seeing.

Mr. Speaker, another aspect in addition to cybercrime that, again, is addressed by this Transnational Organised Crime Act (and unfortunately I have to say that I have committed this offence previously) . . . but the amount of merchandise that is produced in countries such as China and the Far East that is counterfeit. All right? I know I am not the only one that has

gone to New York and purchased a handbag off the street.

[Laughter]

Mrs. Kim N. Wilson: However, the reality—

[Inaudible interjections and crosstalk]

Mrs. Kim N. Wilson: There it is, right there.

The Speaker: Everybody is saying, “I have been.”

Mrs. Kim N. Wilson: My point is, Mr. Speaker, I am making light of a very serious situation. Billions of dollars a year are smuggled through China and other jurisdictions by counterfeit merchandise, such as a Louis Vuitton bag,—

The Speaker: Right.

Mrs. Kim N. Wilson: Counterfeit medicine, CDs, DVDs. And again this legislation, because we are adopting versions of the Palermo Convention, will help to guard against that here in Bermuda. So we are doing what we can to be diligent with international standards.

I have a couple of questions that I will ask when we go into Committee, but in closing, Mr. Speaker, I would also like to just simply, again, reiterate that money laundering and terrorism financing is not the end-all and be-all. It is very, very serious. Yes, indeed. But we know that there are plenty of examples and a lot of money being made through these organisations that are transnational through the Internet, *et cetera*, and these organised syndicates. And that for us to be able to now say with hand on heart [that] we have legislation that will address such things as smuggling of migrants, smuggling of children and so forth is important.

Now we can say that we are a better agent for change with the international community by saying here is our commitment that we are committed to, mitigating against those type of transgressions here on our Island.

Thank you.

The Speaker: Thank you, Honourable Member.

Is there any other Member who would care to speak?

Attorney General?

Hon. Mark J. Pettingill: Thank you, Mr. Speaker.

Mr. Speaker, I move that the Bill be now committed.

The Speaker: Thank you, Honourable Member.

Are there any objections to that?

The Bill will now go to Committee.

House in Committee at 3:58 pm

[Mrs. Suzann Roberts-Holshouser, Chairman]

COMMITTEE ON BILL**TRANSNATIONAL ORGANISED CRIME ACT 2013**

The Chairman: Honourable Members, we are now in Committee of the whole House for further consideration of the Bill entitled [Transnational Organised Crime Act 2013](#).

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

Hon. Mark J. Pettingill: Thank you, Madam Chairman.

Madam Chairman, the purpose of the Act is to give effect to the United Nations Convention against Transnational Organised Crime, also called the Palermo Convention, which is supplemented by three protocols, the Palermo Protocols, Recommendation 36 of the International Cooperation, the Financial Action Task Force standards of combating money laundering, and the Financing of Terrorism Proliferation. The FATF Recommendations require countries to implement the Palermo Convention.

Many of the requirements of the Convention are already enshrined in the domestic legislation through PACE, through POCA and the Criminal Code. Therefore, this Bill addresses the gaps which relate in particular to human trafficking and migrant smuggling.

The three protocols which supplement the Convention are the protocol to prevent, suppress and punish trafficking in persons, especially women and children—traffic in person protocols; and the protocol against the smuggling of migrants by land, sea, and air—migrants protocol; and the protocol against the illicit manufacturing and trafficking in firearms.

Clause 1 is the title of the Bill.

Clause 2 sets out the definitions to reflect the requirements of the Palermo Convention. The key definitions incorporate the transnational element of the offence covered by the Act includes the definition of “jurisdiction” and the definition of “Bermudian status,” and a “special category persons” as defined in the relevant Bermuda Immigration legislation.

Rationale: This provision along with the other relevant provisions in the Act ensures that the transnational element is incorporated into the relevant offences addressing the growing international concerns about criminal operations across national borders. The Palermo Convention applies to certain offences that are transnational in nature and involve an organised criminal group. The provision, along with the remaining provisions of this Act, will contribute to the international efforts to provide a degree of consensus, a standardisation of concepts to support efficient in-

ternational cooperation in investigating and prosecuting transnational criminal cases.

Clause 3 provides for the offences and penalties for participating in a criminal organisation. This offence occurs where a person participates in a criminal organisation and contributes to the commission of a serious crime for a financial or other material benefit.

The definition of a criminal organisation is a group of three or more persons who commit a serious crime for financial or other material benefit, where a serious crime is defined as an indictable offence committed in Bermuda or elsewhere. The penalties for this offence, Madam Chairman, are a fine of \$50,000 or imprisonment for five years or both on summary conviction or an unlimited fine or imprisonment for 10 years or both on indictment.

The rationale: This provision ensures that there is effective criminalisation of acts and participation in criminal groups. This is essential for the coordination and harmonisation of national laws to combat the illicit activities of criminal groups that cross national borders.

Clause 4 provides for the offence and penalties for people smuggling to meet the requirements of the migrants’ protocol. The penalties for this offence are a fine of \$50,000 or imprisonment for five years or both on summary [conviction] or an unlimited fine or imprisonment for 20 years or both upon indictment.

The rationale: The provision enshrines in Bermuda law the offences of migrant smuggling and enabling illegal residence as required by the migrants’ protocol. The migrant protocol aims at preventing and combating the smuggling of migrants, promoting cooperation in this regard among the stated parties while protecting the rights of smuggled migrants. The offences of migrant smuggling and enabling illegal residence apply to those who smuggle others for gain, but not those who procure only their own illegal entry or who procure the illegal entry of others for reasons other than gain, such as individuals smuggling their family members. We all can think of examples of that.

This provision criminalises the procurement of the entry of a person into a country where that person is an unauthorised migrant. An unauthorised migrant is defined as a person who does not possess Bermudian status, does not have the specific permission of immigration authorities to land, *et cetera*, or does not have the required documents.

Clause 5 provides for the offence and penalties for trafficking persons to meet the requirements of the trafficking in persons protocol. The penalties for this offence are a fine of \$50,000 or imprisonment for five years or both on summary conviction, or an unlimited fine or imprisonment for 20 years or both on indictment.

Madam Chairman, the rationale for this: This provision enshrines in Bermuda law the trafficking offence for the trafficking in persons protocol. The traf-

ficking in persons protocol has three basic purposes: the prevention and combating of trafficking in persons; the protection and support of victims of trafficking; and the promotion of cooperation between state parties.

The trafficking in persons offences consists of three basic elements:

1. The actual recruitment, transportation, transfer, harbouring, or receipt of persons;
2. By means of further use of force or other forms of coercion, *et cetera*, to achieve the consent of the person having control over another person; and
3. For the purpose of exploitation, including prostitution or other forms of sexual exploitation or slavery.

It should be highlighted that the offence criminalises the combination of constituent elements and not the elements themselves. Furthermore, no improper means need be established when the victims of trafficking of persons are under the age of 18.

Clause 6 provides for the aggravating factors that the court shall take into account in determination of a sentence in relation to the migrants smuggling and trafficking of persons. This provision sets out the specific circumstances that would ensure that cases in which these circumstances occurred are taken more seriously, [for] example, offences that involve dangerous or degrading circumstances.

Clause 7 provides for the offences and penalties forging or falsifying travel documents. The travel documentation offence is in support of two basic offences of smuggling and enabling illegal residence provides for in clause 4.

This clause establishes a series of offences in relation to travel or identity documents which include the producing and procuring, providing, possessing of fraudulent travel or identity documents. There must have been the intention to procure, produce, provide or possess the document with the added intention or purpose of obtaining a financial or other material benefit.

In the case of the travel documentation offences there must also have been the intention or purpose to enable the smuggling of migrants. The penalties for this offence are a fine of \$50,000 or imprisonment for five years on summary conviction or a fine of \$100,000 or imprisonment for 10 years or both on indictment.

Clause 8 provides for the offences and penalties to the obstruction of justice in relation to proceedings in respect of an offence under this Act. The penalties for this offence are a fine of \$50,000 or five years on summary conviction or \$100,000 or imprisonment for 10 years or both on indictment.

The rationale, Madam Chairman, is that this provision addresses the problem of the obstruction of justice in relation to the Palermo Convention protocols. This provision addresses the linked problems of

corruption with the protection of witnesses and victims and international cooperation. The whole law enforcement apparatus from the locals of global level is threatened by the problem of obstruction of justice. Justice cannot be done if judges, jurors, witnesses or victims are intimidated, threatened, or corrupted.

No effective national/international cooperation can be hoped for if such crucial participants in the investigation of the law enforcement process are not sufficiently protected to perform their roles and provide their accounts unimpeded. No serious crime can be detected and punished if the evidence is prevented from reaching investigators, prosecutors, and ultimately the court.

Clause 9 provides for the territorial application of the proceedings for an offence against the Act. Proceedings for an offence against the Act may be brought, although some or all of these acts occur outside of Bermuda if the person is a natural or legal person in Bermuda.

The rationale here is that this provision will contribute to the closing of jurisdictional gaps to ensure that offenders cannot evade national regimes by moving between states or engaging in acts in the territories of more than one state. The provision realises that one of the primary aims of the Palermo Convention to ensure that no serious crime goes unpunished and that all parts of the crime are punished wherever they took place.

Clause 10 provides for the general provisions of the offences setting out the provisions in relation to liability and partnership and body corporates.

The rationale for this is that the provision establishes liability for legal entities for any offence against the Act, namely certain senior persons in partnership or body corporates are liable. Example: The partner, director, manager, company secretary and so on. The provision is necessary as serious and sophisticated crime is frequently committed through or under the cover of legal entities such as companies.

Clause 11 provides that the consent of the Director of Public Prosecutions is required for the purpose of any prosecution of an offence under this Act.

Clause 12 is the provision for the repatriation for the victims of trafficking setting out the conditions by which the victim of trafficking can be repatriated from Bermuda.

Rationale: This provision provides that the Bermuda authorities will facilitate a safe, timely return of a victim of trafficking who is an unauthorised migrant to their country of origin or county in which they have the right of permanent residence.

Clause 13 provides for the expenses in relation to the repatriation of victims to be defrayed out of money provided by the Legislature.

Clause 14 provides for the commencement of the Act and indicates that the Act will come into operation on a day or days to be appointed by the Minister by gazetted notice.

The Chairman: Thank you.

Are there any Members that would like to speak to clauses 1 through 14 of the Transnational Organised Crime Act 2013?

The Chair recognises the Shadow Attorney General and Shadow Minister of Legal Affairs, Ms. Kim N. Wilson.

You have the floor.

Mrs. Kim N. Wilson: Thank you, Madam Chairman, just two questions.

I am hoping that maybe I just missed it and I have not been able to find it. But I recognise that the Learned and Honourable Attorney General indicated that some of the elements or the protocols have already been adopted in our PACE legislation and some other pieces of legislation, and that this particular Act is addressing some of the other areas particularly as it relates to smuggling and trafficking.

But what I do not see . . . and I do not know whether or not this is in the Firearms Act, or whether or not this is going to be in that stage of this legislation, is offences with respect to trafficking of firearms and the manufacture . . . illicit manufacturing of firearms. I do not recall that being in our Act, and I do not know whether that is going to be coming in another subsequent act.

And then the final question that I have, and I am sorry the Minister of Finance is not here because this may be a question . . . and I am a newbie so perhaps I should know this answer, but I do not. With respect to repatriation expenses, it says it is going to be provided by the Legislature. Does the Legislature have a separate budget that allows repatriation, or is that out of the Consolidated Fund? I do not know how that operates.

Thank you.

The Chairman: Thank you.

Minister, would you like to respond?

Hon. Mark J. Pettingill: Yes. I will start by backing up.

I think that the Legislature . . . it would come out of the Consolidated Fund. I guess it would be a consideration if it was a law enforcement issue that the Attorney General could direct that it came out of the Confiscated Assets Fund as well if the Finance Minister approved that depending on what it related to or . . . that is just a thought. But I think it will probably come out of . . . well, because it is for law enforcement. But I think that it would be generally that it would come out—

[Inaudible interjection]

Hon. Mark J. Pettingill: Legislature, yes.

I think the reference is to the Consolidated Fund. Okay.

In relation to the other question about firearms, I believe that is covered by the Firearms Regulations.

Mrs. Kim N. Wilson: The manufacturing of firearms?

Hon. Mark J. Pettingill: Covered by regulations . . . yes.

Mrs. Kim N. Wilson: The manufacturing of firearms—

Hon. Mark J. Pettingill: Yes.

Mrs. Kim N. Wilson: —and trafficking?

Hon. Mark J. Pettingill: And trafficking.

I note I think there was a question raised recently in relation to these new types of printers that they have got on the go so that is why that question arose.

The Chairman: Are there any further questions?

Thank you. The Chair recognises Mr. T. E. Lister JP MP from Sandys South, constituency 33.

You have the floor.

Hon. Terry E. Lister: Thank you very much, Madam Chairman.

With regard to clause 3, participation in a criminal organisation. When you look at subclause (4), the very last piece in that says that this “does not include a group that is randomly formed for the immediate commission of a single offence.”

So Lawrence Scott and I, and one other standing on the street corner out front getting a brilliant idea of doing something would not fall under this. But what this actually requires is that you have a pattern of behaviour. And so in order to get someone under this Act, it would appear that they must have been under surveillance for a period of time. Their whole behaviour pattern must be understood and appreciated in order to say, *Yes, this is a member of a criminal organisation*. One could not just go up and grab the person off the street. That is the first thing that I wanted to clarify in this.

With regard to people smuggling, clause 4 subclause (3)(a) says “a person commits an offence if he—(a) enables a person who—” and then it gives four cases of people. This is a person who does not possess Bermuda status, is not a special category person, is not a bona fide visitor to Bermuda, or is not a permanent resident. And to me a permanent resident really means PRC.

I am not sure what it legally means here, but we have a category of people in Bermuda called PRCs. That being the case, the list of persons does not seem to address these foreign work permits.

Where do they fall under this, Mr. Attorney General? So that is my next question. I would like to really understand that because we have taken the trouble to set out categories, so they must fall somewhere.

As we move on to the trafficking of persons in clause 5(5) says, "An offence against subsection (2) may be committed in respect of a person aged 18 years or more" and then it goes on to talk about people who are 18 . . . well, basically lays out all of the penalties for people 18 or more. The question I have is, what about people under 18? Where do they fall into here? When I read the Act, I think I saw maybe one subclause where there was a reference to child trafficking—one subclause.

So I would like clarity, again, on how actions against children fall under here because whilst we made reference to and have taken a good look at prostitution, sexual activity, *et cetera*, *et cetera*, the smuggling of children is a very, very significant crime and they are used for slavery purposes and for sexual purposes as well. And so I would like to know how they fall into this.

Well, the simple one, obstruction of justice, page 9, clause 8(1) says "A person commits an offence if, for the purpose of—" it lists some things and finally says, if it relates to "a witness, a judicial officer, a police officer, or an immigration officer." Why not include a customs officer as well? Why just the immigration officer? In Bermuda, they work hand in glove, they sit side by side, they carry out very similar functions. So I was just wondering why the customs officer would have been left out in this particular clause.

Now, Madam Chairman, sometimes we get Acts like these that clear the House because they are really designed just for the lawyers, and only the lawyers understand what is going on. And some of us who try to understand the law ask questions and read. But we do not understand all of it and so as a result, on page 11, clause 12, subclause (3) says, "Any decision to return a victim of trafficking in persons to his country shall be considered in light of the principle of non-refoulement and of the prohibition of inhumane or degradation treatment." [And clause (4)] "In this section—"non-refoulement" means the principal [*sic*] of international law which forbids the rendering or the handing over of a true victim of persecution to their persecutor [(inclusive of a state persecutor)]." I think I understand that; I actually do.

But I need you to explain a little more so we could all know exactly what the law is. I am not going to try to say what I think it means, I would rather hear it from the Attorney General himself.

The last point I want to raise is a point that was raised by the Shadow Attorney General, the Honourable Kim Wilson, under repatriation expenses. You know the only thing about this is we have a lot of penalties in here and there is the potential to collect a lot of money from the guilty parties. But regardless of whether the person is convicted or not, or if they are

not convicted in the same way and you get the money, or the judge just might not take a big penalty from them, the country is still being required to spend a lot of money to send the person back. And as has been suggested, it might be helpful if we had a separate fund into which these monies could be paid.

We do have the Confiscated Assets Fund but something separate from that again or an amendment to the Confiscated Assets Fund which allows the payment of all repatriations out of that fund so the Consolidated Fund is not being damaged financially—

[*Inaudible interjection*]

Hon. Terry E. Lister: Sorry?

[*Inaudible interjection*]

Hon. Terry E. Lister: So rather than interfering with the Consolidated Fund by sending people back home, we can simply amend the Confiscated Assets Fund and allow for payment of all of these folks going back home from that. So I put that to the Attorney General for his consideration.

Thank you, Madam Chairman.

The Chairman: Thank you.

The Chair recognises the Shadow Minister.

Mrs. Kim N. Wilson: Yes, thank you, Madam Chairman.

I just want a point of clarification because, again, I appreciate that the Honourable and Learned Attorney General indicated that this . . . the three protocols of the Convention, one of which is already engrained in our domestic legislation with respect to the Criminal Code and so forth, and then this is dealing specifically with the people smuggling and the trafficking of persons. But my specific question was one of the other three outstanding protocols, which is as it relates to illicit manufacturing of firearms and trafficking of firearms.

Now, I was referred to the Firearms regs, and I have looked at that, and that is not there. And I just want some clarification from the Learned and Honourable Attorney General as to when we will be addressing that, because in my respectful submission this piece of legislation should be viewed as the starting point, not the end point.

Thank you.

The Chairman: Thank you.

Are there any other Members?

No other Members.

Minister?

Hon. Mark J. Pettingill: Yes, thank you.

Just briefly, because I may have misled them, because I was saying the regulations. Those amend-

ments to that are negative resolutions, so they are going to come in very short order. They are currently with the Police Commissioner with regard to the manufacturing and trafficking of firearms. So the regulations go to him and they come here by way of negative resolutions. So in other words we can get that done very promptly.

The Honourable Member Lister . . . I may have missed a couple because I was like reading and talking and trying to get with what you were saying. On the one that you raised about children, that provision I think is in 5(5) it says anyone under the age of 18—

[Inaudible interjection]

Hon. Mark J. Pettingill: [Clause] 5(1) is general in relation to that particular issue of trafficking with children. So that is covered.

Customs officers, and as I understand it, the definition as it relates to immigration officers covers both customs officers and immigration officers. So it does not specifically say customs officers, but as far as the legal definition that relates to . . . of the immigration officer . . . sorry, immigration officer covers customs officer when acting as an immigration officer.

[Inaudible interjections]

Hon. Mark J. Pettingill: I do not know. I do not have the legislation in my back pocket, so I am just saying to you that this is how that is covered . . . that when one is acting as the other it is covered.

I am going to take that under advisement as to whether we need to clarify that by sticking that in there because I do not like to see a specific law enforcement officer left out if it is necessary to make it pellucidly clear even if the technical aspect of the law does cover that. So we will have a consideration of that.

Permanent residence . . . that is a mixed bag. We know how confusing that Act can be and what has got on with it. But, Madam Chairman, with regard to permanent residence if you come in and you are on a work permit for three years (let us say), as far as this particular provision goes within this Act Bermuda would be deemed to be your permanent residence because you are on a work permit here for three years.

So it is different from PRC even though that is a title that is given to a permanent resident and something we allow which allows you certain rights and is referred to as PRC. But for the sake of the Conventions and for the legislation and the provisions here, where you see the words “permanent resident” that would apply to a person who was residing here under a work permit for a period of time. In other words, they have their house, their family, their kids in school, they

would be deemed to be a permanent resident for the sake of that.

I do not know whether there was anything else.

Hon. Terry E. Lister: Madam Chairman, I am still a bit at sea with regard to the 18 over and under. And I would like that clarified because the point that the Attorney General made I could not find when I looked at it.

The Chairman: Thank you. And while we wait we are looking . . . this would be a question on the trafficking in persons?

Hon. Terry E. Lister: Yes, clause 5.

The Chairman: Clause 5. Correct.

Hon. Mark J. Pettingill: Okay, sorry, I will be clear. Clause 5(1) applies to *anybody* including children. And then there are specific clauses that apply to adults. So that is how it covers it. Clause 5(1) covers everybody.

Oh, I know what the other thing was . . . I remember it was the definition that you asked me with regard to the repatriation of persecuted persons.

[Inaudible interjections and crosstalk]

Hon. Mark J. Pettingill: Right. I will read it again and then I will say it.

So that particular section “non-refoulement” . . . we will get the normal meaning and leave the Latin aside, but “‘non-refoulement’ means the principle of international law which forbids the rendering or the handing over of a true victim of persecution to their persecutor (inclusive of a state persecutor.)”

I think the best example (with all respect to everybody) would be to go back in history and say if we had a group of Jewish people escape from a concentration camp that landed here—you know, we are all aware of what the Nazi regime was up to—then we would not be able to say, *Right, you are migrants*, and send them all back to Nazi Germany during that time.

[Inaudible interjection]

Hon. Mark J. Pettingill: I am not going to get into the Uighurs thing. I did not say that. It was somebody else that—

The Chairman: Please proceed.

Hon. Mark J. Pettingill: But in part, you know, fair enough point. That could be; our people with PR would argue that we would say that. Not meaning any disrespect to our American friends, but there are a plethora of examples I think, Madam Chairman and

Honourable Members, that we can think of with regard to states that fall under a certain shadow.

Because of our geographic location it is not very common that we are going to have people washing up on our shores or flying in by private jet and creating those types of issues. So there are many countries which do not have the rules of law that we do and where people . . . you know, all the time we hear about them being persecuted. And were they to be here and we could look at the international state of affairs, Syria might fall into that type of category right now—

The Chairman: Mm-hmm.

Hon. Mark J. Pettingill: —if you had a group of people that could say, *We are the ones that have been gassed*, and so on and so forth, depending on what sect they were from, somehow they ended up here, we looked at the situation with regard to the state and say, *Well we cannot . . . we are bound by the law* (not that we would anyway, but we are bound by the law) *not to—*

The Chairman: Send you back.

Hon. Mark J. Pettingill: —not to—

The Chairman: Return you.

Hon. Mark J. Pettingill: —not to . . . non-refoulement, not to send them back to the persecuting state.

The Chairman: Thank you.

The Chair recognises the Member T. E. Lister.
You have the floor.

Hon. Terry E. Lister: Thank you.

That is as clear as we needed to be and it is very good. But let us take it to the next step though. If five people come to Bermuda and they are victims of trafficking and they really cannot be repatriated to their original country, what are the steps? In other words, if they have got an auntie in New Jersey, are they sent to their auntie? Or are they allowed to remain in Bermuda for the rest of their natural lives? Where are we on this?

The Chairman: Minister?

Hon. Mark J. Pettingill: I am getting the feeling that this is a loaded question. I am being set up here. No, no. I'm joking. I'm joking.

It is a good question. I think . . . and I will not get into the Immigration arm. I am not setting policy here by this. I am just purely answering that as a legal hypothetical by way of it. In the analogy that the Honourable Member gives then you would look at that like

you would look at any type of immigration case and make a decision on that.

You certainly would not send them back if they come from the persecuting state there. They would land here, you would look at that . . . I am saying the logical process of law now would be to say, *Okay, we have established that they are a persecuted people under this provision and there is non-refoulement*. We cannot send them back to where they came from, how do we then deal with them by way of the fact that they are in Bermuda? They are . . . then we would look at their immigration status and it may well be if they had an auntie somewhere else then we look at what arrangements could be made internationally, our American friends, and so on to say can they be sent to that place.

So we would have to look at every single one of those that came in. Look at what their connections were, what their tie-ins were, whether they have rights somewhere else, or whether ultimately they have the ability to become naturalised here. You know, there would be all of those immigration provisions. I would think we would begin to run from that once we determined that they could not be repatriated to the persecuting state.

The Chairman: Thank you.

Are there any other Members?

The Chair recognises Mr. C. Walton D. Brown, Shadow Minister of Education.

You have the floor.

Mr. Walton Brown: Thank you, Madam Chairman.

It just occurred to me when a plane lands—

The Chairman: Are we . . . can you specify which part of the Bill?

Mr. Walton Brown: The most important part of the Bill, Madam Chairman.

[Laughter]

The Chairman: It is all important. All of it is important that is why we have all of it in front of us.

Mr. Walton Brown: The issue of repatriation.

The Chairman: Clause 13.

Mr. Walton Brown: My glasses are not as effective as they should be, Madam Chairman.

But it just occurred to me that when a plane lands in Bermuda, it is landing on British soil under international law. You can correct me if I am mistaken. So that person has effectively landed on British soil. And what, then, are the implications in terms of people who arrive here because we are still a Colony? And they are on British soil. So would not the repatriation

issue inevitably involve the United Kingdom? And since they have responsibility for our external affairs, should not all costs that are associated be attributed to them?

The Chairman: Thank you, Member.

The Chair recognises the Shadow Attorney General and Shadow Minister of Legal Affairs, Ms. Kim N. Wilson.

You have the floor.

Mrs. Kim N. Wilson: Thank you.

I think . . . to the Honourable Member from 17?

[Inaudible interjection]

Mrs. Kim N. Wilson: Like minds think alike. Because I actually . . . it just occurred to me following some of the questions that were raised by the Honourable Terry Lister from constituency 33.

With respect to repatriation (all right? just an extension of the question that was just raised), it indicates that when a victim is travelling . . . I am on section 12, Madam Chairman.

When a victim is travelling, [who is an] unauthorised migrant, requests to go home or to their right of permanent residence at the time he is travelling . . . “the relevant Bermudian authorities shall facilitate such return, including arranging for the necessary travel documents.” We do not even have the power to issue our own passports. So how does that work?

I mean, I appreciate that the United Kingdom is a signatory to this, but we are in a little bit of a different position here because many of the people that are signatories are independent nations, which we are not. And so how does our immigration department facilitate such return by arranging the necessary travel documents? That is one reason the Uighurs are here! How does that happen? How?

My question with respect to this is how can Bermudian authorities arrange the necessary travel documents when we do not even issue our own passports?

The Chairman: Are there any other Members?

The Chair recognises the Minister.

You have the floor.

Hon. Mark J. Pettingill: I want to say, off the cuff, *Perhaps you could ask your cousin.* But with all respect it is kind of like—

[Laughter]

Hon. Mark J. Pettingill: I say that to the Honourable Member, tongue-in-cheek, to Walton Brown, because . . . you know, I mean, those are valid questions, but of course you raise the Uighur issue which is all . . .

what is always a concern is that those are perhaps questions that should have been dealt with some time ago and were not.

You know, that is a loaded kettle really with regard to how it works. I mean, the fact of the matter is that there is no question that if that situation arose we would have to involve the United Kingdom, and they would have to part of assisting with the determination of how we dealt with those individuals. And everybody knows like right now we have a situation akin that about how to deal with that type of thing . . . if you had like boat people that wash up that went astray. Those are valid questions but they are convoluted.

When it comes to issuing our own passports, well, we do issue our own passports. But the Member is quite right. I know, with respect, where the Honourable Member is going, is that you have got to be naturalised first to get a Bermudian passport. Naturalised, you know, by the Brits. So it does create something of a quagmire, but we would have to assess that in accordance with this law and those individuals that were found to be in this situation. But I have no doubt that [it] would involve a joint determination and joint effort. And the first thing that would happen is we would be trooping off up to Government House saying this is the situation that we are presented with.

Of course, the Palermo Convention applies to them, so in a sense it would be a nonsense to have us if not . . . you know, extended to us which is what we are doing right now, otherwise we would be not *ad idem* with the provision of the United Kingdom who is responsible for that.

So the questions that are posed are certainly valid and are good questions. And they are loaded questions in the sense that one cannot, unfortunately, give a clear and direct answer to that. If I could, we would not be in the situation that we are in with regard to the Uighurs. And this legislation which is addressing this particular issue here does not clear up that quagmire in my review. But we are considering . . . continuing to assess how we address those things. It is an ongoing assessment, interestingly enough, with regard to self-determination, I guess, as to how you look at and address these types of things.

That is what that process is all about—that type of determining because we are going to have those laws . . . and usually they relate to immigration. They are going to relate to international treaties. They are going to relate to all kinds of things where our jurisdictions between the UK and us are going to become meshed and sometimes create a bit of a mess that we have got to figure out. That is an ongoing process.

The Chairman: Thank you.

Are there any other Members that would like to speak to clause 1 through 14 of the Transnational Organised Crime Act 2013?

There are no other Members that would like to speak.

Minister, you have the floor.

Hon. Mark J. Pettingill: Madam Chairman, I move that clauses 1 through 14 of the Bill be approved along with the Schedule—oh, there is no Schedule. I move that 1 through 14 be approved.

The Chairman: It has been moved that clauses 1 through 14 be approved.

Are there any objections to that motion?

There are no objections.

Agreed to.

[Gavel]

[Motion carried: Clauses 1 through 14 passed.]

Hon. Mark J. Pettingill: Madam Chairman, I move the Preamble.

The Chairman: It has been moved that the Preamble be approved.

Is there any objection to that motion?

There are no objections.

Agreed to.

[Gavel]

Hon. Mark J. Pettingill: Madam Chairman, I move that the Bill be reported to the House.

The Chairman: It has been moved that the Bill be reported to the House as printed.

Is there any objection to that motion?

No objection.

Agreed to.

[Gavel]

[Motion carried: The Transnational Organised Crime Act 2013 was considered by a Committee of the whole House and passed without amendment.]

The Chairman: The Bill will be reported to the House as printed.

[Pause]

House resumed at 4:36 pm

[Hon. K. H. Randolph Horton, Speaker, in the Chair]

REPORT OF COMMITTEE

TRANSNATIONAL ORGANISED CRIME ACT 2013

The Speaker: The Bill entitled the Transnational Organised Crime Act 2013 was approved as printed.

We will now move on to Order No. 3. I am told that is to be carried over.

And Order No. 4 I am told is to be carried over.

Premier?

Ah, before that . . . Minister, Attorney General.

Minister Gibbons, help him out, please.

Hon. Mark J. Pettingill: I am searching for my glasses.

The Speaker: Yes.

SUSPENSION OF STANDING ORDER 21

Hon. Mark J. Pettingill: Mr. Speaker, I move that Standing Order 21 be suspended to enable me to move that the Bill entitled the Proceeds of Crime and Related Measures Amendment Act 2013 be now read the third time.

The Speaker: Are there any objections?

There are none.

Carry on, Minister.

[Motion carried: Standing Order 21 suspended.]

THIRD READING

PROCEEDS OF CRIME AND RELATED MEASURES AMENDMENT ACT 2013

Hon. Mark J. Pettingill: Mr. Speaker, I move that the Bill entitled the Proceeds of Crime and Related Measures Amendment Act 2013 be now read the third time by its title only and passed.

The Speaker: Are there any objections to that?

There are no objections.

[Motion carried: The Proceeds of Crime and Related Measures Amendment Act 2013 was read a third time and passed.]

SUSPENSION OF STANDING ORDER 21

Hon. Mark J. Pettingill: Mr. Speaker, I move that Standing Order 21 be suspended to enable me to move the Bill entitled the Transnational Organised Crime Act 2013 be now read the third time.

The Speaker: Are there any objections?

There are none.

Carry on.

[Motion carried: Standing Order 21 suspended.]

THIRD READING

TRANSNATIONAL ORGANISED CRIME ACT 2013

Hon. Mark J. Pettingill: Mr. Speaker, I move that the Bill entitled the Transnational Organised Crime Act 2013 be now read the third time by its title only and passed.

The Speaker: Are there any objections?

There are none.

The Bills have passed.

[Motion carried: The Transnational Organised Crime Act 2013 was read a third time and passed.]

The Speaker: I now recognise the Premier.

ADJOURNMENT

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

I move now that we adjourn until September 20th at 10:00 am.

The Speaker: Thank you.

Oh, you caught my eye!

The Chair now recognises the Honourable Member, MP Walton Brown.

You have the floor.

Mr. Walton Brown: Thank you, Mr. Speaker.

I am glad I was able to catch your eye even though I am not wearing any red today. It is good to see that you can practice a non-discriminatory policy of allowing people—

The Speaker: Oh, I do appreciate that colour Honourable Member.

OVERSEAS TERRITORIES MEETING IN GIBRALTAR

Mr. Walton Brown: —not wearing red to speak.

Mr. Speaker, the Honourable Premier was this week in Gibraltar for an Overseas Territories Meeting to discuss matters of mutual interest. And in that meeting the Premier reported this week that the collective view of the Members present was to pursue what it termed a new term called “self-determination” as opposed to independence in assessing the relationship between the Overseas Territories or Colonies and the United Kingdom.

Mr. Speaker, I just want to speak on this issue for a little bit just to bring some clarity to the issue of our relationship with the United Kingdom and also our relationship with the other Overseas Territories.

Let me first of all say that it is not the case that Bermuda and the other British Colonies share a similar set of concerns and structures. It is true that

the Caribbean Colonies (which I include Bermuda as a part of) share a similar financial services focus to a very large extent. But you cannot put Gibraltar and the Falklands Malvinas in the same category. Because when it comes to issues of self-determination both Gibraltar and the Falklands Malvinas have a completely different set of concerns. And they have been treated differently by the UK over the years.

That is why, Mr. Speaker, both the residents of the Falklands Malvinas and Gibraltar were given citizenship more than a decade before. Bermudians and other British Overseas Territories citizens received British citizenship once again in 2005. And so when it comes to issues of their future relationship, there is no commonality of interest. I have talked to these leaders in the Territories for more than 20 years, Mr. Speaker, and you would know this . . . on a wide variety of non-self-governing issues. So I want to put that part out.

The second point, Mr. Speaker, is that if you are talking about self-determination, you necessarily have to raise the question of our constitutional relationship with the United Kingdom. And I am sure it is unwitting, but the Premier has unwittingly and perhaps the Members of the Overseas Territories themselves also have unwittingly identified self-determination as an objective by other Overseas Territories.

Mr. Speaker, since the United Nations was formed in 1945 in section 73 of the UN Constitution and also looking at the relationship with the United Kingdom, there are three ways in which one can achieve self-determination. There are three modalities of self-determination. One is integration with the administering power. So that would mean Bermuda becoming integrated with the United Kingdom. That is not an option. The second is associated statehood, which was an option in the early 1970s. It is no longer an option today with the United Kingdom. And the third is independence. There are only three constitutional options.

And so to talk about self-determination as an objective is not something that is in reality on the cards politically. So I want this House and I want members of the public to know that we either remain in our current constitutional status or we consider the only other option available to us. And perhaps the Premier wants to initiate a discussion on this. We could happily do so, but it is to misrepresent the options to talk about self-determination as the option that is available to us.

The Honourable Premier spoke about the need to examine whether or not we should have input into who our Governor is.

Hon. L. Craig Cannonier: Point of order, Mr. Speaker.

The Speaker: Premier?

POINT OF ORDER*[Misleading]*

Hon. L. Craig Cannonier: Yes. He is misleading the public. I did not say that self-determination was an option. That is very misleading.

The Speaker: Carry on.

Mr. Walton Brown: Mr. Speaker, if I can quote the Premier on this matter. The Premier stated to the public and I am happy to take guidance if this is incorrect, but that *self-determination needs to be pursued but not independence*. And what I have said before this House and what I stand by is that there is no further constitutional option available to this country other than independence because associated statehood and integration with the United Kingdom were once options. They are no longer options. So if I am mistaken on that, I am happy to sit down and have the Premier bring clarification.

Hon. Trevor G. Moniz: Mr. Speaker, Mr. Speaker.

The Speaker: You have a point of order?

POINT OF ORDER*[Misleading]*

Hon. Trevor G. Moniz: The gentleman has offered to accept some assistance; perhaps he would not mind getting some assistance from myself in terms of clarifying.

The Speaker: You would like to—

Hon. Trevor G. Moniz: My point of order is that he is misleading the House. But he has invited us to assist him so—

The Speaker: And so Honourable Member what would you . . . you would like to clarify?

Hon. Trevor G. Moniz: The Honourable Member is mis-defining self-determination. Self-determination means that you are determining what you are going to do in the future. He is artificially saying there are only three categories that exist, and that is not true. Bermuda could determine to stay in the position it is in. It could determine to seek greater powers as the Premier has spoken about in the other Overseas Territories, to seek to affect the reserve powers. That is self-determination as well. So for him to artificially say that self-determination must be in one of these three things is false.

The Speaker: All right. Thank you.

An Hon. Member: He is setting up a man of straw.

The Speaker: All right. Thank you. Thank you, Minister.

Member?

Mr. Walton Brown: Well, Mr. Speaker, I am not setting up a straw man. All I am doing, Mr. Speaker, is sharing the collective decisions of the United Nations special committee of 24—

[Inaudible interjection]

Mr. Walton Brown:—sharing the collective wisdom of the United Nations committee of 24, an entity that was set up by the General Assembly of which the United Kingdom is a signatory power, of which the United Kingdom is obliged to send annual reports on the status or developments in colonies like Bermuda. And what has been accepted by international law and international best practice.

So I understand, Mr. Speaker, that these models of law are beyond the experience and scope of the Honourable Member's experience, but I am here to tell you, Mr. Speaker, that there are only three constitutional options. And it is . . . he can call it a straw man if he wants to . . . that is the constitutionality of our options.

And so, Mr. Speaker, I am intrigued by a call to have greater control over the appointment of a Governor. If the issue is our constitutional relationship with the United Kingdom and our ability to best pursue our own interests, does it really matter if we have a say over who becomes our Governor or not? All that does, Mr. Speaker, is solidify our existing constitutional relationships and does nothing to better give us . . . grant us the power to address the issues that we need to address in our country. I know the Premier is sincere in his approach toward these issues—I do not doubt his sincerity whatsoever. All I am trying to provide for the Government, Mr. Speaker, is some of the collective wisdom that has been shared by many, many other countries that have addressed these issues. This something that we can all learn from by looking at the experiences in the decision making process of other countries.

Now, the UK has said repeatedly since the 1970s that there would be no further constitutional advance without independence.

[Inaudible interjection]

Mr. Walton Brown: Now, they have said that repeatedly. They have made some concessions. They have made some concessions. That is a matter of record; it is a matter of fact.

But the question, Mr. Speaker, is there has been no adjustment of the relationship of power. And so as we move forward with this country, Mr. Speaker, the Premier knows . . . the Premier understands that

when we were pressured by the UK to sign off on that Convention on Mutual Tax Exchange Information, we were pressured. I am not interested in packaging information that is to be . . . it was presented to us, we were pressured to sign something, and we faced continuous pressure with respect to our economy and our economic structure. And the Premier will acknowledge that.

All I am saying is that if we want an honest discussion about positioning this country so that we can grow economically, so that we have a full range of the options available to us economically, then we have to consider our political status.

And for the Members on that side who have a visceral, emotional reaction to the term “independence” or “self-determination,” well, they need in the words of one PS [Permanent Secretary], *Get over it*, because it may be fundamental to our interests to address our constitutional status if we are serious about repositioning our economy. Because the Premier [and] the Honourable Minister of Finance are fully aware of the challenges that exist when it comes to us negotiating for our best interests internationally. The Honourable Finance Minister will be aware of the pressure brought to bear about a wide range of international organisations, and we do not have the ability to sign off on anything . . . anything unless the UK first gives assent to it. And I can tell you, Mr. Speaker, that political shell is not the optimum framework for us to move forward.

Thank you, Mr. Speaker.

The Speaker: All right. Thank you, Honourable Member.

The Chair now recognises the Honourable Member from Pembroke [South East], MP, Rolfe Commissioning.

You have the floor.

SAGE COMMISSION

Mr. Rolfe Commissioning: Mr. Speaker, I derive no pleasure in taking to my feet today in order to explore an issue that has elicited considerable interest in our community.

And that issue concerns the SAGE Commission more broadly, and the solicited submissions which it has sought from the general public and civil servants. You will know that one submission in particular, which turned out to be the winning submission, has been the subject of much discussion. First, let me say that the SAGE Commission on the face of it can be viewed as a body constituted under law to try to achieve greater efficiencies and thus productivity in Government. On the other hand, some would say that the SAGE Commission is an example of the Government abrogating its leadership to lead. A Government intending on immunising itself from the hard decisions which they claim have to be made. And so you out-

source those responsibilities for leadership to the SAGE Commission.

Mr. Speaker, one submission in particular (as I made mention) by a Government civil servant, Mr. Markus [*sic*] Henagulph, has been (as mentioned) under significant scrutiny. Mr. Henagulph, of course, won the award of \$12,500. That award was given to him over other submissions. There were others who received some funds as well for their submissions. We know that one of the former Minister's and a PLP MP's son, a young Mr. Perinchief, was quite impressive for his age. He also got an award as well.

But Mr. Henagulph took a top award. But upon closer inspection by many in the community and observers, there were things that were fairly problematic about Mr. Henagulph's submission. There is no doubt that throughout here you can find laudable recommendations. But shortly after the report was made public—prematurely I might add as has now been conceded—what was the rush to publicise it I might add? And frankly (I want to explore this a little later) why would an award be given to a submission so riddled with factual errors, typos, *et cetera*. That begs the question, I might add. But nonetheless we first got wind of potential problems with his submission in the person of my colleague, Mr. David Burt, on page 10 of the report it noted here that TCD has four contracts with GMD for IT consultants—

The Speaker: Where . . . what are you reading?

Mr. Rolfe Commissioning: I am sorry, Mr. Speaker, from the original submission that was made—

The Speaker: By . . . by?

Mr. Rolfe Commissioning: —by Markus [*sic*] Henagulph.

The Speaker: I see, I see. Magnus . . . Magnus.

Mr. Rolfe Commissioning: Magnus, thank you.

The Speaker: I do not have it so—

Mr. Rolfe Commissioning: Magnus Henagulph.

The Speaker: Magnus Henagulph, yes.

Mr. Rolfe Commissioning: Where he cited that the TCD has four contracts with GMD for IT consultants. Mr. Burt, of course, went public to defend the interests of his company and noted that they only have one. And also noted (I think quite correctly) that they had provided good service for the Government with that one contract. So that was the first inkling that something was not altogether right with this submission.

Furthermore, Mr. Speaker, we had on page 6, of which I made mention in the public domain about

... page 7, I should say, that here he makes a comment about ... on page 7, that the police should move out of Veritas Place and into the Dame Lois Browne-Evans building. He claims that the rent there, as highlighted on page 7 of the submission is \$250,000 per annum. That was the first mention of the police being at Veritas Place. Later he goes on, however, on page 16, to return to the issue of the police prospectively moving out of Veritas Place and not only claimed that the rent in this citation is \$156,000 at least \$100,000 less than what he originally claimed only 10 pages before this.

And then he says this (in parenthesis) that the police executives or administrative officers who are in Veritas Place (I am not quoting, I am paraphrasing) are in there with the result of it being a questionable lease, as in the building being owned by a former PLP MP. That is in parentheses "questionable lease as is in building owned by former PLP MP." Certainly that raised eyebrows. He does, of course, speak in here about the need for Government to save money. I assume by pulling many Government offices and departments out of private commercial space and into, where possible, Government accommodations. Of course there is no mention here that only three or four years ago we had Minister Burch who quite publicly had stated that he was about trying to do exactly that.

Mr. Speaker, I personally took great exception to this. You know I have an aunt who was former Tax Commissioner. The Tax Commissioner's office has been situated over in the Perry Building on Church Street. They have been there I think at least a quarter century give or take a couple of years. That building also houses two other Government departments ... at least I think three Ministries or three different departments within that building. Certainly tens of ... probably, I would say that ... scores ... tens of millions of dollars have been generated by the Government tenancy of those three or four departments in that building over the last 25 years. Mr. Perry, we know, has been certainly a former United Bermuda Party Member sitting in these Chambers.

An Hon. Member: How many years ago was that?

An Hon. Member: When was that? Fifty years ago?

An Hon. Member: He was here?

An Hon. Member: Fourteen years ago.

The Speaker: I do not remember.

[Crosstalk]

Mr. Rolfe Commissiong: Mr. Speaker, I will give you another example, on our Parliament Street there is a building there on the corner of Parliament Street and Victoria Street that houses Child and Family Services.

The building has as an owner, or a major principal in the building, a former Speaker for the Chamber who is also a United Bermuda Party member, a MP.

[Inaudible interjection]

Mr. Rolfe Commissiong: Excuse me?

The Speaker: Honourable Member, speak to the Chair.

Mr. Rolfe Commissiong: Mr. Speaker, the—

[Crosstalk]

Mr. Rolfe Commissiong: Mr. Speaker, we all know that throughout Hamilton that there are many, and over the years there have been many Government departments and Ministries that have been rented to these Government departments and that have generated significant monies to these owners, some of whom had very close association with the United Bermuda Party or sat on these very same benches.

My point is, why point this out that he was a former PLP MP? He did this in no other citation here. He did this in none of the other citations. For example, here he says, on page 16, "Human Resources—In 129 Front Street Annual rent for 2013/14 is \$666,240." There is no mention of the owner of that building. And so this speaks to the credibility of the process and thus reflects on the credibility of SAGE itself, who would choose Mr. Henagulph's submission as being the top submission.

We also have on September 11th, Mr. Speaker, by way of the *Royal Gazette*, [Mr. Chris Furbert](#), who is the President of the Bermuda Industrial Union, also took issue with some of the points raised in the same winning submission. He pointed out on page 6 of the *Royal Gazette* that "Mr Henagulph's claim that some Ministers had been using Government issued credit card for non-business purposes. As it turned out, the policy is not to allow Cabinet Minister's and civil servants to use the credit cards locally, and Mr Henagulph removed the claim in a revised version of his submission."

An Hon. Member: He was talking about the former Government.

Mr. Rolfe Commissiong: Mr. Furbert goes on, point two, "Mr Furbert pointed out another factual error in Mr Henagulph's submission—the claim that bus drivers who fill in for colleagues on furlough would be paid time and a half. In fact, the recently concluded agreement between Government and its employees specifically provides that the 12 days of furlough—unpaid and unworked days—will be filled in at straight time." But see, you know what I think, Mr. Speaker? I believe that for those who may have made that position on the

part of SAGE—they took some of this as “red meat”, confirming their worst fears about Government and those who may have provided services to Bermuda.

Certainly, Mr. Pettingill gave them enough “red meat” to earn this designation as being the best submission. But the shame of this (as I alluded) is that, having done so, the SAGE Commission is now tied at the hem to this submission and its impact in terms of causing a diminution of credibility in the work of the SAGE Commission on the part of Bermuda’s people. That is what has been the greatest damage here.

I am also saddened by the fact that having tried to make it appear in the public’s eye—again, this is where we come to the “red meat” part of this—that Mr. [Arthur] Hodgson’s so-called building . . . And I might add that Mr. Hodgson does not own the building. It is owned by a company, of course. The tenants in there, this being the police administration at various levels I guess at the hierarchy there at the executive level, because of PLP and all these upper PLP cronies! A former PLP MP, he states.

Come on! The fact of the matter is that Mr. Hodgson, at the time of that lease being signed with the company who runs Veritas Place had been out of Government for at least five or six years, as you would know. Are they are now saying that Progressive Labour Party Members, or even OBA Members having left the Government, cannot do business with the Government?

[Inaudible interjection]

Mr. Rolfe Commissiong: No, no, anyone.

[Inaudible interjection]

Mr. Rolfe Commissiong: Yes, he did. But in that case, and in many cases, they did it while they were in Government—on the benches!

[Inaudible interjections]

Mr. Rolfe Commissiong: We all know, Mr. Speaker, that it is an alliance, and so the legacy of the United Bermuda Party is still with us. It is an alliance between the BDA and the UBP.

[Inaudible interjections]

Mr. Rolfe Commissiong: Mr. Speaker, I do not know how the 33-million-dollar-man, Mr. Duperreault, is going to deal with this next week, but I think that it is incumbent upon the SAGE Commission to try to restore its credibility amongst Bermudians by addressing this issue. I think it would be a great public relations plus for the SAGE Commission to request that those funds that were given to Mr. [Magnus] Henagulph be returned to them so that they can give it to a more wor-

thy person, that being young Mr. [Ryan Robinson] Perinchief, and his submission.

[Laughter]

Mr. Rolfe Commissiong: Because, because what we see here—

[Laughter and inaudible interjections]

Mr. Rolfe Commissiong: —what we see here does not cut it.

[Laughter]

Mr. Rolfe Commissiong: Mr. Speaker, I just want to say this again, and I guess I have come full circle.

Like I said, on the one hand we have an organisation (I think this bears repeating) that is tasked with, during these times . . . and it is a laudable goal to achieve greater efficiency in Government to, as a result of that, see higher productivity so that the Government can provide the level of services that Bermudian people have come to expect, while trying to meet the goal of debt and deficit reduction. We know it is not an easy task.

But we have to be careful about the other side of that SAGE coin. That is, being one that is designed, as I said, to outsource the tough job of leadership to immunise a Government from having too close a hand on decisions which they know will be unpalatable and will have the potential of causing great harm in our community amongst Bermudians, Bermudian workers, particularly in the civil service who, in many cases, because of the ideological lens which many on that side of the fence and their supporters see through, are constantly being vilified and disparaged for the contributions and the good faith in which they conduct their professional duties and work within the Government.

Like I said, maybe it is the red meat that Mr. Henagulph provided that only confirmed these biases that led those decision-makers to award him with the highest prize.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

The Chair now recognises the Honourable Member from Pembroke East, MP Walter Roban. You have the floor.

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

My, my, my. We have had a number of interesting things happen in the days before returning to this House, this being a special sitting. I guess we will ultimately figure out how special it is once we complete the time and the work that is given.

Mr. Speaker, my honourable colleague who has just sat down, and even the honourable colleague prior to that, I think raised some very interesting is-

sues in addressing what my honourable colleague just spoke about in reference to this contest that was devised by the SAGE Commission, which, ultimately, was devised by the One Bermuda Alliance. Let us not forget, SAGE is a creation of a platform initiative. It is a creation of legislation brought to this House supported and approved by the One Bermuda Alliance Government. So it is an extension of their intention, their objective and their purpose, and what vision we choose to associate with them. Let that not be missed.

So here we have, as my honourable colleague has outlined. I am not going to go into all the details that my honourable colleague has, but we have to put this squarely where it belongs. Whatever challenges have arisen through the contest and the issues that arose out of the submissions must be squarely put where it was born. It was born with the OBA. The SAGE Commission is a product of the OBA.

Now, I think, to be frank, the fiasco that has come as a result of this process . . . and I guess, as my honourable colleague already outlined, we will hear more next week when the sages of the SAGE give us some wisdom as to what, where, when and why. But at this point, I think the SAGE Commission's credibility is seriously damaged. And, to be frank, if they cannot manage an essay contest how can we expect value from the submissions that they are going to provide, the recommendations, for this country?

They have been tasked by the OBA Government with coming up with recommendations that are going to impact the lives of thousands of people. They have already hinted at some of the things that they desire.

Now, as my honourable colleague has outlined, SAGE is really a part of their outsourcing programme. They outsourced the responsibility and the liability of the tough decisions that the Government will be expected to make. And that is okay, because that is what they want to do. But up to this point, Mr. Speaker, we have not seen much, at least from this side of the House, that we are comfortable with from this group that has been put together by the OBA.

This contest . . . my gosh, it is a fiasco! It is not that some of the ideas that might have come from the public, because it seems as if we are getting more ideas, so far, because the interim submission did not have much, but all the idea generation seems to have been tasked to the general public to benefit the SAGE. So, let us hope we see, other than fiascos, some other things from them going forward because they do not have much time left. October—next month—they are supposed to share their wisdom with us and what should be happening. So we wait with bated breath.

But this contest has revealed something, I think very problematic. And for the SAGE to recover some of that integrity that presumably came with their legislative prerogative, they need to clean it up. How

they will clear it up I leave to their masters and to them to decide (their masters being the OBA Government), because that is where the ultimate blame lies with some of what we have seen go wrong. It is with those who sought to create them; those who embedded them with the power that they have, with the opportunity—the lack of accountability, I might add as well, that comes with the package—and ultimately with the decisions and recommendations that were made. That is all coming. Ultimately, it will be the responsibility of the OBA Government.

So somebody has to clean it up so that at least there is some recovery, ultimately, at the end of the day because this contest and how it has been handled . . . not to belittle any of the value that might come from the ideas that have been publicly generated. Their reputation has been soiled and damaged. So we will see what happens. I wait to see what the sages of the SAGE have to say about this.

Now, Mr. Speaker, that is not the only unfortunate occurrence we had recently. We have had a couple of things recently that, frankly, I think much of the public is mind boggled about. And, thankfully, the recent weather event did not bring about any great damage or loss of life or any of the things that we so desperately do not want to see when weather events hit our Island. But we seem to have had some other things happen and there seems to be a little confusion.

That confusion did not just affect one or two people. It affected hundreds of people, presumably, with the decision to close schools and not to close, to open schools, all happening within a space of about 12 hours. It seems as if the country was sent into confusion, not by the weather, but by decisions of certain people!

An Hon. Member: Only one person.

Mr. Walter H. Roban: I must say that I myself was puzzled by what happened and thought about it a bit.

[Inaudible interjection]

Mr. Walter H. Roban: Oh, yes. As my honourable colleague just said, yes, I myself.

I actually chaired the EMO [Emergency Measures Organisation] about three times when I was a member of the Government. So I have some knowledge and understanding on how it operates. Having thought carefully about the chain of events and how the process goes . . . and let us state for the record, Honourable Minister Dunkley would be sitting as a chair[man] in his capacity as Minister of Public Safety—

[Inaudible interjections]

Mr. Walter H. Roban: Just for the record, there is a specific ministerial responsibility associated with chairing the Emergency Measures Organisation (EMO), and that does not lay with the Premier or anybody else. Right? So that is one thing that is clear. Some of the decision-making around what happened, certainly much of the decision-making that happens around the EMO, once the EMO is embodied they almost basically run the country.

Not even the Premier or any other member of Cabinet is supposed to interfere with the process upon which the EMO takes responsibility for when it is embodied. Until it is disembodied, there is a very certain way it runs. And for all the years that it has been running, it has done a pretty good job, I think we all can say, when it has operated and dealt with these situations.

[Inaudible interjection]

Mr. Walter H. Roban: Well, that seems to have been thrown into a big question, Mr. Speaker, a couple days ago. The confusion—the EMO, chaired by Mr. Dunkley at the time—dealt around a decision about opening and closing schools. We have really yet to hear, in my view. We have heard a couple of reports. But, as I said, I do have some knowledge of how that body runs. I chaired about three times. Mr. Dunkley, it was probably his first time, so I would hope he would respect some of the wisdom that might exist in my comments.

[During] the times that I chaired there were actually weather events that brought a lot more risk to this country, so there was a lot more intensity in what was going on. You, Mr. Speaker, can appreciate because you chaired the EMO during one of the worst disasters in the history of this country. So I know you yourself have great knowledge and understanding of how the EMO operates.

I fail to understand how what happened a couple of days ago happened . . . unless, Mr. Speaker, there was perhaps some interference in the process of how decisions are made, whether from ministerial interference or from somewhere else. It does appear that perhaps some ministerial interference, perhaps Mr. Dunkley himself (I am only surmising) or another Minister messed up how the process should go.

Or perhaps at some point, if what I am saying is not correct, Mr. Dunkley, as the ministerial chair[man] responsible, will provide the country with more clarity. The Honourable Minister will provide more clarity on that in the days to come, because I have not heard that clarity. I have heard a lot of other stuff. Even another Minister apologising for something that he should not have had to apologise for because, frankly, the other Minister should not have been involved in the process.

An Hon. Member: Exactly!

Mr. Walter H. Roban: How that Minister was allowed to interfere in the process . . . that question should be put to the Minister who chairs the EMO himself. Because when schools open, which radio stations are called and not called is not the decision of a particular Minister. Those are EMO process decisions. And that seemed to not happen. The dialogue that has been out there in the community has been that a certain Minister seems to have been involved in that process. I do not know why that was, but perhaps it is the naïveté and inexperience of some Ministers on the OBA side that caused this.

Despite that, Mr. Speaker, I am prepared to give him a break on this one.

[Laughter]

Mr. Walter H. Roban: Perhaps I can give him a break. Maybe I can give him a break. I might give him a break.

[Laughter and inaudible interjections]

Mr. Walter H. Roban: But guess what, Mr. Speaker, I am going to still spend some time talking about it before I give him the break because that was a doozy!

With all the years that have been a part of the EMO doing its work, that was a new one for me. And for those of us who have been involved in the EMO, those of us who have certainly had to deal with issues . . . And I am not the only person on this side who has had experience with the EMO. There are other Ministers, like the Honourable former Attorney General who has chaired the EMO. He is here, and I am sure, like you, Mr. Speaker, he can appreciate the processes and procedures and the things that are necessary for its function. But that was something that I had to scratch my head about.

I do hope that at some point the country gets the benefit of clarity, because there is one thing I do know, Mr. Speaker, because of how the EMO works. They themselves will do the appropriate post-mortem review to figure out how they can always be better. That is a constant feature of the EMO process. But I fear that the Government itself will not go through such a process with itself. It may have to wait until it goes to the public to get that reality. What happened then? Anyway . . . I wait with bated breath for some clarity.

Now, Mr. Speaker, the only other matter I wish to raise is one that perhaps is more local in its dimension. It pertains to certain concerns that I and my colleague raised publicly about CCTV cameras in an area which I represent and my colleague, the Honourable Member, Mr. Weeks, and the concerns that we raised as to their operation.

Those concerns were raised around having had the experience, of late, of two incidents in close proximity of time in the area which unfortunately resulted in losses of life. It comes from having to deal with the constituents that are in those areas and the losses to their families as well as believing themselves (as they have expressed to us) that that technology that was deployed in the area to assist them with their safety and security was not operational.

These were the concerns raised to us as the Representatives of the immediate area. We brought those to the public eye, and [they] certainly would have been heard by the Minister. But I am sure that my honourable colleague, Mr. Weeks, would affirm what I am saying is that we have yet to hear any clarity as to whether that was the case, that those cameras in the St. Monica's area were operational at the time or are operational now.

We are not looking to prejudice or disrupt the chain of operation, or the usage by the appropriate authorities of that technology. As has been publicly stated, Minister Weeks and I, and others, worked hard to see that technology deployed in the area because of the ongoing issues that we all are very familiar with which sadly the residents are still experiencing. So it is out of that genuine concern, and representative of the emotion of our constituents, that we brought those issues to the table.

Mr. Speaker, we do not feel that we have heard the answers that we require yet. So, again, we wait with bated breath to hear more clarity from the Minister around what the situation is so that we can give the appropriate assurances, as the area Representatives are held responsible by the community in the Glebe Road area, the St. Monica's Road area, the Government Gate area, the Marsh Folly area, because it is their confidence the Government requires.

It is their safety the Government is responsible for through the Security Services. It is their well-being that is important to all of us so that we can take a message back as to the state of affairs because there is a lot of passion around these issues in that area and whether the Government appreciates that or not. Perhaps they do. But we bring those issues to the front page and to this table and to this House out of genuine concern for all those things and we desire answers that we can bring comfort to the residents who have gone through what they have gone through over the past two weeks and even previously.

So, Mr. Speaker, having said all that I will take my seat and I am sure perhaps the Minister may have something to say on these matters. I am sure that other Members will as well.

Thank you.

The Speaker: Thank you, Honourable Member.

The Chair now recognises the Honourable Member from Sandys South, MP T. E. Lister.

You have the floor.

Hon. Terry E. Lister: Good evening, Mr. Speaker.

The Speaker: Good evening, Mr. Lister.

PROPER RECOGNITION OF LOCAL ACHIEVERS

Hon. Terry E. Lister: Mr. Speaker, the first thing I want to say tonight is that just a few weeks ago we saw in the newspaper and on the news the Minister of Community and Sport diving into the pool at the National Stadium making a big splash. We saw some others diving into the pool, and the person who really should have dived into the pool first was Katura Horton-Perinchief. No question about that.

[Inaudible interjections]

Hon. Terry E. Lister: No, because she is a skilled person.

[Inaudible interjections]

Hon. Terry E. Lister: Ms. Katura Horton-Perinchief is the first black female to compete in the Olympics as a diver. No one has ever done it from anywhere in the world—no part of the world. What I want to suggest tonight (for the benefit of the Minister to carry to his Cabinet) is that we name the Aquatic Centre (which is now complete) the “Katura Horton-Perinchief Aquatic Centre.” I believe that would be the appropriate name for it; it would be appropriate recognition. One of the things that we have failed to do, all of us, in this House—not the OBA, not the PLP, all of us—is to give appropriate recognition to the achievements of our people.

An Hon. Member: Hear, hear!

Hon. Terry E. Lister: We still struggle with if we have properly recognised Clyde Best. That is a conversation that goes on all the time. And all of us who go to the UK, and who are football fans, sit in the crowd and we start carrying on with being Bermudians and people around us say, *Where are you from? We say, I am from Bermuda!* [They say,] *Bermuda? Do you know Clyde Best?* [There are] sixty thousand of us and most do not. But you and I get to say, *Yes!* You say, *Why, I played with him!* I say, *Well, I was in his neighbourhood. I talk to him all the time!* A living legend—not recognised!

It is time we do the right thing now and recognise Katura Horton-Perinchief as the person for whom the Aquatic Centre should be named.

[Inaudible interjections]

EDUCATION

Hon. Terry E. Lister: Let me make it clear now. I am not talking about the diving pool. I am talking about the Aquatic Centre—period. That is the first thing I would like to say, and I invite the Minister to take that back.

Now, Mr. Speaker, during the time we have been away, much has happened in the field of education. Most of it confusing, some of it downright silly, and very little progressive and positive. And that is sad. This country will get back on its feet and we will move forward positively as its young people succeed or fail. Any Government worth its salt is going to stand up and say, *I believe in young people*. And then those who are in charge of Government will say (as I say), *Demonstrate it. Show me!*

Show me. What have we seen? Today we saw the Education Amendment Rules and the school year being reduced to 198 days for the next two years. I actually scratched my head because, I, like most of the public, tried—and I use the word “tried”—to follow the bouncing ball in the press conference that was run by the Permanent Secretary, Warren Jones, and attended by the Minister, Nalton Brangman.

[Inaudible interjections]

[Gavel]

Hon. Terry E. Lister: He attended it!

[Inaudible interjections]

Hon. Terry E. Lister: Yes!

I have never seen anything like it, Mr. Speaker. I invite the public on those days when you are feeling down and you do not have anything to lift you, to go to YouTube and watch that press conference. You will feel good.

[Laughter]

Hon. Terry E. Lister: You will laugh, and you will laugh, and laugh, and then you will stop and you will say, *Oh, my God. This is the guy in charge of education*. And then you will stop laughing and it will ruin your day rather than enlighten it.

An Hon. Member: Not even funny.

Hon. Terry E. Lister: No, it was not funny.

What I think I heard, Mr. Speaker, was this: We are halfway through the first year of this two-year agreement. Therefore, we are doing this thing for five days. Okay, scratch my head, think about that and the question that comes to me is, *Well, what about the second year?* Because the second year we will have a whole year in the agreement, won't we? So is there

going to be five days for the second year or 10 days for the second year?

Well, what do you think? What is the guess?

I guess it must be 10, isn't it? Does that make sense to anybody? Does it not make sense? Well, I am holding the amendment that went through and it says for the school years commencing September 2013 and September 2014 be not less than 188—a hundred and eighty-eight?

[Inaudible interjections]

Hon. Terry E. Lister: What is this rubbish? What is this?

Mr. Speaker, look, look, look—*[Paper tearing]*. Let us just tear it up and throw it away. This is nonsense!

An Hon. Member: Trash!

Hon. Terry E. Lister: You see my point? This is nonsense. We had 200 school days. Now this is talking about 188 school days. Mr. Speaker, you have been a principal. I have been the chairman of a school. You have been a teacher. I have been a student.

Dr. the Hon. E. Grant Gibbons: Mr. Speaker, point of clarification, if I may.

The Speaker: Yes, yes.
MP Lister? Yes.
Minister, you have the floor.

POINT OF CLARIFICATION

Dr. the Hon. E. Grant Gibbons: I would prefer to do it this way [rather] than a point of order. I think the Minister, if he read it carefully, would understand that it is “up to 188 days.” That gives the Ministry leeway. This year it is only going to be two classroom days. They have not sorted out where they are next year yet. That is under discussion right now.

Thank you.

The Speaker: Thank you, Minister.
MP Lister?

Hon. Terry E. Lister: I appreciate that.

So, I am going to translate as best I can. What I think I just heard is that next year it *could* be 12 days. Is that what you meant? Because it is 200 and then up to 188 [days]—I can still do that math One hundred eighty-eight versus 200. The difference is 12. So tell me what you are saying. I will sit down. Tell me.

The Speaker: Go ahead.
Dr. Gibbons, you have the floor.

Dr. the Hon. E. Grant Gibbons: Thank you.

I appreciate the Honourable Member's giving way to be able to clarify this. I think the answer is the 188 gives the Ministry sufficient latitude to cover any eventuality there. Obviously, in the same way this year is only two days, they would hope to have a minimal number of days. But those are still being negotiated with the two unions, the Bermuda Public Services Union (BPSU) and the Bermuda Union of Teachers (BUT).

Thank you.

The Speaker: MP Lister?

Hon. Terry E. Lister: Thank you.

Thank you for that. That is very clear and what I clearly get is that our children are going to be short-changed. Simple as that.

Now, you know, the unions and the Government made an agreement. They worked very hard at it and everybody in the country applauded them, that they could make an agreement. Now, Mr. Speaker, I did not think that, as a result of that agreement, if I was taking the ferry from town to Dockyard, when I got to Koala Bay the guy was going to put me out and say, *No, no, no. That is as far as I can go. We have got an agreement.* I thought he would take me to Dockyard. As far as I know, that is what is going to happen.

If the trash has to be picked up all over Somerset, the trash truck driver is not going to get to Sound View Road and do the bottom of Sound View and not the top of Sound View. He is going to do all of Sound View. But the only place where we seemingly have a problem, or so far we have been told that there is a problem, is with our children—our future! I am concerned about that.

As I was starting to say before I took my seat earlier, you, as a principal and a teacher, myself as a student, we know that there actually are not 200 teaching days. In primary school, the most important thing on the last two or three weeks of primary school is getting ready for the Christmas play. The most important thing you do. Everybody goes to the Ag show [Agricultural Exhibition]. You know, and you start finger counting—there are a lot of days that are lost. So while we are saying it is only going to be two, we really cannot afford to lose more days. So I am very disappointed by that.

Last year (I think it was last year), there was a court case taken up when the Minister of Education wished to move principals around. And out of the court case came an understanding that there had to be a dialogue—an agreement—between the Ministry, the ASP (now defunct) and the PTA before people could move. That was the legal agreement.

What I do not think the public understood was that that agreement was going to work its way right down to teachers. So now we have a situation where

if a teacher is at a certain school and he or she has been there a number of years and wishes to move, it has to be approved by the PTA. My gracious! My gracious! If a teacher is at a certain school and really is not getting along with the headmaster or headmistress because they clash—they just clash; they are both good but they need a fresh spot—it has to be approved by the PTA.

Mr. Speaker, we have had a whole year to work this out. There has to be some middle ground where practicality comes in and makes sense. So this year we have had the teachers not being able to be moved freely as they were in the past. And when I say "freely," I mean within the agreement with the BUT because it is not just a free move. The Ministry just cannot move people; there is a set of rules. But now there is something imposed above that. I would encourage the Minister to get his team working to resolve this for next May because if you do not work on it, we are going to be right back in the same problem. And you know what the answer will be? The answer will be the same answer given to so many other problems from education and it will be this [*Feet stomping*].

That is the answer. People walk away. They walk away.

So good teachers will go and work for private schools or they will come and work for the Bank of Bermuda . . . there is no Bank of Bermuda, is there? Unfortunately! Unfortunately!

[*Inaudible interjections*]

Hon. Terry E. Lister: They will go and work for the Butterfield Bank, or they will go somewhere else. Their talents will carry them somewhere. That is not what we need. So we have to work this one out.

Mr. Speaker, you were the Minister of Education when we moved back to the General Certificate of Secondary Education (GCSE) system. This is a British system. It is being exported to certain parts of the world. There is the threat constantly of changes being made to it and then, ultimately, the threat that it will disappear, having gone down this path. It is a bit of a dangerous path. But there we are.

When you are head of Education . . . the commissioner retires by programme. No surprise, no shock, nobody came in a bad mood and submitted a resignation; it was all expected to happen. I would have thought that two things would have been in place. First, we would have been looking for that team of Bermudians from which we could pick a new leader. Secondly, if that pool of Bermudians, after proper interview process, did not produce that new leader . . . if I were making the decision I would have had my people run ads in the UK—nowhere else in the world, in the UK—because we are tied into their system.

I, for the life of me, cannot see the benefit of taking the best person in the United States—the very best person—and bringing them here when we have

the system that we are tied into that can change in an instant. If we have someone from the UK who is well-grounded and well-tied in, they are on the Internet, they are on their cell phone, they are on Skype, they are talking to their buddies back in the UK who will assume the positions and the buddies are giving them the quiet talk about what is coming down. They have their relationships. They have a career's worth of relationships. Instead we have turned to the US to have a new leader, who probably knows as much about the GCSE as the children who started in P1 this year.

[Laughter]

Hon. Terry E. Lister: Do not laugh! I am not trying to be funny. I am trying to be accurate. I think that is an accurate statement.

[Inaudible interjections]

Hon. Terry E. Lister: Before he asked for the job . . . let me end the sentence. Mr. Speaker, before—

[Inaudible interjection]

Hon. Terry E. Lister: No, no, no. Before the man applied for the job he probably knew as much about the GCSE as a P1 student. I will stand by that.

[Inaudible interjections]

Hon. Terry E. Lister: Why would he know anything about it? Why would he know? No, I stand by that. I stand by that.

[Inaudible interjections]

Hon. Terry E. Lister: Mr. Speaker, a foolish, foolish move. And you notice I have not said one word, not one word, against the individual. Okay? I am not even going to go there. I will leave that for everybody else who wants to talk about the individual. I am talking about the principle of getting someone who knows something, when they walk in the door, that can help you. It only makes sense.

POINT OF ORDER

Dr. the Hon. E. Grant Gibbons: Mr. Speaker, point of order.

I think the Honourable Member is going after a civil servant here, and I think that is perhaps a little bit out of the—

[Inaudible interjections]

The Speaker: All right. I am sorry. No, he is not. No, no, he is not complaining about the . . . I do not think

he is complaining about the individual. He is complaining about the—

[Inaudible interjections]

An Hon. Member: He is pretty close.

The Speaker: Yes. He is close. He is close.

[Inaudible interjections]

The Speaker: He is close. But carry on.

[Inaudible interjections]

The Speaker: Carry on, carry on, Member.

Hon. Terry E. Lister: Mr. Speaker, the Honourable Member really surprised me. Before he stood up, the last thing out of my mouth was me saying, *You notice, I have not said a word about the person.*

[Inaudible interjections]

Hon. Terry E. Lister: Is that what I said? Is that what I said? That is exactly what I said. So how you go from that to I am attacking—

[Inaudible interjection]

Hon. Terry E. Lister: What?

[Inaudible interjections]

Hon. Terry E. Lister: Come on, Grant. Work harder. Work harder.

[Inaudible interjections]

Hon. Terry E. Lister: Work hard. Come on.

[Inaudible interjections]

The Speaker: Carry on. Carry on, Minister.

Hon. Terry E. Lister: Mr. Speaker, let me talk with this. We sat here in the last session, at the end, and we had a big debate on changing the funding for our scholarships. Some people were dead set against it and some were for it. When I stood up an hour ago I said that I was not for it. But I wanted to listen and hear what the actual figures were and how this would affect it.

I was assured by the Member who just stood that the students on average were getting under \$35,000, and so to cap it at \$35,000 would not be a problem. I said, *Fine, I am with you. You got my vote.* And if it went to a vote, I voted with it. I cannot re-

member if it went for a vote or not. But if it did, I would have voted with it.

However, Mr. Speaker, from the time you and I were in short pants, the Bermuda Government . . . stop actually, we are both still in short pants!

[Laughter]

Hon. Terry E. Lister: But for the rest of our growing up, when we were all still in short pants, it was seven scholarships a year.

An Hon. Member: Eight.

Hon. Terry E. Lister: Eight?

Well, I thought it was seven. Eight. And it has been that way forever. I won a scholarship in 1974; eight of us won scholarships.

Mr. Speaker, to pick up the paper a few weeks ago and to see that four scholarships were granted was unbelievable. We capped it at \$35,000. We discussed it at length. We went back and forth. The decision to alter the scholarship and the winners was made (I would guess) within two weeks of the debate here in this House. Within two weeks. And nobody whispered we were going to change the number. That is immoral. It is improper. It is deceptive. It is just plain not right to get the legislators of this country—the 36 of us—to kowtow and buy-in to something when you have the intent of turning it into something else. It is deceitful.

An Hon. Member: Yes!

Hon. Terry E. Lister: And, Mr. Speaker, the Members who are responsible for that owe this House an apology! Owe an apology!

[Desk thumping]

Hon. Terry E. Lister: Mr. Speaker, when I started you will recall I said we need to recognise our young people—Katura Horton-Perinchief.

An Hon. Member: Yes.

Hon. Terry E. Lister: Assure that our young people have a good future. The Member responsible for Tourism earlier gave what I consider to be an excellent Ministerial Statement on what happened in Transport this year. I commend him and his people. Well done! What we will see in February is how much we have gone over budget to do it. We have gone well over budget to do it. We know that. He knows it and I know it. But he spent the money because he believed it was the right thing to do to ensure our tourists were taken care of.

Is that what you said, Minister?

That is right. So we cannot spend the money to take care of our children?

[Inaudible interjection]

Hon. Terry E. Lister: We cannot spend the money to take care of our children? We take away four scholarships worth \$140,000 because we are on an austerity drive? Mr. Speaker, it is not accepted! It is not accepted tonight or any night.

This is the time to actually increase the number of scholarships! This is the time to increase the number of people you help because let me tell you what will happen, Mr. Speaker (as if you need to be taught, but let me tell you what will happen). We will let this year go by and next year go by and the following year go by and we will reach 10 years where our children have been ignored and the opportunities have been pulled back. And instead of maybe getting on a plane, more will get on a wall. And when this country recovers and gets on its feet and we need our bright people to take top-level jobs they will not be available to do it because they have not been prepared.

[Desk thumping]

[Inaudible interjections]

Hon. Terry E. Lister: Mr. Speaker, the 36 of us here are jointly responsible. I am not going to put it on one Member because he is carrying the hat called “Minister of Education.” We are all responsible and therefore all of us have the right to raise our voices in protest and to say, *This must stop!*

[Desk thumping]

[Timer beeps]

The Speaker: Member.

[Gavel]

The Speaker: Time.

Hon. Terry E. Lister: And on that note, I guess I will have to stop.

[Laughter]

The Speaker: The Chair recognises the Member from Warwick [South East], MP Lawrence Scott.

You have the floor.

MINISTER’S DECISION TO CLOSE SCHOOLS

Mr. W. Lawrence Scott: Thank you, Mr. Speaker.

I rise somewhat inspired by the Honourable Minister of Environment and his statement this morning where he actually did take responsibility for something that did go awry in his Ministry. I commend him for that and he has my respect for that.

I am rising because the Honourable Minister of Tourism and Transport stated earlier that when you rise and speak in this House you have to make sure you have your facts straight first. Now, mind you, he did not have his facts straight at that time. But that is a different story. I am taking my guidance over the words.

This past week, Mr. Speaker, has shown me that, you know, I might not have had all my facts straight because I stood on my feet and spoke and used adjectives to describe the lack of leadership by the Tourism Minister. I have also used the same adjectives in different types of ways to describe the lack of performance from the Honourable Attorney General. And I realised this week that it is not their fault, Mr. Speaker. It is not their fault.

Well, how can I say this? A team is only as strong as its weakest link. The Honourable Tourism Minister is not the weakest link on that side. In my view, neither is the Honourable Attorney General. This week has shown me that the weakest link in the OBA—the *One Bad Administration*—is that of the Deputy Leader, the Honourable Michael Dunkley.

[Inaudible interjections]

Mr. W. Lawrence Scott: But before I go into that, Mr. Speaker, I have to also say that, you know, I was doing my devotion the other day and I came across . . . the lesson was that a good leader has good and many advisors. I wanted to—

[Laughter]

Mr. W. Lawrence Scott: I looked at seeing how I could apply that to my life and what I am going through right now, and what is going on in this country, and I realised that the advisor to the Government is the SAGE Commission. Yet it seems as though SAGE's success is the Government's success, but SAGE's failures are also the Government's failures. It seems as though SAGE cannot seem to get it right when it comes to getting their facts straight because they are the guardians of accurate information when it comes to passing it on to the Government. And they cannot seem to get that right. But my honourable colleague, MP Commissiong, has already dealt with that so I will not go into too much detail.

I want to get back to the fact that the weakest link in the *One Bad Administration*, in my view, is the Deputy Leader. Because, Mr. Speaker, I was watching the news the other day and I was actually pretty impressed when I saw the news and they said, *School is closed*. You know, it is getting ahead of the game. It

is getting ahead of the game. I felt proud because, you know, the Premier had left the Island and where are we going to go, Mr. Speaker? Who is going to lead us through this tropical storm? You had the Deputy Leader that . . . he looked presidential.

Mr. Speaker, he looks presidential in his nice shorts today and his matching tie. He looked presidential, and I saw him going around the Island while the Premier has been gone in GP1 and he is like, *You know, GP1 is the same colour as my car. I can do it, Mr. Speaker. I am president!* *[Hums "Hail to the Chief"]*

That is what was going through his head when he was strutting around the Island, Mr. Speaker, saying, *I can do it. This tropical storm has nothing on me, Mr. Speaker. Put me in, coach! Coach Cannonier, put me in! I can do this! I can lead it! And you know what, mind you, even though my Operation Ceasefire is not really working because the gun shots are ringing. You know, Senator Jeff Baron, you handle that. You do the heavy lifting on that. Even though just a few weeks ago I was standing up again, looking presidential and proud about how my gun amnesty got one gun off the streets! It got a gun off the street, Mr. Speaker! I have done my job!*

[Laughter]

Mr. W. Lawrence Scott: But he did not realise there was more than one gun on the Island. He did not realise there was more than one gun on the Island and that his job was not done. But I digress. Let us go back to Tropical Storm Gabrielle.

So now, as the storm bears down he makes an executive decision to close schools. That is a good one. Pro-active! Foresight! Vision! All the things that are needed by a good leader. At seven o'clock, I saw it on the news, they said, *Hey, hey. They might actually get a second term.* "Might," though. But, Mr. Speaker—

An Hon. Member: Because of that? Geez!

Mr. W. Lawrence Scott: No, it is because of the foresight, Mr. Speaker. It is because of the vision. Taking the initiative.

But then I started getting calls from my employees saying, *Hey, Manager Scott, I cannot come into work tomorrow. I have to look after my children because school is closed.* But a good thing I knew 12 hours in advance. I said, *No worries, I will find somebody else for you.* So then, I wake up and I am getting ready to go in to work, and I hear on the news at 7:00 am, you know, it has been a remix. It is a remix. It is like in the clubs. They play one thing and then—*eeeky-eeeky-eeek. Selecta rewind! Rewind! New remix come now! Right?*

Mr. Speaker, the new remix is that school is open again!

[Laughter]

Mr. W. Lawrence Scott: My word! My dear!

Now, how will people . . . And I am not a child. I am not a parent. I have a dog and that is about it. That is as close to parenthood as I get. My child was taken care of. He was tied up in the yard. So whether school was in session or not, I was taken care of. But, Mr. Speaker, why can they not make one decision and stick with it?

You know what, Mr. Speaker? It seems as though the thing that was said during the campaign up to the election—the OBA flip-flops. It is doing it right now—flip-flopping! They are flip-flopping. Making one decision and then, *Oh, hold on, lest we cannot stand by that. We cannot stand by that.*

But, Mr. Speaker, I do not want to take up too much time because . . . Talk about getting facts straight, I had to do some research. A little bird had told me something, and from what I see from this *One Bad Administration* things started to line up with what the little birdy told me. It told me that the real leader of the OBA is not the Honourable Premier Craig Cannonier. I heard that the real leader of the OBA is not even Bermudian! The person calling the shots is not Bermudian, Mr. Speaker!

And he has told me just watch at how they run things. So I am watching and I am noticing and I am saying, *You know what? Hold on.* I actually . . . you know what? I heard that the leader of the OBA—the real leader, the one that is calling the shots—lives in Florida. Lives in Florida! I got the address. It is at 167 N. Buena Vista Drive, Lake Buena Vista, Florida 32830.

Mr. Speaker, I went. I got in my plane as a pilot. I flew up there.

[Inaudible interjection]

Mr. W. Lawrence Scott: I flew there! I landed there and I asked, *Can I see the man of the house? Right? Can I see the man of the house?* And they took me there. It is this big house, must be worth multimillion dollars, Mr. Speaker. This is the same person that is making the decisions for the OBA. I said, *Mercy, these guys are connected!*

[Laughter]

Mr. W. Lawrence Scott: *These guys are connected!* International players, Mr. Speaker!

An Hon. Member: Who is it?

Mr. W. Lawrence Scott: When they opened the door, do you know who it was? It is Mickey Mouse! Because they are running a Mickey Mouse operation up in here, Mr. Speaker! That is who calls the shots!

[Inaudible interjections]

[Gavel]

Mr. W. Lawrence Scott: That is who calls the shots. Mr. Speaker, watching this administration is like watching a bunch of flamingos on Ritalin, Mr. Speaker!

[Inaudible interjections]

Mr. W. Lawrence Scott: It is a shame because—

The Speaker: Yes, I think we have . . . you are going a little bit too far. All right? There are no “Mickey Mouses” in here. So I think that is enough. I think that is enough. You are going a little bit too far. I mean, you are going a little bit too far. You know, being a little funny is okay at times, but do not go too far.

[Inaudible interjections]

The Speaker: You are going a little bit too far.

Mr. W. Lawrence Scott: Okay, Mr. Speaker, okay.

But, Mr. Speaker, what I do not understand coming from this administration that said, *Change, change, change.* Right? But now they are telling us not to be scared of change. *Change is coming. Do not be scared of change. Not everyone is going to like the change,* Mr. Speaker. But how it possible that you have a Government that talks about, *Oh, we are going to work together.* But yet does not actually give us information to help them make a decision. We give them opportunities; we give them ideas. It is a good thing that we are not just Her Majesty’s Loyal Opposition, Mr. Speaker. We (over here on this side) are gladiators. We are gladiators in suits, Mr. Speaker, protecting the country from the inept, unskilled, and lack of decision-making and sticking to a decision that comes from the *One Bad Administration.*

And on that note, I will take my seat.

The Speaker: Thank you, Honourable Member.

The Chair now recognises the Honourable Member from Hamilton West, MP Wayne Furbert. MP Furbert, you have the floor.

PROPER RECOGNITION OF LOCAL ACHIEVERS

Hon. Wayne L. Furbert: Mr. Speaker, thank you for that acknowledgement. I appreciate that.

Let me just say that I support the two points that the Honourable Member Terry Lister has raised, one with recognising a young lady who you are quite familiar with. I did not realise that she was, as far as diving is concerned . . . the significance that she has played in the world as far as diving. I did not realise that. So you have educated me on that part.

We have to start recognising our people more. I am just disappointed that we have never recognised people like Sir Edward Richards, even Sir Henry Tucker, people that have played a role in Bermuda going forward. These individuals have performed; they have worked hard for Bermuda. I believe that we should recognise them but, in particular, Ms. Horton and Clyde Best, individuals . . . I know that you had talked about him achieving . . . even just the idea of achieving “Sir” for Clyde Best. It is something that we can grab hold of. I mean, there are not too many “Sirs” now being given out in the Island. I remember—

[Inaudible interjections]

Hon. Wayne L. Furbert: Well, knighthood, but you know what I meant.

Years ago there were many indications of people who would be given CBs [Companions of the Order of the Bath] and knighthoods and things going on, but we do not recognise individuals nowadays. So, I believe that we should. We should recognise Ms. Horton.

EDUCATION

Hon. Wayne L. Furbert: Now the education part, Mr. Speaker. There is no doubt in a time [like] now . . . and the Honourable Member has made it very clear that we should be educating our people more. If there is any department that we should not be taking money from, providing that we are getting value for money, it is education.

We should have left that funding. Just because the Government talked about we were going to cut back some money, we should not have touched education the way we did because as time goes on and we say next year we are going to cut again. What? Are we going to cut education again? It is important that our people are educated to meet the demand of this economy’s needs now and in the future. So I am hoping that the Government takes those things into consideration when considering funding certain departments.

PARLIAMENT MEETING IN SEPTEMBER

Hon. Wayne L. Furbert: Mr. Speaker, we are back here in Parliament as you all know. I have been in Parliament for a long time and [it is] the first time that we have returned in September. And the idea that we thought we heard because the Premier said, and I quote, “We had a short legislative year to begin with as the election was called in December. There is also an urgency of ‘now’ to get things done on behalf of the people of Bermuda. We’re living in critical condition.” I thought, Mr. Speaker, that there would be something laid down today that would do something different—create jobs, get people back to work. That is what I

thought we would be hearing today. There is nothing in the Order Paper (at least for today) that shows there is some urgency from the Government. There is nothing in there!

I am not going to discuss the Tourism Authority because that is in the future, but that has not changed much at all either. Why are we back here during mid-summer to hear the Government tell us that they support self-determination?

[Laughter]

Hon. Wayne L. Furbert: The Cabinet must support it. The Cabinet must support self-determination. Now, that is new to me.

I was in a place a long time ago and I heard Members, who are sitting there now, did not support self-determination. But Cabinet must support, have support of self-determination because it is through their message—collective responsibility—leaving Cabinet to go over to Gibraltar to tell the other Prime Ministers and Heads of State—

An Hon. Member: Colonies.

Hon. Wayne L. Furbert: —Colonies—that we support self-determination. And they had not even talked to the people of Bermuda! Now that is new.

[Inaudible interjections]

Hon. Wayne L. Furbert: Mr. Speaker, the Honourable Premier, said that we support self-determination and that we want more control over the police, the regiment, and that we also want more control over (I guess) selecting the Governor. If that is what the Cabinet is telling us, then please tell the country! Tell the country!

Matter of fact, the Premier tells the country that we have not made some decisions. *I have still got to report back in November and make some other decisions.* I would have thought, first, Mr. Speaker, that the Premier would have come to the country and told us what is the mandate and [what are] the steps that his Cabinet is taking to move us forward, instead of going over and discussing with other Prime Ministers and Premiers, and whoever, and come back and tell us this is what the eight or nine of us (however many is in that group) are now supporting.

I will ask, Mr. Speaker, if the rules are changed and whether the One Bermuda Alliance is moving this country in a new direction that we are not aware of. Now, if that is the discussion that is taking place—

[Crosstalk]

Hon. Wayne L. Furbert: I remember being in a place in 1994 when the Honourable Premier Sir John Swan

was talking about independence, and the person who supported the referendum at that time. I supported it. But I also know, Mr. Speaker, that in that room there were some people in that Cabinet that did not support it. So I am asking the Premier if he has full support from his Ministers that will move toward self-determination that we will take over the running of the police, that we will take over the running of the regiment, and that we will take over the responsibility of the Government? Is that what the Cabinet is now saying to this country?

Inquiring minds, particularly their supporters, want to know. That is the situation that we find ourselves in.

So I am asking, Why are we here talking about there is some urgency of now? Many of us had time for vacation and plans that we had put forward, and we are coming here today and the Bills that are laid down have nothing to do with urgency. Nothing! Matter of fact, the Tourism Authority Act is quite similar to what we laid down last year. So they could have worked out a few things. They could have worked on the same thing. Read the Tourism—

[Inaudible interjections]

Hon. Wayne L. Furbert: Read it.

But we will get to that, Mr. Speaker. I am not going to anticipate the debate.

The Speaker: We will talk about that when we get to it.

Hon. Wayne L. Furbert: That is right. I am not going to anticipate the debate. I hope the Minister reads that Bill.

[Inaudible interjections]

Hon. Wayne L. Furbert: So Mr. Speaker . . . no, they have not read it.

Mr. Speaker, I am saying to you that . . . and I appreciate that we have to come back to do the people's business, but I would have thought at least the referendum on gaming would have been laid today. Yes, I did! Yes! Because there is some urgency.

[Inaudible interjections]

Hon. Wayne L. Furbert: There is some urgency.

[Inaudible interjections]

Hon. Wayne L. Furbert: No, my thinking put me over here myself. Yes, I put myself over here.

[Inaudible interjections]

Hon. Wayne L. Furbert: Mr. Speaker, I am saying that if there are some urgencies . . . where is the issue when we talked about creating jobs for Bermudians? There are many people out there hurting more now than they were. As a matter of fact, if you ask most people, they are worse off than they were before December 17th.

[Inaudible interjections]

An Hon. Member: You don't know what you are talking about.

Hon. Wayne L. Furbert: Many people are worse off now than they were before December 17th!

[Inaudible interjections and crosstalk]

Hon. Wayne L. Furbert: And, yes, I am going to talk about myself, too. Yes, I am. Yes, I am.

I am worse off than I was on December 17th.

[Gavel]

The Speaker: Let us have some order, Members!

Hon. Wayne L. Furbert: Mr. Speaker, let me tell you who is better off. Every one of those Ministers is better off than they were before December 17th!

[Inaudible interjections]

Hon. Wayne L. Furbert: Every one of those Ministers! Every one of those Ministers!

[Inaudible interjections and crosstalk]

POINT OF INFORMATION

Hon. Mark J. Pettingill: Point of information.

[Crosstalk]

The Speaker: Yes? You have a point of information or a point of order?

Hon. Mark J. Pettingill: I would encourage the Member when he makes that type of statement to look at the sacrifices that have been made by many of the Members over on this side in order to take the job as Minister. And I stand on the fact that I am one of them.

The Speaker: All right. Thank you.

[Crosstalk]

The Speaker: What the Honourable Member said is true.

Hon. Wayne L. Furbert: We do not know, Mr. Speaker. We do not know what he was making before, but we know what he is making now.

Drop his receipt of what he made before. I do not know that. Now if he wants to put his paycheque on the table before December 17th, I will go along with that. But until that, I am saying that he is better off now than he was before. All right?

Now, that might have been an assumption, but I know the majority are. Because Mr. Speaker, most of them have two jobs. They are part-time Ministers. Many of them are part-time Ministers. Okay? So they are making a cheque before and add on what their part-time Minister . . . it has to be more.

[Inaudible interjections]

Hon. Wayne L. Furbert: So, Mr. Speaker, we are talking about the “urgency of now.” This Government, Mr. Speaker, has not . . . and Mr. Speaker, the Premier said that it has taken eight months for [them] to get [their] act together but [they] have a plan now. “¹The extra meetings were added to move aggressively through the objectives that we laid out in [the] Throne Speech and to finally stop the bleeding.” Can you tell me, Mr. Speaker, what piece of legislation was laid today that is going to stop the bleeding?

An Hon. Member: Tourism Authority.

Hon. Wayne L. Furbert: Mr. Speaker, can the Honourable Members tell me one Bill? Is that the only one that they think is going to stop the bleeding?

[Inaudible interjections and crosstalk]

Hon. Wayne L. Furbert: Mr. Speaker, let me put everyone on notice. Mr. Speaker, you know better than all of us. If you think that someone in Boston is going to wake up tomorrow and say, *Bermuda now has a Tourism Authority. I am going to go to Bermuda . . .* Can you imagine?

[Inaudible interjections]

Hon. Wayne L. Furbert: Someone in Philadelphia saying, *Bermuda has a Tourism Authority. We are going to Bermuda.* That is not going to happen, Mr. Speaker.

What is going to happen if they say, *Bermuda is providing better value for money? We have better service and those things? That is not what is in that Act.* And those are things that we can do right now under the Ministry.

[Inaudible interjections]

Hon. Wayne L. Furbert: We can do those things right now, Mr. Speaker, under the Ministry.

So if this is the plan, *We have a plan.* If this is the plan they are talking about before they were elected in Parliament, Mr. Speaker, it is sad. It is very sad because, as you know, they had no plan before the election and now they are coming back and saying . . . As a matter of fact, they are picking up the National Tourism Plan. That is the plan they have, the National Tourism Plan.

So, Mr. Speaker, we are here and we will be here for the next few weeks, discussing those Bills. But I believe that the people will see that this Government has lost its way and does not know how to get us out of the trouble that we find ourselves in.

Thank you.

The Speaker: Thank you, Honourable Member.

The Chair now recognises the Honourable Deputy Speaker, from constituency 4, MP Roberts-Holshouser.

You have the floor.

Mrs. Suzann Roberts-Holshouser: Thank you, Mr. Speaker.

I have to say that I am delighted to be in the House of Assembly on this date. And the reason I am is because I am not afraid to be here to do the people's business. It is not about me having two months off. As far as I know, I get paid on a monthly basis and the people of Bermuda deserve us to be here to do their work.

It takes over 26 different steps to create legislation. Now, considering the fact that we have had a short run, it is imperative that we ensure that we come in. And I am afraid that I have no fear about being here. And the individual who just took his seat, if he is not aware about what the—

[Inaudible interjections]

The Speaker: The Honourable Member—

Mrs. Suzann Roberts-Holshouser: The Honourable Member—

The Speaker: Stay, stay, stay—

Mrs. Suzann Roberts-Holshouser: Thank you for the correction.

If the Honourable Member does not want to be in the House—

POINT OF ORDER

Hon. Wayne L. Furbert: Point of order, Mr. Speaker.

Mrs. Suzann Roberts-Holshouser: And the point of order?

¹ [Bermuda Sun](#), 8 September 2013

The Speaker: What is the point of order?

Hon. Wayne L. Furbert: Mr. Speaker, the Honourable Member . . . I said I have no problem being here. I made it very clear to Parliament. But what I am saying is that the Government said it was going to bring some things that were going to cause a new direction in this country. I am saying that is not taking place.

The Speaker: All right. Thank you.

Mrs. Suzann Roberts-Holshouser: Thank you.

And after the fact it was said because we understand the importance of why we are back here. He did not understand the importance. Well, the importance . . . that was what he asked. He did not understand the importance of why we are back here.

The importance of why we are back here is to do the people's work because the length and duration it takes to create the legislation . . . we understand the importance. We understand that not everybody wants to be here. Again, if you do not want to be here—step down.

Second of all, Mr. Speaker—

Some Hon. Members: Ooh!

[Inaudible interjections]

Mrs. Suzann Roberts-Holshouser: I have to say that when we continue to look at who our leader of the One Bermuda Alliance is—

[Gavel]

The Speaker: Honourable Member, just sit down.

Members, let us have a bit of decorum. It is just going a little bit too far. It has gone a little bit too far. I have been very lenient. It is the first day back. I think that some of you may have forgotten how to behave.

[Laughter]

Mrs. Suzann Roberts-Holshouser: Thank you, Mr. Speaker.

Just in case someone does not know who the leader of Bermuda is and who the leader of the One Bermuda Alliance is, the name of our Premier is the Honourable Craig Cannonier. That is just a reminder regardless of whether he is on the Island or not. The Premier and leader of this country has the people at heart. He will do what it takes. He will guide us in the direction in which we need to be guided.

We have been in debt for 14 years. It is not going to be a miracle when we wake up tomorrow and find everything is satisfactory. Should we have reduced scholarships? Well, no. It is something that we recognise. The One Bermuda Alliance recognises the

importance of education for our students. We also understand the importance of the money that we have and do not have. The reality is that this is not the money of the One Bermuda Alliance. Our budget and the money that we spend is the money that belongs to the people. It is the people's purse.

For my household, if I have \$25 in my pocket, I can only spend \$25. It is important to understand that we recognise the importance of education. We have never said that we did not. But what we do also understand is that we are struggling. We are struggling in debt. It is important for all of us to come together and work together for the betterment of the people of Bermuda.

SAGE COMMISSION

Mrs. Suzann Roberts-Holshouser: When it comes to the SAGE Report and the comments that were made by [the] civil servant participating, well, I understand that it might be difficult sometimes to understand that working from the inside, or having the ability to be a civil servant and to submit an application, might have given this individual an upper hand. But the point of it is that the SAGE Commission wanted to have all opinions. It was open for everybody. At no stage when it was suggested that applications be submitted, was it suggested by anybody or any party that civil servants should not be able to submit—at least not to my understanding. So I will stand corrected if instructions were given or suggested that they had issues with civil servants participating.

The reality of it is we do not want to undermine anyone's suggestions or recommendations how to better do what we do. We are prepared to take the criticisms in order for us to learn from them. Sure, some of us will be offended by what was said. Sure, some of it may be misconstrued or even considered not being as accurate as it could be. But the truth of it is [that at] the end of the day what we really want to do is take a collaboration of information. If we have inside information that is beneficial for us that might show us how we can cut our costs of electricity, that is going to benefit everyone.

As a result, it is important for us to understand that we need to hear . . . we need to be in a position where we are prepared to hear the criticism to learn, to get ideas, of how we can move forward in a more positive light.

Again, Mr. Speaker, it is imperative that we work together. It is not about one party versus another party. I do believe we have all said that we will do our best to work together and it is about time, Mr. Speaker, that we do.

Thank you, Mr. Speaker.

The Speaker: Thank you very much, Honourable Member.

The Chair now recognises the Honourable Member from Pembroke, MP Weeks.

MP Michael Weeks, you have the floor.

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

Good evening colleagues, good evening Bermuda.

The Speaker: Is your microphone on?

Mr. Michael A. Weeks: It is on now. Good evening, Mr. Speaker.

The Speaker: Good evening. Good evening.

CCTV

Mr. Michael A. Weeks: Good evening colleagues, good evening Bermuda.

Over the last two months that the House was on recess we had two more senseless killings through violence: One with a knife; one a gun. These two murders have brought back to the forefront some issues—CCTV, namely, to be one.

Mr. Speaker, over these last couple of weeks we have been talking about whether or not CCTV is working. I must say first, before I get into anything else (because both of these murders happened in and around my constituency), when I was first asked whether these cameras worked in the St. Monica's Road area my answer was, yes. Because in the spirit of working together, Mr. Speaker, I said to the best of my knowledge the cameras were working. On further investigation, I found that not to be true and some had said that I am not in touch with the community and whatever.

Let me be clear on something. When I became MP for the area, I made it clear that I would answer the needs of my constituents, like all of us do when we are elected as Members. Some of the needs that were asked of me were better lighting, CCTV, better police patrols, neighbourhood watch. Each and every one of those were answered and done not only by me as the MP, because I do not operate by myself. It was done by the former Government, the PLP. So my concern, as always, is safety and the sense of safety of the residents, not only in my immediate constituency but residents and constituents in general.

I am saying all of that, Mr. Speaker, that when I asked the question of the Minister, were (and are) the CCTV cameras working . . . I have been elected to represent my constituents. So that was a question that was asked of me directly on numerous occasions after these last two senseless murders.

POINT OF CLARIFICATION

Hon. Michael H. Dunkley: Point of clarification.

The Speaker: Yes, yes.

MP Weeks? Thank you.

Hon. Michael H. Dunkley: The Honourable Member says that he has asked the question to me. I have never been asked that question. He has questioned it in the media, but he has never directly brought it to me or the Ministry of Public Safety, Mr. Speaker. So if he was genuine about getting an answer, he would have approached me directly to get it answered and not play politics.

The Speaker: Thank you, Minister.

[Inaudible interjections and crosstalk]

Mr. Michael A. Weeks: Mr. Speaker—

The Speaker: The Minister is saying, *Come to him.*

Mr. Michael A. Weeks: Mr. Speaker, I am responding to the newspaper article that was quoted by the Minister, that one day he said the cameras were working and another he says they are not. Right? We were talking to each other via the media.

But, one thing I want made clear, and it is important that we make clear to all our constituents—especially mine, Mr. Speaker. And if I am standing up here feeling that mine are more special, over the last three years there have been five, maybe six, people in and around my constituency—all my constituents—that have died within a 200 yard radius. Six of them! And up on that hill at St. Monica's Road . . . I do not want willy-nilly answers.

When a resident asks me, *Are those cameras working?* Do not tell me they are working in the area because they asked me a direct question. This guy got shot here. Are those cameras working? And I, in the interest of unity said, to the best of my [knowledge], they are working. Not wanting to make it—

[Inaudible interjection]

Mr. Michael A. Weeks: To the best of my knowledge, they were working.

So after that, Mr. Speaker, on further investigation, I found that they were not.

My question here, my statement, my concern here, not only in St. Monica's, but Friswells Hill, Parson's Road, Palmetto Road and the like, that all surround my constituency, and I am here to say that back of town needs the same love and attention of anywhere else.

I am not saying that CCTV is the end-all and be-all because everything helps to make our community safe. I would like to make a suggestion, Mr. Minister, that if any time the cameras are down . . . I did not say come to the public. But that is all a part of safety.

If the cameras go down, police patrol should go up because all that helps our residents to feel more safe and secure. So whenever the question is asked of me and I, in turn, ask you directly, Mr. Minister, with all due respect, or through the media, this is not about politics, this is about making sure that my people, my residents, are getting the just attention that they deserve.

[Inaudible interjections]

Mr. Michael A. Weeks: Yes!

And on that note about questioning me and not anybody else, it was also suggested, like I said earlier about me not being in touch, Mr. Speaker, let me be clear (if I may)—

The Speaker: Sure.

Mr. Michael A. Weeks: I am not only out there on St. Monica's Road and the surrounding area when something happens. I am always there. I canvass Thursday and Saturday. And if I do not do it, I must be sick or off the Island, or it must be raining.

I go to church in and around my constituency. So if anybody is in touch, I am. I see the young and I see the old. And I know what CCTV means to my constituents. I know what Neighbourhood Watch means. I know what better lighting means. I know what police patrol means. So whenever you see me out there, anyone in the newspaper or sitting up in my constituency, I am not grandstanding, because I am always there. Anybody who is worth any salt knows that.

So, again, I am going to ask the question that has been asked of me. *Are the CCTV cameras working? If not, when will they be done?*

Thank you, Mr. Speaker.

The Speaker: Thank you, very much, Honourable Member.

The Chair will now recognise the Member from Pembroke [West Central], MP David Burt.

You have the floor.

Mr. E. David Burt: Good evening, Mr. Speaker.

The Speaker: Good evening.

CORRECTION TO STATEMENT MADE ON MOTION TO ADJOURN

[OBA vs PLP Government Performance]

Mr. E. David Burt: The very first thing that I would like to say as I get up today, because I am going to . . . I always say I will try to keep it short. But I will most likely run up to my 20 minutes because I have a few things that I want to say today.

The first thing that I would like to do, Mr. Speaker, is I would like to correct the record of this House because the last time that I stood up in this place on the ²Motion to Adjourn I stated that the Government of Bermuda, the One Bermuda Alliance Government, owed pensioners money. I was wrong. My facts were not correct. I apologise to you, Mr. Speaker, and I apologise to this House.

[Desk thumping]

The Speaker: Thank you, Member.

Mr. E. David Burt: No problem, Mr. Speaker.

Although the source provided me with credible information, although I checked the information, in my haste I got it wrong.

There have been times, however, Mr. Speaker, that I have been told by the other side that I got it wrong and I was actually right. But in this case I was wrong. And as many Members know, whether they are the current Government or whether they are the former Government, when you get something wrong it is a humbling experience. So I apologise.

I have learned from this action and I hope that I do not have to apologise to you again, Mr. Speaker.

The Speaker: I am sure you will not.

[Laughter]

Mr. E. David Burt: I will say, however, Mr. Speaker, is on that particular matter and issue that the seniors that are receiving social insurance are not owed any backdated funds, but they are owed an explanation from the One Bermuda Alliance Government because for the first time in 13 years, more than two years has passed and pensioners have not received an increase.

Increases under the Pensions Increase Act are done every two years and they only apply to people who get money from the Public Service Superannuation Fund or the Ministers and Members of the Legislature [Salaries and Pensions] Fund. Those increases happen every two years. People in the Contributory Pension Fund are not reviewed automatically every two years. However, it was the practise of the Progressive Labour Party Government to make sure that increases were granted at least every two years. And many times we did it every year.

The last increase went through in August of 2011. Therefore, it has been more than two years since the last pensioners increase. I hope that at some point in time in the future the Minister of Finance will be able to let the pensioners of this country know when they can expect an increase, and if they can expect an increase, because I think that is important.

² [Official Hansard Report](#) 26 July 2013, page 1939

WEST PEMBROKE SCHOOL—OVERGROWN TREES

Mr. E. David Burt: Now, before I get to some political matters, Mr. Speaker, I just wanted to also speak to the Minister of the Environment. The Minister of the Environment is not here. He gave a Statement earlier regarding . . . well, he is not in his chair, my apologies. He gave a Statement earlier about schools and I just wanted (if there was time in question time) I would like to bring his attention to a particular instance of an issue that is still existing in my constituency which is dealing with the West Pembroke School where the trees have been overgrown and they are encroaching into the street in a dangerous blind corner on Princess Estate Road.

I will follow up with him with a letter directly, but I just wanted to make sure it is known in the House that this is something that I would have addressed earlier and that that it is something that I would definitely like him to address.

SAGE COMMISSION

Mr. E. David Burt: Now, Mr. Speaker, moving on. I think it is interesting that with all of the controversy (I would say) over the past two weeks dealing with the Government's creation (which is the SAGE Commission), that the Government has been absolutely silent on this matter. I have heard very, very little—very little—from the Government regarding the controversy, and it has all been with the SAGE Commission, which is fine.

The SAGE Commission is the OBA's creation, as Members have said before. It is put there to do the difficult political work of making difficult political recommendations, of which many times the Premier of the country has reminded us may not be taken up, which, of course, brings the question, Why go through the process?

But there has been silence as to this whole process and the fact that an award was given off of a submission which contained false information. Now, this submission contained false information. I cannot tell you what amount of false information it contained, Mr. Speaker, because I can only speak to the things of which I know factually. But I, of course, was very bothered when someone alerted me about the fact that a company, of which I am a majority shareholder and serve as the president, was mentioned in this report. And I was saying, *You have got to be kidding me, right?*

No other company . . . there are many private companies that were named by name. No other private company got their name put specifically insofar as the contracts of which they may or may not hold (which, of course, are public knowledge). But what is worse is that that information was incorrect.

Now here is the thing, Mr. Speaker, if you are going to publish incorrect information, which the SAGE Commission did realise that the information is incorrect, you should at least have the decency to retract the information and let the people know what was wrong with the submission. But nothing! No comment from the SAGE Commission. No comment from the Government. No comment from anybody.

Now, Mr. Speaker, here is the thing. I am not going to say that about the civil servant in question because, although the civil servant in question has not clarified on the record, he shared something with me and I am going to share it to this House because the civil servant apologised to me. So at least the civil servant apologised to me, but the civil servant was not responsible for publishing false information which was the SAGE Commission which is an organ of this Government.

Here is what he said, Mr. Speaker. He said, *Mr. Burt, I would like to sincerely apologise for including incorrect information about your company in my SAGE submission. I had asked to edit the submission before it was posted anywhere, and I would have removed that paragraph but was never given a chance. I believe that the version online now has this removed but clearly the damage has already been done. I do intend within the next few days to do a mea culpa and correct the misinformation that I included in my submission. Again, I am very sorry for what has transpired. Sincerely,* signed the civil servant.

Now, that was sent to me last week, Mr. Speaker. Six days ago. I received it last Saturday via my Facebook account. Of course, I have not had any public apology, whether it be from the civil servant, whether it be from the SAGE Commission, whether it be from the Ministry of Finance. Nothing in regard to the disinformation that was published—falsely—about my company. But what is most interesting is that this false information won an award. So, once again, we have to ask the question, which was asked: If this is the standard of information that passes as good information for the SAGE Commission, how can we be confident in the results of the SAGE Commission?

Now, Mr. Speaker, it has been said many times that we were against the SAGE Commission from the start. We did not support the SAGE Commission Act. That is correct, because we did not feel that such an Act was necessary to carry out the functions of the SAGE Commission. We believe that those issues could have been within Government, as we said it is a civil service review that has been dressed up. Now, as I said before, we have heard that the recommendations may not be taken up. But now there is a question as to whether or not the recommendations will be any good!

An Hon. Member: Credibility!

Mr. E. David Burt: And this has called into account the credibility of the process.

So I will wait to see what happens. I will wait for the recommendation. We will wait for the recommendation but, of course, I do not have the confidence that I once had. I do not.

And, Mr. Speaker, I have cooperated with the SAGE Commission. The SAGE Commission has interviewed me. The SAGE Commission has been to our caucus. The SAGE Commission has talked to us on numerous occasions. We have participated in the process in good faith making sure we share our information, expertise.

I made sure to ask the SAGE Commission as to whether or not they had access to files of a similar exercise which we conducted when we were in Government about the savings suggestion box, making sure they knew all this stuff. [I] spoke about specific things in regard to Government IT, in the thing of helping the SAGE Commission. But with actions like this it serves to damage the credibility of this process and questions must be asked.

MINISTER'S DECISION TO CLOSE SCHOOLS

Mr. E. David Burt: But now, Mr. Speaker, moving on from that, there was a lot of confusion this week and the Honourable Learned Member from Warwick was quite entertaining. But he was very clear insofar as this whole fiasco that happened with the remix of the schools being closed, going back and forth.

Some people have described it as a flip-flop of epic proportions. Epic proportions! I mean, I feel for the parents. I am not a parent, but I feel for the parents because the parents were stuck between a rock and a hard place. And I have never, Mr. Speaker, never, ever understood the whole dynamic of closing Government schools but not closing Government offices. It is something that has always confused me.

But I move on, Mr. Speaker, because I do not have that long. I have ten more minutes because I want to get to the main piece of confusion that I suffer from this week.

PREMIER'S TRIP TO GIBRALTAR

Mr. E. David Burt: The main piece of confusion that I suffer this week, and that arose on Wednesday, Mr. Speaker, was when I read a story in the ³[*Bermuda Sun*] about the Premier's trip to Gibraltar. I sat down and read the story, and I was just in complete shock when it came across. Mr. Speaker, I am going to quote from the story, it said: "Mr. Cannonier said ' . . . more choice in the Governor or less powers or a more collective voice in what he does with things like the police and the Regiment.'"

"He added that he would personally like to see more power vested in the island's government, rather than unelected Governors appointed by the Crown.

"Mr Cannonier said: 'Yes, absolutely and I will leave it at that. It's just another part of self-determination. This is not talking about independence, but to be able, within the structure we have, to have more self-determination.'"

Now, Mr. Speaker, here is what I am going to say. I am not going to disagree with the Premier at all, because when I stood up on March 1st and gave our party's Reply to the Budget, I said the exact same thing, Mr. Speaker. I said that the structure of our past is not good enough for our present and the ⁴"Government's current role of being a spectator to the policing strategy of the Bermuda Police Service," (and I am quoting Mr. Speaker) "is too anaemic a mandate to deal with the violence in our midst. We have put forward a common-sense proposal to change the model from the Government being mere spectators to one of shared responsibility for mission-critical police operations between the elected Government and the Commissioner of Police."

I said, "We do not believe that this responsibility should lie with Government House." And this was echoing what was said by our party leader and we said it from a position of experience because we understand because we have been there. We know the challenges that are faced.

But do you know what we got in reply? Here is what we got in reply, Mr. Speaker. We got a reply that it was nonsense. That that is not what is needed. There we go. So this is the question that I have because there is a whole lot of people who are on that side of the bench, Mr. Speaker, that have not gotten up, a whole bunch of people on the front bench. I guess they are holding their ammunition. But here is the thing. I want one of them, when they get up, to explain to me what has changed. What has changed from March 1st to Wednesday that the Government of this country now believes that they need to have more say in the police? Now they want constitutional change. What have they experienced since that time? What has happened in the mind of the Attorney General when he says that there was nothing wrong with our current constitutional arrangement?

Here is what he said. When we were having the debate on the Budget and we were talking about the police, he said, and I quote (and he was talking about the Governor and the Governor's Council), ⁵"But he has to go along with our council and say, *This is what we are going to do. This is what we need to do with regard to police force, and this is how we are going to finance it. . . .* And I have not seen any pushback. It has been more like, *Okay, that sounds sensible.*" So that is what he was saying in March.

³ [Bermuda Sun](#), 11 September 2013

⁴ [Official Hansard Report](#), 1 March 2013, page 157

⁵ [Ibid](#), 1 March 2013, page 247

What is the Government saying now? What has changed? What has happened, Mr. Speaker, that has caused the frustration inside of the Government that all of a sudden they now want more control of the Bermuda Police Service?

I think they should at least share that thinking, at least let the people know what problems they have run into where they were saying in March, *Everything is okay*, to now, *We want more power; we want more control*. It does not make sense that the Minister of National Security would change his entire position.

And then when I read what he said in the *[Bermuda] Sun*, of course, Mr. Speaker, I had whiplash. The reason I had whiplash is because I remember what the current Deputy Premier said back in 2007. This was during an election campaign—

[Inaudible interjections]

Mr. E. David Burt: Oh, got it ready. And he said . . . and this is the same Minister of National Security, Mr. Speaker, that now believes that the Government should have more control of the police, which means in this case that *he* should have more control of the police. This is what he said, and I quote, when talking about it (this is from a *Royal Gazette* article in December 2007 from a press conference that the Minister had when he was sitting in another place in this House).

He said: “Get down to the business of doing what is necessary to provide people with a safe environment to raise their children to live at home in security and to move about without fear of robbery day or night.

He then says, “Just what power does the Government have at its disposal? Under our Constitution, the Government has 100 per cent responsibility for ensuring that the police service is up to strength and properly trained.”

He says, “Finally there is the power that comes from consultation and persuasion. That is the power any Minister can bring to bear when he sits across the table from the Commissioner of Police or the Governor. It is the power to articulate exactly what the Government, elected by the people, wants. This power can be the posturing.”

He then goes on to say, “Stop the posturing. Stop playing constitutional games.”

An Hon. Member: Constitutional games?

Mr. E. David Burt: That is what he says! He then went on to say, “The Minister may not like the current constitutional arrangements but it is what we have got and they have worked well in the past. Put aside the excuses. There are real problems that need to be addressed.”

Mr. Speaker, I have the question that I will ask again. What has changed? Why does the Minister of

National Security . . . why? It was said in 2007 clear as day that what we had was okay. Why he repeated the same sentiments in [an] op-ed in 2009. The Attorney General, when we had the same debate, said that the current constitutional arrangements are fine. The Governor’s Council will handle the issues. What has changed now that the OBA Government feels that they should have more control over the police?

Something has happened, Mr. Speaker. And I believe that the people of this country deserve an answer. We need to know what has happened with this relationship. Why is the Government now calling for a reversal of their previous position and now calling this to question. I will wait to hear, Mr. Speaker.

Thank you.

The Speaker: Thank you very much, Honourable Member.

[Desk thumping]

The Speaker: Is there any other Member who would care to speak?

The Chair now recognises the Honourable Learned Member from constituency 31, Minister for Tourism Development and Transport, Minister Crockwell.

You have the floor.

SAGE COMMISSION

Hon. Shawn G. Crockwell: Thank you, Mr. Speaker.

I would first like to say that Mr. Magnus Henagulph happens to be the public relations officer for myself. I believe he serves other Members of the Government as well, and I am certainly not going to get into the details of what transpired. But I certainly want to say that it is indeed unfortunate what has happened, the position that Mr. Henagulph now finds himself in.

I think a lot of things that transpired were ill-conceived. But I want to say that he is an outstanding public relations officer. He is an outstanding . . . I mean, he has performed admirably in that role for me and it is unfortunate that he is in that position. But as one of the Ministers that he worked for, I certainly want to say that he performed his duties at a very high level and it is an unfortunate situation.

DEBATE—BEING CONSISTENT

Hon. Shawn G. Crockwell: I would like to applaud the Honourable Member that just took his seat. He is not here to receive it for extending an apology to this House for the misinformation that he gave in relation to retired seniors and pensioners. I saw the Members on the other side applaud that move, as we did applaud the move, and I believe the Opposition Leader . . . I did not know exactly what he said, but he was

saying something about learning from experience and I guess bringing that to the attention of this side of the House that we should learn from that.

Mr. Speaker, all I want to say is that I believe that we need to really be consistent in this House because when Members on this side—and there have been Members, I am one of them . . . in fact, when I apologised for information that I received, I had just received it. I was just basically regurgitating what I had been told in the House through a BlackBerry message, and it turned out not to be correct by two days. I was accused, and the Honourable Member who stood up tonight from Warwick. The accusation was that, despite the fact that I apologised, I was accused of being incompetent, being accused of being incompetent because I received misinformation! I shared that, and actually prefaced my remarks by saying, *I have been informed* . . . and they made a big deal out of the fact that I had to apologise.

But when one of their Members gets up and has to apologise it is a great thing. I say it because we are going to make mistakes, Mr. Speaker. We are going to get misinformation. But let us be consistent.

An Hon. Member: We are!

Hon. Shawn G. Crockwell: No, we are not.

Because I can also recall when the Honourable Minister for the Environment a couple of weeks ago got up and predicated one of his speeches . . . and he did it in a light-hearted manner. He did it in a way that was jovial, contained in the confines of a joke. And I remember the Opposition Leader getting up, and he was talking about the movie—I cannot remember the movie—

An Hon. Member: ⁶*Thelma and Louise*.

Hon. Shawn G. Crockwell: *Thelma and Louise*—and he was quite humorous. In fact some Members on the other side got up and applauded his ingenuity. But I remember the Opposition Leader getting up and accusing him of being kindergarten-like. That it was elementary for him to give a speech like that, that *he needs to know where he is; we are in the House of Assembly! How dare he denigrate the debate like that!* But yet, the Honourable Member from Warwick can get up and give an embarrassing display tonight.

POINT OF ORDER

[Misleading]

Hon. Marc A. R. Bean: Point of order, Mr. Speaker.

An Hon. Member: Talking about Mickey Mouse.

The Speaker: Yes, what is the point of order?

Hon. Marc A. R. Bean: The Honourable Minister is misleading the House. The difference between the two is that you corrected one and allowed the other to proceed.

[Inaudible interjections]

The Speaker: Carry on.

[Inaudible interjections and crosstalk]

The Speaker: Carry on.

Hon. Shawn G. Crockwell: Mr. Speaker, the point is this . . . and let me give kudos to the Honourable Member Scott, because I found it humorous as well (when he was building up to the house in Florida). Well done. Well done. Okay? It was funny.

But my point is we have to be consistent in this House. If it is okay for your Members, Honourable Opposition Leader, then it is okay for our side. Do not come here week in and week out and want to criticise vociferously Members on this side when the same thing happens on the other side. In my opinion, Mr. Speaker, it is hypocritical and it is happening too much in this Honourable House.

PARLIAMENT MEETING IN SEPTEMBER

Hon. Shawn G. Crockwell: Now, Mr. Speaker, I would like to address the speech made by the Shadow Tourism Minister, the Honourable Wayne Furbert. I certainly recognise that it would be inappropriate to get into the details of the Bill which was laid today. But he got up and said, *What has the Government done? Why are we here?* and, *What has been laid that can help put this country back on track?* I would actually rephrase what he said. He said, *Stop the bleeding*. Well, let us first of all recognise that we are bleeding. We are bleeding because of the Progressive Labour Party.

[Inaudible interjections]

An Hon. Member: Haemorrhaging.

Hon. Shawn G. Crockwell: That is why we are bleeding.

The Honourable Member recognises at least that we are bleeding. Okay? We are bleeding because of years of mismanagement from the former administration. Let us just not forget that. We are bleeding. This Government is the Government that has been charged to stop the bleeding. He is absolutely right. But I fundamentally believe that the establishment of a Tourism Authority will start the process of turning the tourism industry around. I believe that fundamentally.

Mr. Speaker, if we can turn around tourism, that turning around tourism is fundamentally good for

⁶ [Official Hansard Report](#), 26 July 2013, page 1926

Bermuda. It is good for this country. Tourism has been in decline for over 30 years. We have tried it the same old way for 30 years. I am the fifth Minister of Tourism in five years! That creates instability, Mr. Speaker. So I believe if you can turn around tourism, that is fundamentally good for Bermuda.

A revitalised tourism industry will create jobs. He is talking about, *Well, how is this going to help create jobs?* If we can turn around tourism—revitalise tourism—that will create jobs for Bermudians and it will help to rebuild our economy.

The Honourable Member is a former Tourism Minister. He should know that. He tried to do that himself! The importance, the validity, of the tourism industry—

POINT OF ORDER

Hon. Wayne L. Furbert: Point of order, Mr. Speaker.

Hon. Shawn G. Crockwell: Oh, he disagrees with that?

The Speaker: What is the point of order?

Hon. Wayne L. Furbert: Mr. Speaker, I said that I did not want to anticipate the debate for Tourism Authority—

The Speaker: Right, yes.

Hon. Wayne L. Furbert: All right? And I see the Minister kind of heading in that direction a little—

The Speaker: Yes, yes. All right.

Hon. Wayne L. Furbert: Just my concern—

The Speaker: Okay, now I will make sure that we do not get into full discussion.

Carry—

Hon. Shawn G. Crockwell: Mr. Speaker, I will not debate the Bill, which is the Tourism Authority Bill, but I will talk about (as he did) the concept of the Authority and the fact that, in his opinion, it is not a critical and national issue to be addressed during this session, during this special session. We disagree.

POINT OF ORDER

Hon. Wayne L. Furbert: Point of order, Mr. Speaker. Point of order. I did not say that.

The Speaker: Yes, I—

Hon. Wayne L. Furbert: I did not say that.

Hon. Shawn G. Crockwell: You did. You said that nothing today is of national importance.

Hon. Wayne L. Furbert: Mr. Speaker, as I said, I did not want to get into the debate of this particular Bill, and I respect your views and I will not get into it. But I am saying I did not say that.

The Speaker: All right.

Carry on.

Hon. Shawn G. Crockwell: Mr. Speaker, the Honourable Member got up and said nothing has been laid today that can help turn around the country and create jobs. And I disagree! I would like to opportunity to disagree.

The Speaker: Carry on.

Hon. Shawn G. Crockwell: He said nothing has been laid, and I disagree. As a former Tourism Minister, he should understand.

POINT OF ORDER

Hon. Wayne L. Furbert: Point of order, Mr. Speaker.

The Speaker: Yes?

Hon. Wayne L. Furbert: What I did say was that the Tourism Authority Act that he laid today is not much different between the Tourism Board Act which they could have done right now.

[Inaudible interjections]

The Speaker: Carry on.

Hon. Shawn G. Crockwell: And you said the opposite. And we will debate that. We will debate that.

The Speaker: Carry on.

Hon. Shawn G. Crockwell: I disagree with the Honourable Member. We will see the major difference when we debate it.

But the point is that we believe turning around tourism is of national importance. Obviously the Honourable Member does not believe that turning around tourism is of national importance. We believe that the creation of an independent Tourism Authority can lead to turning around tourism. If you turn around tourism, you create jobs. You rebuild the economy.

I believe that the Authority will change the structure of how tourism is managed in this country and fundamentally taking politics as much as possible—and that is key, by taking politics as much as possible—out of the running of politics will allow greater stability—

[Inaudible interjections]

Hon. Shawn G. Crockwell: That is right. That is right. As much as possible! Okay? That is right. Take it out as much as possible. Okay?

There is going to have to be a partnership, Mr. Speaker, but by taking it out as much as possible will allow for greater stability, greater agility, greater efficiency, greater accountability, and ultimately more success. We believe that is of national importance.

Now, guess what, Mr. Speaker? We are not the only ones that believe that. A former Tourism Minister by the name of Ms. Renee Webb also believes that.

Hon. Wayne L. Furbert: Mr. Speaker, Mr. Speaker. He is heading down that road as far as the debate—

[Inaudible interjections]

The Speaker: That is all right.

Hon. Shawn G. Crockwell: No, I am not.

The Speaker: Carry on.

Hon. Shawn G. Crockwell: I am not debating the Bill.

The Speaker: Carry on, carry on.

Hon. Shawn G. Crockwell: It was in the newspaper a few weeks ago that former PLP Tourism Minister wholeheartedly supports the independent Tourism Authority.

[Inaudible interjections]

Hon. Shawn G. Crockwell: And said we are on the right track.

[Inaudible interjections]

Hon. Shawn G. Crockwell: The Chamber of Commerce came out and supported this initiative of the Government.

[Inaudible interjections]

Hon. Shawn G. Crockwell: The Bermuda Hotel Association came out and supports this initiative, Mr. Speaker.

[Inaudible interjections]

Hon. Shawn G. Crockwell: Another foreign Minister—another PLP Minister who was in charge of tourism and Premier—supports this initiative. We have heard of general managers of hotels supporting this initiative and saying it is of national importance. So it is not just us on this side.

In fact, Mr. Speaker, I can recall when I was the Chairman of the United Bermuda Party, under my good friend—that is when we became good friends—because the Honourable Wayne Furbert was the Opposition Leader—

[Inaudible interjections]

Hon. Shawn G. Crockwell: He was the Opposition Leader of the United Bermuda Party. I was his Chairman! We spent a lot of time together. We became very close and he supported and—

POINT OF ORDER

Hon. Wayne L. Furbert: Point of order, Mr. Speaker. Point of order!

The Speaker: All right.

Hon. Shawn G. Crockwell: It is of national importance!

Hon. Wayne L. Furbert: Mr. Speaker!

The Speaker: Thank you.

Yes, Honourable Member Furbert?

Hon. Wayne L. Furbert: I declare, I support a board as far as different from the Ministry. I have always supported that. That is no . . . what I am saying is that the Tourism Act, which we laid down last year, is no different from the Tourism Authority which they have laid.

[Inaudible interjections]

The Speaker: All right. Thank you.

Hon. Shawn G. Crockwell: We will debate that in a couple of weeks.

The Speaker: That will be sorted out, but I think—

Hon. Shawn G. Crockwell: The point is . . . I am going to wrap it up right now, Mr. Speaker.

The Speaker: All right. You have made a good point in terms of ensuring . . . what you said is that the Honourable Member said that there was no important information brought today. You have made a good point, sir.

Hon. Shawn G. Crockwell: I take issue with that because I believe that the laying and the passing of the Bermuda Tourism Act will be a game changer as it relates to tourism, Mr. Speaker. When we get the structure right and when we get this up and running, Mr. Speaker, I believe that this can have significant

benefit. For the Shadow Tourism Minister to get up here today and say that it has no national importance is truly unfortunate, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

[Desk thumping]

The Speaker: I recognise the Leader of the Opposition.

INCENTIVES FOR JOB MAKERS ACT

Hon. Marc A. R. Bean: Thank you, Mr. Speaker, I appreciate it.

All summer we have heard from the One Bermuda Alliance Government of the need to collaborate and cooperate, and this is a term that was repeated during the Labour Day parade by our Honourable Premier. I do not have his speech but I know that the theme was collaboration.

Mr. Speaker, when I first became leader of this country— I am sorry—the party—

[Laughter]

An Hon. Member: Freudian slip.

[Inaudible interjections]

Hon. Marc A. R. Bean: Actually not. It actually was not a Freudian slip.

When I became the leader of the PLP, I made it clear that we will not oppose just for the sake of opposition. It was also clear that we have supported 95 per cent of all legislation coming before you and this Honourable House. On some occasions we have offered amendments to strengthen the legislation being presented. So I think that is ample evidence of our desire to collaborate when the opportunity presents itself.

Beyond that collaboration, Mr. Speaker, I would like to highlight a contradiction in the statement—the theory and the practical.

A few months ago, the Honourable Premier offered Bermuda a national address and it was the same narrative—*We inherited a mess. Car going off the cliff. Yadda, yadda, yadda. We are going to fix the mess. Just believe in us. Trust in us and magically we will make it happen.* In a nutshell, that is what he said. Now, in observing that address, I thought that Bermuda had been cut short. They were cut short! So in order to fill the gap, according to the rules the Opposition Leader has a response half the time period to what the Premier presented. So we crafted a response and, Mr. Speaker, it contained two areas of thought. One, that our people need to not depend on any Government and start doing for self; and, beyond making changes to our fiscal condition by making

cuts, we also need to consider the revenue side of the equation because it is the revenue side of the equation that will have a synergy to job creation.

We offered five to six solutions for the Government to take up. One of these solutions I see has been laid on the table for amendment. That is the Job Makers Act. The Incentives for Job Makers Act up until this point was never acknowledged by the One Bermuda Alliance as a tool in the policy toolkit for immigration. Well, here we have now a subtle, tacit acknowledgment that they are embracing this tool.

[Inaudible interjection]

Hon. Marc A. R. Bean: Well, the Honourable Minister of Finance says, *Yes, because what you put down did not work.* What we put down was never implemented, Mr. Speaker.

[Inaudible interjections and crosstalk]

Hon. Marc A. R. Bean: Mr. Speaker, here is the contradiction, though. After giving a reply to the Premier's address to the country, that was in the spirit of collaboration, in the spirit of offering solutions, within six hours a response came out in print through the *Royal Gazette* in the name of the Premier. I say "in the name of the Premier" because when I read it, I knew the Premier did not write that! I know it was the \$100,000 consultant, Mr. Gearson, who wrote that!

[Inaudible interjection]

Hon. Marc A. R. Bean: Unless . . . is the Honourable Premier saying that you wrote that response?

[Inaudible interjections]

Hon. Marc A. R. Bean: Well, he says it is a conspiracy.

The fact of the matter is that in one instance you are saying let us collaborate, when the Opposition gets up to present ideas in the spirit of collaboration, the person who presents it gets attacked by the Government. Okay? We were attacked. In fact, the whole speech, the whole response by Mr. Gearson through the Premier tried to get the lesbian and gay community against me! Nothing to do with economic development and renewal, just pettiness! Read it! You all can read it. But you never read it. They never read their Premier's statement.

[Inaudible interjections]

Hon. Marc A. R. Bean: Within six hours they attacked me, Mr. Speaker. And I offered them solutions.

So tell me who is showing honour and integrity? Who is saying one thing and exhibiting something else? It is not the Progressive Labour Party. Just the

other day we had an op-ed by the Chairman, Mr. Thaddeus Hollis, where he totally misquoted and misrepresented my Deputy Leader, Derrick Burgess' speech and address at the Labour Day conference. The thing about it is that the Premier was there!

[Inaudible interjections]

Hon. Marc A. R. Bean: Probably.

Grearson probably wrote that too, because if the Premier was there . . . you heard what the Deputy Leader said. How could the Chairman then get up and totally falsify what he said and use that as the basis of saying that it is the Progressive Labour Party Government that is holding back the One Bermuda Alliance Government from leading and governing this country? That was the narrative. That was the narrative. But to this day we still have not heard a retraction or an apology for the hundreds . . . the hundred instances of falsehood that have emanated from the One Bermuda Alliance in the last nine months. Not one apology! Not one person on that side of the House can get up and say, *Yes, well, Thad Hollis was right*. You do not hear them saying that, you know. He was wrong!

But it seems like mediocrity. It seems like the lowest common denominator of politics is acceptable by the One Bermuda Alliance. It seems like their inertia—their inability to govern and lead—is so fixated on blaming us. The people are getting tired of hearing that old excuse.

Obviously, they got more votes than us in December.

[Inaudible interjection]

Hon. Marc A. R. Bean: Exactly.

Boy, I tell you. This is a real puppet show over there. I tell you, it is like watching the *Muppets*.

An Hon. Member: We are!

Hon. Marc A. R. Bean: The *Muppet Show*.

[Inaudible interjections]

PARLIAMENT MEETING IN SEPTEMBER

Hon. Marc A. R. Bean: Mr. Speaker, let me move on.

My point is this. When they want to collaborate, let us collaborate. We returned here in September for the urgency of now. Now the Honourable Minister says, *Well, the Tourism Authority is the urgency of now*. I am not going to disagree. It is time for us to make some steps within tourism. We will debate that later on. And I am not sure if you all have had a chance to read the Bill. You could not have. You could not have.

But, Mr. Speaker, here is the irony—

[Inaudible interjections]

Hon. Marc A. R. Bean: Mr. Speaker, here is the irony. There is nothing else being presented, as MP Wayne Furbert has indicated, that says that we should be up here because of the urgency of now. In fact, the justification to be here by the Premier was the same narrative—

POINT OF ORDER

[Misleading]

Hon. E. T. (Bob) Richards: Point of order, Mr. Speaker.

The Speaker: Minister?

Hon. E. T. (Bob) Richards: The Honourable Member is misleading the House.

We have a Bill in front of us called the Investment Funds Amendment Act, which will get Bermuda back into the business of the mutual fund business. That is one thing that had to be done now because of market conditions. So when the Honourable Member says we have nothing else here that is urgent, that is patently untrue.

The Speaker: Thank you. Thank you, Minister, for that.

[Inaudible interjection]

Hon. Marc A. R. Bean: The Premier shouting out, *Read that Bill*.

The Speaker: Carry on, Honourable Member.

DEBATE—BEING CONSISTENT

Hon. Marc A. R. Bean: Mr. Speaker, I will concede to the Minister if he feels that this legislation is going to strengthen the mutual fund business. Then, no problem. No problem. Okay?

Now, Mr. Speaker, this is the thing. Earlier, the Learned Minister of Tourism got up and tried to make a comparison between the presentation by my MP Lawrence Scott and the presentation a few weeks ago by Minister Sylvan Richards where he said, ⁷*“Black-black, blackity-black stuff.”*

[Inaudible interjection]

Hon. Marc A. R. Bean: No, I am just repeating what you said.

At that time, I got up and I said, *Man, this must be embarrassing to one's family*.

⁷ [Official Hansard Report](#), 26 July, page 1927

[Inaudible interjections]

Hon. Marc A. R. Bean: I said it. It is on the record.

[Inaudible interjections]

Hon. Marc A. R. Bean: I said it. It is on the record. His family is my family. We have been close since before I was born, Mr. Speaker. So I could speak freely about it.

[Inaudible interjections]

Hon. Marc A. R. Bean: Okay? Mr. Speaker, my family has been close. Comprehension helps, man.

[Inaudible interjections and crosstalk]

Hon. Marc A. R. Bean: Mr. Speaker, here is the difference. What my MP said—

[Inaudible interjections and crosstalk]

Hon. Marc A. R. Bean: What my MP said, basically, and in a very joking way (as the Learned Member said his Minister was giving in a joking way) he described the OBA Government as a “Mickey Mouse” government, and they took offence to it. But then when I listened to the Deputy Speaker get up and give her, I guess you would call it, contribution, she spoke of the twenty-odd steps of the legislation process to get legislation from one step to the last step—the first step to the last.

[Inaudible interjection]

Hon. Marc A. R. Bean: Twenty-six—26 steps. I would like to know which of pieces of legislation that were presented to us today actually went through that process.

Some Hon. Members: All of them.

[Inaudible interjections]

Hon. Marc A. R. Bean: Really? Really? You see—they all shouted, “All of them.” And we know differently, Mr. Speaker. We know differently.

It reveals, again, this haphazardness when it comes to governance. There is nothing the Progressive Labour Party is doing to hold back the OBA. They are stuck in their own mud!

[Inaudible interjections]

Hon. Marc A. R. Bean: They are stuck in their own inability to come with a vision and a plan. I mean, just earlier in the Ministerial Statement, to our surprise

when discussing the \$750 million bond raised we learned that the One Bermuda Alliance Government has an economic plan!

An Hon. Member: They refused to share it.

Hon. Marc A. R. Bean: And so then when pressed on it by my Shadow Minister of Finance—

[Inaudible interjection]

Hon. Marc A. R. Bean: It is a PowerPoint presentation. It is a PowerPoint presentation.

So then we went on to the Morgan's Point Ministerial Statement, and I asked this question. Because I know the public missed it I am going to repeat what happened. I asked the Minister of Finance (after talking to the developers) had the developers indicated that instead of giving a credit enhancement to this project a gaming licence would accomplish the same thing? Well, for the public's edification, simultaneously you had the Minister of Finance say, *No*; the Minister of Economic Development say, *No*; and the Minister of Tourism, who chairs the Cabinet Committee for Economic Development—

[Inaudible interjections]

Hon. Marc A. R. Bean: Gaming? Well, the Minister of Tourism says, *Yes*!

[Laughter and inaudible interjections]

Hon. Marc A. R. Bean: What?

A simple question: Is gaming and a gaming licence a substitute for a credit enhancement? The two Ministers say, *No*; one Minister says, *Yes*.

POINT OF ORDER

[Misleading]

Hon. E. T. (Bob) Richards: Point of order.

The Speaker: You have a point of order.

Hon. E. T. (Bob) Richards: Mr. Speaker, the Honourable Member is misleading the House.

Hon. Marc A. R. Bean: No, I am not.

Hon. E. T. (Bob) Richards: The only person who was asked that question was me, and I gave an answer. Anything else he heard on the rest of the floor was of no consequence.

[Inaudible interjections and crosstalk]

Hon. E. T. (Bob) Richards: The only person who was asked the question was me and my answer was very clear.

The Speaker: Thank you, Minister. Thank you.

[Crosstalk]

Hon. Marc A. R. Bean: Mr. Speaker, while we are getting a little light-hearted, it is a serious matter because what that reveals is a disjointed Cabinet.

[Inaudible interjections]

Hon. Marc A. R. Bean: How could the Minister responsible for Tourism Development and Gaming say, Yes, and the Minister of Economic Development and Finance say, No! Do they communicate outside of when they come up to this Honourable House? What do they communicate around the Cabinet table that they cannot give a simple answer?

[Inaudible interjections]

POINT OF ORDER

[Misleading]

Hon. Shawn G. Crockwell: Point of order, Mr. Speaker.

The Speaker: Yes?

Hon. Shawn G. Crockwell: The Honourable Member is misleading the House.

Mr. Speaker, we all know that there could be a variance of opinion in terms of the import of gaming. The Honourable Member knows that. Because I am sure the Honourable Member has differences of opinion on his side of the House as it pertains to gaming.

The Speaker: Thank you.

[Crosstalk]

The Speaker: Thank you.

Hon. Marc A. R. Bean: Mr. Speaker, I will move on.

On another serious matter, I know I have five minutes left, I believe.

The Speaker: [You have] five [minutes and] nine [seconds].

Hon. Marc A. R. Bean: Five [minutes and] nine [seconds].

Mr Speaker, earlier during Condolences and Congratulatory Remarks, my MP Burt got up and spoke about the young man who was shot dead and then (I think) MP Scott used the term "execution." Lo

and behold, the only person that took offence to the term "execution" . . . because when you walk up to somebody and you shoot them in the back of their head . . . I do not know how you term it, but in real life we call it getting executed. And guess who took offence to that terminology? I guess the optics were too much. Our Minister of National Security. Disconnect anyone?

Then when MP Burt was giving condolences for the young man, [Mr.] Iris, who was stabbed, he misspoke and said, "day"—it should have been month instead of day. Guess who got up and made a big joke over that one little word misspoken, giving condolences to the family of a man who just tragically lost his life. Guess who made a joke about that—talking about, *Oh, you must be drinking too much swizzle*—the Minister of National Security. I noticed it.

[Inaudible interjections]

An Hon. Member: There is no point of order on that.

Hon. Marc A. R. Bean: Yes. None. No point of order coming because it is the truth.

It makes me wonder how serious you are when it comes to crime. What happened, Mr. Speaker, to people feeling safer in this country? That is what they told us through their jacked-up pollsters. People are feeling safer. What happened to Operation Cease-fire? What happened to the doctor gentleman—wasn't . . . it wasn't him. Who was the gentleman that straight . . . safe—

[Inaudible interjection]

Hon. Marc A. R. Bean: Kennedy, thank you.

What does he do? Because the streets are not safe. What does he do?

So, you see, the tough challenge is that the same Minister who is responsible now is the same person responsible for making crime a political football in the first place.

An Hon. Member: Hmmm.

Hon. Marc A. R. Bean: Okay?

MP Burt ran out and quoted something he made years ago. A political football while blood is being shed and children are being buried. It is like some joke business—

[Inaudible interjection]

Hon. Marc A. R. Bean: He says he takes it seriously.

[Inaudible interjections]

Hon. Marc A. R. Bean: I tell you why the MP is . . . the shootings are occurring in our constituency. Why

do you want to say that they aren't seeing them? People seem to be afraid to approach Minister Dunkley and ask him the same question. But they will go and hold up Roban, they will hold up Commission, they will hold up Weeks, they will hold up myself, because the shootings are contained in my communities.

An Hon. Member: Our!

An Hon. Member: It is *our* communities!

Hon. Marc A. R. Bean: Oh, it is our communities.

Well, if it is *our* communities . . . Why, if it is our communities, Mr. Speaker, do Senator Baron and Minister Dunkley only show up in our communities when there is a shooting?

POINT OF ORDER

Hon. L. Craig Cannonier: Point of order, Mr. Speaker.

The Speaker: Yes?

Hon. L. Craig Cannonier: That is completely untrue. Senator Baron continues—

[Crosstalk]

Hon. Marc A. R. Bean: I am not retracting anything.

The Speaker: Honourable Leader of the Opposition, just behave!

[Crosstalk]

Hon. L. Craig Cannonier: Point of order. Senator Jeff Baron continues to walk throughout his own constituency—

An Hon. Member: What? He does not have one!

Hon. L. Craig Cannonier: No, but he represents for the OBA . . . he is not an elected Member.

The Speaker: Thank you.

Hon. L. Craig Cannonier: And not just himself, but many other Members from the OBA.

The Speaker: All right. Thank you, thank you, Premier.

Carry on.

Hon. Marc A. R. Bean: In a nutshell, we had the bunk . . . the disaster of the EMO, where Minister Dunkley had the first opportunity to show real leadership. He made a decision but I guess ego got the better of him

so at five in the morning he decided to show that he is really a leader [and] he made another decision. Lesson to be learned? Make one decision and stick to it. Consistency is important when you are speaking to the public.

Now, beyond that, I still do not understand the rationale of it all. How could you say schools are closed but teachers and principals report to school? What? Teachers and principals are not human beings? They do not have children? What was going through your mind when you made that decision? When you made that decision to close school, did you look at the weather report? Because it seems like . . . I do not understand the rationale, Mr. Speaker.

Lastly, because I know my time is up, when the Premier says that self-determination is a new term, all I can say is that—

[Timer beeping]

Hon. Marc A. R. Bean: —I get very nervous when our Premier represents us, and sometimes I feel embarrassed.

The Speaker: Thank you.

Hon. Marc A. R. Bean: Somehow something has got to give. And the last thing, when he speaks—

[Gavel]

Hon. Marc A. R. Bean: —about single markets—

The Speaker: Time. Time.

Hon. Marc A. R. Bean: That's embarrassing again, Mr. Speaker.

The Speaker: Time, Honourable Member.

Hon. Marc A. R. Bean: Thank you, Mr. Speaker.

The Speaker: The Chair now recognises the Honourable Member from Paget, Dr. the Hon. Grant Gibbons, the Minister for Economic Development.

Dr. Gibbons—

EDUCATION

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

A little bit earlier on in the Motion to Adjourn the Honourable Member, Mr. Terry Lister, had made a number of comments about education. I think they deserve a response.

Let me start, first of all, on the issue which we discussed earlier in the day, which was the issue related to the number of days that would be taken out of the class experience of students. I think we all under-

stand that it is preferable not to remove any class days from students. But in light of the arrangements that the Government worked out with the BTUC, the Ministry of Education working with their union colleagues obviously came up with this particular proposal which involved two days of less classroom time and three days that would relate to administrative and professional development time.

The professional development time will actually be embedded in the teachers' year in any case so the Ministry feels and the department feels that they can deal with that. And to make it absolutely clear, Mr. Speaker, the Ministry and the department also feel that they can handle and manage the syllabus and the delivery of that without any problem with two less days.

The Honourable Member pointed to the actual education rules which had changed the 200 days from up to 188. I tried on a couple of points of information to explain that in point of fact the 188 days was in there to allow the process for the discussion of the next school year for the Ministry and the unions to have some leeway. Obviously, we are hopeful at this point, although with no decision made, that we will be able to minimise the amount of impact of this same BTUC/Government arrangement in the 2014 year as well. But that has not at this point been decided.

The Honourable Member went on to talk about a couple of other things. And let me talk about the Bermuda [Government] Scholarships to begin with. I think we are all sympathetic if we could give two dozen or three dozen Bermuda Government Scholarships, I think we would all feel a lot better about it. But the simple fact of the matter is, as the Statement referred to earlier, the Ministry has done its best to try and make this particular scholarship sustainable. It is true that [for] the last three years eight scholars every year have been chosen. In fact, if you go back to 2008 when the Bermuda Government Scholarships Act changed, before that it was probably eight. But the maximum amount, as you would remember, Mr. Speaker, was actually only \$25,000 a year.

So it was in 2008 when the Bermuda Government Scholarships Act was amended to make it unlimited in terms of the amount of money that Government would provide to each individual scholar. In retrospect and where we are right now is that was not a sustainable option. I think the challenge we all have is trying to do as much as we can with a lot less than we had before. The fact of the matter is—and it has been said repeatedly—the Government is not in the same financial shape it might have been in 2008, 2009, 2010, 2011, or 2012 even, and we have had to make some compromises.

Just so people understand the amount of money that is being spent; it is not just the four scholars that were chosen this year which amounted to . . . the request on that, the grant, is going to be some-

thing in the order of \$94,000 to support those four scholars. In addition, there are also Bermuda Government scholars that are currently in the system. There are 22 of those, in addition to the four that were chosen this year. Those 22, plus the four that were chosen this year, and an additional two scholars for whom their three years was extended to four, actually add up to over \$700,000, which is being budgeted this year to support Bermuda Government scholars.

So it is more than just the four. There is the part of the iceberg under the surface, which is Bermuda Government Scholarships that have been awarded in previous years. So 22, an additional two this year for an extension, plus four, brings it up very close to 28 that are actually being supported right now. I think we all understand, we all sympathise that it would be very nice to be able to award more, but the fact of the matter is the Ministry was asked in the budget this year to deal with a much smaller budget and that is the issue we are trying to contend with.

In addition to those Bermuda Government scholars, Honourable Members may also be aware that there are 24 further education awards that were awarded this year as well. Those 24 are up to \$10,000 so there is additional money being put that way as well. On top of that, there were also Mature Student Awards as well. So, Mr. Speaker, I think you have to look at the whole picture as opposed to simply concentrating on the four.

Obviously going forward, as the OBA Government does a better job of managing the economy than the former Government did, we would hope that we would have more money in succeeding years to provide additional Bermuda Government Scholarships. But the fact of the matter is, right now, four was what the Ministry and the department felt they could afford.

Let me tackle a couple of other issues the Honourable Member raised. I think I have heard this comment quite a bit and that is in reference to the new Commissioner of Education who obviously has American roots as opposed to British roots. There was some concern expressed about his ability to be able to handle the Cambridge Curriculum. I am sure there are plenty of individuals in that department that are able to advise the new Commissioner about the Cambridge Curriculum right across the system. I am sure, given his experience and background, the Cambridge Curriculum is not going to be problematic for the new Commissioner to pick up on as well.

I think the reference was made by the Honourable Member, Mr. Lister, as to why the recruitment had not been done in the UK. The simple answer is that the job was advertised not only in Bermuda but also in Canada, the United States and the United Kingdom. I think my recollection was that they had about 70 candidates apply. One of the other short-listed candidates was Canadian. But, and I think Hon-

ourable Members are aware of this, there are a lot of political games being played here.

The process is very clearly prescribed by the Education Act. The Commissioner is chosen as a civil servant on the basis of a recommendation by the Board of Education—not the Minister. The Minister is not involved in civil service appointments. It is a recommendation by the Board of Education to the Public Service Commission who then makes a choice as to who the Commissioner, as a civil servant, will be out of the pool that has been basically recommended to them by the Board of Education.

The Board of Education, in my understanding, was fully involved in the whole process as they should have been under the Act. There was a committee which helped to winnow through the 70 individual candidates that applied, and those were narrowed down to a short list. I think it was about five. But, Mr. Speaker, as you know, having been a former Minister of Education, you are not involved in the process of selecting civil servants for positions. I think nothing has changed from that perspective, and I think to suggest otherwise would have suggested political interference.

I hope that Honourable Members will give the Commissioner of Education a chance. He has a very good pedigree in the United States. Yes, he may be controversial in certain respects, but he has, as far as those of us who have seen it at a distance understand, been quite successful in terms of his career there. So, hopefully Honourable Members will give that honourable member (and he is an honourable member) a chance.

PARLIAMENT MEETING IN SEPTEMBER

Dr. the Hon. E. Grant Gibbons: A couple of other points that I would just like to comment on . . . the Honourable Member that just took his seat, the Opposition Leader, talked about the legislation.

My honourable colleague, Bob Richards, was quite right. All of the legislation that is coming forward from my perspective is very important in terms of the economic recovery of this particular country. The Honourable Member, Mr. Richards, talked about the Investment Funds Amendment Act. That is important because it speaks to our credibility in terms of addressing information that was provided for us by foreign lawyers, mostly American lawyers, that were here in June at a Bermuda Business Development Corporation organised conference to give us advice and recommendations on what needed to be done to improve the competitiveness of our investment funds legislation.

The Honourable Member who speaks for Finance will give more of a detailed explanation. I do not want to get into it. But the fact of the matter was that our credibility, Bermuda's credibility, was on the line in terms of taking those recommendations, working with

the BMA, working with the Ministry of Finance and the Minister of Economic Development and turning that as quickly as possible into legislation that would put us in a more competitive situation. I will leave it there, Mr. Speaker.

The remake of the Job Makers Act, the Incentives for Job Makers, is also very much rebuilding a foundation that we need for the revenue side, as the Honourable Opposition Leader said, very much a part of that as well. The fact of the matter is the Job Makers Act added it. As it was formulated under the former Government was an enormous disappointment to the international business community. They felt in many respects it was almost offensive based on the discussion they had had up to that 2011 Act. We got that very clearly from them. They said it would have been better for the former Government not to even bring the Incentives for Job Makers Act than to bring the watered-down version that came. It was offensive to the international business community. After listening, we have done our best and when we get—

POINT OF ORDER

[Misleading]

Hon. Marc A. R. Bean: Point of order, Mr. Speaker.

The Speaker: Yes?

Hon. Marc A. R. Bean: The Honourable Member is misleading the House.

One, we think that he is pre-empting debate, but since you have not ruled on it, we will say that that piece of legislation was actually done in consultation with international business.

The Speaker: Thank you. Thank you, Member.

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

I do not need to go any farther. That is exactly the point. They did not see it until finally it was tabled. What they expected and what was produced were two very different things.

POINT OF ORDER

[Misleading]

Hon. Marc A. R. Bean: Point of order, Mr. Speaker.

The Speaker: Yes, Honourable Member.

Hon. Marc A. R. Bean: He is misleading the House. That is just not true. It is not true.

An Hon. Member: It is true.

An Hon. Member: He is lying.

The Speaker: All right. Thank you.

Dr. the Hon. E. Grant Gibbons: Thank you, Mr. Speaker. I am going to move on.

The Speaker: I know I did not hear lying.

An Hon. Member: Yes, he did.

The Speaker: I know I did not hear that.

An Hon. Member: Twice. You heard it twice.

[Inaudible interjections and crosstalk]

The Speaker: I think we need to come better than that. Totally inappropriate!

Dr. the Hon. E. Grant Gibbons: Thank you, Mr. Speaker. Fortunately, I did not hear that. But if it was, I would hope the Honourable Members would retract that.

Anyway, I think the point I have made on that is that we are just going to simply have to agree to disagree on that particular issue and obviously we will get into that in the broader course of the debate on it.

[Inaudible interjections]

Dr. the Hon. E. Grant Gibbons: I would like to end, Mr. Speaker, on something that I think was interesting in some respects. Some will see it as a fairly dry issue, but there was a release by the Department of Statistics which came out, I think it was today or yesterday, which talked about the Gross Domestic Product in 2012. I know the Members on the other side of the House obviously get tired of hearing it was their fault, in spite of the fact that it may have been—and was—their fault.

But what I found interesting was the numbers for 2012, when you look at it in terms of real terms—that is, real GDP. The real GDP decline in 2012 was almost 5 per cent. It was minus 4.9 per cent. The year before that it was minus 3.3 per cent. The year before that in 2010 it was minus 2.1 per cent.

In essence, while the *Thelma & Louise* story may actually make the Opposition feel like we are making fun of it, we actually had a real *Thelma & Louise* story here because from 2010 to 2012 every year we have seen declining gross domestic product. I say that because I think a lot of us intrinsically felt that last year. In other words, things were going from bad to worse.

I think when the public thinks about the job the new Government, the One Bermuda Alliance Government, had to do, I think they often think about sort of a cut off on December 17th or 18th that all of a sudden things changed. In fact, what the One Bermuda Alliance Government inherited was a deeply deteriorating

situation where the GDP went from minus 2.1 per cent to almost minus 5 per cent last year. So, when we hear words like “bleeding”—

An Hon. Member: What year is that?

Dr. the Hon. E. Grant Gibbons: [In] 2010.

So when we hear words like “bleeding” and “haemorrhaging” that is exactly the situation we inherited. We inherited a car that was headed downwards off the cliff. So part of the job that we have had to do is stop, arrest that fall, before we start to see movement up again.

The good news is, Mr. Speaker, there are a number of indicators out there already. We have talked about the number of new incorporations in the first half of this year going in the upper direction. When you look at things like the indicator for the insurance, in July the BMA reported that there were more insurance companies up to July that were new registrations than the entire 2012 year. So there are a number of issues. The Minister of Finance has also commented that over 225 new Bermudians were hired in a single quarter between the end of March and the beginning of June. All these are indicators that we are starting to head now in a better direction.

That is the whole point of coming back in September. We need to lay the foundation and it is not all legislation but we need to lay the foundation for some of these things to get this economy going from a rapidly deteriorating situation which it clearly was in 2012, starting to level out. Or to put it in pilot terms, out of the deep dive that we were in in 2010, 2011 and 2012 back into a more stable flight and now back into growth. All these are part of the broader plan that the OBA Government has, Mr. Speaker, and we will be talking more about it.

Thank you.

The Speaker: Thank you, Honourable Minister.

The Chair will now recognise the Deputy Premier, Minister Dunkley.

Minister Dunkley, you have the floor.

DECORUM IN THE HOUSE

Hon. Michael H. Dunkley: Thank you, Mr. Speaker.

I knew we would have an interesting Motion to Adjourn tonight after being adjourned for a short summer break and just before I get into two issues that were directed clearly in my direction earlier tonight—let me just comment on a couple of things, Mr. Speaker.

First, it is hard for me and my colleagues to believe that the Opposition is sincere in helping move this Island forward when continually on the Motion to Adjourn we get into this type of debate. Anyone listening on the radio would consider all of us up here to be lacking some morals. All of us! I am not singling any-

body out because some of the language that they hear and some of the laughing they hear and some of the comments we call each other are unacceptable. I think we all get caught up in the emotion from time to time.

[Inaudible interjection]

Hon. Michael H. Dunkley: I said all of us clearly. I think we get caught up in the emotion from time to time but, Mr. Speaker, I think we all realise we have tremendous challenges in Bermuda at this time. While it is good to have some levity from time to time, I do not think we should direct it at each other personally because that takes away from our ability to reach across that aisle and build the relationships that could make a difference.

[Inaudible interjection]

Hon. Michael H. Dunkley: The Opposition Leader says, “Knock it off.” Here—

The Speaker: Honourable Member, that is not necessary. That is not necessary. The Honourable Deputy Premier is speaking and I think we must respect that. You must respect that completely.

Honourable Deputy Premier?

Hon. Michael H. Dunkley: Thank you, sir.

I do not have a problem with the cat calls from the other side, because we can get caught up in this Westminster system of debate and that is fine. But if you are going to give it to other people, you have got to take it at the same time. What I say here tonight—I am being sincere. I will sit down now and ask anybody on that side to say, *We do not have serious challenges to face*. If you want to demean people, you want to demote people, you want to call our Government names—that is fine. We are not moving forward.

I think if we are going to be critical of each other, we have to raise that level of debate where we can be critical but we can still be respectful. The great leaders of the past have found a way to do that. Clearly, we need to learn how to do that.

MINISTER’S DECISION TO CLOSE SCHOOLS

Hon. Michael H. Dunkley: You know, when I hear the Honourable Member who has left the Chambers right now, Mr. Scott, he is not sitting in his seat and I do not think he . . . when I hear him talk about some decisions made in the EMO and all he has to do is take care of his dog. Well, no sooner did he say that comment then I got an e-mail from a neighbour who complained about his dog barking!

[Laughter]

Hon. Michael H. Dunkley: So—

POINT OF ORDER

[Misleading]

Hon. Marc A. R. Bean: Point of order.

Hon. Michael H. Dunkley: You want to talk about Mickey Mouse and you cannot take care of your dog?

[Laughter]

Hon. Marc A. R. Bean: Mr. Speaker, point of order!

Hon. Michael H. Dunkley: I will read it!

Hon. Marc A. R. Bean: Point of order!

The Speaker: *[Addressing the Leader of the Opposition]* Honourable Member, do not be putting your arms out at me! No, no, no! No!

Just do not put your arms out like that. You will not stand in this House like that, Honourable Leader!

Hon. Marc A. R. Bean: My apologies, Mr. Speaker. I was trying to get your attention, but they were laughing and making a joke out of this statement.

The Speaker: All right, please.

Hon. Marc A. R. Bean: Mr. Speaker, point of order.

The Speaker: What is your point of order?

Hon. Marc A. R. Bean: The Honourable Minister is misleading the House. He just spoke about reaching out and raising the standard, and then he goes and makes a personal attack about my MP and his dog.

The Speaker: Right. All right. Thank you.
Carry on.

Hon. Michael H. Dunkley: Mr. Speaker, that is an e-mail that was received by my colleague from work. Right at this point, Mr. Speaker, so I stand by it.

Honourable colleagues on that side of the House talk about the steps of legislation. And if we have looked at the legislation before it comes to this Chamber . . . and yet here we are today. And I am not reflecting back on the debate, but if you look at the Transnational Organised Crime Act 2013, clearly (and the Attorney General should get full credit for this), [section] 3 can focus in on dealing with gang situations because [section] 3 can focus it directly on the challenges we face with gangs.

But not a Member from that side picked it up. Not one Member picked it up during the debate and they want to sit up here in the Motion to Adjourn and

talk about crime. They had a perfect opportunity in the debate to talk about it!

[Inaudible interjections]

Hon. Michael H. Dunkley: I ask them to read this Bill and show that you said it could be, Mr. Speaker, because I take strong offence and exception to people wanting to try to belittle other people.

I do not mind the criticism. I can take the criticism about what they believe is my lack of leadership in the EMO and those types of things. But I am not going to sit here and allow anybody to say that I have any less enthusiasm and vigilance to do the job than anyone in this place. I will not allow that to happen about any of my colleagues.

We get into talking about part-time and full-time . . . all we are doing is splitting the deck to create diversity. It is not going to work! Our people our hurting and we want to split the deck? We are not playing poker up here; we are dealing with real life situations.

Let me get back to those two issues that were talked about tonight: first the EMO. And I appreciate the Honourable Minister Roban, Opposition Shadow Minister Roban (who has left the Chamber now)—

An Hon. Member: You like saying that, don't you?

Hon. Michael H. Dunkley: Well, he is not in the Chamber. It's the truth!

An Hon. Member: It is optics.

Hon. Michael H. Dunkley: It is optics, but it is real. He is not in the Chamber. I am sure he is listening so he will get the message, and you will deliver the message to him, I am sure.

He started out being critical of the EMO. He said that the recent weather event did not bring much damage or safety issues to Bermuda. So he started out with a nice compliment to the Government and said that there was little damage and there were very few safety issues. Thank you, very much, for that.

Then he went on and he said (and I give him all the credit in the world) that he sat in on three EMO meetings as Chair[man]. Well, with all due respect, every meeting of the EMO is different. Every meeting of the EMO . . . the information you share is different. A different set of circumstances, different decisions have to be made because of what you see in front of you and what you see coming down the road. He talked about confusion, Mr. Speaker. It is not confusion. There was no confusion. I will admit inconvenience. I will admit inconvenience (and I will get back to that), but no confusion.

[He] talked about Ministerial interference. I could state categorically there is no Ministerial interference in any of those decision making processes. Nothing whatsoever, Mr. Speaker. So stop trying to

put it all in there and mix it all up and act like there is some type of problem going on.

Mr. Speaker, what I find interesting about the Opposition is that one Minister stands up and complains that we opened the schools after deciding to close the schools. And then another Minister stands up later and talks about another issue of not enough school teaching days and says, *We need to have more school teaching days*. Well, obviously, you cannot have your cake and eat it too at all times, Mr. Speaker.

Let me tell you how we arrived at that decision, because I went out proactively when we made the decision. We communicated with the EMO organisation, everyone involved, and right away I said we are going to have a press conference early (around lunchtime on that day) and explain how we got to the decision-making. And I further said that I would go on the radio and allow people to call in with questions because I wanted people to understand how we had to make it.

Now, Mr. Speaker, if any of the honourable colleagues had taken a look at the statement I delivered, and which was put up on the various news sites for people to take a look at, it is clear. This storm developed very quickly and very close to Bermuda, and it also developed somewhat unexpectedly, because when all of us went to bed on Monday night there was very little hint that there would be tropical storm warnings the next day. Sure enough, just about six o'clock, I got an e-mail message from the Bermuda Weather Service (that was sent out to a broad group of people) that there would be a tropical storm warning.

It was very clear at that point that the storm encountered conditions that could be ideal for further strengthening going forward. So the first thing we did was to make sure that the tropical storm alert was sent out early on Tuesday morning, and we sent it out by text message. There was some confusion there, Mr. Speaker, because when people saw the text message at 9:30, 10:00, 10:30 (whenever it came through), they saw the 6:00 am weather forecast and they thought the text was sent out at 6:00. That was the 6:00 am weather forecast.

Because of the storm being some distance away from us, we did not think it was necessary to even try to get the cellular providers to send out a message at 6:30 or 7:00 in the morning. We decided we would wait until the normal business hours and send it out. Remember, that service is a free service that both Digicel and CellOne are providing to us, and we think it worked well.

Let me specifically address the decision for closing schools, which was communicated just before the seven o'clock media opportunity. We specifically decided to close the schools because all the weather information was telling us at that time there was a strong potential for that storm to develop even further. With the impact of the storm to be felt through the

night, we thought at 6:00, 6:30, after getting that weather forecast, that if we left the schools open and the storm developed, or was stronger than we expected it to be with all the heavy rain that we have had in Bermuda over the last four, five, six weeks, with the overgrowth that we have had—even with 60, 70, 75 mph winds we would have tremendous debris on the roads.

To have our young people going out to get the bus at 7:00, 7:30 in the morning (and we know daylight is coming later in the mornings now), to have them to go out with potentially debris on the road and to notify 5,000 public school children at that time in the morning that schools were going to indeed be closed was the wrong move to make. So we decided to make the decision to close the schools at night, make the decision to keep the teachers coming into the schools in the morning because we felt very sure we could notify the teachers early in the morning if we did not want them to come to school because conditions deteriorated and we were always leaving the option open to review the situation in the morning.

I heard the Honourable Member that said, *Oh Lord*. But you know, one of the strengths I believe in leadership is to be able to look at your decisions and review your decisions and not do the easy thing—do the right thing. Anybody can make the easy decision because, you know what, I bet you dollars to doughnuts—and I will take the dollars because I do not like doughnuts anymore, I am getting a little bit old—but I bet you dollars to doughnuts if we had decided to close the schools, as we did, and leave them closed in the morning, all hell would have broken loose! *Why did they close the schools? We had a little winter storm and nothing happened.* I know they would have because . . . just to speak.

But you know what? I do not really care what the Opposition says if they are being political. I will listen to them all the time, but I will make the decision based on the facts coming to us.

So early in the morning, early in the morning, a number of us were out in the community looking at things. I personally was out at about five o'clock in the morning. And the Minister of Education was out there, permanent secretaries were out there looking at things. The first message came through about 5:20 and the question was, *Things look pretty good. We have checked with the police, checked with transport. Things look pretty good. We can open schools if you want to.* The decision was made. We can get a message out for the seven o'clock news cycle. We can open the schools.

It would have been easy to say, *No, do not worry about it. It is too much trouble.* It would have been easy to do. But you know what? The right decision was to open those schools. Was it an inconvenience? Sure it was an inconvenience but, you know, we want to live in a world where we want everything cookie cutter for us. We do not want to have any prob-

lems to deal with, or issues to move forward. You know the most important thing for us in the EMO and the Ministry of Public Safety—we had to err on the side of caution and safety! We could not put our children at risk.

And, Mr. Speaker, let me just read a text message that I received from a teacher and a parent. It came through yesterday. “Minister, you made the right decisions. Had the storm turned bad and the people’s children had been in harm’s way you would have been a horrible dragon.”

Hon. Marc A. R. Bean: You’re spinning it.

Hon. Michael H. Dunkley: The Honourable Opposition Leader says I will spin it. I will show him the text!

Then he says, “You continue to make the right choices in the best interest of all. I cannot figure out what some people are complaining about.”

Mr. Speaker, that is one of many texts that I have received. So we were not afraid to make the decision to open the schools and, you know, we opened the schools and by all accounts, from what I have received from the Minister of Education through the Permanent Secretary of Education and the Commissioner of Education, is that it was a productive school day.

I apologised in my statement. I apologised for any confusion this may have caused. But please know that our sole motivation is the safety of our people. Better to be safe than sorry, Mr. Speaker. And I closed my statement by saying, “I prefer complaints about the inconvenience of this decision than to be comforting family whose child was injured or worse . . .” Mr. Speaker, I will put safety over convenience all the time.

Now, I think that gives a full explanation at how we arrived at our decision-making process. Will we live and learn about some of the decisions and things? Of course we will. Will we listen to people who have said stuff to us? Of course we will. But this decision was the prudent decision to make at that time, and we stand by it because our people are safe. Other than a little bit of inconvenience that people had we moved on and people went to school. And I apologise to parents for that inconvenience that they had. But you know, life is never a bed of roses. If it was easy everyone could do it. My father told me that all the time when I was growing up.

[Inaudible interjections]

Hon. Michael H. Dunkley: The Opposition Leader says, “The lesson is keep sticking to your decision.”

I am sorry. I do things a little bit different than you. I continue to review my decisions. I continue to review my decision. But you know what, I am sitting over here right now, and I will keep—

The Speaker: Speak to the Chair. Speak to the Chair.

Hon. Michael H. Dunkley: The Honourable Opposition Leader—who is still feeling very charitable tonight—said something that really aggravated me when he spoke. He talked about, “my community.” Those were his words—“my community.” And I thought to myself quickly, *The gall of the Opposition Leader to say “my community.”* Because what he is trying to say is that whoever he is referring to is not part of that community and, all of a sudden, it is all his community. Unacceptable, Mr. Speaker!

I do not care if we are black or white, rich or poor, live east or west or in between. We all live in the same community. There are only 65,000—

POINT OF ORDER

[Misleading]

Hon. Marc A. R. Bean: Point of order, Mr. Speaker.

The Speaker: What is your point of order?

Hon. Marc A. R. Bean: Mr. Speaker, you will know in your vast experience and wisdom that theory and practise are two different things. When I say it is “my” community, I am sure you can relate to it, Mr. Speaker. Right? For some reason he cannot. He is misleading the House.

The Speaker: Thank you.
Carry on, Minister.

Hon. Michael H. Dunkley: Nice try.

It is a nice try by him, Mr. Speaker. I am not going to stand for this divide and conquer because Ministers and Government Members have difficult decisions to make and difficult responsibilities to do. So I am not going to get sidetracked by all of this divide and conquer. I know what he was saying. He was saying that a white guy—a white guy—cannot walk into those communities and understand—

POINT OF ORDER

Hon. Marc A. R. Bean: Oh, Mr. Speaker, point of order!

The Speaker: Yes?

Hon. Marc A. R. Bean: Point of order, Mr. Speaker!

The Speaker: Yes?

Hon. Marc A. R. Bean: Do I have—

The Speaker: Well, I guess, I did not hear you . . . you did not say that. He did not say that.

Hon. Michael H. Dunkley: Mr. Speaker, I did not say he said it; I am saying . . . I am saying, Mr. Speaker.

The Speaker: All right. Carry on.
Carry on, Minister.

Hon. Michael H. Dunkley: And then he acted like these things do not happen in *our* community—

An Hon. Member: Who is *our* community?

Hon. Michael H. Dunkley: Well, Mr. Speaker . . . no, I am not using “my” community, I am using “our” community because we are all in Bermuda together, mate. We are all in this boat together.

[Inaudible interjections]

Hon. Michael H. Dunkley: No matter what you say we are all in this together.

The Speaker: Speak, speak to the Chair and we can stay on top when you speak—

Hon. Michael H. Dunkley: No, I am fine. I am cool. I do not mind the interruptions from the frustrated Opposition Leader. That is what he is.

[Inaudible interjections]

Hon. Michael H. Dunkley: Because in my constituency I have had shootings, too.

Oh, they seem to forget about that. I have had shootings, too. Do you know what they forget about, too? They forget that before and after shootings my colleagues and I go to those neighbourhoods. Opposition Member Mr. Weeks is well aware that when he was lobbying for cameras up in his constituency, I was up there as a Shadow Minister at that time trying to support him for that. I think we have had some success getting that done because the cameras were put up there. So, do not say that the Minister of Public Safety is not going into those areas. I make a point to step out of my comfort zone—and we all have comfort zones—step out, because we are representing all people. We are representing all people, and I know people are hurting so I am going to go there and I am going to see their pain and I am going to try and feel their pain and I am going to work to change it, Mr. Speaker.

[Inaudible interjections]

Hon. Michael H. Dunkley: So I have been up there. We continue to go up there, Mr. Speaker. But we use the murders that are going on as a divide and conquer. Mr. Speaker, I am not allowing it to happen. I am going to stick to the record and make changes.

I said clearly—

POINT OF ORDER
[Misleading]

Hon. Marc A. R. Bean: Point of order, again. I am sorry.

Mr. Speaker, he is misleading the House. No one is using crime and murders to divide and conquer.

The Speaker: All right.

Hon. Marc A. R. Bean: That is just out of order.

The Speaker: All right.

Hon. Michael H. Dunkley: Mr. Speaker, I am saying [in] my opinion. He can disagree with me all he . . . he had his 20 minutes, now it is my turn.

[Crosstalk]

Hon. Michael H. Dunkley: Mr. Speaker—

[Crosstalk]

The Speaker: Carry on, Minister.

[Crosstalk]

Hon. Michael H. Dunkley: I made it very clear, when there was a lull in the shootings, that progress was being made, but also made it very clear that we should not expect that the shootings were going to stop automatically. There is still a lot more work to be done. There are still a lot of people who live a life that we do not accept.

I am not going to come here tonight and jeopardise us trying to move forward to deal with this situation. I am not going to come here tonight and get involved in police investigation. I spoke to the Honourable Member, Mr. Weeks, before I spoke tonight to inform him that all the cameras in that area are working. They are all working. I also told the Honourable Member a little bit of confidential information that I think is important.

There is a maintenance contract still in place and there is a monetary contract still in place, and I do not think we should talk about any information the police have got off those cameras because an investigation is going on and they are using the information.

The Speaker: All right. Thank you.

Hon. Michael H. Dunkley: Thank you, Mr. Speaker.

The Speaker: Thank you.

[Inaudible interjections]

The Speaker: You are watching the clock, too.

The Honourable and Learned Member from Sandys [South Central] has the floor.

[Pause]

Mrs. Kim N. Wilson: Thank you, Mr. Speaker. I will be brief.

I initially had no intention of speaking; however, I think I want to just say a couple things particularly with respect to the issue surmounting the recent storm. I am speaking not only as a parent who, quite frankly, felt that it was a little bit more than an inconvenience, but I am also speaking on behalf of a number of constituents and other persons that have presented to me their concerns.

Let me preface my comments, Mr. Speaker, by saying that I do not think anybody in this Honourable House—anyone in Bermuda—would disagree with the Minister's statement and his position insofar as the paramount consideration was the security of the children. No one would disagree with that. I commend the Minister for his leadership and exuberance in that particular position and noting that the children's safety is what is paramount. I agree with that.

I know other things have been said concerning the safety, potentially of the teachers. And I am not quite sure how you could separate recognising that there are several thousand children that are going to be going to school, but yet we are going to just let the teachers go on to school. I cannot understand that. But that is not for me, perhaps, to understand. The position that I do understand is that the children's safety was paramount.

What I am concerned about, as a parent, at approximately . . . I am just going to tell how my household works. At approximately . . . we try to get our children to bed by 7:30, 8:00. So by 7:15, my husband came inside and said, *Oh, they just announced on the news that the school is closing. There is no school tomorrow.* So, of course, my children were very elated. *Does this mean we can stay up later?* Rah, rah, rah, rah, and we had to settle that. So we had to deal with that issue. And this is after having consumed much of my afternoon/early evening helping with homework, so I would have welcomed the opportunity that there would have been school the next day because then that would have allowed me to get on with my evening. But, needless to say, my children, of course, had that reaction.

We put them in bed at the regular time, but I know of parents, and I know of individuals who took this as an advantage to allow their children to stay up a little bit later because there was no school. I am certain that people would not have gone to bed at night thinking there was no school only to think that when they woke up the next morning there would be school. That is a little bit more than a confusion to me.

[Inaudible interjections]

Mrs. Kim N. Wilson: No, my school clothes were ironed. My husband does all that the week before. So that is cool.

[Inaudible interjections]

Mrs. Kim N. Wilson: Well, hey, he is wonderful. I love that because I do not like to iron.

The problem that I have with this, really, is the reversal of the decision. To me, with respect to the Honourable Minister of National Security and the EMO, and whoever else was part of this, [for] the Minister of Education to reverse the decision . . . I think therein lies the confusion. That is the problem. We are not disagreeing with the fact that the safety of the children is paramount. But to turn around at 7:09 or 7:15 when ZBM announced it and then we wake up in the morning and (this is even more confusing in my own household) my husband has ZBM on at seven o'clock and it says, *School is open*, and VSB must not have picked that up yet because at 7:15 they were still reporting that the schools were closed. So then imagine my house, an 11-year-old and a 9-year-old schizophrenic—yes, there is no school, no there is school—so we are going through those emotions.

And mind you, I had a meeting with respect to my job and I had . . . they were asking me to come in early that morning to further a particular project, and I had to write to them that I do not know what I was going to do tomorrow yet with my kids. I am one of the fortunate ones because I have a husband and in-laws and relatives that can help facilitate looking over my kids while they are not in school. A lot of people do not have that. I know of so many constituents who lost a day's pay because they called their place of employment to say they could not come in tomorrow because they had to take care of their children only to have the decision reversed. And then for them to try and go back to their job and the employer had already hired somebody else to relieve them. So they have lost a day's pay.

So, again, I respectfully submit, this is not a minor inconvenience.

In addition to that I think that the whole confusion over closed/open/closed/open was even further compounded by the fact that not all media outlets received the information. A number of people on this Island . . . and I stand to be corrected, but as I understand it HOT 107 and 102 (my favourite one) have the highest listenership throughout the community. So how they could have been . . . whatever the reasons are, I do not know. I am not going to get into that. I am just talking about the process. The process of not informing every media outlet that school is now on adds to more confusion and further exasperates the issue.

Then . . . and my children are at Warwick Academy. And the fact that some of the private schools were open then they were closed then they

opened again at eleven o'clock . . . it was just a pile of confusion. Absolute, chaotic, confusion!

I am embarrassed because I try to set a good example in front of my children—particularly when it relates to political matters. But I know they were looking at my husband because we were like, *What is this?* It was just a pile of confusion. So they are observing our behaviour, but I could not even hold it in because it was so frustrating with this up and down.

The main thing is, if you make a decision—

[Inaudible interjections]

Mrs. Kim N. Wilson: Yes, my children are in private school. And that is a great thing because you have a choice of education, private or public, and that was my choice that I exercised. However, the fact is that the . . . and to the Warwick Academy's credit, they made a decision and stuck to it. When they listened to the EMO (perhaps to their chagrin) and the Minister coming out at 7:15 the night before saying, *The weather pattern is such, school is going to be closed*, they made the decision and stuck to it. So, regardless of the fact that the next day all the other schools are back on or whatever, all the confusion, Warwick Academy stuck to it and said, *Well, this is what we have already communicated to the parents and the teachers, so therefore we will maintain our closed status*.

Anyway, the point that I am trying to make is this, in the future . . . because what scares me, in my respectful submission, is the lack of leadership in this decision process. Make a decision and stick to it. Flip-flopping . . . we have seen it, and I am not going to repeat what some of my colleagues have said previously since December about different decisions and pieces of legislation, opinions being given and flip-flopping. I am not going to go there because that is inconsequential compared to the confusion, I believe, that we saw this week.

What frightens me . . . Humberto! What happens when . . . isn't Humberto tracking around somewhere? And are we going to have—

[Inaudible interjection]

Mrs. Kim N. Wilson: Humberto. I do not know if it is downgraded or upgraded or whatever, but the fact is that this was a great illustration of a time when the Government had a perfect opportunity to show their leadership and, with respect, I think it failed. It was a confusing exercise.

What I would hope the Government would do in the future, particularly as it relates to these types of matters—and decisions, period—one of three things: One, make a decision and stick to it. Do not flip-flop. Just call it like it is. Yes, you may regret it the next day, but you just call the decision and make it and stick to it. That element of finality dispels all this un-

necessary confusion. Two, they could very well come out and say we will make a decision concerning the closure of schools pending tomorrow morning—listen to the news at six o'clock and then let every news outlet, including HOT, know what the decision is. Or three, wait until the morning and then make that decision.

I appreciate that safety was paramount. I get it. But the concern that I have is that it caused a lot of unnecessary anguish. People lost a day's pay. Children were up and down; schizophrenic, because they did not know whether they were going to school or not. So parents had to address those issues.

It was just a pile of confusion. And to say that it was just a mere little inconvenience, personally I find that offensive and I am certain that a number of other members of the public also find that offensive.

And whilst we are on education, rather quickly, this issue concerning the appointment of the Commissioner of Education—I am hopeful and praying that the Government of the day will, during the tenure of this particular commissioner, identify the Bermudians that are suitably qualified, make sure that they are prepared and trained-up to take the post of the next Commissioner of Education, because it should be a Bermudian, and there should be no excuse that a succession plan is not in place.

We saw the success of the succession plan at the Bermuda College with Dr. Duranda Greene, the first female president. There was a plan that allowed her as a Bermudian to step into that. So I am certainly hopeful that the permanent secretary (since we know that the Minister of Education is not involved in this process), but the permanent secretary and/or the board will ensure that a succession plan is developed and maintained so that a Bermudian could take the position, in place of the Commissioner of Education.

Thank you.

[Desk thumping]

The Speaker: It looks like I am going to have to take the Honourable Glenn Blakeney, from Devonshire [North Central].

Mr. Glenn A. Blakeney: Thank you, and good evening, Mr. Speaker and colleagues.

Mr. Speaker, what is interesting, picking up on the point drilled home by the Honourable Shadow Attorney General, Ms. Kim Wilson, regarding the EMO and the decision made, what is very curious to me . . . And I was abroad at the time on Commonwealth Parliamentary business with colleagues from the Government, including yourself and Mr. Cole Simons and the Clerk.

But what is very curious is that there is an EBS system, which is an Emergency Broadcast System, where it was mandatory for all broadcasters to comply with. That system is an automated system (for

those who may not know) that supersedes programming of the automated programming overnight period. Because there are no local broadcast stations after eleven, ten o'clock, midnight, that has anyone live in-studio, on air—none in the country. And that is one of the reasons why, I think, a very prudent and wise decision was made to implement a mandatory Emergency Broadcast System.

Under the EMO, they would deploy someone to take over 100.1, or something somewhere on the spectrum, relative to frequency modulation (or FM). But it also is carried on the amplitude modulating stations (which is AM). And that person would come on live and just take over the airwaves of the country at any particular time.

There could have been an advisory during the course of the day, when there was the concern based on the forewarning that we had as a result of AccuWeather letting us know that there was going to be this tropical storm that would threaten the Island. The advisory could have easily been to the radio stations and the television stations, directing the public to do one thing, directing the stations to direct the public to do one thing—tune in at a given time to the emergency broadcast station frequency. Failing which, *Tune in to your favourite radio station, because there will be updates in accordance with what we anticipate based on forecasts as to what will be done or not.* And we will share our decision, as Government, based on the emergency organisation's decision, and let the public know. So if there was going to be a reversal of the decision, we had ample time.

But there was no press release, no public dissemination of any kind of communiqué from the emergency broadcast organisation to the broadcast stations, because the people that are first on in the station, live every day, are on around six o'clock in the morning. So as soon as they would have gotten in, there could have been an advisory: *The status of the current situation is being reviewed; please stand by for further update relative to school openings (or closings),* subsequent to the decision that was communicated the night before.

Having not done that, I cannot disagree with the sentiments that once the decision was made you go with it, because there are all kinds of inconveniences that are serious. Number one, the schedules for the public transportation system. Remember, you have children that are travelling to the central part from the outer extremes of the Island east and west, coming to CedarBridge and Berkeley. That means they have to be up at 5:30, six o'clock, preparing to catch that bus. Now, if the bus driver's roster has changed, based on a decision made the night before, and you say to your drivers, *You don't have that route because no buses are necessary to go to Berkeley and CedarBridge,* that is another impediment.

But I will leave it there. I felt very offended when I found out that we were not even considered

worthy enough, based on the large listenership that we have, of being advised of something so critical to the daily lives of families in this country. I mean . . . but it is okay.

[Inaudible interjection]

Mr. Glenn A. Blakeney: Well, you know what? And that is a fact. The Minister did . . . I must give credit to the Minister, he did subsequently apologise.

[Inaudible interjections and laughter]

INCENTIVES FOR JOB MAKERS ACT

Mr. Glenn A. Blakeney: I do not even know if that is worthy of a response.

With regard to the Job Makers and the consultative process, and the hearsay regarding IB [International Business] now saying that they were offended, I just find that to be condescendingly disingenuous. Because you tell the Government of the day what they want to hear in the process, and the new Government takes over, and everything changes.

It is almost like the Michael Bloomberg comments. You know, I found that offensive. Here is a gentleman whom I respect. He is a business leader of the world on the planet. He is welcomed to our Island community. And to become political in that kind of way, I felt was a bit over the top. I mean, you do not do those kinds of things. And he is a politically savvy individual, because he is a mayor!

And it is a fine line when you are dealing with the politics of another jurisdiction, weighing in a way that could be offensive. You do not kind of do that. Because what you say is that all the hard work that was done by the Bermuda Progressive Labour Party, particularly with the TIEAs and the compliance that allowed us to be included on the White List of the OECD [Organisation for Economic Co-operation and Development], you know, how are we supposed to feel, even as a community? I mean, it is a very thin line between the OBA's victory and the Progressive Labour Party's defeat, in relative terms. It is a real balancing act.

OVERSEAS TERRITORIES MEETING IN GIBRALTAR

Mr. Glenn A. Blakeney: I will move on from there with regard to Minister Dunkley. I find it very curious that the Minister of National Security, after all that has been said today with regard to the Government wanting or not wanting to be considered a (what is the term?) self-determined jurisdiction, and the conversation going in the direction of substantiating why there is a school of thought within the Government that they should now have more power over internal security, which includes the police department and the Bermu-

da Regiment, and he gets an opportunity, gets up to take his political platform on his House of Assembly soapbox to appear all holier-than-thou to the community, listening and taking advantage of looking, on the one hand, to say that he was all open-minded with regard to wanting to be more collective in the approach of us doing things more collaboratively, but very subtly making inferences that were not only condescending to us here in the House, but also attacking the Opposition in a very subtle way, almost like the pot calling the kettle black, after trying to say, you know, *We need to be more conciliatory. We need to be leading by example*, and all of us this and all of us that.

But yet, it is very seldom that you would hear the Government of the day give credit to the plethora of accomplishments over 14 years—

Hon. L. Craig Cannonier: Point of order, Mr. Speaker.

Mr. Glenn A. Blakeney: —notwithstanding the points—

Hon. L. Craig Cannonier: Point of order, Mr. Speaker.

The Speaker: Yes, Premier.

POINT OF ORDER

[Misleading]

Hon. L. Craig Cannonier: Misleading the public. And I am going to quite frankly say it is just rubbish. On many occasions I have stood up and given great kudos to the PLP Government for the many things that it has done.

So, stop it!

The Speaker: Thank you, Honourable Member.

Mr. Glenn A. Blakeney: I am very thankful that he has admitted it now on behalf of his entire Government, because they point fingers and they criticise every single moment they can during any debate that we have in this House. They talk about the 14 years, they talk about going over the cliff, they talk about *Thelma & Louise*—

[Inaudible interjections and general uproar]

Mr. Glenn A. Blakeney: Yes!

And he is now going to get up on a point of order and call what I am alluding to rubbish, [when it] is fact and truth? Because he has no defence with regard to the accomplishments that the Progressive Labour Party enjoyed in serving its constituency, the country, over 14 years, notwithstanding some things that could have been done better.

But it was not 14 years, because there was a solid five or six years where the Bermuda Progressive Labour Party ran this country quite well. And if we were not running it quite well for 14 years, we would not have had that confidence over 14 years to be the Government! So there is credit where credit is due that must be given! Even though it may be denied, it cannot be dis-acknowledged, because we have a list of accomplishments that took up more than four, five, six, seven pages!

[Inaudible interjections and crosstalk]

The Speaker: Carry on.

Mr. Glenn A. Blakeney: And there is the Premier saying, *Sit dahn, bye!* (which is a colloquialism for our Bermudian dialect).

The Speaker: Carry on, carry on.

Mr. Glenn A. Blakeney: But, you know, that is not leadership! That is not statesmanlike, sir! You know, that is why my Honourable Leader said he felt very nervous about the Premier today negotiating on behalf of the country on such things as self-determination. He does not take a colleague with him that is at Ministerial level. He does not take a civil servant based in Bermuda. He takes a very qualified individual, based in London, with him—

Hon. L. Craig Cannonier: Point of order, Mr. Speaker. Point of order, Mr. Speaker.

The Speaker: Yes, Premier.

POINT OF ORDER

Hon. L. Craig Cannonier: You know, there is no difference between a civil servant, which is Bermudian, that is in Bermuda or in London. We took a Bermudian civil servant. Stop splitting hairs.

Mr. Glenn A. Blakeney: I am not splitting hairs.

The Speaker: Carry on.

Mr. Glenn A. Blakeney: I am commending you for doing at least that. But I would have expected you to have another Ministerial colleague in the room, someone who was in Cabinet, a colleague that was in Cabinet, to be his soldier, his sergeant-at-arms, his go-to guy, his witness. He is going alone to deal with a high-level negotiating process, and he has very little experience leading the country. I figured, even if he would have taken a member of his kitchen cabinet with him as a consultant—they are paying enough for consultants—but he goes alone! And then he cannot come

back, and even on the plane . . . It is a seven-hour flight! We shared the plane coming back.

[Inaudible interjection]

Mr. Glenn A. Blakeney: Oh, okay. Well, I say seven hours because I believe you have got to be there at least two hours before your flight departs, and I am sure he was there in time. So he probably had eight hours to draft something and, with technology today, shoot it to a secretary to print so that he had a press statement or a Ministerial Statement in this House this morning with regard to his Gibraltar trip! That is leadership! That is leadership! He has got a chief of staff who not only looks the part, but I am sure he can act the part!

So what happened? Why do we not have it? That is accountability! That is leadership! That is leading from the front!

But to come back and give excuses, and then haphazard half-answers to questions, I mean, it is unbelievable! I believe the country deserves more, Mr. Speaker! And that is all we are saying! That is all we are saying! That is all we have been saying all day! And when we do critique, we critique based on the principle upon which we, as the Opposition, feel necessary to bring to light the inadequacies and the shortcomings of the Government of the day! That is our job!

And they can take offence to it; that is okay. It is okay! But we have supported, as my Honourable Leader has said, 95 per cent of the legislation that has come to this House. We have also offered very prudent amendments to enhance the legislation. So we come with a very committed effort to serve our people in the way that they would have us, as elected members, serve.

We look at the reversals of the OBA. You know, senior citizens being targeted for having certain class vehicles, and then subjected to the stress of being told that there was going to be an increase—reversed. We had the attempt to allow the children of guest workers (children who were university students) to return to the Island and be employed during the summer—reversed! But yet they will get up and shout, *Oh, yes, we have the hearts and minds of the people!*

But these are the kinds of short-sighted initiatives that they propose on the surface, without peeling the layers off. And then when the public outcry comes, they are put in a position of defence, and then they have to reverse and restart. And then they want to talk about us driving the vehicle over the cliff with *Thelma & Louise*.

So, Mr. Speaker, you know, I would implore that before the Honourable Government gets up and looks to defend by denigrating the Opposition, that they first make sure that they are doing all [that is] humanly possible to serve the country in the way it would be served. Here today is primarily as a result of

their legislative agenda not being fulfilled in the normal way during the normal, traditional period of time. That is it. That is it. They did not achieve what they needed to or wanted to, or felt worthy of achieving in the normal session before the summer break. And that is really why they are here. That is really why they are here.

See, they coined the phrase about it all being about now, and that is all good. But Government does not stop working. We had plenty time because there were times in this Honourable Chamber when there was no legislation tabled! None! There you go! The Progressive Labour Party was not here in this Chamber without bringing legislation to table.

[Laughter]

Mr. Glenn A. Blakeney: No point of order. No point of order!

So, Mr. Speaker, let the Government stop pointing their fingers, pointing their fingers, pointing their fingers. And if they are truly sincere about being collaborative in moving forward in the running of this country, then there has to be a genuine attempt at that, and not platitudes just for self-serving purposes and for the sake of the brownie political points that they are looking to achieve.

Thank you.

The Speaker: Thank you, Honourable Member.

The Chair now recognises the Honourable Premier.

Hon. L. Craig Cannonier: Thank you, Mr. Speaker. I will just hit on four points, and really in a collaborative way.

Number one, I want to thank all Members of this House, Honourable Members, for having their schedules probably interrupted to be here for the next couple of weeks to do the business of running our country. I believe that all of us feel that it is important.

And when we sent out notice to the Opposition, there was no pushback. It was agreed that we would come and do work. So, some of that rhetoric I hear is quite surprising, when we did seek out collaboration in meeting at this time. I know in most cases we like to play politics and not get to the real issues, but I find it concerning that when we look at the Bills that are here, with more to come, that this is not important work, or to suggest that it may not be as important as other things—the inference. And an inference like that should be concerning to our people.

EDUCATION

Hon. L. Craig Cannonier: I do also want to say that, as the Honourable Member—the Shadow Attorney General—was looking for a succession plan concerning education and the appointment there, I have spo-

ken to the Minister to ensure that a succession plan is in place for that, because I wholeheartedly agree that we should be looking for every opportunity, with the expertise that we have in this country, to ensure that our Bermudians find themselves in the highest of positions, knowing that they are qualified.

PARLIAMENT MEETING IN SEPTEMBER

Hon. L. Craig Cannonier: In addition to that, Mr. Speaker, it is important (and I said I am going to be brief here) that we stop the bleeding and that we gain the interests of investment in this country. There are incentives through deregulations—rolling out the red carpet (you have heard these things)—so that we place our Bermudians in a position whereby they can continue to work and feed their families and enjoy the standard of living that we have enjoyed over many years.

I also would like to clarify. I know a lot of talk has been . . . And maybe the right term may have not been to say that self-determination was something new. I want to put it in context as to what was being discussed with this self-determination. I have never really heard self-determination spoken of exclusive of independence when it comes to the overseas territories. And that is what I found new, coming from the overseas territories, that they were not seeking independence, but self-determination. So the concept of self-determination, exclusive of independence, I found rather interesting. And so we have talked about collective ideas on how that works. And so I will leave that at that.

The most important thing, though, Mr. Speaker, as I said, there is no need to go over some of the stuff that has been said tonight; I think we have had enough. But I do find it rather interesting that some of us would know Mickey Mouse's address.

[Laughter]

Hon. L. Craig Cannonier: Because I know a phrase that many of us are aware of, and it says this: *Show me your friends, and I will tell you who you are.*

Good night. Thank you, Mr. Speaker.

The Speaker: Thank you. Thank you, Honourable Premier.

[Desk thumping]

The Speaker: Members, the House is now adjourned to Friday, the 20th of September.

[Gavel]

[At 8:26 pm, the House stood adjourned until 10:00 am, Friday, 20 September 2013.]

BERMUDA HOUSE OF ASSEMBLY**OFFICIAL HANSARD REPORT****20 SEPTEMBER 2013****10:00 AM***Sitting Number 23 of the 2013 Session*

[Hon. K. H. Randolph Horton, Speaker, in the Chair]

PRAYERS

[Prayers read by Hon. K. H. Randolph Horton, Speaker]

CONFIRMATION OF MINUTES**13 SEPTEMBER 2013**

The Speaker: Good morning, Members.

You should have received the Minutes of the 13th of September. Are there any objections to those Minutes being agreed upon?

There are no objections.

The Minutes have been approved.

[Motion carried: Minutes of 13 September 2013 confirmed.]

MESSAGES FROM THE GOVERNOR

The Speaker: There are no messages from the Governor.

**ANNOUNCEMENTS BY THE SPEAKER
OR MEMBER PRESIDING****APOLOGIES**

The Speaker: We have several Members who will not be here today. The Honourable Member from Southampton East, constituency 29, MP Zane De Silva, will be absent. The Honourable Member from Hamilton West, constituency 6, Wayne L. Furbert, will be absent. The Honourable Member from constituency 28, Warwick West, Jeff Sousa, will be absent. The Honourable Member from Warwick South Central, constituency 26, the Honourable Marc Bean, the Leader of the Opposition, is absent. Unfortunately, he had an accident, I believe while playing football recently. We wish him well. Then, finally, the Honourable D. V. Burgess, from Hamilton East, constituency 5, will also not be here.

MESSAGES FROM THE SENATE

The Speaker: There are no messages from the Senate.

**PAPERS AND OTHER
COMMUNICATIONS TO THE HOUSE**

The Speaker: No papers or communications.

PETITIONS

The Speaker: No petitions.

STATEMENTS BY MINISTERS

The Speaker: We now have Statements by Ministers. And I would recognise first and foremost the Premier.

Honourable Premier, the Honourable Craig Cannonier, you have the floor.

UNITED KINGDOM OVERSEAS TERRITORIES ASSOCIATION MEETING IN GIBRALTAR

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

As promised, I wanted to bring a Statement to the House on the pre-meeting of the [UKOTA \[United Kingdom Overseas Territories Association\]](#) that happened and took place in Gibraltar, Mr. Speaker, the meeting with the heads of the overseas territories.

I rise this morning to inform this Honourable House and the people of Bermuda about the purpose and content of my recent meeting with the heads of overseas territories. The meeting was held, Mr. Speaker, on the beautiful island of Gibraltar, from the 8th of this month through to the 11th of this September.

I was pleased to be in the company of:

- the Honourable Fabian Picardo, Chief Minister of Gibraltar;
- the Honourable Hubert Hughes, Chief Minister of Anguilla, that many here would be familiar with;
- the Honourable Orlando Smith, Premier of the British Virgin Islands;
- the Honourable Alden McLaughlin, Premier of the Cayman Islands, the new Premier of Cayman Islands;
- the Honourable Ian Hansen of the Falklands;
- the Honourable Reuben Meade, Premier of Montserrat;

- also Dr. Rufus Ewing, Premier, the Honourable Member, of the Turks and Caicos; and
- the Deputy Mayor [Simon Young] of Pitcairn.

I hasten to add that in December 2012, at the end of the last political council meeting with the United Kingdom Overseas Territory Association (or UKOTA), the Government of Gibraltar extended an invitation to the leaders of the territories to attend a plenary meeting in September 2013, prior to our next meeting with the United Kingdom as a group in November of 2013. As host government, Gibraltar paid for our attendance. So, for the avoidance of all doubt, the costs and expenses incurred through the trip were borne by the host government, the Government of Gibraltar, and not by the Government of Bermuda.

It was interesting to note the commonalities that we share no matter our size and our location. From Pitcairn to the British Virgin Islands, from Anguilla to Bermuda, we found that we faced similar challenges: How do we stimulate creation of jobs to set our citizens on a path of prosperity? What can we do to jumpstart our respective economies? How do we balance the need to attract foreign investment with the need to protect the rights of our citizens?

The primary focus of the meeting, Mr. Speaker, was to plan and set the agenda for the November 2013 meeting of the Joint Ministerial Council in London. The Joint Ministerial Council (or JMC) comprises political leaders from the overseas territories and Ministers from Her Majesty's Government.

The JMC first convened in December 2012 to progress the implementation of the vision and strategy set out in the June 2012 UK White Paper entitled *The Overseas Territories: Security, Success and Sustainability*. A communiqué on the meeting was published immediately thereafter, in December of 2012.

Mr. Speaker, in the executive summary of the White Paper, one can find the statement, attributable to Her Majesty's Government, which indicates that the United Kingdom is committed to defend the territories and protect their peoples from external threats, ensuring their right to self-determination. This was also reiterated in the December 2012 JMC communiqué, where mention is made of a shared vision for the territories as vibrant and flourishing communities, proudly retaining aspects of British identity and generating wider opportunities for their people.

At that meeting in December 2012, it was collectively agreed by all leaders, together with the UK Government, that a modern relationship should be built, based on a partnership and shared values. All parties shared a commitment to the principle of the right to self-determination. Much has been made of the principle of self-determination, so if you would allow me a few minutes, Mr. Speaker, I would like to read and to reiterate an extract from the communiqué:

"It was agreed that the people of each territory have a right to choose whether or not their Territory should remain a British Overseas Territory. Any deci-

sion taken to sever the constitutional link between the UK and a Territory must be on the basis of the clear and constitutionally expressed wish of the people of the Territory."

Bermuda needs to continue to have a say and, where applicable, more say, in charting its future.

In Gibraltar, we discussed that each territory is indeed unique and operates under its own constitution, albeit some constitutions are more sophisticated than others. We reviewed the commitment made in December that work will continue on modernising constitutions to ensure that they operate effectively. More importantly, we confirmed our beliefs that we will engage in mature dialogue on constitutional issues and take into account the wishes of our respective peoples.

Our very meeting in Gibraltar was the outcome of an agreement made in December 2012 that the territories would work more closely together. In fact, it was agreed that UKOTA would work on facilitating and reforming the on-going relationship amongst the territories, with particular focus to be placed on building greater capacity between us. As president of the political council, I will be intimately involved in the implementation of the new strategy for co-operation amongst the territories, which will be launched during the November 2013 JMC meeting. After that launch occurs, Mr. Speaker, I will bring a further update to this Honourable House.

In Gibraltar, there was a recognition that, individually, we might not be regarded as great world powers, but that collectively, we have un-harnessed potential to influence particular sectors of the world. Collectively, we represent approximately 500,000 people. We are world leaders in international business. We are world leaders in environmental initiatives. We are world leaders in biodiversity. Preparing to speak with a unified voice, Mr. Speaker, was our guiding principle. There was a realisation, and I was proud to be a part of it, that the territories must unite because there is strength, power and influence in numbers.

Mr. Speaker, I wish to give a snapshot of the situation of some of our sister territories. I do this because, often in Bermuda we tend to lose perspective on just what we have achieved, even in the face of daunting economic times.

Montserrat, Mr. Speaker, continues to recover and, as a result, relies on most of its annual budget to come by way of financial aid from Her Majesty's Government through the Department for International Development [DFID]. That notwithstanding, Montserrat, in collaboration with DFID, has focused its strategy in redeveloping its tourism market.

Gibraltar has fared fairly well during the global recession and still remains the world's leading facilitator on gaming. Its biggest threat is that its right to self-determination is being challenged from Spain, with potential impact for possible investment. Despite this

challenge, Gibraltar has seen a 7.8 per cent growth in GDP.

Mr. Speaker, as one might imagine, the resumed powers given to the Turks and Caicos Islands following the suspension of its constitution has left matters within the island somewhat complicated. However, it is reported by the leadership that the island's people are optimistic about the future. Even in spite of the suspension of the constitution and the global economic downturn, tourism remains the main pillar of the economy in the Turks and Caicos.

The tourism industry has allowed the government to maintain its budgetary targets and keep the territory operating above a deficit. The government is now exploring options for economic diversification within tourism, such as building an eco-tourism market by utilising nature reserves and natural park systems.

Mr. Speaker, the Honourable Members may be interested in knowing that the Turks and Caicos have identified a need to expend in excess of \$100 million to build a new terminal to meet the demand of tourists. The goal, Mr. Speaker, is not just to develop a new air terminal, but rather to situate the Turks and Caicos as an aviation hub for the Caribbean, given that, currently, the only hub is located in Puerto Rico.

A second major project envisioned in the Turks and Caicos is to reconnect all the islands by way of bridges. This will assist in facilitating investment and also in consolidating social services for the Government. I wish to add that, while this all sounds very promising, a major challenge exists for the Turks and Caicos on the international financial front, as there still remains in place a sovereign guarantee with several conditions.

On Monday, the 8th of September, UK Prime Minister David Cameron, Mr. Speaker, stated in the House of Commons that it was no longer fair to label Crown dependencies and overseas territories as tax havens. I can report, Mr. Speaker, that the territory leaders responded through the media by stating the following: "We, the Premiers and Chief Ministers of the Overseas Territories, welcome David Cameron's statement made in the House of Commons on Monday that it is unfair to label our Territories as Tax Havens. Our Territories are well regulated, independent financial services jurisdictions, and play an integral role in facilitating global business. We will continue to lead on meeting international standards of tax and transparency."

This is a critical statement of support, Mr. Speaker, and useful in addressing at least one recent report that unfairly listed Bermuda on a black list.

In closing, Mr. Speaker, I wish to inform the Honourable House that the Government will continue to utilise vehicles such as meetings of the JMC (Joint Ministerial Council) and its sub-groups to promote the interests of Bermuda in a global environment. While some may consider Bermuda as a mere dot on the world map, it is through such partnerships and efforts

that we are able to boldly engage with others on a world stage as we stand firm and seek to promote our interests and those of our people.

Thank you, Mr. Speaker.

The Speaker: All right. Thank you, Mr. Premier.

[Inaudible interjection]

The Speaker: Honourable Member, let us start the day off in a better way. Let us be respectful.

The Chair will now recognise the Honourable Minister of Public Safety.

Minister Dunkley, you have the floor.

BRIDGING THE GAP VII: COMMUNITY REINTEGRATION FAIR

Hon. Michael H. Dunkley: Good morning, Mr. Speaker, good morning to colleagues. And I hope that the colleagues that we have on injured reserve get back in this Honourable Chamber as soon as possible.

Mr. Speaker, the Ministry of Public Safety and the Department of Corrections remain committed to the department's mission to empower inmates to be responsible and productive citizens.

In furtherance of this mission, the department last month held [Bridging the Gap VII](#), a Community Reintegration Fair, which brought together 60 Department of Corrections inmates, along with corrections officers and programme staff, as well as 32 vendors, including 21 private sector companies. From 9:00 am until 1:30 pm on August 7th at Westgate Correctional Facility, inmates received first-hand information designed to assist them upon release.

This programme now in its seventh instalment, the Fair has been designed and tailored to enhance reintegration and discharge planning efforts in order to bridge the gap between community services outside of the prison walls and Corrections. Mr. Speaker, inmates from Westgate's Units E1, E2 and E3, as well as the Prison Farm and the Right Living House, participated in the programme. They were all provided with an opportunity to learn about community services prior to discharge. An offender's awareness of community resources is vital to his or her successful discharge. Through the Bridging the Gap Community Reintegration Fair, it is expected that offenders will know where to go for assistance if the need ever arises once they are released into the community.

It is well known that a key aspect of reducing the risk of recidivism is ensuring that released offenders are employable and able to seek and maintain employment upon release. Mr. Speaker, as such, the Bridging the Gap Fair also sought to link offenders to resources such as employment agencies, potential employers, and education or trade schools.

Mr. Speaker, representatives from Butterfield & Vallis, Bermuda Air Conditioning, Bermuda College, D. T. Construction & Maintenance, the Hustle Truck, KEMH, the M.E.F. Group of Companies, the National Training Board, the Department of Workforce Development and Trinity Construction were all on hand to provide inmates with information on prerequisites for education enrolment, company hiring policies, company standards and employee requirements for job placements.

Mr. Speaker, an offender's wellness is also fundamental to a successful reintegration programme. Inmates were exposed to representatives from helping agencies such as Alcoholics and Narcotics Anonymous, the Departments of Financial Assistance and Social Insurance, and Focus Counselling Centre, giving them the unique opportunity to ask questions relating to services offered through each of these agencies and receive immediate feedback from those who work in the field.

It is the aim, Mr. Speaker, of the Department of Corrections to have each released offender adequately informed of their responsibilities and requirements on release so as to reduce the risk of returning to prison. Probation and parole officers and members of the parole board shared with the fair's participants typical conditions of probation and parole, and the workshops and groups available to them through the Department of Corrections.

Mr. Speaker, I am confident that these interactions resulting from Bridging the Gap VII, Community Reintegration Fair reassured inmates that there are people in the community who are willing and have the resources to assist if they only take the time to seek them out.

I would like to thank each of the vendors and companies who participated in last month's fair. Their willingness to enter the prison and speak with incarcerated offenders demonstrates that they understand that each of us has a part to play in the rehabilitation of offenders. Without the support and guidance offered by these agencies, many offenders would be resigned to life-long criminal activity.

Mr. Speaker, the ultimate objective of the department is to return offenders to the community as law-abiding, contributing and self-supporting citizens; and the Bridging the Gap Fair provides a wealth of resources to prevent recidivism of these inmates who take full advantage of it.

Thank you, Mr. Speaker, for your time.

The Speaker: Thank you, Minister.

The Chair will now recognise the Honourable and Learned Member, the Member from constituency 31, the Minister for Tourism.

Minister Crockwell, you have the floor.

ENTERTAINMENT SHIP PARTNERSHIP—ROYAL CARIBBEAN CRUISE LINES

Hon. Shawn G. Crockwell: Yes, thank you. Good morning, Mr. Speaker.

The Speaker: Good morning.

Hon. Shawn G. Crockwell: Mr. Speaker, the creation of jobs and employment opportunities is a clearly stated goal for this Government, and it is the view of this Government that we will take the initiative to provide meaningful employment opportunities wherever possible and to think out-of-the-box in creating these opportunities. Therefore, I am extremely pleased to report today on another employment opportunity initiative that will soon bear results.

Mr. Speaker, the plight of the local entertainers is very well chronicled, there is a dearth of employment opportunities on the Island and the opportunities that are available are very often for a limited period. Many of our seasoned and aspiring local entertainers seek the assistance of the Bermuda Department of Tourism to create and provide opportunities for them to perform and display their talents at various locations and venues throughout the Island.

Mr. Speaker, in support of our local entertainers, the [Ministry of Tourism Development and Transport](#) has commenced an entertainment employment initiative, working in partnership with Royal Caribbean International (known as RCI). This initiative will provide opportunities for local entertainers to work and perform onboard RCI ships whilst in port for the remainder of this cruise ship season, with the intent to continue this initiative in the 2014 cruise season and beyond.

Mr. Speaker, the Department of Tourism hosted an open audition inviting all interested entertainers to perform at the Chewstick Headquarters, and this event was held on Wednesday, September 11th, from 6:00 pm to 9:00 pm. The range of entertainers included musicians, vocalists, dancers, comedians, actors, magicians and cultural performers. Entertainers were requested to provide a photographic image, as well as their entertainment résumé, and they were invited to perform for five minutes. Following their performance, a short list was created and those who were successfully short-listed were invited back to participate in an Entertainment Showcase.

Mr. Speaker, the Entertainment Showcase saw 25 of our top local musicians and artists perform in front of the RCI executives, which was headed by Mr. Mike Ronan, who is the RCI Vice President of Government Relations for the Caribbean, Latin America and Asia, and he was accompanied by Mr. Rob Waterfield, who is the RCI Specialist for Contracted Musicians and Entertainers.

The showcase was held the following day, on Thursday, September 12th, at the Fairmont Hamilton

Princess in the Gazebo Room. Mr. Ronan and Mr. Waterfield experienced first-hand Bermuda's remarkable talent, and they were able to evaluate and determine how to amalgamate and include some of our local entertainers into their onboard entertainment programmes.

Mr. Speaker, both Mr. Ronan and Mr. Waterfield of RCI were very pleased with the calibre of performances of our local entertainers and indicated that they were optimistic in providing entertainment opportunities onboard prior to season's end. Most importantly, they considered the visit and the viewing of the talent to be excellent timing for their decision-making in planning their entertainment schedules for the 2014 season.

Mr. Speaker, in addition to RCI's commitment to providing entertainment opportunities onboard their ships, we are also pleased to announce that, for the remainder of the cruise ship season, RCI would also like to source local entertainers to provide a pier-side departure performance for their passengers on the *Explorer of the Sea* and the *Grandeur of the Seas*.

Mr. Speaker, we consider these initiatives as positive steps to broaden the exposure of our local talent and also enhancing our local tourism product. I would like to thank the principals of RCI for working with us to develop and offer solutions that will assist our local entertainers by providing much-needed employment in this sector.

Mr. Speaker, I would also like to take this opportunity to acknowledge and thank the Department of Tourism staff for their role and efforts in organising the auditioning and entertainment showcase that received rave reviews.

Thank you, Mr. Speaker.

The Speaker: All right. Thank you, Honourable Member.

QUESTION PERIOD

The Speaker: All right. Thank you. We now move to the question period.

WRITTEN ANSWERS

The Speaker: We have written responses from the Honourable Minister of Finance to MP, Mr. David Burt. And we also have an oral question, which the Honourable Minister, although it is not mentioned on the paper, but the request was for an oral answer. And the Minister has agreed that he would actually read his answer to the House.

Just a moment, Minister.

Also, we have written responses from the Honourable Minister of Finance to questions on Government advertising, which has been distributed. And we have written responses from the Honourable Min-

ister of Public Safety, Minister Dunkley, on questions from MP Roban.

I would now like to ask if the Honourable Minister who has agreed to give his answer orally to the question from MP Burt . . . Minister, thank you so much.

Hon. E. T. (Bob) Richards: Do not mention it, Mr. Speaker. Just for the edification of the Members of the House, I will reiterate the question rather than answering a question everybody forgotten.

So, the question is: Will the Minister of Finance advise this Honourable House what actions the Government—

The Speaker: Mr. Burt, if the question is for you, it would make sense for you to listen to the Minister who is answering the question for you. So, ask the other Member to (yes) not speak to you while the Honourable Minister, who has conceded to answer the question, is answering.

Carry on, Minister.

¹QUESTION ON REPUBLIC OF FRANCE ADDING BERMUDA TO THEIR LIST OF UN-COOPERATIVE TAX HAVENS

Hon. E. T. (Bob) Richards: Thank you, Mr. Speaker.

Would the Minister of Finance advise this Honourable House what actions the Government has taken in light of the Republic of France adding Bermuda to their list of un-cooperative tax havens? And if he will make a statement.

The answer, Mr. Speaker, is as follows: Ministry of Finance officials have contacted the counterparts within the French Ministry of Finance to seek clarification regarding this action as we seek an early resolution to this matter. The Government of Bermuda is surprised by reports that we are to be included in France's list of off-shore financial centres with which France has issues, particularly as Bermuda has an existing Exchange of Information Agreement (a TIEA) with France. We currently have 39 bilateral transparency agreements, which includes 90 per cent of the G20 countries.

The Government is also concerned by the manner in which this matter was announced to the international media, without any initial consultation with the UK, and not going through the proper channels that exist between the UK and France.

With the support of His Excellency, the Governor, we have secured the involvement of the UK Government, which is also engaging the French authorities at the diplomatic level, as we seek answers on this matter. I can advise that Ministry of Finance officials have arranged a meeting with their French

¹ Also see [Supplementary](#) question at page 2074

counterparts to take place in the very near future to resolve the concerns of France.

I will update the Honourable House and Bermuda via a press statement when there is additional news to report on this matter. And I anticipate it to be before the next legislative House session.

Actually, that last part, I have to say, might change in the future, because things are on-going, things are somewhat fluid at the moment.

The Speaker: All right. Thank you. Thank you, Minister, for that answer.

We now move on questions regarding to Statements, and the Premier's Statement. I recognise first the Honourable Member, MP Roban.

You have a question for the Premier.

QUESTION NO. 1: UNITED KINGDOM OVERSEAS TERRITORIES ASSOCIATION MEETING IN GIBRALTAR

Mr. Walter H. Roban: Yes, thank you. Thank you, Mr. Speaker.

Mr. Speaker, the Premier, on page 3, made reference to a collective agreement by all leaders in reference to the modern relationship that should be built with the United Kingdom, and sought to clarify the definition of self-determination, of which is clearly described here in his Statement.

Is the Premier prepared to acknowledge at this point that this concept is not as new as he has suggested, and, too, is a restatement of what the UK Government has continuously described as what they see as a path to further constitutional steps by territories?

The Speaker: Honourable Premier?

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

Certainly, I will say yes to that. When the reference was to "new," (what I was speaking to last week when I said new) the concept of Gibraltar was speaking to us about the concept of still maintaining the British flag, but yet still having self-determination. Most of us would have thought that self-determination was intertwined with independence. They were separating the two and speaking more of in the reference of becoming a region of the UK. And so that is what I was referring to when I said "new," to me.

The Speaker: All right. Thank you.
Yes.

Mr. Walter H. Roban: I have a supplementary.

The Speaker: A supplementary, yes?

SUPPLEMENTARY

Mr. Walter H. Roban: Mr. Speaker, in light of the comment made by the Premier, is the suggestion that the UK Government is now trying to craft a new definition of self-determination? Or is it actually a restatement of their traditional view? Because it sounds like you are suggesting that the UK Government has tried to redefine what they see as self-determination.

Hon. L. Craig Cannonier: This is a UKOTA meeting. And the UK is not looking to restate or reclaim anything, necessarily, or restate what they mean by self-determination. It was the overseas territories seeking for more understanding of what they believe it to be.

The Speaker: Thank you. Thank you, Premier.

Mr. Walter H. Roban: I have a second question, Mr. Premier.

The Speaker: Yes.

Mr. Walter H. Roban: I mean Mr. Speaker.

The Speaker: Not quite Premier yet.

[Laughter]

QUESTION NO. 2: UNITED KINGDOM OVERSEAS TERRITORIES ASSOCIATION MEETING IN GIBRALTAR

Mr. Walter H. Roban: Sorry, Mr. Speaker.

On page 4 of the Statement, the Premier makes reference to, at the bottom of page 4, Mr. Speaker, in his role as president of the council, that there will be some discussions of implementation in a strategy of co-operation amongst territories.

Was there any update to any previous arrangements of co-operation that had already been established by the territories at the meeting that you attended in Gibraltar, Mr. Premier?

The Speaker: Mr. Premier?

Hon. L. Craig Cannonier: No.

The Speaker: Thank you. Thank you.
The Chair now recognises the—

Mr. Walter H. Roban: I am sorry. I still have one more.

The Speaker: You have another question?

Mr. Walter H. Roban: Yes, I do.

The Speaker: Your third question, yes.

**QUESTION NO. 3: UNITED KINGDOM OVERSEAS
TERRITORIES ASSOCIATION MEETING
IN GIBRALTAR**

Mr. Walter H. Roban: Mr. Speaker, on page 6, the Premier does go into some detail about other territories, particularly the Turks and Caicos, in making reference to a \$100 million bill for a new terminal, I guess an airport terminal it seems to be being outlined here in his Statement.

The question is, Does the Premier acknowledge that such projects are valuable and that we ourselves could perhaps benefit from seeing the Government release the infrastructure strategy, which does speak to our own infrastructure redevelopments, as he has described as going on in Cayman?

The Speaker: Premier?

Hon. L. Craig Cannonier: Yes, Mr. Speaker. There are synergies there.

The Speaker: Thank you. Thank you.

The Chair recognises the Honourable Member from St. George's, the MP from constituency 3, the Whip, MP Foggo.

You have the floor.

**QUESTION NO. 1: UNITED KINGDOM OVERSEAS
TERRITORIES ASSOCIATION MEETING
IN GIBRALTAR**

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

Mr. Premier, it is widely known that the privileges that we enjoy with our Constitution are over and above what other dependent territories within our region enjoy. And I suspect that probably some of the, I guess, self-determination (I suppose you would) that they are seeking to gain is trying to get their constitutions to match ours.

However, my question is this: With respect to the British, since the idea of self-determination came up, was there anything that was alluded to or said outright that furthers our opportunity of becoming even more self-governing as a dependent territory, especially since you did say that you were not looking for independence? And our Constitution . . . we have been told that we will have no further constitutional changes unless we are seeking independence.

So, could you add to that question? Are we going to be able to enjoy any other privileges under our Constitution other than what we already enjoy?

The Speaker: Premier?

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

That certainly is up to the people of Bermuda. And we will collectively decide that.

The Speaker: Thank you. Thank you very much.

SUPPLEMENTARY

Ms. Lovitta F. Foggo: Just to follow up, were there any suggestions given by yourself that you saw as a way of reaching that, Mr. Premier?

The Speaker: Premier?

Hon. L. Craig Cannonier: Certainly, each territory spoke of progress. I even here in Bermuda stated in an article in the paper that there were opportunities where we could have more say in who helps govern the country. So some of these things are still being discussed.

The Speaker: Thank you, thank you, Premier.

Yes? You have another, a supplementary?

Ms. Lovitta F. Foggo: Yes, Mr. Speaker.

I guess I am wondering, Mr. Premier . . . I will withdraw that question.

The Speaker: All right. Thank you. All right. Thank you.

The Chair will now recognise the Honourable Member from Pembroke, MP Walton Brown.

**QUESTION NO. 1: UNITED KINGDOM OVERSEAS
TERRITORIES ASSOCIATION MEETING
IN GIBRALTAR**

Mr. Walton Brown: Thank you, and good morning, Mr. Speaker.

Mr. Speaker, I wonder if the Premier can answer the question: What steps, if any, does the Premier intend to take in the next six months with regard to pursuing greater self-determination (to use your terminology)?

The Speaker: Honourable Premier?

Hon. L. Craig Cannonier: Certainly. I just want to emphasise that these were general discussions that were being held by the UKOTA to set up strategy for November. At this present time, no.

Mr. Walton Brown: Supplementary?

The Speaker: Supplementary, yes?

SUPPLEMENTARY

Mr. Walton Brown: If there were no steps intended to be pursued, Mr. Speaker, I am wondering why the issue was raised of greater control over the appointment of the police commissioner and Governor?

The Speaker: Yes. Honourable Premier?

Hon. L. Craig Cannonier: I did not raise that issue, Mr. Speaker.

The Speaker: All right. Thank you. Thank you, Premier.

Mr. Walton Brown: Thank you, Mr. Speaker. A second question?

The Speaker: Yes. Yes.

QUESTION NO. 2: UNITED KINGDOM OVERSEAS TERRITORIES ASSOCIATION MEETING IN GIBRALTAR

Mr. Walton Brown: The Joint Ministerial Council [JMC] will meet in December. And they are meant to plan for overall strategies for the overseas territories. And they also include membership of the apparently relevant UK Ministers.

Is the Premier at all concerned that, by having this new structure of Joint Ministerial Council, the Bermuda Government and the other overseas territories are effectively devolving power back to the UK, because this council has the ability to look at a wide range of issues that go well beyond the constitutional remit of the UK?

Hon. L. Craig Cannonier: Sure. I am sure that potential does exist, Mr. Speaker. But we are pressing forward. Our priority is jobs. And so, the primary focus of this particular UKOTA meeting was to look at synergies. It was not just about more say, whether or not we have more say in choosing our Governor. That was an example that was given.

We were constantly looking at economic opportunities of coming together and how we could expand on economic opportunities.

The Speaker: Thank you, Premier.

Mr. Walton Brown: Supplemental?

The Speaker: Yes.

SUPPLEMENTARIES

Mr. Walton Brown: So, is the Premier prepared to concede greater power to the UK in exchange for the potential for greater economic opportunity?

Hon. L. Craig Cannonier: Certainly not.

I am sure it is clear, Mr. Speaker, that considering the events that have transpired concerning multi-lateral agreements and the likes that we have forged our way as an Island, Bermuda, and leading the way

and wanting to have a say, more say, in how we determine our future.

The Speaker: Thank you. Thank you, Premier.

Mr. Walton Brown: And the second supplemental, Mr. Speaker?

The Speaker: Yes.

Mr. Walton Brown: The Joint Ministerial Council is meant to be a collaborative entity where issues are looked at of mutual interest.

Was the matter of the Bermuda passport being printed in the UK, a matter discussed at that meeting?

Hon. L. Craig Cannonier: Not a part of the official meeting. Outside in the halls it was brought up.

The Speaker: Thank you.

QUESTION NO. 3: UNITED KINGDOM OVERSEAS TERRITORIES ASSOCIATION MEETING IN GIBRALTAR

Mr. Walton Brown: And my third question, Mr. Speaker.

Did the overseas territories' leaders discuss at all the UK's attempt to have UN oversight of the overseas territories removed by having the overseas territories de-listed from the UN Committee of 24?

The Speaker: De-listed?

Mr. Walton Brown: Yes.

The Speaker: Yes.
Honourable Premier?

Hon. L. Craig Cannonier: Yes. It was discussed, and we are still discussing it.

The Speaker: Yes. Thank you.
Supplementary?

SUPPLEMENTARY

Mr. Walton Brown: Yes, supplemental.

My understanding is that there are a variety of views with the overseas territories with respect to de-listing.

The Speaker: And your question?

[Laughter]

Mr. Walton Brown: And so my . . . Mr. Speaker, sometimes it is important to have a preamble for full clarification of the question.

The Speaker: Yes. I appreciate that.

Mr. Walton Brown: So given that there are divergent views on the issue of de-listing, were the overseas territories able to come to any common position with respect to the de-listing question?

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

The Speaker: Premier?

Hon. L. Craig Cannonier: When we do, we will reveal that, I am sure.

The Speaker: Thank you.
The Chair will . . . Do you have a follow-up supplementary to this question? Yes?

SUPPLEMENTARY

Ms. Lovitta F. Foggo: In light of the fact that our passports are now being done overseas, will be done overseas (sorry), is that in any way viewed as some of the privileges that we enjoy under our Constitution being redacted? And are there any talks of having any others being redacted?

The Speaker: Premier?

Hon. L. Craig Cannonier: No, Mr. Speaker.

The Speaker: Thank you. Thank you.
The Chair will now recognise the Honourable and Learned Member from Sandys, Wilson.
MP Wilson, you have the floor.

Mrs. Kim N. Wilson: Thank you. Excuse me, Mr. Speaker, I have a few supplementals, the first two with respect to—

The Speaker: Sorry? You have supplementals? The supplementals should have come with the—

Mrs. Kim N. Wilson: I was jumping up!

The Speaker: I did not see you jumping up, Honourable Member.

[Laughter]

Mrs. Kim N. Wilson: I jumped up—

The Speaker: No, you stood up.

[Inaudible interjections]

The Speaker: MP Brown put the question.
Go ahead, Honourable Member.

SUPPLEMENTARIES

Mrs. Kim N. Wilson: Thank you very much, Mr. Speaker. Maybe I should get some taller heels.

The Speaker: Yes.

[Laughter]

Mrs. Kim N. Wilson: Okay. Thank you, Mr. Speaker.

The Speaker: You wanted to ask a supplementary on the question—

Mrs. Kim N. Wilson: With respect to the ones that were just asked by MP Walton Brown.

The Speaker: All right. Okay. I was not aware. I was thinking that you wanted to ask a question.

Mrs. Kim N. Wilson: No, I had a supplementary.

The Speaker: Another supplementary; all right. All right.

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

This is with respect to the question that was asked concerning (it is at page 2) the Joint Ministerial Council.

The Speaker: Yes.

Mrs. Kim N. Wilson: I would like to know whether the Premier can confirm that the agenda that is set by the Joint Ministerial Council with the meeting of November 23rd is set actually by the UK and the FCO [Foreign and Commonwealth Office].

The Speaker: Premier?

Hon. L. Craig Cannonier: No, it is not.

Mrs. Kim N. Wilson: Are you sure?

Hon. L. Craig Cannonier: You are asking me if it is? No. No.

The Speaker: Right. Thank you.

Hon. L. Craig Cannonier: We met to set our agenda.

The Speaker: Thank you, Premier.

Mrs. Kim N. Wilson: Okay. Well, we will wait to hear the report when you return insofar as who sets the agenda, because it is not set by the OTC.

But if it is in fact set by the OTC, would the Premier be prepared to add to the agenda the position of Bermuda gaining further, more control as it relates to the appointment of the Governor, the appointment of the police commissioner and the appointment of the commanding officer of the Regiment, since we set the agenda?

The Speaker: Premier?

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

We are still setting the agenda for November and talking about what it is we want to discuss and put before the JMT meeting. So I cannot say emphatically what will be listed there. But it will be an option.

The Speaker: Thank you.

Another supplementary?

Mrs. Kim N. Wilson: Yes, one more. Thank you. Thank you, Mr. Speaker, for your indulgence.

The Speaker: Yes, yes.

Mrs. Kim N. Wilson: Would the Premier admit that the positions with respect to the OTC's as it relates to the UN Committee of 24, that the position of Bermuda is totally different than those of the other overseas territories with respect to the advancement of our Constitution?

Hon. L. Craig Cannonier: Yes, Mr. Speaker.

The Speaker: Yes. Thank you, Premier. Thank you.

Mrs. Kim N. Wilson: Okay. So, bearing in mind that, and bearing in mind that the Premier indicated that we set the agenda, and the president of the council is yourself, correct? Is the Premier?

Hon. L. Craig Cannonier: Correct.

Mrs. Kim N. Wilson: So, could I receive some confirmation from the Honourable Premier of Bermuda that, as he is the president of the Joint Ministerial Council and the Joint Ministerial Council sets the agenda, that he will ensure, as the president of this council, that item number 1, 2 or 3—but as long it is on the agenda—relates to Bermuda having greater control of the appointment of the Governor, the commissioner of police and the commanding officer?

The Speaker: Premier?

Hon. L. Craig Cannonier: I cannot confirm that I am going to have that on there. I already answered that.

The Speaker: All right. Thank you, sir.

Hon. L. Craig Cannonier: Yes.

Mrs. Kim N. Wilson: Thank you. One more question for Mr. Cannonier.

The Speaker: You have a question?

Mrs. Kim N. Wilson: No, I am sorry; supplemental for the one MP Walton Brown—

The Speaker: Okay. To Walton [Brown's].

Mrs. Kim N. Wilson: Thank you. And I will wear my tennis platforms next week. Thank you, Mr. Speaker.

Really quickly, this is with respect to the question that was asked concerning any updates from the previous meetings with respect to UKOTA. And the Premier answered no.

My question would be, Can you confirm whether or not discussions were held concerning the Justice Protection Act of 2010, in which the FCO required the territories of Anguilla, BVI [British Virgin Islands], Cayman, Montserrat, Turks and Caicos and Bermuda to be signatories of and to advance that cause?

The Speaker: Premier?

Hon. L. Craig Cannonier: No.

The Speaker: Thank you.

Yes, you can ask another supplementary.

Mrs. Kim N. Wilson: As the president of the JMC, and as we have heard, the JMC sets the agenda, could the Premier confirm that he will add to the agenda the continuance of the Justice Protection Act and that the signatories, the participating signatories to that, namely, the OTC, would be advancing that as Bermuda did?

Hon. L. Craig Cannonier: No, but I will confirm if we do.

The Speaker: Thank you. Thank you, Premier.

Yes. The Chair now recognises the Honourable Member, MP David Burt.

You have a question?

Mr. E. David Burt: Yes, Mr. Speaker. I have two questions to the Honourable Premier.

The Speaker: Yes.

QUESTION NO. 1: UNITED KINGDOM OVERSEAS TERRITORIES ASSOCIATION MEETING IN GIBRALTAR

Mr. E. David Burt: And, Mr. Speaker, there is a little bit . . . I think that the Premier's answers have created a little bit more confusion. So I am going to attempt to clarify and just to ask the Premier if he can confirm to this House that he and the overseas territories leaders came to an agreement on a position regarding the appointment of public officers that are traditionally made by governors in overseas territories?

The Speaker: Premier?

Hon. L. Craig Cannonier: No.

Mr. E. David Burt: Supplementary, Mr. Speaker?

The Speaker: Yes.

SUPPLEMENTARY

Mr. E. David Burt: So, in saying that the overseas territories did not come to a position, can the Honourable Premier please confirm that his statements that were made upon his return in the media and last week were his Government's position on the appointment of public officers traditionally reserved by overseas territories?

The Speaker: Premier?

Hon. L. Craig Cannonier: Certainly, Mr. Speaker. My comments in the paper were merely to give more to the public of the discussion that was being had, not to a conclusion that it had come to.

The Speaker: Thank you.

Mr. E. David Burt: Supplementary, Mr. Speaker.

The Speaker: Yes.

SUPPLEMENTARY

Mr. E. David Burt: Supplementary, then. Given what the Honourable Premier just said, is the Honourable Premier now saying that his Government is no longer in favour of additional powers for the appointment of public officers traditionally reserved to the Governor?

The Speaker: Premier?

Hon. L. Craig Cannonier: No.

The Speaker: Thank you.
Second question?

QUESTION NO. 2: UNITED KINGDOM OVERSEAS TERRITORIES ASSOCIATION MEETING IN GIBRALTAR

Mr. E. David Burt: Question number two, Mr. Speaker, because I am still a little bit hazy. And I am wondering, because we are hearing that the Premier does not want more things, and then we are seeing that the Premier does want, and then we are saying the Governor—

The Speaker: Ask the question. Ask the question.

Mr. E. David Burt: Having heard—

[Inaudible interjections]

The Speaker: Members!

[Gavel]

The Speaker: Honourable Member?

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

Having heard earlier this week what the Deputy Governor said in response to confirm the Government's involvement in the appointment of the police commissioner and the head of the Regiment, can the Premier please let us know if his Government is seeking more control over that process than the Government already has?

The Speaker: Premier?

Hon. L. Craig Cannonier: I answered that earlier. Not at this time. We are concentrating on getting jobs back on the table.

The Speaker: Yes.

Mr. E. David Burt: So, as my final supplementary on this topic, Mr. Speaker.

The Speaker: Yes.

SUPPLEMENTARY

Mr. E. David Burt: Because I guess I am just asking . . . And seeing that the Premier is giving yes-or-no answers, I guess he will answer yes or no to this: Has the Premier now reversed his position that was given to the public last week about him saying that he would like more control over the appointment of the police, the Regiment and the Governor?

The Speaker: All right. Thank you.

Hon. L. Craig Cannonier: No, I am not reversing that. This is a discussion, Mr. Speaker, that is being had.

And it was discussions that were being had. Primarily, for this country right now, it is to put jobs back on the table. I am not retracting anything. I would love to see more say. But that is not the priority.

The Speaker: Thank you, Honourable Premier.

The Chair now recognises the Honourable Member from Pembroke, MP Rolfe Commissiong. You have the floor.

QUESTION NO. 1: UNITED KINGDOM OVERSEAS TERRITORIES ASSOCIATION MEETING IN GIBRALTAR

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

Mr. Speaker, will the Premier concede that the rhetorical and indeed strategic goalposts have shifted insofar as that, while the UK has acknowledged that Bermuda is not a tax haven, the UK continues to move with all due haste with its partners in the G20 with the aim of dismantling the tax avoidance networks of which Bermuda is a part of, along with some of the overseas territories such as BVI, Cayman, and non-overseas territories such as Ireland and Holland?

The Speaker: Premier?

Hon. L. Craig Cannonier: Mr. Speaker, that has nothing to do with the Statement.

The Speaker: Premier, that is right. Answer it whichever way you want to answer it, sir.

Hon. L. Craig Cannonier: I am not sure what he is asking.

The Speaker: All right.

Mr. Rolfe Commissiong: Mr. Speaker.

The Speaker: Honourable Member, yes?

Mr. Rolfe Commissiong: Mr. Speaker, I disagree with that.

[Inaudible interjections and laughter]

Mr. Rolfe Commissiong: The last page of the Premier's Statement, he makes mention of the declaration by the UK Government—indeed, Mr. Cameron—that Bermuda is not a tax haven.

What I am saying is that, will the Premier concede that the goalposts, rhetorical and strategic goalposts have moved, and that while they are conceding that rhetorically Bermuda is not a tax haven, they are still strenuously going after Bermuda's role as a centre of tax avoidance with respect to the declaration about the G20 nations to move in that direction?

The Speaker: All right. That is a question. Premier?

Hon. L. Craig Cannonier: No.

The Speaker: No. All right. Thank you.

Mr. Rolfe Commissiong: I have another question, Mr. Speaker.

The Speaker: Yes.

QUESTION NO. 2: UNITED KINGDOM OVERSEAS TERRITORIES ASSOCIATION MEETING IN GIBRALTAR

Mr. Rolfe Commissiong: Mr. Speaker, in light of the first question, what representations are being made to defend Bermuda's economic interests with respect to this G20 initiative, or has the Government resigned itself to lose this business, which has been highly profitable to some of our leading law and accounting firms?

The Speaker: Honourable Premier?

Hon. L. Craig Cannonier: Again, Mr. Speaker, it is not relevant to the Statement here. We continue to look for opportunities to grow our main industry, which is insurance, reinsurance, captive insurance leaders of the world, and we will continue to do that. I think it has been very clear over the last couple of months that the Premier and the Finance Minister have continued to look for opportunities to strengthen its core business.

SUPPLEMENTARY

Mr. Rolfe Commissiong: A supplemental, Mr. Speaker.

Mr. Speaker, only two or two-and-a-half, three months ago, the Premier answered a similar question for me on that issue about the tax avoidance networks. The relevancy is that, along with some of our same overseas territories, who derive great economic benefit from this business, I am asking, Has the Premier discussed with the overseas territories, the relevant territories, about how they can impress upon the British to work with us on this issue on behalf of Bermuda's interests?

The Speaker: Premier?

Hon. L. Craig Cannonier: We will continue to discuss that. We are.

The Speaker: Thank you, sir.

All right. Okay. Honourable Member, yes, I did have you. Honourable and Learned Member Michael Scott, I do have you, the last one.

Hon. Michael J. Scott: Thanks, Mr. Speaker.

The Speaker: Yes.

QUESTION NO. 1: UNITED KINGDOM OVERSEAS TERRITORIES ASSOCIATION MEETING IN GIBRALTAR

Hon. Michael J. Scott: Mr. Speaker, to the Honourable Premier. Can the Premier confirm that the appearance of the criteria in his Statement—that the appearance of the criteria the territories will be able to consider sovereignty or choose sovereignty on the basis of a clear and constitutional expressed wish . . . Does the Premier confirm that those criteria have been altered from earlier criterion of the UK Government, which expressed the criteria for moving to sovereignty on the basis of there being an explicit majority exceeding two-thirds?

Does the Premier confirm that this is a new criterion, and did overseas territories leaders recognise this as an alteration in the criteria and a weakening of the criteria? Thank you.

The Speaker: Premier?

Hon. L. Craig Cannonier: No. I do understand where you are coming from. But it never really came up as a subject, to tell you the truth.

The Speaker: Thank you. Thank you, Premier.

Thank you, Honourable Members.

There are no questions on the second Statement, no Members indicating they wanted to ask questions.

I move now to the Statement by Minister Crockwell. And I recognise the Honourable Member from Warwick, MP Lawrence Scott.

QUESTION NO. 1: ENTERTAINMENT SHIP PARTNERSHIP – ROYAL CARIBBEAN CRUISE LINES

Mr. W. Lawrence Scott: Good morning, and thank you, Mr. Speaker.

My first question for the Honourable Minister is, if he could provide an actual start date for the entertainers on the cruise ships while they are in port?

The Speaker: Minister?

Hon. Shawn G. Crockwell: Thank you, Mr. Speaker.

Mr. Speaker, the principals of RCI actually have not yet chosen the winners of the short list of 25. So, they will be letting us know very soon who those winners are. We will probably do a press release or press conference. But they have indicated they will utilise them before this cruise ship season ends,

which is in November. And they would more than likely take them on for 2014.

The Speaker: Thank you, Minister.

Mr. W. Lawrence Scott: I have a second question.

The Speaker: Yes

QUESTION NO. 2: ENTERTAINMENT SHIP PARTNERSHIP – ROYAL CARIBBEAN CRUISE LINES

Mr. W. Lawrence Scott: Well, my actual second question was already answered in that one. But my third question . . . Anyway—

[Laughter]

The Speaker: Yes, your second question. The second question that was to be your third question.

Mr. W. Lawrence Scott: This is my second question. Yes, my second question is also my third question.

Is this initiative something that is being looked at to be taken on by other cruise ships?

The Speaker: Minister?

Hon. Shawn G. Crockwell: We hope so. RCI was the cruise ship partner that we started with. And it all forms part of our discussions with them as it relates to what we will be discussing shortly, in-port gaming and the likes. So it is all part of a sort of working-together, quid pro quo, situation.

The Speaker: Honourable Member, you have a supplementary on that?

Mr. W. Lawrence Scott: No.

The Speaker: Or you have another question?

Mr. W. Lawrence Scott: I have another question, Mr. Speaker.

The Speaker: You have a third question.

QUESTION NO. 3: ENTERTAINMENT SHIP PARTNERSHIP – ROYAL CARIBBEAN CRUISE LINES

Mr. W. Lawrence Scott: My third question is, Was there any additional cost to the Tourism Ministry for hosting this?

Hon. Shawn G. Crockwell: I do not think so, unless it was cost for renting the Gazebo, but I can look into that.

The Speaker: Gazebo, or meaning Hamilton Princess? Thank you.

We do have MP David Burt. I think you had a question, a supplementary for the Minister of Finance?

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

Mr. Speaker, just a quick question as a supplementary.

The Speaker: It is a supplementary, because you have asked the question.

SUPPLEMENTARIES

[To question on Republic of France adding Bermuda to their list of un-cooperative tax havens]

Mr. E. David Burt: Supplementary in regard to the black-listing of Bermuda by the Republic of France.

Can the Minister please advise this Honourable House if the Republic of France gave a specific reason as to why Bermuda was added to this list out of the blue? Like was there a specific event that precipitated this?

The Speaker: Minister?

Hon. E. T. (Bob) Richards: That is a very good question, Honourable Member, a very good question.

The fact is that we are kind of being held for ransom without being told what transgression we have done. That is part of the problem.

The Speaker: Frenchy, huh?

Hon. E. T. (Bob) Richards: So, part of our efforts at the moment are to try to nail down exactly what went wrong and how to fix it. You cannot fix something if you do not know what went wrong. And we are in the throes of trying to figure that out right now.

The Speaker: All right. Thank you.

Do you have another supplementary?

Mr. E. David Burt: Yes, Mr. Speaker. Insofar as a supplementary, I will term it this way: Will the Minister of Finance agree with me that, for issues such as this in the future, you would hope that the Republic of France would act with more responsibility, especially in dealing with the United Kingdom, which is supposed to be representing us in these matters?

The Speaker: Minister?

Hon. E. T. (Bob) Richards: Well, Mr. Speaker, I do not want to poison the water between Bermuda and France. You know, the ant does not want to really anger the elephant. And so, we have to find our way out

of this. And in doing so, we have to maintain good relations, because our business is France, UK, US, all over the world. We have to have good relations with everybody. We have to find the way out of this mess with everybody coming out looking good. So, I do not want to cast any aspersions on the Republic of France or any other country.

The Speaker: Thank you, Minister.

All right. Thank you.

Yes, do you have a question?

Mr. Rolfe Commissiong: A supplementary.

The Speaker: A supplementary on this?

Mr. Rolfe Commissiong: On this, yes.

The Speaker: Yes?

SUPPLEMENTARY

Mr. Rolfe Commissiong: The Honourable Finance Minister, when we are talking about France's decision to place Bermuda on, or label Bermuda as a tax haven, is it your view that this may be tied to geopolitical issues such as were raised at the G20, and an attempt to shame the UK, bearing in mind that many of the countries or territories which are part of the tax-avoidance network (to use a phrase) are British territories?

The Speaker: Minister?

Hon. E. T. (Bob) Richards: We have not been labelled as a tax haven; we have been labelled as an uncooperative jurisdiction. However, the Member's question is certainly part of the mix and is certainly not off the table.

The Speaker: Yes. Thank you, Minister.

Well, thank you, Honourable Members. That brings to an end question period.

CONGRATULATORY AND/OR OBITUARY SPEECHES

The Speaker: We move now to congratulatory and/or obituary speeches.

The Chair will recognise the Honourable Member from Warwick [South East], MP Lawrence Scott.

Mr. W. Lawrence Scott: Thank you, Mr. Speaker.

I would just like to start by congratulating Ms. Marion Lemond. And I will declare my interest. That is my grandmother, who tomorrow will be celebrating her 100th birthday.

Some Hon. Members: Ooh!

The Speaker: All right! One hundred!.
[Desk thumping]

The Speaker: Fantastic!

The Chair now recognises the other Scott in the House, the Minister, Minister Wayne Scott. That is right; there are three [sic] Scotts.

Hon. R. Wayne Scott: There are three [sic] of us.

The Speaker: Three Scotts, a lot of Scotts in the place.

Hon. R. Wayne Scott: Yes, absolutely.

The Speaker: Carry on. Four of them, yes.

Hon. R. Wayne Scott: Thanks, Mr. Speaker.

As the Minister of Culture and Sports, I would like to express my condolences to my Permanent Secretary, Wayne Carey; his wife Patrina; his daughters, Dr. Jamila Carey and Janine Carey; mother and father, Basil and Gloria Carey; and the rest of the extended family on the loss of his brother, Raymond Leon “Soup” Carey, who will be laid to rest this Sunday, the 21st of September.

The Speaker: All right. Thank you, Minister.

The Chair now recognises the Honourable Member from Devonshire. Devonshire North [West], Devonshire North [West]. Sorry Minister. Sorry, Minister, Devonshire North [West].

Mr. Glen Smith: Good morning, Mr. Speaker, and colleagues.

I would like to send condolences due to the sudden passing of Mr. Geoff Griffiths, from Pink Chimneys, St. George’s. Mr. Griffiths was a very successful man that not only shared his success and his wealth, but he was also instrumental in mentoring a lot of young Bermudians. And I will have to categorise myself as young, because he did help me out in a couple of business areas in which I needed support.

He was also very giving with charities such as PALS, Masterworks [Museum of Bermuda Art], BIOS [Bermuda Institute of Ocean Sciences] and Bermuda National Gallery.

He was recently remarried to Ms. Fran Tucker, and he is survived by his two daughters from his previous marriage, [Joanne] and Julie, and his stepsons, William and Robert Tucker. Thank you, Mr. Speaker.

The Speaker: Thank you.

Mr. Glen Smith: I would like to associate Dr. Gibbons with that.

The Speaker: All right. Thank you very much.

The Chair now recognises the Honourable Member from Pembroke [East Central], MP Michael Weeks.

You have the floor.

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

The Speaker: Good morning.

Mr. Michael A. Weeks: I would like to be associated with the remarks by Minister Wayne Scott on the untimely passing of Raymond Carey. He was one of my constituents, and his parents are going through a lot right now because, as we all recall, the PS, his brother, Michael Carey, passed away last year. So my heartfelt condolences go out to the Carey family.

I would like to associate the Honourable Kim Wilson and the Honourable Cole Simons, and Minister Dunkley—the whole House, Mr. Speaker, would like to go out to send their condolences to PS Wayne Carey.

And also, before I sit down, I would also like the condolences to be sent out on behalf of this House, Mr. Speaker, to [the family of] Mrs. Marion Georgina Simons. She was from Victoria Row, from Dockyard. She was actually one of my aunts, and she was a matriarch and a real staple of the Dockyard family.

Thank you, Mr. Speaker.

The Speaker: All right. Thank you, Honourable Member.

The Chair now recognises the Honourable Deputy Speaker, from constituency [4].

MP Susan Roberts-Holshouser, you have the floor.

Mrs. Suzann Roberts-Holshouser: Thank you, Mr. Speaker.

I would like the House to send a letter of condolences to the family of Mrs. Alfreda Lamb—she was the silent strength behind Gary Lamb—who passed away last Friday and will be buried in St. David’s close to her home on Monday. Again, Alfreda was one of the quiet, wise women that we often find behind strong men. I believe without her strength, life would have been extremely difficult for the likes of Mr. Gary Lamb, the strong-willed St. David’s Islander.

So, condolences should be expressed from this House on behalf of . . . We would also like to recognise . . . Mr. Kenny Bascome would like to be associated with that message, as well as the Member Lovitta Foggo, from St. David’s. She has also asked to be associated with the letter of condolences.

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

The Chair now recognises the Honourable Member, the Honourable Public Safety Minister.

Minister Michael Dunkley, you have the floor.

Hon. Michael H. Dunkley: Thank you, Mr. Speaker.

I would like to be associated with the condolences just given by the Deputy Speaker to Mr. Gary Lamb, and also with the condolences by MP Smith to Fran Griffiths on the passing of her husband Geoffrey.

Also I would like to take this opportunity, Mr. Speaker, to ask this Honourable Chamber to send condolences to the family of David Allan Madeiros, who passed away last week. He is survived by his two sons, David, Jr., and Michael. Mr. Speaker, I think many Members of this Honourable Chamber will be aware of Mr. Madeiros. He worked for Gibbons Company for over 40 years, and Dr. Gibbons would like to be included in these condolences, then, as well, Mr. Speaker. And when he retired from Gibbons Company, he was not finished. He worked in probably every sector of Gibbons Company they have. I recall he was at Burrows, Lightbourne. I think he was at the women's shop as well.

And then when he retired, as if he did not have enough, he went to work for the Bank of Bermuda until the mandatory retirement age at the age of 70, where he was a greeter. And certainly, I think many people will also be aware (dating ourselves, Mr. Speaker) he was a reserve policeman, and he served for many years. And one of his favourite spots was to direct traffic down at the Birdcage in the '70s, Mr. Speaker. So he leaves behind two sons, who will sadly miss him. But he had a very good life, and he contributed a lot to our society.

On a brighter note, Mr. Speaker, I would ask this Honourable Chamber to send congratulations to young Taylor Gorham, who received the 2013 Bermuda Zoological Society [Robert] Steinhoff Scholarship to study Environmental Sciences at an accredited institution. Honourable Cole Simons would like to be associated as well.

Ms. Gorham will be attending the Imperial College in London, and we certainly wish her well in her field of study; that is something we need here in Bermuda. So, all the best to her, and she deserves our congratulations as she moves forward.

Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

Are there any other Honourable Members who care to speak?

The Chair recognises now the Honourable and Learned Member from Sandys North, MP Michael Scott. You have the floor.

Hon. Michael J. Scott: Mr. Speaker, I rise to be associated with the condolences expressed by my col-

league, the Honourable Michael Weeks, and I offer my sympathies to him on the passing of his relative and to the family of Ms. Marion Simons.

I also take the opportunity to extend warm congratulations on the centennial celebrations of Mrs. Lemond, the mother of Lawrence Scott's mother, and mother-in-law of the former Member of this House, Mr. William Alexander Scott. She is a great lady. Congratulations to her. I am sure she is listening; I hope this cheers her day.

The Speaker: Thank you, Honourable Member.

The Chair now recognises the Honourable Member from constituency 1.

MP Bascome, you have the floor.

Mr. Kenneth (Kenny) Bascome: Good morning, Mr. Speaker. Good morning, colleagues.

I would like to offer a word of condolence and ask that a letter be sent to the family of Mr. Carl "Baby" Foggo, who happened to be the grandfather of the young man that we depend on here, Mr. Derek Lamb. So I ask that, you know, condolences be sent to his family.

Thank you, sir.

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

The Chair now recognises the Honourable Minister of Economic Development.

Minister Grant Gibbons, you have the floor.

Dr. the Hon. E. Grant Gibbons: Thank you, Mr. Speaker, and good morning.

The Speaker: Good morning.

Dr. the Hon. E. Grant Gibbons: Mr. Speaker, I would also like to be associated with the condolences to the family of Alfreda Lamb. I think many of us knew her, a very quiet person. I cannot say I ever knew her very well. Gary did all the talking most of the time. But certainly, she was a very significant presence, both I am sure in his life and also the lives of Christopher and Brian as well. And I am sure she will be sadly missed, and I would like to be associated with the condolences to Gary and his family.

Mr. Speaker, while I am on my feet, I would also like to be associated with the condolences to the family of David Madeiros. The Honourable Member, the Deputy Premier, is quite correct. He worked for many, many years for my family business. I can remember many of my school vacations were spent down on the corner at Gibbons Company, or when it was up where Jardines is now. When other people were out having a good time, I was working in the retail business at Christmastime and during the summer.

The Speaker: You do not regret it, do you?
[Inaudible interjections and laughter]

The Speaker: You learnt a lot from that, Honourable Member, learnt a lot from that. That is good stuff.

Dr. the Hon. E. Grant Gibbons: Mr. Speaker, it was a retail business, and the family started us pretty early.

But I can remember David Madeiros fondly. He certainly—

[Inaudible interjections]

Dr. the Hon. E. Grant Gibbons: No, we did not sell lingerie at Gibbons Company. That was in a different area

[Laughter]

Dr. the Hon. E. Grant Gibbons: But David Madeiros was certainly both a fixture and made a very valuable contribution, and as the Honourable Member said, worked for many, many years.

Finally, Mr. Speaker, I would like to be associated with the condolences to the family of Geoffrey Griffiths, to Fran. I did not know him well, but certainly a very, very nice man. Thank you.

The Speaker: All right. Thank you, Minister.

Are there any other Honourable Members who would care to speak? There are no Members who would care to speak.

MATTERS OF PRIVILEGE

The Speaker: There are no matters of privilege.

PERSONAL EXPLANATIONS

The Speaker: No personal explanations.

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

The Speaker: No notices of motions.

INTRODUCTION OF BILLS

The Speaker: We will move now to introduction of Bills. And the Chair first of all will recognise the Honourable Minister of Finance, the Honourable E. T. Richards.

You have the floor.

Hon. E. T. (Bob) Richards: Thank you, Mr. Speaker.

Mr. Speaker, I move for leave to introduce the following Bills for their first reading so that they may be placed on the Order Paper for the next sitting:

BILLS

FIRST READINGS

INSURANCE AMENDMENT ACT 2013

Hon. E. T. (Bob) Richards: Firstly, the Insurance Amendment Act 2013.

CUSTOMS TARIFF AMENDMENT (NO. 2) ACT 2013

Hon. E. T. (Bob) Richards: Secondly, the Customs Tariff Amendment (No. 2) Act 2013. Thank you.

The Speaker: Thank you, Honourable Member.

Are there any objections to that? The Honourable Minister has given us two Bills at the same time, the Insurance Amendment Act 2013. Any objections to that being tabled?

There are none.

The Customs Tariff Amendment (No. 2) Act 2013. Are there any objections to that?

There are none. So they will be tabled.

The Chair now recognises the Honourable Minister of Tourism, the Honourable and Learned Member, Minister Shawn Crockwell.

You have the floor.

CRUISE SHIPS (CASINOS) ACT 2013

Hon. Shawn G. Crockwell: Mr. Speaker, I move for leave to introduce the following Bill for its first reading that it may be placed on the Order Paper for the next sitting: The Bill is the Cruise Ships (Casinos) Act 2013.

The Speaker: Thank you, Minister.

Are there any objections to that?

There are none.

The Chair now will recognise the Honourable Minister of Public Safety.

Minister Michael Dunkley, you have the floor.

MUNICIPALITIES AMENDMENT ACT 2013

Hon. Michael H. Dunkley: Thank you, Mr. Speaker.

Mr. Speaker, I move for leave to introduce the following Bills for their first readings so that they may be placed on the Order Paper for the next sitting: The Municipalities Amendment Act 2013.

CORPORATION OF ST. GEORGE'S (UNESCO WORLD HERITAGE FUND AND LEVY) ACT 2013

Hon. Michael H. Dunkley: And the Corporation of St. George's (UNESCO World Heritage Fund and Levy) Act 2013. Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

We have the Municipalities Amendment Act 2013. Any objections to that?

There are none.

The Corporation of St. George's (UNESCO World Heritage Fund and Levy) Act 2013. Any objections to that?

There are none.

Both Bills will be laid, will be on the Order Paper for next meeting.

ORDERS OF THE DAY

The Speaker: We now move to the Orders of the Day.

[Inaudible interjection]

The Speaker: Sorry?

Hon. Michael J. Scott: Did you list the Municipalities Act?

The Speaker: Yes, yes, yes. Yes.

We now move to the Orders of the Day.

Order No. 1 is the Park Hyatt (St. George's) Resort Repeal Act 2013, in the name of the Minister of Tourism Development and Transport, the Honourable Minister Shawn Crockwell, from constituency 31.

Minister Crockwell, you have the floor.

Hon. Shawn G. Crockwell: Mr. Speaker, I move that the Bill entitled the Park Hyatt (St. George's) Resort Repeal Act 2013 be now read the second time and committed.

The Speaker: Are there any objections to that?
Minister, carry on.

BILL

SECOND READING

PARK HYATT (ST. GEORGE'S) RESORT REPEAL ACT 2013

Hon. Shawn G. Crockwell: Mr. Speaker, the purpose of the Bill before the House today seeks to repeal the Park Hyatt (St. George's) Resort Act 2008. In keeping with the One Bermuda Alliance election campaign commitment, this Act will repeal the Park Hyatt (St. George's) Resort Act 2008.

Approximately five years ago, on the 18th of September 2008, the Park Hyatt (St. George's) Resort

Act received the Governor's assent and became operative. This Act was to be the catalyst for the development of a new Park Hyatt Hotel Resort in the Town of St. George's, and it augmented a ground lease and master development agreement between the former Government of Bermuda and Addax Holdings Ltd., a Bermudian development company owned by members of Bazarian International Financial Associates, LLC.

Mr. Speaker, Addax Holdings Ltd. breached the master development agreement, specifically the deadline for commencement of construction, and breach of the master development agreement ultimately results in breach of the ground lease as well. As a result of the breach, a termination notice was served to Addax Holdings Ltd. dated the 20th of September 2012.

Mr. Speaker, the development of a new hotel resort at the former Club Med site in the Town of St. George's is a high priority for the Government. Therefore, it was determined that it is in the best interests of Bermuda to repeal the Park Hyatt (St. George's) Resort Act 2008.

Mr. Speaker, repealing the Park Hyatt (St. George's) Resort Act 2008 with certain savings provisions will enable the Government of Bermuda to expeditiously proceed with engaging a new developer, investor or other qualified parties interested in developing a new hotel resort on this site. In addition, the land in the property shall continue to be vested in the Government in fee simple absolute.

Thank you, Mr. Speaker.

The Speaker: All right. Thank you, Honourable Member.

The Chair will now recognise the Honourable Member from Sandys [North Central], MP Dennis Lister.

You have the floor, MP Lister.

Hon. Dennis P. Lister: Thank you, Mr. Speaker.

Mr. Speaker, the Bill in itself as it is presented to us does not create any controversy on this side, so we will be supporting it. Because, Mr. Speaker, if you remember correctly it was the PLP Government, prior to the last election, or probably about a year ago, around this time (last September or October), actually moved to distance itself from the relationship with Park Hyatt because, as the Minister just stated, they had breached the obligations that they had in reference to the Act that allowed them access to that property in care of the developer.

The Minister at the time saw fit that it was timely that we start to repeal that Act, and the process had not got as formalised as it is today, but it began under us back last year. We are only surprised, Mr. Speaker, that it actually took so long to get to the formal stage. We were actually expecting this a little sooner.

But, Mr. Speaker, whilst on my feet, I would just like to ask the Minister, he could just nod to me, were there any funds owed to Government in regard to this from Park Hyatt or the principal company in the process at this point?

[Inaudible interjection]

Hon. Dennis P. Lister: There were no funds. No funds. And I thought that was correct, Mr. Speaker. I just tried to get the Minister to confirm that.

But, Mr. Speaker, from our side, having had this discussion as to where this was, because, as I said, we sort of expected this to have come sometime sooner, part of our thought was that maybe we would not only have seen this, but also a second document that would follow in reference to another, similar property that, as the Minister said, is in breach of its obligation as a developer for that site. And, Mr. Speaker, that is the property up in the West End of the Island known as 9 Beaches.

I can stand here, Mr. Speaker, and say that the former Government had started processes there, Mr. Speaker, to act upon the fact that that developer had breached his obligations in not proceeding to develop that site. And, Mr. Speaker, as the Minister just indicated, the Park Hyatt owed no funds to the Government. The other property in question, Mr. Speaker, indeed owes funds to the Government.

I would think that the present Government would have followed on the actions of the former Government, Mr. Speaker, to repeal that situation as well, in light of the fact that we are interested in seeing our properties developed. And if the current developer who has to access their site does not have the ability to develop it, it is now time that we take action, but the actions that were started by the former Government continue, so that we can see Government retrieve the property so that development can take place.

Again, Mr. Speaker, I stress that in this case that is before us today, this developer owed no funds. In the other situation, that developer actually owes funds to the Government. Thank you.

The Speaker: All right. Thank you, Honourable Member.

The Chair now recognises the Honourable Member from Devonshire [North West].

MP Glen Smith, you have the floor.

Mr. Glen Smith: Thank you, Mr. Speaker.

I stand here today obviously fully supportive. I actually wore my St. George's colours today.

The Speaker: You are lucky. You are lucky to be able to be up standing.

[Inaudible interjections and laughter]

The Speaker: You are a very brave man.

Mr. Glen Smith: Well, I knew that a number of my West End colleagues would not be here today that sit across the aisle. So that is why I am wearing my blue. And I also decided to put some pink in there for the support of Tourism at the end of the day.

Some Hon. Members: Aw!

Mr. Glen Smith: Anyhow, this is great news. Finally the saga ends. And perhaps, rather than calling the property *Club Med*, *Lowe's* or *Holiday Inn*, that it [will now] return to its proper name, the Fort Albert, when it goes out for bidding in the future.

More importantly, what this will do, Mr. Speaker, we have seen recently with the recent developments happening in Bermuda with regard to the Princess, we have also seen Pink Beach, and let us hope soon, obviously, for Sonesta Beach. And once again, this will open the doors for the Fort Albert property to the rest of the world that will hopefully have a number of bidders bidding for this property and turning St. George's into what it will be in the future.

At the end of the day, with the development, as we all know, [this now causes] the multiplier effect to create jobs and create some livelihood back into the old town, and also for St. David's, too.

So, Mr. Speaker, what this also does is to put St. George's back on the map where people will want to come and stay, because it is one of the most beautiful properties on our Island.

Thank you, Mr. Speaker.

The Speaker: All right. Thank you, MP Smith.

The Chair now recognises the Honourable Member from Sandys South, MP T. E. Lister.

MP Lister, you have the floor.

Hon. Terry E. Lister: Thank you. Good morning, Mr. Speaker.

The Speaker: Good morning.

Hon. Terry E. Lister: Mr. Speaker, I too am pleased to see this repeal. With this Act, it give us a chance to put the last developer, Mr. Bazarian (I believe his name is), behind us and to move forward. A saga that we all regret, I believe, [and that] went on much too long, totally unnecessary. But there you have it. And so I am pleased that the Government has seen fit to move us to this point.

However, Mr. Speaker, I had a question that I actually had put to the Attorney General earlier in the week, which was, Would the Government see fit to separate the hotel property from the golf course and allow the golf course to be able to go forward on its own? The Attorney General, who can obviously speak for himself, indicated to me that it was not necessary

to do anything legal to do this. Then I will follow his guidance; I am not a lawyer.

But what I do want to encourage the Government [to do] is to get that golf course up and running. There was talk at one point of having it operate in conjunction with St. George's Club, since it no longer has a clubhouse facility.

Why am I making the case? Well, Mr. Speaker, you and I (and you better than me, possibly, being a little older than I am) can remember there was a time when there were actually three golf courses in St. George's, one out at Ferry Reach (I think it was called Shore Hill Golf course); then there was one at the St. George's Hotel; and then there was one just down behind the current golf course.

[Inaudible interjection and laughter]

Hon. Terry E. Lister: No, no. No, no. This is not that long ago.

The Speaker: Learn them up, MP. Learn them up. Learn them up. Learn these young Members up!

[Laughter]

Hon. Terry E. Lister: Let me explain to the Member that, whilst the Speaker is a little older than I am, it was not around the 1800s.

[Laughter]

Hon. Terry E. Lister: But the point I am making is, St. George's has been there in this industry all along. The efforts that have been made in the last few years to bring tourists from Dockyard to St. George's have faltered. They have not really worked. The shopkeepers in St. George's will tell you they continue to struggle.

We need to do as much as we can to rebuild. Now, if we open the golf course, what you will have happening will be people coming to Bermuda on the cruise ships, bringing their clubs, cutting down to St. George's on the ferry, playing a round while their spouses, be it the female spouse or the male spouse, going around the town and spending some money, enjoying themselves. And this will benefit the town. And so, the sooner we can move to these things that are of value, the better off we are going to be.

Mr. Speaker, I would encourage the Government, as the last speaker has said, to go ahead and look for a new developer. But let us keep the two separate so that we do not get caught up again in a three-, four-, five-year period where nothing is really going on and the town suffers because we cannot make this facility available.

Now, obviously, there is a cost factor involved. Government needs to study that and do an analysis that says, *If we put out this much money to get the course ready, how much comes back, comes back to*

us, the Government, and how much comes back to the community, the business community and the people of St. George's and surrounding area.

I am sure, Mr. Speaker, that if that analysis is done, one will find that the returns are far greater than allowing the course to sit and to not contribute at all.

Thank you, Mr. Speaker.

The Speaker: All right. Thank you, Honourable Member.

The Chair will now recognise the Honourable Member from constituency 1, MP Kenneth Bascome.

MP Bascome, you have the floor.

Mr. Kenneth (Kenny) Bascome: Thank you again. I cannot believe that I am sitting in this House today hearing all these wonderful accolades being passed on about St. George's.

The Speaker: They have always come like that, Member.

Mr. Kenneth (Kenny) Bascome: No, sir. Every time I hear it, somebody is talking about a ghost town.

I would like to say thank you to the Minister for taking the initiative to bring this Bill forward. And before making my further comments, I would like to say *Thank you* to the Minister for bringing the *Millennium* ferry onto the run from Dockyard to St. George's. It has proven to be a blessing—not in disguise, because he knew all along that it was needed.

But getting back to the hotel property, Mr. Speaker, I have had the opportunity to talk to numerous prospective developers. And they always ask me to sell this property to them. I say, first of all, it is 10 minutes from the airport. Secondly, it is surrounded by an historical town. It has the number-one snorkelling area in the Island of Bermuda.

[Inaudible interjection]

Mr. Kenneth (Kenny) Bascome: Well, you can question that all you want.

[Laughter]

The Speaker: Speak to the Chair, Honourable Member.

Mr. Kenneth (Kenny) Bascome: That is what I am doing, Mr. Speaker.

The Speaker: Absolutely.

Mr. Kenneth (Kenny) Bascome: I am going to say here today that we, the One Bermuda Alliance, are not going to make any promises, but we are going to fulfil an obligation, that we will bring a hotel development to the Town of St. George's.

Mr. Kenneth (Kenny) Bascome: They are all going silent, Mr. Speaker.

The Speaker: They are listening to you, Honourable Member.

Mr. Kenneth (Kenny) Bascome: And as I said—

An Hon. Member: We are a little nervous about what you said.

[Inaudible interjections and laughter]

Mr. Kenneth (Kenny) Bascome: I am going to say to you, Mr. Speaker, that I made a comment here a little earlier in this session, where I said “elusive.” And they all laughed because they were under the opinion that I meant to say “illustrious.” I said *elusive*, Mr. Speaker, because it appeared that St. George’s was hard to find. So I knew what I was saying.

And I will say once again, Mr. Speaker, *Thank you* to the Minister. He has my 110 per cent support. And we, the One Bermuda Alliance, will deliver on the promise that was made during the run-in to the last election, that we will find a hotel developer for that site.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

[Desk thumping]

The Speaker: The Chair now recognises the Honourable Member from constituency 3, St. David’s, MP Lovitta Foggo.

You have the floor.

Ms. Lovitta F. Foggo: Mr. Speaker, I am just standing to echo the sentiments that have already been shared. I do have to say that, as a St. Georgian, we as St. Georgians want to see the vibrant community that we have always known St. George’s to be. And I can say that in these difficult times, St. Georgians have used their ingenuity to ensure . . . and even opened up new businesses in the St. George’s area, and some under the Economic Empowerment Zone. So we have persevered in spite of such a hard time.

But in particular, I too am very happy to hear that the Minister is trying to do something to ensure that in a very short time frame, we will have someone who is willing to invest in St. George’s by, I guess, building a hotel development of some type or the other.

But, as has already been pointed out, I think it is of paramount importance that we do get the St. George’s golf course up and running, because it can add to our product there in St. George’s. We are an historical site. However, while we are experiencing (I

guess you can say) some economic difficulties down there, there is no reason why we cannot engage in behaviours—and I say *we* because we are all here in this House to do what we think is in the best interest of our beloved Island.

I think that it would be a win/win if the Minister can move to ensure that the golf course is up and running, because it will contribute to the community down there. And all of my fellow St. Georgians who remember when the golf course was open, it brought many people, from Somerset all the way through the St. George’s, to play on our courses. And I think it was a travesty that the golf course was closed.

[Inaudible interjection]

Ms. Lovitta F. Foggo: I do think it was a travesty, because we in St. George’s saw the negative impact that it did have.

And even while the Government, while we were the Government, there were those of us who did get up and speak in favour of something happening to ensure that the golf course was running.

My St. Georgian comrades do know that it is an eyesore right now. And what it does is it diminishes the product that we have down there. So it is paramount (I used that word before), it is of paramount importance that we focus our energies in that way initially, while looking to provide a new product in that area.

So I do not have much more to say on that, Mr. Speaker. And I thought the emphasis had to be made because not only will St. George’s benefit, but the whole eastern area—St. David’s in particular. We are brothers and sisters, I guess you can say. So, what happens in St. George’s impacts directly in St. David’s as well.

Of course, it also means jobs that the Government has been promising. If they can get that up and running, that will [create] jobs for some few Bermudians who are in dire need of jobs.

On that note, Mr. Speaker, I will take my seat.

The Speaker: Thank you, Honourable Member.

The Chair will now recognise the Honourable Member from constituency 2, MP Nandi Davis *[sic]*.

You have the floor.

Mrs. Nandi Outerbridge: Outerbridge, Mr. Speaker.

The Speaker: Outerbridge; please excuse me.

Mrs. Nandi Outerbridge: Thank you.

I just want to come in and piggyback on everyone’s remarks about being excited and in agreement with this Act finally being repealed. I am also in agreement with it being repealed most importantly because it brings closure to the long disappointment and debacle that my constituents have had.

I know MP Foggo has said that the golf course seems to be an eyesore. But lately, MP Bascome and myself have done everything in our power to have the golf course maintained. And I am—

[Inaudible interjections]

Mrs. Nandi Outerbridge: I will ignore that. But anyway.

We have done everything to have the golf course maintained. And I want to thank Minister Dunkley and Minister Richards for helping us to have that maintained.

St. George's has waited with bated breath. And now I am happy that we are finally able to begin this new journey. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

The Chair will now recognise the Honourable and Learned Member; there are two of them, the learned Member from Sandys North.

[Inaudible interjections and laughter]

Hon. Michael J. Scott: I would gladly defer to the pulchritude and distaff Member of the House, but, Mr. Speaker, this is your call.

Mr. Speaker, 262 years of the leasing of this pristine property has now come to an end. And not only is the golf course in need of being revived and regenerated for employment opportunities, but the St. Catherine's Beach is there. Now that this property has now at least formally and statutorily returned to the Government's land bank, there are opportunities, of course, for many St. Georgians, many of whom I was aware of when I served as Estates Minister. There were opportunities there for them to explore concessionary opportunities along the tourism stretch that is there in St. George's, particularly at the beach, until, of course, a new developer is identified.

I pose the question to the Minister of Tourism and to the Government, Is there someone waiting in the wings? We hope that there is. I mean, such a dramatic step today as pulling this property back into making it now contractible again is a good thing. And it usually is done in anticipation and in projecting that there is activity in the wings. I hope it is. I hope that we do not, Minister and Minister of Finance, have to entertain any new developers with Letters of Comfort, that they will come with prepared financing.

This was the problem with the Bazarian issue. And I remember how it was politicised, even by the current Minister of Tourism. I mean, I recall when we stood in the Town Hall in St. George's with the principals of Park Hyatt. The president was there. Mr. Bazarian was there. Ms. Roberts-Holshouser was there. We were all there. And we were ready to close this deal.

And I recall that there has been a great deal of cost thrown away, as we say in the legal area. I mean, there have been architects fees lost. There were massive undertakings, not of the Government, of course. But there was certainly time spent by Mr. Eaton, preparing. So there are lots of man-hours gone into the drafting. That has all been lost as a consequence of this repeal today. Architects' fees have been lost. Legal fees by Mr. Bazarian have been lost—must be in the millions.

But we have come to a position that I hope Mr. Minister of Tourism Development and Transport recognises was the same position that we were in, that Mr. Bazarian, that developer, was not able to come up with the goods. That it was politicised, and we were criticised for misspeaking as saying that the contract was at an end. But Mr. Bazarian simply was not able to meet that deadline within that master development agreement.

And now, today, this is full acknowledgement of it. In fact, it is even more dramatic. I mean, it is now repealing the statutory foundation between Addax and our Government. But so, we go forward. We go forward now with the opportunity to re-tender this land for development.

But in the meantime, we should always be aware of the opportunities for Bermudians, St. Georgians, who wish now to tender with our concession ideas for that beachfront area, because it is always going to be attractive to tourists. And the Act that we have now repealed actually contemplated integrating Bermudian access and Bermudian use of land. And I hope that that theme and thesis continues in any new development.

But it is repealed. Thank you, sir.

The Speaker: Thank you, Honourable Member.

The Chair now recognises the Honourable Deputy Speaker from . . . I can see you growing. You are growing and growing.

[Laughter]

Mrs. Suzann Roberts-Holshouser: Thank you, thank you, Mr. Speaker.

The Speaker: The Honourable Deputy Speaker from constituency 3—constituency 4, sorry, constituency 4. My constituency, right?

Mrs. Suzann Roberts-Holshouser: That is it. Absolutely. Thank you, Mr. Speaker.

The Speaker: You are my MP. Yes.

Mrs. Suzann Roberts-Holshouser: But still from the East End of the Island, although very proudly across the bridge from St. George's, only joined on by a bridge, St. David's, from St. George's.

But of course, St. George's is very, very important, and its survival is important to not only those people on the East End of the Island, but for all of Bermuda. And this Bill that we have before us identifies the importance of actually moving on. And are we trying to do something? No, I do not believe we are trying to do something; I believe that with this Act we are actually doing something.

And it is about the urgency of now. Yes, indeed, we have heard of the potential for jobs. But quite clearly, what this repeal does for us is it clears the slate. It enables those potential investors who are looking for locations to invest in and to develop, it opens that door for that to actually take place.

So without this Bill coming forward today, we would not have that opportunity. So, if someone is sitting in the background, regardless of whether they are or not, it actually enables them to say, *We have got a clean slate. Here we go. We are moving ahead.* And this does that, and it bodes well for the East End of the Island.

The golf course, of course, was closed by the previous Government. So it is looking forward to perhaps reopening it. We are, as we have heard earlier from another Member who took to the floor, ensuring going back to putting the cost into at least clearing up that area to make sure that is not so unsightly. But hopefully, indeed, we can see the reopening of that golf course.

But more importantly, we will be seeing the opening and the building and the construction and the development of the future hotel of the East End of the Island.

Thank you, Mr. Speaker. I look forward to passing this Bill once we move to Committee.

The Speaker: All right. Thank you very much, Honourable Member.

The Chair now recognises the Honourable and Learned Member—

[Inaudible interjections and laughter]

The Speaker: The Honourable Member from Sandys [South Central], the Honourable and Learned Member, MP Kim Wilson.

You have the floor.

Mrs. Kim N. Wilson: Thank you, Mr. Speaker. I feel like a rabbit, up and down, up and down, up and down.

The Speaker: Good exercise for you, Honourable Member. You will be in much better shape than all of us.

Mrs. Kim N. Wilson: Thank you.

Mr. Speaker, this is perhaps the smallest Bill that we have seen in the House this session, and cer-

tainly from my experience, in the Senate as well. We are effectively repealing legislation.

And enough has already been said by a number of other persons here insofar as the benefits to not only Bermuda, but the Town of St. George's in particular. So there is no secret concerning that.

I guess my one question is with respect to the comments that were made by the Honourable MP for constituency 1 with respect to him indicating that he had had several conversations with prospective developers and that it was anticipated that some future development will take place very quickly.

So with that in mind, and with the fact that there are these prospective developers, I guess my question would be, Why [did] it take so long for such a small piece of legislation to be presented? It has been a year; the severance of the agreement, as we have heard earlier, from the Honourable and Learned Minister of Transport, took place on September 20th, which was a year ago.

And since December, this being such a small piece of legislation, I am just curious as to why, with the importance and the benefits that Bermuda will derive, and recognising that the Honourable Member for constituency 1 indicated that there are several prospective developers that are biting at the bit, so to speak, why did it take so long for the Government to bring this piece of legislation?

And my second point, Mr. Speaker, relates specifically to another piece of property closer to the West End of the Island. And we have heard it referenced already concerning 9 Beaches now. I am not quite sure what the situation is concerning there being some type of breaches of obligation and whether . . . And I understand money is owed to the Government, *et cetera*. And perhaps the Minister will elaborate on that. But I wondered whether and at what point will the Government consider issuing a termination notice with respect to that property as well, so that we can have a development, a new development in God's country, on the West End of the Island, so that we can have those type of benefits.

You know, it does not make sense having all these idle pieces of property and nothing is being done. I commend the Government for repealing this legislation so that, hopefully, St. George's can receive the development that they need. However, we also have property down in the West End of the Island that is not being developed, and I believe the agreement was to commence development at some time. That has not happened. And I am just questioning the Minister as to where we are in that regard so that the West End of the Island can also enjoy the benefits of the development of a hotel. Thank you.

The Speaker: That is certainly not a part of the actual discussion now. But certainly the Minister will take that into consideration.

The Chair now recognises the Honourable Minister of Health.

Minister Gordon-Pamplin, you have the floor.

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

Mr. Speaker, my comments will be brief, because I am sure that the St. Georgians are breathing a collective sigh of relief as the result of seeing the end of their frustrations of their expectation. And I think that in order to be able to sever this lease, for which there were some serious and significant demands made by the then-developers . . . They wanted vacant possession of the property. And it was granted. There was a vibrant golf course operation at the time. The golf club and restaurant were razed to the ground, notwithstanding the protestations that came from the opposite side of the floor of the House.

I am pleased to hear Members on the other side, many of whom supported the position historically that said, *Give this guy this lease for 262 years. Let's knock the club down. Let's make sure he has everything he has. This is the best thing since fresh air.* And we were brought back to the House on a special session in mid-September in order to effect that lease, you will recall, Mr. Speaker.

So, I believe that, if nothing else, this exercise gives us an opportunity to realise how important it is to listen. And I believe that, not just because one party sits on one side of the aisle and the other sits on the other, divided by this God-awful system of confrontation that we operate under, trying to score brownie points at every step and every turn, [so I believe] that we have to work in collaboration and recognise that intellectual benefits do not emanate from only one side of the House.

We are here to do the people's business. As the Honourable Member, Shadow Finance Minister, always says, *Take care of my people!* That is always his admonition to me. And that is the one thing that we certainly endeavour to do as the Government of this country, Mr. Speaker, is to take care of our people, all of our people. And in so doing, we intend to listen to those ideas that come from the other side, that are likely to be beneficial, that may perhaps be able to enhance our legislation.

We heard the Honourable Member who just took her seat saying that this is a small, the smallest piece of legislation, and why did it take so long? Length of time, yes, I can agree with the criticism. But it may be the smallest piece of legislation that she has seen since she has actually come to this Honourable House. But I can tell you, Mr. Speaker, it has got to be one of the most significant.

Because, the Honourable Member Scott indicated that we have seen the end of 262 years, no. We have seen five years less since 262 years were committed. And that is an entirely different scenario. We have not come to the end of 262 years and we are

saying, *It has reached the end of its time, and therefore, we are . . .* You know, we are rolling it back at this point. No. We are looking at and recognising a decision that was made that was entirely inappropriate, that was ill-advised, that we asked the former Government to consider carefully before encumbering the country.

And we got absolute, total pushback with complete, 100 per cent support from their side of the House. Nobody stood and said . . . While they may have spoken in their caucuses, according to what the Honourable Member Foggo indicated, nobody stood on the floor of the House and said to their leadership at that time, *This is not right. And we want to ensure that, you know, we want to look out for the better good and the greater good of St. Georgians, and let us not encumber the Government by putting us in this position with* (what was then determined to be) *a preferential developer.*

It did not happen. There were recommendations, or there were suggestions at the time that it was not going to happen. There was always a question as to what motive came behind the offering of the property to that particular individual. And there were also questions in terms of why the decision was taken to take away some of the existing concessions from some of those people who had the concessions.

So let us say that, as we walk down this path with a renewed opportunity and a renewed commitment to the people of St. George's, jobs are paramount! We have got to figure a way to put our people back to work, all of our people back to work, Mr. Speaker. And we do not want to start making these mammoth mistakes that we are confronted with today for having to repeal this Act!

Let us walk circumspectly and ensure that whatever we do is done to the best good of all of the people of Bermuda, and not just to satisfy some promise or some commitment that one might have made that could never have been fulfilled! We knew it at the time. We said it at the time. But, bullheadedly, we proceeded with it, and we have now come back to a situation, five years later, again in a special session in September, to have to repeal that which made no sense in the first instance.

So, Mr. Speaker, I am appreciative to hear the support that we are getting from the Opposition, recognising that it was a significant number of them at the time who made sure that the first Act went through by majority vote. We knew it. I think some of them probably knew it. But I think that there are times when, you know, it may be fear of retribution, or not wanting to speak up, or not wanting to really face the reality of the situation that is being dealt with, or just plain timidity. Somebody has decided, *You know what? I really don't want to rankle the ire of the people pushing through this type of legislation.*

But when something weighs on your conscience and you know that it is wrong, it is not enough

to come back here five years later and say, *While I may have had the opportunity five years ago to stand against this particular legislation, I am now supporting its repeal, because I did not have the courage five years ago to stand and say, publicly, at the opportunity when it counted, that there was recognition that the decision was not a correct decision.*

So, Mr. Speaker, I am certain that, as we continue to restore and renew hope and move this country forward in the right direction, I am pleased to see that this repeal Act is coming to this Honourable House and that it will get 100 per cent support from both sides of the House, because it is a pure recognition that the first decision was not the correct one. And this one replaces this property into the land bank, and it gives the Government of Bermuda, on behalf of all the people, all *our people*, the opportunity to look in a different direction and to develop something in that particular facility that will inure to the benefit of all of the people of Bermuda.

Thank you, Mr. Speaker.

[Desk thumping]

The Speaker: All right. Thank you, Honourable Minister.

The Chair now recognises the Honourable Member from Devonshire [North Central], MP Glenn Blakeney.

MP Blakeney, you have the floor.

Mr. Glenn A. Blakeney: Thank you very much, Mr. Speaker. I will not be long.

I just figured it appropriate to take to my feet because, notwithstanding the support for the repeal of this legislation, I do not think we should soon forget that in the challenging times of the day, when the contracts and the negotiations were on-going, it was with the utmost good faith that all parties acted.

And of course, 20/20 in hindsight is pretty good. But at the time, we were hoping, notwithstanding those that may have not been completely in favour of some of the terms of the lease, that something would have evolved when it came to fruition and that there would be a brand-new hotel in St. George's.

Mr. Bazarian acted in good faith, to the point where it became a point of no return for him. But we, as the former Government, we still worked to try and find a resolve that was a win-win situation, until it got to the point where there was no way.

So I do not think that we should cast an aspersion on the Government or the parties that were involved in trying to do what was in the best interest, not just for Bermuda, but particularly for St. George's, given the challenges that that town and that area of the country had with regard to the attempts that had been made for many, many years in trying to get a commitment, a real commitment.

And at the outset, Mr. Bazarian was the only game in town—

An Hon. Member: No, that is no true.

Mr. Glenn A. Blakeney: —no pun intended—that the Government of the day felt was worthy of the consideration and approving that his proposed development to go forward. And we acted on it. We did not twiddle our thumbs.

Yes, we demolished the eyesore. And if you do remember, there was a big challenge where there were squatters that were beginning to occupy that building. And it was not really a safe area. So when we looked at it holistically, we did what we felt was best, seeing that we believed the project and the development would move forward. So, before you could build something new, you had to demolish something that was old.

So, you know, I do not think that there should be the negativity cast across the board with a broad brush relative to what was going on at the time. It was because there was a commitment and a sincere effort by all stakeholders involved to develop a hotel in St. George's. That was the bottom line.

It went off the rails because of non-performances, *et cetera, et cetera*. But there were also contractual obligations that had timelines. And with those timelines having not been adhered to, therein lies the exit strategy for the Government of the day to bring the Act that we are now passing today to repeal it. Thank you, Mr. Speaker.

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

The Chair now recognises the Honourable Member from Pembroke [West Central], MP David Burt.

You have the floor.

Mr. E. David Burt: Good afternoon, Mr. Speaker.

The Speaker: Good afternoon.

Mr. E. David Burt: Or—yes.

The Speaker: Well, it is almost afternoon.

Mr. E. David Burt: We are right there at noonday.

The Speaker: Close enough.

Mr. E. David Burt: Half an hour to go before we eat.

Now, here is what I will say, Mr. Speaker. And looking at it, looking at what we are dealing with, this Bill this afternoon, it is a very short Bill, as other Members have said. And there is always this question insofar as, *What took so long?*

Now, before I get into some of the things I will say later, I would say that the Honourable Member who took her seat just a few minutes ago, the Minister of Health . . . I am not saying that she is going to be . . . It is as though, if hindsight is 20/20, in 2008, Members of this House . . . And I will make it very clear, because I was not here in 2008. But in 2008, in September, we were talking about passing this Bill. Now, five years later, Mr. Speaker, we could have just as easily been here celebrating the opening of the Park Hyatt Resort.

And to come here and almost dance on the grave of a development that was put forward by the Government of Bermuda in 2008, prior to the economic collapse which took place afterwards, is almost akin to dancing on somebody's grave.

[Inaudible interjections]

Mr. E. David Burt: Okay, Mr. Speaker? Now, let me be clear. In 2008, the Park Hyatt Resort Act was passed. In 2013, the Government is bringing its repeal. There are many things that happened between that time and this time.

But, Mr. Speaker, it is amazing that we have Members on the other side of this House surprised that a development has not happened in St. George's since 2008; meanwhile, we see many of our own hotels going into receivership and closing down.

We understand the difficult economic position we are in. Now we hear other Members saying that this is the end of the frustration. How is this the end of the frustration for the members of St. George's? There is still no hotel there, Mr. Speaker. There is still work to do. We have a Bill that repeals, but we have heard absolutely nothing from the Minister about his way forward. We have heard nothing as to what is their plan going forward to bringing a hotel there. We see nothing. All we see is repeal.

So it is good for us to stand up and talk about this, Mr. Speaker. It is good for us to say, *We are fulfilling our election promise. We are following through with our Throne Speech and we are repealing the Park Hyatt [Resort] Act.* It is wonderful that the Attorney General has brought forth a two-page Bill—wonderful—that says that Act is now repealed. That's good. And we can stand up and we can say, *Hey, PLP, guess what? We told you so back five years ago that this would not work.* But that does not help the people who need jobs and that does not help to fill the objective which we are all here to do, Mr. Speaker.

So we can have all this chest thumping, we can have all this finger pointing, we can have all this, *Oh you weren't right, you didn't get it right,* but the fact remains, Mr. Speaker, that we still need investments and we want to know the way forward.

An Hon. Member: Hear, hear.

Mr. E. David Burt: People have gotten up and we say that we supported it. It was the PLP Government that cancelled the agreement.

It is unfortunate that the hotel development did not take place. But I am quite certain that there are Members on the other side that will make decisions with the best interests of this country at heart and they do not turn out well. So I would caution Members on that side, thumping their chests saying, *Guess what, PLP? You got it wrong and we are going to fix the problem,* because there will be something—something—that will not pan out.

If the Government has four years there are some things that will not happen and we need to remember that our job here is not to point fingers. Our job here is not to say, you know, *Oh, we told you so, back five years ago.* But our job is to make sure that the people of this country get developments—the people of St. George's and the people in the West End—the people all across this country get the developments and move forward.

So, Mr. Speaker, with that I will take my seat.

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

The Chair will now recognise the Honourable Member from Pembroke East, MP Walter Roban.

MP Roban, you have the floor.

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

I actually was not going to speak on this but a number of things have been said in relation to this Act. I will say a few things and I commend my honourable colleague just now for, I think, bringing the right perspective to this discussion in that . . . and the Honourable Member, Mr. Blakeney also brought, I thought it into proper perspective.

It is almost as if certain Members of the Government are suggesting that our intentions in 2008 were not genuine for the betterment of this country. That is almost the implication that I am hearing from the Government. Just because they were on this side and were in the natural opposition mode saying, *No.* But that was their mantra then—no, to everything. So because they said no to this and now they feel some, I guess, justice on their part, they are saying, *Well, you know it was wrong and now here we are.*

But as the Honourable Member, Mr. Burt, has said, it has not ended the journey. It has not ended the unfortunate situation because, certainly, prior to the attempts by us to bring in development there were decades where nothing happened for St. George's and this particular area. And we, as the Government, attempted to right that particular challenge in the other direction.

But I will say this, it is unfortunate that this had to be repealed because of the journey that we have had since 2008. But I will also say this, and I say this not just speaking as a PLP Member who was once a

part of the Government, but I speak because it refers to the people of Bermuda. It is the people of Bermuda—and the people of St. George's—who desire to give Mr. Bazarian an opportunity. Mr. Bazarian courted the people of St. George's. He even had the support of a former mayor, one who sits in this House. He also had the support of another former mayor who campaigned and lobbied and courted the people of St. George's to support this development. And that support was given by the people of St. George's at the time. It was.

Unfortunately, the hotel development . . . as my Honourable Member says, the hotel development that was proposed was supported by the people of St. George's because it did seem a window of opportunity that had been denied them for nearly two decades prior to the closing of other properties there.

So, this was done in a genuine way. And I can tell you, because I had some Ministerial responsibility around this particular development, that Mr. Bazarian had the opportunity to follow through. In November 2010 he had every approval, everything in place to break ground. Everything that the Bermuda Government and the people of Bermuda were required to give him was available. But, unfortunately, the very thing that he required—of which he was supposed to bring to the table—he was not able to do, which is why we are here today.

It is regretful that this has had to happen because this was a genuine project seeking to bring something that genuinely was required in the East End. That is the regret that I have, and I am sure that my colleagues here have, and the people in St. George's have. Yes, all that the Government says is fine about, *they can point their fingers at us*, but this was done genuinely to improve the situation in the East End of which they had suffered for decades.

I stand here not to point fingers in any way at the current Administration. I do have concerns about what some of them have said, but I do know that the Bill is really what matters, Mr. Speaker, the Park Hyatt St. George's Repeal Act 2013. This is why we are here today. I am glad that the Government has brought it because it does provide an opportunity for St. George's. But I also would ask that the Government listen to us on some other matters that we have raised about the West End.

I would also hope that some of the other proposals that were entertained to be done in St. George's, such as a boutique hotel and arena, also get some light of day for the people of St. George's. I do hope that there is some encouragement that the Government gives to their business friends who own properties that they begin to look back at St. George's and reinvest in St. George's because, let us face it, much of St. George's problem is that private investment has left St. George's for whatever reason. That is why, as Government, we started the Economic Empowerment Zone to try and attract business back.

So I would encourage this current Administration to do the work to get business back in St. George's, because it is not through Government hand-outs that St. George's is going to improve itself. It will improve itself certainly by the Government facilitating investment and opportunity in St. George's. That is what will help St. George's in the long term. That is what the PLP Government attempted to do and I look forward actually—and I encourage the current Government—to look in these directions because these opportunities are still there.

With this Act you have cleared the slate. You have cleared the benches so that new attention and new opportunity can be brought to the people—the jobs that they require—so that they see their future in a bit more of an optimistic fashion. That is why this Act is here. That is why we, on this side, support this. I do hope, and I encourage the Government to move swiftly, as it has been hinted by Members on their side that there are developers knocking at the door. As my honourable and learned colleague has said, *Hey, bring them in! Bring them through the door!* Let them come. Let them come and see the potential that St. George's has. Facilitate it. Make it happen so that the whole country can see a bright light shining in the original town and more bright lights in some of these shop windows, in some of the residences, and amongst its people.

I ask, and I do encourage the Government to take up that challenge, because it is important. We have had a number of members from the East End speak already on this, and we stand with them. It is important that St. George's see some movement forward because perhaps if the Government can get this done quicker it will be a shining light for other parts of the Island where we would desire to see further development of a similar kind—in the West End, in the central and in the East End.

So I encourage the Government, I stand to encourage you—not to denigrate you, not to criticise you, but to encourage you—to take what you brought here and use it as an opportunity to improve the situation that all in the East End and the country desire for that very important part of our Island.

Thank you.

The Speaker: Thank you, Honourable Member.

The Chair will now recognise the next Member from Pembroke [East Central], the MP Michael Weeks.

MP Weeks, you have the floor.

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

The Speaker: Good afternoon to you.

Mr. Michael A. Weeks: I, too, echo a lot of the sentiments heard already that I very much support the re-

pealing of this Act. But I do want to say, Mr. Speaker, the talks to repeal this Act have been going on for a while. I remember last year when they were going on (I was part of the Government), I decided (as Minister then responsible for parks) to try to help to invigorate some life into St. George's, i.e., open back up the golf course—

[Inaudible Interjection]

Mr. Michael A. Weeks: And I . . . Well, it should not have been closed. I was not here. But I did what I could when I was here, and I stand on that.

So, what I am saying is that in my efforts to reopen the golf course I met with the then Attorney General, my colleague, as to how we could go about creatively, while talks were being held on whether or not we were going to repeal the Park Hyatt Act, how we could get the golf course open, get it maintained, create jobs in the process and invigorate the town of St. George's.

Now, my colleague and I, after many painstaking conversations, actually accomplished that. We created about six or seven jobs to get the golf course up and running so that we could get the golf course open. Now, what happened when the new Government came into power was that the golf course was subsequently closed down.

[Inaudible Interjection]

Mr. Michael A. Weeks: So the jobs that were created disappeared immediately.

So I am standing up now not to go back and forth but to really say and to implore the Tourism Minister . . . and I commend you for bringing this Act here, but I would like to implore you that let us get some jobs immediately on the ground. Let us get that golf course back open while we try to find a new developer. Six, seven, maybe ten jobs in maintaining that golf course, which will bring some much needed revenue not just for St. George's but it will bring people from all over the Island. That was my intent as the Minister then responsible for parks and it is a very doable situation, it is a very doable solution immediately while we are trying to get a new developer.

So, I do implore you Minister. Thank you, again for doing what you are doing, but if we could get that golf course back open we can get some revenue going [and] we can get some activity going in St. George's.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Is there any other Member who would care to speak?

The Chair recognises the Honourable Whip, MP Cole Simons.

You have the floor.

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

I have listened to this debate, and I have heard how both sides of the House have agreed that this is a good piece of legislation and it is overdue, and it is an opportunity for us to move forward. What I was hoping to hear from the Opposition was, Yes, we made a mistake.

[Inaudible Interjections]

An Hon. Member: No!

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

We made a mistake, and as a consequence we should have learned from our mistake.

[Inaudible Interjections]

Mr. N. H. Cole Simons: So, Mr. Speaker, I stand today to bring to the attention of this House the lessons that should have been learned from this exercise.

Mr. Speaker, the first lesson that should have been learned from this House is the fact that Bermuda needs to do a better job, and the Government needs to do a better job in finding developers for this country and this tourism industry.

[Inaudible Interjections]

Mr. N. H. Cole Simons: Mr. Speaker—

The Speaker: Carry on, Member.

Mr. N. H. Cole Simons: When looking for—

[Gavel]

The Speaker: I need to hear the Whip.

Mr. N. H. Cole Simons: When looking for developers of this magnitude, we have to look to where they fish, Mr. Speaker. We can look at private investment trusts. We can look at real estate investment trusts, so we need not just limit our search to individuals who may or may not have questionable reputations in delivery.

An Hon. Member: Ooh!

[Inaudible Interjections]

Mr. N. H. Cole Simons: Mr. Speaker, I heard the PLP talk about the fact that they went down to St. George's and they spoke to all the stakeholders. You had a Premier of this country who was in charge of St. George's and she went and spoke to the stakeholders. But what you should have done was spend more energy on the developer ensuring that he had the resources to deliver on the capital. We had—

POINT OF ORDER*[Misleading]*

Mr. Walter H. Roban: Point of order, Mr. Speaker, point of order.

The Speaker: Honourable Member, please take your seat.

What is the point of order, MP Roban?

Mr. Walter H. Roban: The Honourable Member is misleading the House.

The Speaker: How?

Mr. Walter H. Roban: By the suggestion that what we should have done with the developer. We did. We fulfilled every contractual—

The Speaker: Thank you.

Mr. Walter H. Roban:—obligation we had under—

The Speaker: Thank you.

Mr. Walter H. Roban:—the Ground Lease. It is the developer who did not fulfil—

The Speaker: Thank you.

Mr. Walter H. Roban:—his contractual obligation. The Honourable Member is misleading the House.

The Speaker: Thank you, thank you, Member.

Mr. N. H. Cole Simons: Mr. Speaker, he just made my point.

The Government basically, at the end of the day, fulfilled their obligations in two sessions to the developer. But the developer did not fulfil his obligations. My point entirely. He did not have the resources. If he had the money he would have had a hotel today, Mr. Speaker. He would have had a hotel there today.

The other issue that I would like to address is the issue of vacant possession. Mr. Speaker, I sit here and I just shake my head in that again—under a poor management—there was no reason why they destroyed that golf club and closed down that golf course when we were nowhere near developing that new hotel. I leave that responsibility strictly in the hands of the PLP Government. They have closed the beach house, the golf course, and now we are repealing the Act. The buildings are gone, the golf course is closed, people lost jobs, and we have nothing to show for it.

Another lesson, Mr. Speaker, do not make those types of decisions until you are closer to realis-

ing the ultimate goal of developing and delivering on this project. You could build your modules, you could build in phases. We could have had . . . St. George's could have had a golf course fully functioning for the past 10 years with people working there.

I used to go [there] for lunch and I am not a golfer. They had good food, good service—another hospitality amenity for Bermuda. But yet, in their exuberance, in an effort to bring this clean slate for Mr. Bazarian and his team, they knocked it down. What do we have to show for it? No hotel, no golf course, no tourism, no proper golf courses in St. George's.

I leave that in the lap of the PLP for poor, poor management. I can sit here today and say, *Oh, how nice that the OBA has brought forward a piece of legislation that repeals that Act.* But I want the PLP to take responsibility for their misjudgement, and they have not done that.

In closing, Mr. Speaker, I have one further comment to make, and that is that this underscores the importance of having the Tourism Authority. Putting these decisions in the hands of professionals—

POINT OF ORDER*[Anticipation]*

Mr. Walter H. Roban: Point of order, Mr. Speaker.

The Speaker: What is the point of order on that?

Mr. Walter H. Roban: Is the Honourable Member anticipating a debate of a—

The Speaker: I do not think so. I do not think so. He is not talking in any detail about that.

[Inaudible Interjections]

Mr. N. H. Cole Simons: Mr. Speaker, what I am saying is that . . . I could leave out the Tourism Authority, Mr. Speaker. But what I will say is this: If we were more far reaching in finding developers for this property in St. George's with all the resources that Dr. Brown had, Premier Jennifer Smith had, Premier Paula Cox had, then they should have found a person that was more qualified and was able to deliver so that we have a hotel here today.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

The Chair will recognise the Honourable Member from Warwick, MP Lawrence Scott.

You have the floor.

Mr. W. Lawrence Scott: Yes, good morning, Mr. Speaker and thank you.

I had not intended to speak until I heard the Member that just took his seat get up and talk, and he talks about making a mistake. Mr. Speaker, the Hon-

ourable Member that just took his seat is telling the Bermudian public that the PLP made a mistake in trying to invest in this country. He is saying that we made a mistake—

POINT OF ORDER

[Misleading]

Mr. N. H. Cole Simons: Mr. Speaker, Mr. Speaker, the gentleman is misleading the House.

The Speaker: What is your point of order, Honourable Member?

Mr. N. H. Cole Simons: The point of order is that he said that I said that the PLP made a mistake in trying to get people to invest in this country. I never said such a thing.

The Speaker: Thank you.
Carry on, MP.

Mr. W. Lawrence Scott: Thank you, Mr. Speaker.

The Honourable Member alluded to the fact that the PLP Government went and did what they felt was in the best interests of this country in trying to get jobs and trying to promote our tourism product, [and that that] was a mistake. This Honourable Member went on and said that we needed to look for a better developer, that we should go look for a better developer and that we should have done our homework more. Is he suggesting that we should have jumped on planes with potential developers and gone further reaching into the United States?

[Laughter]

Mr. W. Lawrence Scott: Is that what he is insinuating, Mr. Speaker?

[Inaudible Interjections and general uproar]

Mr. W. Lawrence Scott: Mr. Speaker, I cannot believe what I am hearing because this Honourable House has sat here and heard not just the Premier, heard other Members of the Government say that they want to collaborate with the PLP, and when the PLP comes and says, *Hey this is a good Bill. We are willing to work with you on this. We are in collaboration with you on and on—and they say, Point the finger.* Mr. Speaker, what kind of collaboration is that?

What kind of collaboration is that?

They want to say take responsibility and when they came here this year—this session—with faulty legislation and we pointed it out, they wanted to say *Oh, hold on. We make mistakes; we're human.*

[Inaudible Interjections]

Mr. W. Lawrence Scott: Mr. Speaker, I am in shock and awe right now because I thought that this would have been pretty straightforward. The Government brought a Bill that we support—and the fact that we support it . . . we are wrong for supporting it! That is what we heard from the Government!

[Inaudible Interjections]

Mr. W. Lawrence Scott: What is really going on around here, Mr. Speaker?

POINT OF ORDER

[Misleading]

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

The Speaker: Yes, Honourable Member.

Hon. Trevor G. Moniz: That Member is clearly misleading the House. Those Members are absolutely right to support what we are doing today, but you have to take responsibility for your mistakes.

The Speaker: Thank you. Thank you Minister.

Mr. W. Lawrence Scott: Mr. Speaker, the Honourable Member wants to talk about lost jobs? The Honourable Member, my colleague, the Honourable Member, Michael Weeks, said that after this whole situation was going on and the hotel was gone he had created jobs, but one of the first things that this Administration—the One Bad Administration—had already done was get rid of those jobs that he created!

[Inaudible Interjections]

Mr. W. Lawrence Scott: So what is going on?

They talked about they were going to create 2,000 jobs. They have created zero right now, Mr. Speaker, and we are over halfway into the first year.

What is going on, Mr. Speaker?

I do not understand this, and it frustrates me because we came here to do the peoples' business but all it seems that the Government wants to do is, as the Honourable Member across the aisle (the Honourable Minister of Health) says is to score brownie points. We are trying to say, *Hey, we are working with you on this one.* Okay? Things did not go as planned because nobody has a crystal ball in here.

[Inaudible Interjections and general uproar]

Mr. W. Lawrence Scott: Mr. Speaker, nobody has a crystal ball. Nobody could have predicted the global recession which took out the previous investor. Yet, we do not have any names of potential investors going forward. So what is going on?

Talking about looking for a better developer? Do they have one, Mr. Speaker? And, if so, can they let the Bermudian public know because right now it sounds like hopes and dreams and all things that are unicorns and skittles and rainbows going on around here, Mr. Speaker.

[Inaudible Interjections]

Mr. W. Lawrence Scott: And they talk about Mickey Mouse—that is the person that is calling the shots? Should I say *M-I-C-K-E-Y-M-O-U-S-E*?

[Laughter and inaudible interjections]

Mr. W. Lawrence Scott: Thank you very much, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

The Chair now recognises the Honourable Member from Smiths *[sic]*, the Minister for the Environment, Minister Sylvan Richards.

You have the floor, Minister Richards.

Hon. Sylvan D. Richards, Jr.: Thank you, Mr. Speaker, and I represent Hamilton South.

The Speaker: My apologies.

Hon. Sylvan D. Richards, Jr.: You know there is a saying that says, *Don't let the truth get in the way of a true story.*

I have to respond to my good friend, MP Weeks, from Pembroke East Central, and also young MP Lawrence Scott from Warwick South East, the Honourable Members. They both referred to these jobs that they created at the St. George's golf course and how, when the OBA became the Government, one of the first things we did was to get rid of those two jobs. Now, I have it on good authority from MP Bascome—who, to me, is still the mayor of St. George's—

[Laughter]

Hon. Sylvan D. Richards, Jr.:—that those two workers—there were two workers that were working on that golf course, and they were contractors contracted to the Government to maintain the golf course.

I also have it on good authority that they were not doing a very good job. Once we became Government we approached those workers (with former Government contracts) to become employees of the Government. Those contractors refused the Government contracts that were offered to them for various reasons. We made the offer, and they declined to accept the offer. So those jobs did vanish, not because we eliminated them, but because (as most humans have free choice) they decided to do something else. So let

us just clear that up. Let us get some truth going out there.

[Inaudible Interjections]

Hon. Sylvan D. Richards, Jr.: I would also like to say that I used to frequent a very nice beach house that was down there. And I met a lot of tourists on Sundays at that beach house. There was a nice restaurant there, there was music. A gentleman was playing nice old-school reggae. It was a very nice vibe. I used to take my rides down there and spend a good Sunday afternoon. And that business no longer exists. The beach house was razed to the ground, just like the golf house was razed to the ground. And I am sorry . . . there has to be some accountability.

St. George's was set back by the missteps of the previous Government. We know it. St. Georgians know it. And they know it. So all I can say at this point is that it looks like the plutonium period in our tourism is at an end.

The Speaker: Thank you Honourable Member.

The Chair now recognises the Honourable—are you going to speak for more than two minutes?

[Inaudible Interjections]

The Speaker: Are you going to speak for more than two minutes? Maybe three minutes? Okay, if you are only going to be short I will allow you to speak before we take our . . . you will be the last speaker before we break.

Mr. Walton Brown: I will be brief—

The Speaker: You usually are—

Mr. Walton Brown: I had no intention of speaking, but when my friend, the Honourable Government Whip, made those remarks I could not allow that to go by without commenting.

When we entered into contracts with developers we did so with good faith because there was due diligence undertaken, contracts were signed and obligations were meant to be carried out. The Bazarian development did not take place, in part because of the global collapse of financial markets.

Now, Members on the other side can scoff at it but it was during the same period that the financing dried up for Horizons. No one said the people were incompetent or could not live up to their promises. The financing for Horizons disappeared with the global collapse—the same time as the Bazarian development.

So, we took action after a number of years of non-performance of Bazarian to have the lease revoked. For all of the fuss that is being made on the Government's side—which happens, by the way, to

be inconsistent with the Premier's call for a more collaborative approach in dealing with the Government business—the Members have failed to recognise that they need to be consistent in their approach. Because if Bazarian is having his lease revoked because of non-compliance it needs to be applied equally to all other developers who have been given leases and who have not complied with the terms of the leases—and I speak about 9 Beaches, which is owed money. Bazarian did not owe any money.

So if we are going to be serious and rant and rave then we need to apply our standards equally. What we do not see is an equal application of these standards. So if you want to call names, if you want to hold people to account, then I say to the Government what, then, are you going to do *[Recording ends abruptly here.]*

[MISSING PORTION HERE 12:25 PM]

Proceedings resumed at 2:01 pm

[Hon. K. H. Randolph Horton, Speaker, in the Chair]

The Speaker: Members, we are continuing with Order No. 1 which is the Park Hyatt (St. George's) Resort Repeal Act 2013 in the name of the Minister of Tourism Development and Transport, Minister, the Learned Member Shawn Crockwell.

Is there any other Honourable Member who would care to speak?

The Chair will recognise the Honourable Minister of Finance, the Honourable Bob Richards.

Minister Richards, you have the floor.

Hon. E. T. (Bob) Richards: Thank you very much, Mr. Speaker.

The repeal of this Park Hyatt Act reminds me of a famous quote by Winston Churchill.

The Speaker: Oh, dear.

Hon. E. T. (Bob) Richards: Who said, at a point in time that you will remember, that this is not the end, this is not the beginning of the end, but it might be the end of the beginning.

The Speaker: Very good, Minister.

[Laughter]

The Speaker: Good start!

Hon. E. T. (Bob) Richards: I think that the repeal of the Park Hyatt Act really does mark the end of the beginning—the beginning chapter of redeveloping St. George's as a hotel destination.

The opening chapter has been long, somewhat torturous, and not successful. And I recall being at the debate five years ago here in this Honourable House when the then-Tourism Minister and Premier called us back in for a special session under much fanfare.

The Honourable Member, Mr. Burt, is not correct in his chronicle insofar as the calendar is concerned, because when we came here it was after the fall of Lehman Brothers on Wall Street. So the worldwide economic catastrophe had already started. We did come here under an impending sort of storm. And I think all of us—even though many of us sitting on the then-Opposition benches had grave misgivings about the developer and the process under which that developer was chosen—I do not think a man or a woman in this House, Mr. Speaker, wanted Mr. Bazarian to fail.

Everybody wanted him to succeed, even those of us who had grave misgivings about him and about the whole process. Everybody wanted to succeed because it was universally accepted that it was critical to the future of St. George's and quite frankly critical to the future of tourism in Bermuda. So it is most unfortunate that we are here five years later and we seem to have made no progress.

One of the issues, I think, that it is important to point out is that the former developer really did not have any significant financial backing. And it is one thing not to have financial backing, it is a whole other thing to say you have it and not have it.

Mr. Walter H. Roban: Point of order, Mr. Speaker.

The Speaker: Yes, Honourable Member.

POINT OF ORDER

[Misleading]

Mr. Walter H. Roban: I only rise very hesitatingly [to say] that the Honourable Member is misleading the House. The Park Hyatt Corporation was a major backer for Mr. Bazarian. They were here when it was announced that the project was supposedly going to be launched. There were here with them, the heads of the Park Hyatt, and internationally recognised hotel developer and operator, Mr. Bazarian—

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

Mr. Walter H. Roban: I think that is a valid fact.

The Speaker: Thank you.

Mr. N. H. Cole Simons: Mr. Speaker, point of order.

The Speaker: A point of order on the point of order?

[Laughter]

Mr. N. H. Cole Simons: Mr. Speaker, that gentleman—

The Speaker: We are really getting to it today.

Mr. N. H. Cole Simons: That gentleman—

The Speaker: Go ahead, Honourable Member.
Honourable Member.

POINT OF ORDER

[Misleading]

Mr. N. H. Cole Simons: The Honourable Member is misleading the House because the Park Hyatt (as you will know) were [to be] the managers of the project once it was finished. They did not provide the financing, Mr. Speaker. They were the managers.

[Inaudible interjections]

The Speaker: All right. Thank you. Thank you.
Minister of Finance, carry on, please.

Hon. E. T. (Bob) Richards: Thank you very much, Mr. Speaker.

[Inaudible interjections]

Hon. E. T. (Bob) Richards: I will reiterate. It is one thing not to have financing—

The Speaker: Honourable Member just a minute . . . just a minute.

[Gavel]

The Speaker: I think Honourable Members . . . let us stop shouting across the floor of the House. All right? Let us stop. I do not know what you ate for lunch, but, you know, you did not have what I had, I can tell.

[Laughter]

The Speaker: Honourable Member, carry on.

Hon. E. T. (Bob) Richards: Thank you. Thank you, Mr. Speaker.

The problem I had was the constant stream of misinformation as it related to this project. It was as though it was more important to put on a show for the Bermudian electorate than to actually get the thing done. I mean, this is the problem that I had with it. All right? I wanted it to succeed, but we really did not focus on the important things.

One thing I can say, and the Opposition will delight in what I am going to say here, so you should

appreciate it when you get these pearls from me. All right? The one thing that the controversial lease for this property did was it acknowledged the severity of the sort of un-competitiveness of Bermuda and the things that we had to do, if you like (and we like to use this word and I do not like to use this word but), the “concessions” Bermuda had to make to get the job done.

This lease was a sort of watershed event insofar as throwing everything and the kitchen sink in there to try to give every concession conceivable to try to get this development to become a reality. And that was what was really different about this.

I remember sitting over on the other side and people scratching their heads and saying, *Well, you know, it looks like we are giving away the shop*. Because we have got this long lease for a dollar, or something like that . . . maybe it was even less than a dollar. So people were concerned that no kind of deal like this had ever been proposed before. Were we that desperate that we had to do all these things? And the answer was, of course, yes! We were that desperate. And a lot of people in Bermuda did not understand that. And, unfortunately, Mr. Speaker, a lot of people today still do not understand that. So even [with] all of those concessions that we made, Mr. Bazarian still could not get the deal done.

Lots of reference has been made to the difficult situation in financial markets, and that is a given. That is true, it was very difficult. The timing was very bad. But I have to say that the timing was bad in 2008, but what about all the other years before that? The timing was really good in those years and nobody got any deal done. From 1998 to 2008 there was no deal done.

[Inaudible interjections]

Hon. E. T. (Bob) Richards: There was no deal done.—

[Inaudible interjections]

Hon. E. T. (Bob) Richards: And before that! And before that.

We are talking about . . . I am addressing the excuses given by the other side here. Their excuse was that it was a chaotic capital market and therefore the money could not be raised. But what happened before 2008? They had 10 years to develop this hotel in great financial conditions, and they could not do it. They did not and could not do it.

Mr. Walter H. Roban: Point of order, Mr. Speaker.

The Honourable Member is misleading the House again. We have—

The Speaker: And next time wait until I ask you to speak. You can speak now, Honourable Member.

POINT OF ORDER*[Misleading]*

Mr. Walter H. Roban: Of course, despite the fact that that hotel had these challenges, we did see under the Hotel Concessions Act the Tucker's Point developed as the first five-star hotel in nearly 30 years—

The Speaker: All right. Thank you. Thank you, Honourable Member.

Mr. Walter H. Roban: So when the Member says we did not do it, he is incorrect.

The Speaker: All right. Thank you. Thank you, Honourable Member.

All right, Minister.

Hon. E. T. (Bob) Richards: As I recall, we do not have a hotel in St. George's. We are talking about St. George's. We did not do it in this case. And that, in spite of all of the things that we tried to do.

So, like I said, you know, there are a lot of pieces to this, Mr. Speaker. This has been a learning experience for Bermudians—for all of us—about how far off the mark we are to get a hotel developed in Bermuda and to get a hotel developed in St. George's. It seems like we bet the farm and still came up short. And that is a problem.

I am saying that to say this, Mr. Speaker, that, as my honourable colleague, the Minister of Tourism, is going to say (as he already said, and I said it in Winston Churchill's words) that this is the end of the beginning. All right? We now move on to chapter two. And not too far in the future we are going to be sitting and standing here with proposals from new investors to invest in that site and in others.

But I want to put the other side on notice that we are going to have to make a whole lot of concessions to get that done. And I do not want to hear any kind of squawking. *Oh, yeah, we are giving away the farm. We are doing too much. We are doing way too much, going way too far, to get these people in here.*

Mr. Speaker, our Premier has said in unequivocal terms many times, including this morning, that we are here to create jobs. That is our mandate as a Government. In order to create jobs, things have to happen first before jobs are created. And the most important thing that has to happen is that somebody has to be prepared to write a cheque for a big investment to create a job or a series of jobs.

One of the biggest mistakes that Bermuda has made over a long period of time (and I am afraid that comes from decades of success) is that we were busy thinking about what we could get out of it instead of thinking about what investors could get out of it. Because we will get nothing out of it until an investor can get something out of it, something that he wants.

So we need to turn our brains into the brains of investors. Think like investors think. That is what we have to do to get hotel development moving in this country. That is why we had that tourism investment summit a couple of months ago where we got tourism investors in properties in a room with officials from the Government to get an idea of what they are looking for. It is the first time it has ever been done in the history of Bermuda because we are trying to get ourselves into investors' brains, trying to find out what their needs are. If we can satisfy their needs, then they can satisfy our needs.

And the Park Hyatt Act, when it was done with all those concessions, was a half step towards that way of thinking. It did not go far enough, and I do not think everybody really got it insofar as it was concerned. As I said, I think we had the wrong developer anyway. But we still have a long way to go to put all of the necessary elements in place for investors to do what we want them to do. But they are not going to do what we want them to do unless they are convinced that they can get a return on their dollar.

So we are finished with this chapter. Let us move on to chapter two. And I am sure that we will be here at some point in the near future with some proposals. And some of the medicines that we are going to have to take with our proposals to create those jobs are going to be nasty tasting things, things that we are uncomfortable with, things that we have never done before, but we are going to have to do them if we are going to get tourism back into Bermuda, back into St. George's.

Thank you.

The Speaker: Thank you, Minister.

Any other Honourable Member care to speak?

There are no other Members that care to speak.

I now ask that the leader of the debate, the Honourable and Learned Minister, Minister Shawn Crockwell, if you would like to respond.

Hon. Shawn G. Crockwell: Yes, thank you, Mr. Speaker.

Mr. Speaker, when I arrived this morning I was hoping for a Kumbaya debate.

The Speaker: It was up until—

Hon. Shawn G. Crockwell: It was heading that way until my honourable colleague, Patricia Gordon-Pamplin, took to her feet. And then . . . the things . . . my hopes were dashed.

But Mr. Speaker, I understand. I understand the passion. I understand the passion. I understand why individuals felt compelled to have that discussion because this has been a long saga in relation to this development. And I concur with my honourable colleague who just took his seat. We all wanted the de-

velopment to go forward. This Government has met with Mr. Bazarian and we can say with confidence that he was sincere and very committed in trying to get the development going. But unfortunately he did not have the withal to back that up. So I certainly understand the passion associated with this particular development.

But there were a few questions that I would like to address that were raised by Honourable Members on the other side.

One question which was repeated was, Why so late? Why did this Bill come so late? I think it is important, Mr. Speaker, to explain to the public and to the other side that when the former Government terminated the ground lease and the master development plan or agreement, that was sufficient legally. That was sufficient for the Government to proceed with promoting that particular site and entertaining developers as it related to that site. So we did not have to repeal the Act before actually entertaining conversations and discussions as it related to the Club Med site. And the Government has been doing that.

I can say with pleasure that there are two serious developers who are very much interested in developing that site. I also want to say that it is important to put this caveat in that both of these developers . . . their plans involve a gaming component. And so these are the things that we have to resolve going forward. But we have two very serious potential developers who are interested in Club Med. Let me just say, when their team came to Bermuda and they actually went to the site, they fell in love with St. George's.

They saw St. George's as a place that is pregnant with potential. And so that is, I think, very encouraging for St. George's and certainly very encouraging for Bermuda. And we intend to seal the deal.

Also, Mr. Speaker, there were questions raised as it related to the golf course. We appreciate that. We have in our room, Mr. Speaker, the former Mayor of St. George's. So the issue of the golf club comes up all the time. We have representatives from St. George's in our caucus room, so we understand the importance of that golf course. But what Bermuda needs to understand is that the fact that that golf course has been lying dormant for so long has made getting it back to a reasonable standard that much more expensive and that much more difficult.

It is very easy to come here and say, *We need to get the golf course re-opened*. I mean, the Government is broke, Mr. Speaker, let us be clear about it. We do not have the money that we would like to have. And it is easy to say, *Well, reopen it*. The reality is it would have been much easier if it had been maintained rather than just shutting it down. And the fact that the former administration shut it down and then we lost the clubhouse, it got overgrown; it does not have the same type of standard that we would

like. You can recall someone tried to . . . it was re-opened for a short period of time.

I cannot remember what they were charging, but what they were charging certainly was not commensurate to the experience. It was too expensive, because the greens were not in good . . . I mean the bunkers were still covered with grass whilst it was open because it was that difficult and that expensive to try and get it to a state where people can go, play golf and have an enjoyable experience.

Let me say this, both developers see the golf course as a potential amenity for their development. And so we have to work with these developers and hopefully if that project starts to go ahead, then they have both said that they will make the redevelopment and reopening of the golf course a priority. So that will be the first phase of the development. If that does not happen, Mr. Speaker, then we can look at other options.

We have seen proposals, for example, of putting a golf academy there because it is not a full-size, par-72 golf course. We have looked to see whether we can redesign it to make it a full par-72. It does not appear as if we can. But it would be a great . . . you know, it has great views. People think it is a lovely course and it may be ideal for a golf academy. So there are quite a few things that we can consider. But our first priority is having a hotel development there that would include the golf course.

There have been some questions concerning the development in the West End—9 Beaches. Mr. Speaker, as you intimated, I am not going to spend much time on this as this is not the subject of this debate. But the reality is that the developer, which is IRC Sands, in relation to 9 Beaches, the property is owned by the BLDC, first and foremost. And prior to the election in December, that developer entered into negotiations and agreements with the BLDC as to—

POINT OF ORDER

Hon. Dennis P. Lister: Point of order, point of order. Did you say prior to the election? That is incorrect. I was the chairman who was heading up that. We moved to take the property back. That is incorrect.

Hon. Shawn G. Crockwell: I certainly would take a point of order from the former chairman.

The Speaker: Thank you for that.

Hon. Shawn G. Crockwell: The information that we received was that there was a time frame to allow the developer to try and still engender some financing for that property. Now the former chairman said that they were looking to recover the property—

[Inaudible interjection]

The Speaker: Honourable Member, would you like to—

Hon. Shawn G. Crockwell: No, I accept the point of order.

The Speaker: All right. Okay.

Hon. Shawn G. Crockwell: What this Government has done is to work with the developer. And we appreciate that that cannot go on indefinitely. So we know . . . in fact, we did put a time line on the developer finding finance. I know they have been working very hard to do that.

At some point we will have to take a look at where we are and make a similar decision. But the previous Government would appreciate that . . . and I do not know the exact time frame that we are talking about when IRC Sands began that project in 9 Beaches, but as they allow a certain amount of time for the previous developer, for Club Med to try and sort out their affairs, we have tried to work with this developer as well. And we appreciate that we cannot do it, you know, indefinitely, and so something tangible will have to happen or we will have to consider our situation with that development as well. So I do appreciate the concerns raised.

I believe I addressed the major questions that have been raised, Mr. Speaker, and so now I would ask that the Bill be committed.

The Speaker: All right, thank you very much.

If I can ask the Honourable Deputy Speaker, Mrs. Roberts-Holshouser, to take the Chair [of Committee], please.

[Pause]

House in Committee at 2:26 pm

[Mrs. Suzann Roberts-Holshouser, Chairman]

COMMITTEE ON BILL

PARK HYATT (ST. GEORGE'S) RESORT REPEAL ACT 2013

The Chairman: Honourable Members, we are now in Committee of the whole [House] for further consideration of the Bill entitled [Park Hyatt \(St. George's\) Resort Repeal Act 2013](#).

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

Hon. Shawn G. Crockwell: Thank you, Madam Chairman.

I would like to move clauses 1 [through] 4, as printed.

The Chairman: Thank you.

Are there any Members that would like to speak to clauses 1 [through] 4?

[Inaudible interjection]

The Chairman: All right. We are going to move all the clauses 1 through 4.

Hon. Shawn G. Crockwell: Thank you.

Madam Chairman, this Bill seeks to repeal the Park Hyatt (St. George's) Resort Act 2008 and clarifies certain savings provisions.

Clause 1 is the citation.

Clause 2 defines "the Property" as all that land shown outlined in red in the Property Plan (Schedule 1), the boundaries of which are more accurately shown on the definitive boundary plans listed in Schedule 2.

Clause 3 repeals the Park Hyatt (St. George's) Resort Act 2008.

Clause 4 puts beyond doubt that, notwithstanding the repeal: (a) section 23 of the Acquisition of Land Act 1970 (which provides that land compulsorily acquired by the Government under that Act, which is subsequently intended to be sold, must be offered back to the person from whom it was compulsorily acquired before being offered for sale to another person) does not apply to any land in the Property; and (b) all the land in the Property shall continue to be vested in the Government.

Thank you, Madam Chairman.

The Chairman: Are there any Members that would like to speak to clauses 1 through 4?

Hon. Dennis P. Lister: Madam Chairman.

The Chairman: Thank you.

The Chair recognises the Honourable Dennis Lister, Shadow Minister of Quangos.

You have the floor.

Hon. Dennis P. Lister: Thank you.

As the debate began some time ago and I gave my opening comment, we are not opposed to the matter that is before us today. We understand how we got to this matter so we are fully supportive of the matter. And we just hope that the Minister will take into consideration the comments that we made around this discussion as it relates to others and look forward in a timely fashion for when the House addresses that matter. But as this Bill stands and the clauses, we feel comfortable with it.

Thank you.

The Chairman: Thank you.

Minister?

Are there any other Members?

There are no other Members.
Minister?

Hon. Shawn G. Crockwell: Yes, thank you, Madam Chairman.

Madam Chairman, I would like to move the Preamble.

The Chairman: We are going to move the clauses.

Hon. Shawn G. Crockwell: And I will move all the clauses, yes.

The Chairman: And the Schedules.

Hon. Shawn G. Crockwell: And the Schedules.

The Chairman: Thank you.

It has been moved that clauses 1 through 4 be approved.

Are there any objections?

No objections.

Agreed to.

[Gavel]

[Motion carried: Clauses 1 through 4 passed.]

The Chairman: It has been moved that the Schedules be approved.

Is there any objection to that motion?

No objection.

Agreed to.

[Gavel]

[Motion carried: Schedules 1 and 2 passed.]

The Chairman: It has been moved that the Preamble be approved.

Is there any objection to that motion?

No objections.

Agreed to.

[Gavel]

Hon. Shawn G. Crockwell: Madam Chairman, I move that the Bill now be reported to the House.

The Chairman: It has been moved that the Bill be reported to the House as printed.

Are there any objections to that motion?

There are no objections.

Agreed to.

[Gavel]

The Chairman: The Bill will be reported to the House as printed.

[Motion carried: The Park Hyatt (St. George's) Resort Repeal Act 2013 was considered by a Committee of the whole House and passed without amendment.]

[Pause]

House resumed at 2:30 pm

[Hon. K. H. Randolph Horton, Speaker, in the Chair]

REPORT OF COMMITTEE

PARK HYATT (ST. GEORGE'S) RESORT REPEAL ACT 2013

The Speaker: Members, it has been reported that the Park Hyatt (St. George's) Resort Repeal Act 2013 has been approved.

Order No. 2 is carried over. Order No. 3, I believe, is carried over.

I believe we now move to Order No. 4 which is the Bermuda Immigration and Protection Amendment (No. 2) Act 2013 in the name of the Minister of Public Safety—Spokesperson for the Minister of Home Affairs in the House, the Honourable Michael Dunkley.

You now have the floor.

[Inaudible interjection]

The Speaker: Oh, you are carrying that over? Excuse me.

We now move to the Second Reading of the Investment Funds Amendment Act 2013 in the name of the Minister of Finance, the Honourable Bob Richards.

The Chair now recognises the Minister of Finance.

BILL

SECOND READING

INVESTMENT FUNDS AMENDMENT ACT 2013

Hon. E. T. (Bob) Richards: Mr. Speaker, I move that the Bill entitled the Investment Funds Amendment Act 2013 be now read the second time and committed.

Mr. Speaker: Are there any objections to that? Minister, carry on.

Hon. E. T. (Bob) Richards: Thank you, Mr. Speaker.

Mr. Speaker, the purpose of this proposed amendment to the Investment Funds Act 2006 is to enhance Bermuda's ability to compete for business in the investment funds sector of our economy.

This initiative is consistent with the objective of a broader business plan being executed through the Bermuda Business Development Corporation (BBDC) and specifically their Asset Management Working Group.

Mr. Speaker, the current legislation allows for certain funds to be exempted from BMA authorisation and from their authorisation process primarily because these funds are promoted to qualified participants defined by the Act. And qualified participants are investors who are in a position to engage higher levels risk and/or have the knowledge and experience to consider such risks carefully. In the case of this special category of investor, the BMA has taken the view that it need not extend the same level of investor protections afforded to (what I will call) regular investors—normal investors.

Mr. Speaker, by extending this risk-based approach to fund regulation the Bill aims to help support an environment conducive to an increase in the number of funds being incorporated, administered and managed in Bermuda.

The Investment Funds Amendment Act is a product of close collaboration and consultation between all stakeholders. The Government, working together with the Asset Management Working Group and the BMA, engaged with meeting New York law firms in May 2013 to solicit feedback on the state of play of Bermuda's asset management sector.

Mr. Speaker, I might add that that is exactly the same process I mentioned a few minutes ago that we did with tourism. And we have done it here with the investment sector as well. We had these folks down to Bermuda and we talked to them at length. This led to a forum of New York lawyers to offer their insights on key legal regulatory and business issues to enhance Bermuda's attractiveness as a domicile for asset managers, hedge funds, private equity funds, and other financial services business.

As a direct result of feedback received from the May event, the Bill was prepared to address one of the most critical challenges, namely, that funds wishing to fall into an exemption category did not wish to attract any unnecessary delay in the processing of their application. So speed was a crucial issue here. If they qualify to be exempted by meeting prescribed criteria, they want to be able to file a registration statement that will formally notify the BMA to that effect and also serves to confirm the exemption on that basis. It is also a concept that Bermuda already employs under the Investment Funds Act as it relates to filings which notify the authority that the Investment Funds Act shall not apply to an excluded fund.

With this in mind the Bill modifies the existing regime for exempting funds by creating two distinct classes of exemptions—Class A and Class B.

Mr. Speaker, Class A will be available to large institutional funds with a licensed or authorised investment managers or an investment manager who

has assets under management of \$100 million or more. This class will only be marketed to qualified participants. A Class A fund is also required to appoint in Bermuda an officer, trustee, or representative who has access to the fund's books and records as well as other key service providers like fund administrators, auditors, *et cetera*, and registrar.

Class B will replace the existing exemption regime but will have similar features. There will continue to be an application for an exemption with the Bermuda Monetary Authority, which will review it to determine if the funds meet the statutory requirements. If there are no objections or need for any additional information, the fund will be granted a Class B exemption within 10 days—again, the need for speed. The new Class B funds do not require investment managers to have a minimum of \$100 million under management. So this category can apply to smaller start-up firms as opposed to the other ones which are bigger and more well-established.

Mr. Speaker, funds that are presently exempted under the existing regime will be grandfathered in and must continue to meet the requirements which are presently imposed on such funds under the existing legislation for up to three years.

The two classes will be distinctly different as regards the manner in which exemption applications are made. Class A will simply be a notification by the fund that it meets the qualifications, thereby streamlining the applications process. Class B requires the Authority to review the application and the Authority must be satisfied that the related service providers (that is the investment manager, custodian, auditor, and administrator) are fit and proper.

Mr. Speaker, both classes of funds will be required to file annually a certification that the fund continues to meet the statutory requirements for exemption. The funds must also file an audited financial statement and changes to the funds' prospectus.

Mr. Speaker, the proposed new regime will be further supported by the BMA's new electronic registration system. And the Authority is in the process of aligning the business processes and systems to manage the introduction of Class A and B funds to the industry.

The proposed Bill was posted on the BMA's website for comment on July 31st. Many of the comments proposed by industry have been included within the draft . . . not the draft, but the Bill being presented today. In addition, the Asset Management Group has provided comments throughout the entire consultative period and have been working closely with stakeholders up until the production of the final draft Bill. Through the consultative process it has been confirmed that the Bill does adequately address the main concerns articulated by the US during the strategy session held here in May.

Mr. Speaker, Bermuda was built on a reputation as a leading reinsurance market—one of the top

three markets in the world. The strategy underlying the Investment Funds Amendment Act that we are looking at today is for Bermuda to be seen not only as a reinsurance centre but also as a major player in the global funds industry.

Mr. Speaker, I wish to thank members of the Ministry of Finance, the Ministry of Economic Development, the Attorney General's Chambers, the Bermuda Monetary Authority, and the Bermuda Business Legislative Change Committee for their thoughtful consideration of these very important issues.

Mr. Speaker, I would just like to add as an addendum here that this is the way we have to go if we are going to develop new business in Bermuda. We have to get into the minds of our customers. That is what this is all about—give the customer what he wants. And, you know, once upon a time we used to be leaders in the offshore funds industry, but over a period of time competing overseas territories have basically eaten our lunch and we have let them. It is time for that to stop. It is time for us to get some of this business back. It is time for us to be competitive. And that is what this Act, this Bill, attempts to do.

With those comments, Mr. Speaker, I move that this Bill be . . . if there are any . . . of course, I welcome any comments from colleagues.

Thank you.

Mr. Speaker: Thank you, Honourable Minister.

The Chair will now recognise the Shadow Minister of Finance from Pembroke West Central, constituency 18, MP David Burt.

You have the floor.

Mr. E. David Burt: Thank you, Mr. Speaker, and good afternoon.

Mr. Speaker, the first thing I will say is I just want it to be very clear that the Minister and the Government will have the support of this side of the House on this matter.

What this Bill is doing is, it follows up on the work that was started under the Progressive Labour Party with the Asset Management Task Force. And the Asset Management Working Group, which is falling under the Bermuda Business Development Corporation, is a successor of the Asset Management Task Force and the work that is being done insofar as developing the capacity for Bermuda to compete more effectively in the asset managing space.

The Minister is right that we have fallen behind in that space over the years and for many competing reasons . . . for many different reasons. But the fact is that we have the capacity to grow in that area as we have the capacity to grow in other areas. And this piece of legislation can help us with that growth.

In the run-up since this Bill was tabled last week, Mr. Speaker, and this week I was fortunate enough to have briefings with the team at the Ministry of Finance and the Ministry of Economic Develop-

ment, and I also had meetings with members of the Asset Management Work Group, which is a part of the Bermuda Business Development Corporation. And as I said before, Mr. Speaker, Bermuda does have work to do to be more competitive in this space, and this is a start, without question.

And it is vitally important, in my view, Mr. Speaker, that members or potential investors know that both sides of the House can come together to support items such as these. Political risk is something that is very important, and it is something that all investors consider when they are making decisions and choices. And we would like the signal to go out to the investor community that this side of the House will support the work of the Bermuda Business Development Corporation, because, after all, the Bermuda Business Development Corporation was the PLP's idea.

So I want to thank the team that worked on this with the Ministry of Finance, the Bermuda Monetary Authority, and the Bermuda Business Development Corporation, and also the members of the private sector who served and worked so hard on the Asset Management Work Group and who volunteered their time to bring this to market. I understand that the BBDC will be going on a few trips in the near future to sell Bermuda, and I want them to know that when they sell Bermuda, potential investors should be clear that the Progressive Labour Party supports this measure and looks forward to supporting more work of the Bermuda Business Development Corporation as we move to develop more business in Bermuda.

Thank you, Mr. Speaker.

Mr. Speaker: Thank you, Honourable Member.

Any other Member care to . . . Yes. The Chair recognises now . . . I am waiting for the Minister to get out of the way. Right.

I will now recognise the Honourable Member from Pembroke South West, constituency 20, MP Susan Jackson.

You have the floor.

Mrs. Susan E. Jackson: Thank you, Mr. Speaker, and good afternoon.

I just want to congratulate and thank the Minister of Finance for this fantastic work that he has done. You know, I just have to attribute this to the hard work that he has put into (as was earlier termed) looking under the hood to see what we can get going as quickly as possible. And the fact that he has been able to bring the Investment Funds Amendment Act 2013 to the House in such a short period of time is highly commendable.

And I also noticed that as I was experiencing and looking around to see how we, as Bermuda, are competing, I could not help but notice, Mr. Speaker, how some of the other islands, when it comes to attracting fund administration to their shores, are most

open and relaxed and are able to present a very attractive package for fund investments to come to [their shores]. And to then compare that to the almost litany of restrictions and constraints that are put upon these similar fund administrators when it is time to come to Bermuda, is just obviously . . . has been a bit of a nest. And trying to navigate through, I am sure, has been quite off-putting for many of the fund managers that are out there.

So I am just really grateful that the Minister has been able to fast-track this legislation and that we can now open our doors and be as welcoming to this new business as we possibly can. I mean, this is what Bermuda stands on, our hospitality, our openness, our willingness to welcome any new members to our shores and allow them to carry on the business. And in the same time, I am quite confident that the Minister will be able to (through this amended legislation) attract business to Bermuda and that business in turn is going to create jobs for the residents of this Island. And I believe that the contribution of all is going to certainly serve this Island very well. And, again, I just cannot even thank him enough for bringing this legislation to the House as quickly as he has.

And so hats off to the Minister!

Thank you, Mr. Speaker.

Mr. Speaker: Thank you, Honourable Member.

Any other Honourable Member care to speak?

The Chair will now recognise the Honourable Member, the Shadow Minister of Education from constituency 17, Pembroke Central, MP Walton Brown.

Mr. Walton Brown: Thank you, Mr. Speaker.

I just have a couple of questions for the Minister. And if the Minister could actually hear the questions, Mr. Speaker, that would be very helpful.

I know that this initiative is designed to fast-track those of a particular . . . the investment level, those at the high end of investment, to fast-track their establishment of mutual funds in Bermuda. And the thinking is that because these are sophisticated investors they require a lower degree, a lesser degree, of scrutiny than for the retail investor because they are more sophisticated. The record of these sophisticated investors, Mr. Speaker, in the past five years has not been a very good record because they have been lured into a number of investment vehicles that have not always worked out very well. So given that any failure of an investment fund in New York or London only impacts on the founders of that fund, a failure of an investment fund in Bermuda will speak to some extent to Bermuda's reputation. So I just want to know if there has been any assessment of the reputational risk that may be inherent in the failure of one of these funds and if the Minister can speak to that.

And then, secondly, much of the work being undertaken by the OBA Government has (at least as far as we have been informed) been fundamentally

focused on the creation of jobs. And so what I would like to hear from the Minister is, Can he give to this House an assessment of the potential positive impact in terms of job creation? I know that it is going to benefit law firms and accounting firms. To what extent has the Minister been able to determine this will actually lead to new jobs in Bermuda?

Thank you, Mr. Speaker.

Mr. Speaker: Thank you, Honourable Member.

Any other Honourable Member care to speak?

The Chair will recognise the Honourable Whip of the Government from Smith's South, constituency 8, MP Cole Simons.

You have the floor.

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

Mr. Speaker, first of all, I would like to thank the Minister for being responsive to the market needs. I think it was rather creative that they were able to invite to Bermuda intermediaries, lawyers, and people that basically drive the business, to invite their input and so quickly act upon their input. The meeting was in June and here we are in September with new legislation to the House.

Mr. Speaker, that speaks wonders and it also sends the right message to the international community that we are truly, truly open for business.

Mr. Speaker, there is one thing that I would like to clarify for the listening public. Now, they spoke about exemptions, but these funds are basically private funds for high net worth sophisticated investors. The Honourable Member, Walton Brown, touched upon retail funds. This does not pertain to the retail funds.

Mr. Speaker—

Mr. Walton Brown: Mr. Speaker, I know it is just after lunch but—

Mr. Speaker: Yes, it is just after lunch.

Honourable Member, Honourable Member Simons, please sit.

Mr. Walton Brown: I know it is unwitting, Mr. Speaker but, honestly, I did not speak about retail funds and—

[Inaudible interjections]

Mr. Speaker: Yes, you mentioned it.

Mr. Walton Brown: I did mention it—

Mr. Speaker: I think he . . . that is all he said. I don't think he—

Mr. Walton Brown: —only to make a distinction to the other funds. I was not speaking in any—

Mr. Speaker: Yes. I do not think he said anything different to what you said.

Mr. Walton Brown: He just heard “retail” and then had a reaction to it.

Mr. Speaker: Yes. It was okay I think.
Honourable Member, carry on.

Mr. N. H. Cole Simons: Thank you for your interjection. Mr. Speaker, what I was saying in this: I do not want the community to think, especially for those local investors who invest in retail funds. And what do I mean by retail funds?

[Inaudible interjections]

Mr. N. H. Cole Simons: Mr. Speaker, Bank of Butterfield, HSBC, [and] Fidelity may put out a fund for the average man on the street. They want to invest \$2,000. They want to invest \$5,000—[this is] the retail community. They will continue to be monitored and controlled by the BMA. They—the BMA as regulator—will protect and look out for their interests. We are not talking about that class of fund. I just want to make it very, very clear. This is for international funds [and] private placement funds that have limited shareholders. And if you refer to the [Investment \[Funds\] Act \[2006\]](#), it says qualified participants—if I may read, Mr. Speaker, [section 9(2)] high income private investors; high net worth private investors; sophisticated private investors; body corporate . . . [with] assets over \$5 million . . . ; body corporate, all of whose shareholders fall within one of the above.

So what we are saying, Mr. Speaker, even though we are relaxing the regulations for our funds—funds incorporated in Bermuda—we are still protecting the average man in the street and these funds will not fall under the retail category. So I just want to make it clear in the event that people get up and say we are removing all regulatory control of these funds, Mr. Speaker.

Thank you.

[Inaudible interjections]

Mr. Speaker: Thank you for making it clear, Honourable Member.

The Chair now recognises the Honourable Minister for Economic Development, Dr. Grant Gibbons.

You have the floor.

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

Mr. Speaker, I would like to enlarge upon and underscore some of the comments my honourable colleagues made, particularly the Minister of Finance,

because I think it is important to put this in perspective.

The Honourable Member, Walton Brown, asked about jobs and future economic opportunity here. And that is the very basis upon which this work has actually been done. I think a lot of people, perhaps, listening to this and hearing about exempted funds or not exempted funds tend to sort of tune out. But in the same way perhaps they do when they hear about insurance as well. But this is a very important area and an area that the Government sees as having great potential for not only job creation but economic growth as well. And I would like to enlarge upon that just a little bit.

But let me just start by saying that there are two basic issues that this particular piece of legislation, the amendments to the Investment Funds Act, addresses today. The first one, as the Honourable Minister says, is that it is basically increasing Bermuda's competitiveness as a jurisdiction in terms of how we set up a basic fund structure. And the second (and I am going to enlarge on that as well) is all about credibility.

Even though we have talked about going after and targeting the fund and asset management business over a number of years, very, very little has been done about it. And that came through loud and clear in the group of lawyers that came here, and prime brokers that came here in May on the invitation of the Bermuda Business Development Corporation Asset Management Working Group.

The credibility issue is important because when they came in May, they were invited to help us understand why Bermuda was not getting its share of the fund incorporation of the asset management business that other overseas territories and other jurisdictions (Jersey, Guernsey, and others) were getting as well. And so the credibility issue spoke directly to this issue.

They came in June. They said here is what we are going to recommend. Here are the reasons that you are not getting this. Here is what you need to do. And it was really important to move very quickly to take those recommendations and put them into something that was concrete and that demonstrated not only that we were listening but that Bermuda was responsive as well. And that was the piece that had been missing for many years now.

As Honourable Members have noted, in the 1980s and 1990s, Bermuda basically owned the fund business—hedge funds, asset management—we had a lot of administration here, we had a lot of fund management here—and basically we lost it. We did not keep our eye on the ball and it basically disappeared. It disappeared partly because other jurisdictions were a lot hungrier and, of course, Cayman comes to mind in that respect. But other jurisdictions worked at this business.

And one of the things we also heard was, *You are not getting out there and selling Bermuda. I do not care whether it is the local law firms or Government or whatever, we have not seen you out there.* That is what we were hearing from some of the 12 different law firms that were invited from Chicago and New York. And I am talking about law firms that are significant in this business. Law firms like Sidley Austin; Seward & Kissel; Alston & Bird; Weil, Gotshal & Manges; Cadwalader; Bingham McCutchen; and Finn Dixon & Herling among others. And UBS was here also as a prime broker. They were saying, *We are not seeing you out there. You are not asking for our business. You are not basically telling us why we should come to Bermuda.*

So there are these two very basic issues—how do we become more competitive and how do we demonstrate responsiveness. This piece of legislation today, this amendment to the Investment Funds Act, demonstrates certainly the responsiveness—that we can turn this around very quickly. I think there are a lot of people working on this, working on the BMA, to say look, we have got to get this legislation done quickly because we have got to be able to demonstrate that we can react and we understand and are listening to what you are saying.

So I think part of what we are looking at here from a broader perspective is, How do we reengage in this fund and asset management business so that Bermuda is a principal player again? Because not only is it a nice complement to some of the insurance, trust, and other business we do here, but it also creates jobs. And I am going to talk about perhaps four different areas in a few minutes—from fund managers to administrations to fund incorporations and to asset managers as well as part of this broader job picture.

But just to sort of lay the broader perspective here, in the last basically five years (and I am going up to the end of 2012)—when you look at the actual number of funds (because we are talking about the incorporation of funds now in this particular piece of legislation)—when you talk about the number of funds at the end of December 2007, according to the Bermuda Monetary Authority, Bermuda had some 1,303 funds registered here. They had a net asset value of over \$250 billion. Five years later, at the end of 2012, that had shrunk from 1,300 down to 762 funds [with] \$188 billion—a drop of some \$60 billion under management.

Now, Mr. Speaker, understandably some of that is from the economic situation broadly. But when you look at other jurisdictions, the number of funds under management and the number of funds incorporated did not drop as it did in Bermuda. It actually rose. In Cayman and BVI the number of funds actually rose. So when the Bermuda Business Development Corporation, the Asset Management Group, invited this group of lawyers here in June it was under the background . . . under the perspective that we were

actually losing business. Unlike other jurisdictions we were losing business.

It was very important because this group of lawyers and prime brokers are the ones that have very, very heavy influence on where the fund actually gets domiciled, where it gets incorporated. So we wanted to understand how we can get more of that business placed here because they are the ones that advise the fund managers and others as to where to put the fund, basically where to incorporate the fund. And so part of this was a credibility issue, part of it was also listening and reacting as quickly as we could as well.

So I think a couple of thoughts here: How does this impact Bermuda more broadly? Clearly, I have thrown out some very large numbers here in terms of the amount of money that is actually involved under management with these funds. But there are really, in a broader perspective, four other areas that I think we are looking at here as well.

If you can get the fund incorporated here, that is a good start because that means that people are looking at Bermuda. Lawyers, accountants, and others, as the Honourable Member, Mr. Brown, said are basically doing some business here. They are spending money, obviously. It is basically spreading through the community. But what we would really like to get (and this is part of the broader plan we are looking at in terms of economic development) are three other parts of this asset management business here. And those are, for example, the fund managers because it is the fund managers that actually have the physical presence, that hire Bermudians, that spend money in the community, that rent space, that rent homes, that basically are involved in the hospitality aspects of it.

If you take a simple example here, one average-sized fund manager that may have something like \$500 million under administration probably is hiring about 10 people. A good portion of those are probably Bermudian. And they are also spending in the community about \$5 million a year . . . sorry, contributing towards GDP. So if you start to multiply the number of fund managers you have here and they are low impact in terms of size and physical presence, but high impact in terms of the quality of the jobs, in terms of the amount of spending they do, then you are moving in a good direction. And it is a good direction also because it is essentially synergistic with some of the other financial services business we do here as well.

Mr. Speaker, we have talked in many respects about insurance linked securities, the convergence insurance, and the capital markets. These are also sometimes at the intersection as well. So all of these things kind of play off of one another and they enhance and they increase Bermuda's competitiveness as a financial services jurisdiction.

Another area that I think is really important is, basically fund administrators. Bermuda used to be known as much more of a fund administration busi-

ness [jurisdiction]. Again, lots of jobs involved here, good salaries, spending money in the community. I think one of the good pieces of news recently (and you may have seen it in the paper, Mr. Speaker) is that Butterfield Fulcrum was sold in the last . . . I am not sure exactly when it closed, but it was sold to the fifth largest bank in the world, Mitsubishi. Mitsubishi intends to use Bermuda (from what we have been told) as a significant site for fund administration and other financial services.

It was bought actually by Mitsubishi Financial Services. They have taken over Butterfield Fulcrum and from what we can tell they plan to expand that business and to increase jobs and spending here. But it is a significant credibility issue for Bermuda to have the fifth largest bank in the world buy that business and basically come and set up here. They intend to use as a . . . very much a place from which to do broader business as well. So that is fund administrators. We would like to get—

Mr. Rolfe Commissiong: Mr. Speaker, can I get a point of clarification from the Member?

The Speaker: You want to clarify what he said?

Mr. Rolfe Commissiong: I want him to get . . .

The Speaker: Well, you will have a chance later on if you want to. You want . . . you would like for—

Dr. the Hon. E. Grant Gibbons: I am happy to have him ask a question, Mr. Speaker. I mean, it is a little unusual to stand up in the middle, but—

The Speaker: Yes, all right. It is unusual but you know we are here to work together.

Dr. the Hon. E. Grant Gibbons: —we are here to collaborate.

The Speaker: We are here to work together.

Mr. Rolfe Commissiong: I want to thank the Member, Mr. Speaker. Just quickly, can you tell us when that sale took place, what year that sale took place to Mitsubishi of the Fulcrum—

The Speaker: Butterfield Fulcrum.

Mr. Rolfe Commissiong: Butterfield Fulcrum, sir.

The Speaker: All right. Thank you. Okay.
Honourable Minister?

Dr. the Hon. E. Grant Gibbons: Mr. Speaker, my understanding is it was this year. I could not tell you exactly when, but it was about a month ago that we had some very senior members from Mitsubishi Fi-

ancial Services meeting with myself. The Minister of Finance was also involved as well talking about their plans to grow this business and how Bermuda fits into (I will say) the broader range of Mitsubishi Financial Services.

I did not get a sense that it happened earlier than this year, but I could not tell you exactly when that actual closing or transfer took place.

So I have talked about fund managers. I have talked about fund administrators. I think we would also like to get more of what I will call fund management companies. Fidelity would be a good example of that. If you can get some highly visible asset management companies here as well, I think that is also very complementary and feeds into our other financial services business like insurance, as well.

And so the fourth area, obviously, is the fund incorporation because if you can get the companies, if you can get the funds incorporated here that is a good start. And that, again, puts Bermuda on the map.

So those are some of the broader pieces of what I think is an overall plan here, which has considerable promise and there is considerable opportunity here. And I think, as others have, it is important to recognise the way in which the Bermuda Business Development Corporation, the Asset Management Working Group, has been working very closely with not only the Ministry of Finance and the BMA and the Ministry of Economic Development, but others [as well], to try and move this plan forward. We have had a lot of talk over the last few years about putting additional emphasis on asset management, but this is a tangible demonstration of moving this ahead.

I think the other thing I would like to comment on (actually, a couple of other things) is this Class A and Class B structure. It is important (as the Minister of Finance said). One of the things that we were hearing was that other jurisdictions—and Cayman is seen as the leader here, there are no ifs, ands, or buts about it, it is seen as the leader—they basically have a regulatory supervisory system which allows a speed to market and allows minimal interference with these sophisticated funds. And I think Bermuda did not have that, so that is why this is an important change for us.

But having the Class B, which is those funds where the fund manager does not have more than \$100 million under administration or management and is not, perhaps, recognised by another regulator, is also important as well. It is a little bit of a continuation of what has been here, but we want to catch the up and coming fund managers as well. And it is important to have them think about Bermuda in the first instance. So we have increased the speed to market for them as well in terms of the 10-day period. And I think that is also sending an important message—that we are looking for not only the larger, sophisticated fund managers, but also the smaller start-up funds as well.

The other thing that I think is worth pointing out (and it is certainly a perception that certainly Cay-

man has fostered) is the issue of costs. And I think at least the message that we were getting back in the market was that Cayman is cheaper. In fact, even with some of the increases that the Minister will get into when we get into Committee in terms of both the Class A and the Class B funds, when we asked one of the law firms here to try and get us an apples-to-apples comparison of what Cayman would cost to set up a master fund and what Bermuda would cost to set up a master fund, in fact, it works out that they are a lot more expensive on the Cayman side.

So, if you look at issues like company registration, you look at registration, you look at annual fees, and you . . . sorry, I am going to focus on start-ups. To net it out, Mr. Speaker, to do a similar master fund in Cayman will cost you almost \$13,000 to set it up. I am not talking about legal fees or accounting fees, just the registration and the fee structure from government. A similar fund in Bermuda you are looking at roughly almost . . . well, a little over \$4,900. So Cayman at some \$13,000; Bermuda at about \$4,900 (that is after the fees go up slightly) is less than half as expensive as Cayman actually is. So I think that is an important issue here as well—keeping the cost down and making us competitive on a cost basis as well.

So those, I think, are most of the major points that I wanted to touch upon. I think clearly this is an important signal for the market. It is an important piece of legislation in terms of laying a foundation for more business in this particular asset management area. And it is something that we are going to help work to capitalise on. And I think some of the messages that came out of that meeting back in June with these lawyers certainly have been taken to heart, and we are going to continue to use this industry feedback.

I think the next group we are working on right now will be European and UK lawyers because we think there is a lot of potential there to increase the business coming from the UK, particularly [because] with some of the European regulations that are coming through, Bermuda could be very, very attractive for some of the European and United Kingdom asset management and fund management structures as well.

So, Mr. Speaker, this is a start. It is a building block. It is a good foundation. And I am pleased to hear that the other side of the House is also very much in support. I would like to thank all the hard work that has been done by the Asset Management Working Group and, of course, the Bermuda Business Development Corporation.

Thank you, sir.

The Speaker: All right. Thank you, Minister.

The Chair will now recognise the Honourable Member from constituency 13, Devonshire North Central, the Shadow Minister of Economic and Social Development, MP Glenn Blakeney.

You have the floor.

Mr. Glenn A. Blakeney: Thank you, Mr. Speaker. How was your lunch?

The Speaker: Lunch was very good.

Mr. Glenn A. Blakeney: You seem very . . . like calm and collected.

The Speaker: Absolutely.

Mr. Glenn A. Blakeney: I like it when you are like that.

The Speaker: I like it like that too.

Mr. Glenn A. Blakeney: First of all, I think it is quite in order for me to follow my colleague, the Shadow Minister, the Honourable David Burt, in stating that we certainly support this piece of legislation and commend the Government on the effort, particularly the team and the collective effort first starting with the Asset Management Task Force that was launched under the former Progressive Labour Party Government, lest we forget.

Going forward, however, with the vision of the Government in continuing the collaborative effort and going to the stakeholders to engage the consultative process is very, very prudent. Bermuda is known for its cooperative engagement with stakeholders, which is why we have a very appealing regulatory system which, of course, can be improved. But it is as a result of the joint consultative process that comes to consensus in formulating regulatory framework for those that we invite to do business in protecting high net worth individuals and/or assets and/or corporations. So I commend the Government on that, and I think the Bermuda Business Development part of it, the Ministry of Finance, the BMA—without whom I do not think we would have made much ground after having the consultation with the international fund managers being invited here to Bermuda.

That marketing exercise not only gives an opportunity to press the flesh, it also gives a very enlightened opportunity for those visiting the Island to experience Bermudiana—the Bermuda upon which we would invite them to do business—to meet not just their contemporaries in the legal fraternity, but also those with regard to the infrastructure relative to IT, relative to our banking here, the stable political environment as well is always very important to these folks. Then looking deeper and peeling the layers from a competitive context, comparing apples to apples.

I think, I do not know, maybe there is going to be a Cabinet shuffle and the Honourable Member, my opposite, Minister Mr. Grant Gibbons, might soon be the Finance Minister because that was a very impressive and in-depth overview which was much appreciated by this side. And we are taking nothing away

from the Honourable Minister of Finance, but I would have expected that overview to have come from him in his opening remarks of the legislation. But we are appreciative!

[Inaudible interjection]

Mr. Glenn A. Blakeney: I understand you are a team. I understand you are a team, and we are talking about team effort, which is how this thing has all come to fruition. And it has been a wide and broadly-spread diversified team action because it has not just been engaging those here in Bermuda, it has been engaging the stakeholders that we really need to come to Bermuda in comparison to choosing other domiciles as domiciles of choice.

Bermuda is well known because of the brain power it has, because of that openness which involves all stakeholders where there is that consultative process. So it is deemed to be a self-regulatory environment where we as a Government (and this is not anything new) we do not just say, *Here is how we do it*. It is, *Come, let us talk and discuss how we engage in going forward in doing what would be in the mutual best interests of all stakeholders in the financial world*. Especially as it relates to international finance because we are an international financial centre. Our focus is not necessarily on banking, it is on the insurance model—captive insurance as well as reinsurance—and then we have the mutual fund or the hedge fund opportunities now.

I like when I hear that the Minister is not just looking at the sophisticated fund managers who have already established themselves and they are easy guys to go to because they have done it before, it is not a new game. But a focus maybe equally, if not more proactively, on those young fund managers who are kind of getting into the game because they are very innovative.

And that brings me to another school of thought. If any of us in here or in the country are aware that the stimulus is still going on in the US to the tune (as announced just in the last 24 or 48 hours) of \$85 billion per month injected into the US economy? That money has to filter out for those who are in the business of money. And maybe those fund managers who are going to have the responsibility of a return on investment will have the opportunity to choose where they are going to put some of that \$85 billion a month, however that is allocated in helping to stimulate the US economy on a monthly basis. It is unbelievable—\$85 billion a month, every 30 or 31 days!

So I think there is a . . . and I am not a finance person at all. I do not profess to be so. I take kindly when I get the kind of in-depth overview from people who have a little more experience with regard to finance, such as the Honourable Member Minister Gib-

bons and Minister Richards and, indeed, my Shadow Minister who is one of the brightest guys in this Honoured Chamber in my humble opinion.

But I would like, with that, for the Finance Minister to elaborate on if and how maybe some of that \$85 billion might trickle down to those fund managers and if there would be some direct correlation with regard to the marketing effort in appealing or attracting or making overtures to those potential fund managers to consider Bermuda. Because it is all about the marketing and it is all about relationships, relationships, relationships. And to have invited those lawyers here to Bermuda—that is the beginning of a relationship that could be very lasting based on the first impression.

So again, I would like to commend the Government for the exercise that they have engaged with our various departments—the Asset Task Force, the BMA, as well as the Business Development Corporation—in making sure that Bermuda's interests on the global financial stage are looked out for.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Is there any other Member who would care to speak?

The Minister of Finance?

Hon. E. T. (Bob) Richards: Thank you, Mr. Speaker.

I noticed with great interest Members on the other side taking credit for this and, of course, when you have a good thing it is always good to take credit for it.

[Inaudible interjection]

Hon. E. T. (Bob) Richards: That is right. And you know, perhaps, Mr. Speaker, they might have been there at conception, but we did all the labour to get it here, you know?

[Inaudible interjections]

Hon. E. T. (Bob) Richards: In fact, the test for us, Mr. Speaker—and we were told so in no uncertain terms by these same gatekeepers in New York—the test for us was to be able to get this thing done on time. Because it is a lot of . . . you know, basically they were saying, *Talk is cheap. But if you cannot get this thing done on time, like now in September, we are not going to believe that you are really interested in really competing in the real world*. So the fact that this thing got done on time is equivalent to the mother being in labour and doing all the hard work to have a safe arrival of a baby. So that is what this is all about—getting it done on time.

[Inaudible interjection]

Hon. E. T. (Bob) Richards: You do not . . . Honourable Member, you do not think mothers do all the work?

An Hon. Member: Yes, we do.

Hon. E. T. (Bob) Richards: Oh, okay. That is the analogy. That is the analogy.

So now there were a couple of questions by the Honourable Member, Mr. Brown, that I would like to address. Saying the reputation . . . is there a reputational risk to Bermuda? The answer is: Of course there is. There is a reputational risk to do any kind of business. You cannot have reward without risk. It is fundamental to economics, it is fundamental to business. So if we do not want to have any risk, we should just forget about doing business. But of course we will not have any income either. We will not have any growth either.

Mr. Walton Brown: Just a point of order, Mr. Speaker.

The Speaker: Minister, please sit.

Yes, what is the point of order?

Mr. Walton Brown: If the Honourable Minister could answer, the question was, What was the nature or severity or lack thereof of that risk? I understand there is always reputational risk, but what was the . . . you know, how severe or weak have you assessed that risk to be?

The Speaker: All right.
Minister?

Hon. E. T. (Bob) Richards: Thank you, Mr. Speaker.

The regime we are putting in requires those who are in Class A, who do not require basically vetting by the BMA, will either have to be registered or licensed in some other jurisdiction (of a major jurisdiction, a jurisdiction that is approved by the BMA), or they have to have over \$100 million under management. And I can tell you, Mr. Speaker, in the financial markets it is pretty difficult to have over \$100 million under management and not be licensed by somebody. All right? So those two hurdles basically put the Class A managers in a league where they are known, they will have had a track record, they will have a reputation. So if they are fly-by-night operators, they would not be able to make . . . they would not be able to pass those tests.

The smaller operators will have to go through a quick but rigorous set of requirements at the BMA. And in that respect the BMA is able to mitigate risks that would be conferred to Bermuda by (if you like) fly-by-night organisations. But you have to admit that there are risks to these things. Once upon a time Bernie Madoff was one of the most respected fund managers on earth. Okay? So it is what it is.

The other question was the potential for jobs. My colleague, Dr. Gibbons, talked about that, but let me put it in kind of different terms. Members may recall (I think it was last year) that a fund administrator in Bermuda shed 137 jobs in one fell swoop—one fell swoop, 137 Bermudian jobs disappeared last year. And that was on the back of many fund administration jobs leaving Bermuda in the previous five years. There were a lot of people that used to work in fund administration in Bermuda. And so this will enable us to get some of those jobs back.

The problem that we have had in the fund business is that there is a herd instinct. It is a very strong herd instinct and people do not want to have to reinvent the wheel every time they set up a fund. So if you have a system for setting up a fund in a law firm, the default country is the key. If the default country is Cayman, everything to do with those funds and that firm, all the new business will just go there unless the customer insists on someplace else.

I talked to one of those lawyers when he was here in the spring, and he told me that a customer came to him and wanted to set up a fund in Bermuda. He said, *No, no, no, our firm sets up funds in Cayman.* And the person insisted (I will not call the person's name, but a very famous Wall Street commentator who actually lives here), and she insisted that that fund be set up in Bermuda and they . . . the wheels ground to a halt in the law firm because they were not set up to set up funds in Bermuda.

That is what this is changing. This is changing the default position by the gatekeepers in New York for funds. So yes, Honourable Member, this will create jobs. I do not know how many, but over a period of time I assure you that jobs will be created in the administration area and in the asset management space as well.

[Inaudible interjection]

Hon. E. T. (Bob) Richards: They will bring Bermudian jobs and they will bring foreign jobs. All right? The asset management, you know, there are not a lot of people in Bermuda who are qualified portfolio managers. All right? And quite frankly, since I came into politics full-time, there is one less person qualified as a portfolio . . . Bermudian.

[Inaudible interjections]

[Gavel]

Hon. E. T. (Bob) Richards: So, there are not many of us around. Hopefully in the future there will be more.

So there will be a lot of foreign people coming in as portfolio managers and analysts, and all that sort of stuff. But those firms also require administrators and those of you folks . . . those will be the jobs that Bermudians will take, at least in the initial stages. And

as our people will get more educated in this area, they will be able to move up and become analysts and portfolio managers and directors, *et cetera*. That is the glide path for Bermudians and it is a very exciting one.

Having said that, Mr. Speaker, if there are no more issues outstanding I would like to move that we now go into Committee on this Bill.

The Speaker: The Minister has moved that the Bill now go into Committee.

Are there any objections to that?

There are no objections.

I ask that the Deputy Speaker from constituency 4, Mrs. Roberts-Holshouser, please take the Chair [of Committee].

[Pause]

House in Committee at 3:28 pm

[Mrs. Suzann Roberts-Holshouser, Chairman]

COMMITTEE ON BILL

INVESTMENT FUNDS AMENDMENT ACT 2013

The Chairman: Honourable Members, we are now in Committee of the whole [House] for further consideration of the Bill [Investment Funds Amendment Act 2013](#).

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

Hon. E. T. (Bob) Richards: Thank you, Madam Chairman.

Madam Chairman, I think there are 10 clauses in this. If it is okay with the Honourable Shadow Minister—13, excuse me—if it is all right, I would like to move all 13 at this point.

The Chairman: Thank you. Please proceed.
Please proceed.

Hon. E. T. (Bob) Richards: Thank you.

Madam Chairman, I would like to move clause 1, the citation. Clause 1 states that the Bill may be cited as the Investment Funds Amendment Act 2013.

Clause 2 amends section 2 of the principal Act, the interpretation. Madam Chairman, clause 2 amends section 2 of the principal Act to insert a new definition for the term “prime broker.” A “prime broker” is defined to mean “a person who provides services under a prime brokerage agreement which may include any one or more of the following—

- (a) custody of assets or arranging safe keeping of assets;
- (b) clearing services and financing;
- (c) capital introduction;
- (d) margin financing;

(e) stock lending;

(f) entering into repurchase or reverse repurchase transactions;

(g) consolidated reporting and other operational support.” This definition is linked to clause 4 of the Bill which sets down the requirements for Class A exempted funds.

Clause 3 amends section 5 of the principal Act prohibition on unauthorised funds. Madam Chairman, clause 3 makes consequential amendments to section 5 of the principal Act by deleting the reference to “section 7” where it appears in section 5(2) and substituting in each case new “sections 6A and 8A.” New sections 6A and 8A deal with the qualifications for a Class A Exempt Fund and Class B Exempt Fund to grant exemption accordingly.

Clause 4 inserts a new section 6A, Class A Exempt Fund qualification. Madam Chairman, clause 4 inserts a new section 6A, which makes provision for the first of two new classes of exempt funds: Class A Exempt Fund and sets out the criteria for which such a fund is to be exempt from the requirements for authorised granted by the Bermuda Monetary Authority.

A fund that satisfies the following requirements will be designated as a Class A Exempt Fund and exempt from the requirements of authorisation: The fund must only be opened to qualified participants as defined in in sections 9(2) and 9(3) of the principal Act; the operator of the fund has appointed an investment manager for the fund a person who is licensed under the Investment Business Act 2003 or is authorised or licensed by a foreign regulator recognised by the Authority, or manages assets of \$100 million or more.

The fund is required to appoint in Bermuda an officer, trustee or representative who has access to the fund’s books and records. The fund is also required to appoint the following service providers: a fund administrator, a regulator, an auditor and a custodian or prime broker. In addition to the above, the fund’s financial statements must be prepared in accordance with one of the following standards: the International Financial Reporting Standards or the generally accepted accounting standards in Bermuda, Canada, the UK and the US or any other GAAP as the Authority may recognise.

Clause 5 inserts a new section 6B, Class A Exempt Fund: procedure for exemption. Madam Chairman, clause 5 inserts a new section 6B which sets out the qualifying procedure for exemption as a Class A Exempt Fund. The operator of a Class A Exempt Fund must, on or before the date of commencement of the fund’s business, certify to the Authority, in such form as the Authority may direct, that the requirements for exemption specified in section 6A(2) are satisfied.

The operator will also be required to file a copy of the fund’s prospectus. Further to the above, the operator of a Class A Exempt Fund will be re-

quired to certify to the Authority an annually or on or before the 30th of June that the fund satisfies the requirements for exemption specified in section 6A(2) and will continue to satisfy them. The operator will also be required to file a copy of the fund's audited financial statements for the preceding year and a statement of any material changes to the fund's prospectus.

Clause 6 repeals and substitutes section 7 of the principal Act, Class B Exempt Fund qualification. Madam Chairman, clause 6 repeals and replaces section 7 of the principal Act so as to provide for the second new class of exempt funds—Class B Exempt Funds.

A Class B Exempt Fund satisfies the following requirements in [Section 7(2)]:

- (a) the fund is only open to qualified participants;
- (b) the operator of the fund has appointed for the fund an officer, trustee or representative resident in Bermuda who has authority to access the books and records of the fund;
- (c) the operator of the fund has appointed . . .
 - (i) an investment manager;
 - (ii) a fund administrator;
 - (iii) a registrar;
 - (iv) an auditor; and
 - (v) a custodian or prime broker; . . .

[Section 7(2)](d) [states that] the financial statements of the fund are prepared in accordance with the [International Financial Reporting Standards] ("IFRS") or [Generally Accepted Accounting Principles] ("GAAP") or any such other GAAP as the Authority may recognise.

Clause 7 repeals and replaces section 8 of the principal Act Class B Exempt Fund: procedure for exemption. Madam Chairman, clause 7 provides that the operator of a fund that qualifies for exemption as a Class B Exempt Fund may apply to the Authority for exemption in such form as the Authority may direct. Clause 7 also provides that the application must be accompanied by a copy of the fund's prospectus.

Clause 8 inserts section 8A Class B Exempt Fund: grant of exemption. Madam Chairman, unlike the self-certification of Class A Exempt Funds the exemption in this case must be given by the Authority on the application of the operator of the fund. However, provision is made that requires the Authority to notify the applicant of its decision within 10 days of the application. Failure by the Authority to notify the applicant of its decision within 10 days would be considered as an approval of the application by the Authority. The operator is also required to certify to the Authority on an annual basis that the fund meets the requirements of exemption and will continue to do so.

In addition to the annual certification, an operator of a Class B Exempt Fund must also file a copy of the fund's audited financial statements, a statement of

material changes to the fund's prospectus, and a schedule of any changes made to its directors and service providers. An operator of a Class B Exempt Fund shall not appoint a person to act as a director or service provider of the fund unless it applies to the Authority in writing seeking the Authority's approval to the proposed appointment.

Clause 9 makes consequential amendments to section 9 of the principal Act. Madam Chairman, clause 9 makes consequential amendments to section 9 of the Act by repealing subsections (1), (1A) and (1B) whereby amending the existing criteria of exemption and by referencing the qualifying sections in the new section 6A(2) and section 7(2) as related to the newly created classes of exempt funds.

Clause 10 inserts a new section 9A Exempt Fund: notice of a disqualifying event. Madam Chairman, clause 10 inserts a new section 9A which provides for the termination of an exemption status by the Authority and empowers the Authority to issue directions to the operator of a fund in the interests of investors. An investor who fails to notify the Authority of any default is liable to a default fine of \$5,000 and a further fine of \$500 for every day that the fund is in default. An operator who fails to comply with a direction given by the Authority is liable to a civil penalty of an amount not exceeding \$100,000.

Clause 11 amends section 17 of the principal Act. This has to do with fees. Madam Chairman, clause 11 amends section 17 of the Act and provides for payment of fees on initial filings in the case of the new exempt Class A Exempt Funds and on any application to the Authority for exemption in the case of the new Class B Exempt Funds.

Clause 12 amends the Fourth Schedule of the Bermuda Monetary Authority Act [1969] and that is a fee schedule. Madam Chairman, clause 12 amends the fee schedule for the Fourth Schedule of the BMA Act 1969 to provide for the introduction of new fees to be made payable in respect of the two new exempt funds.

Clause 13, Transitional [and Savings]. Madam Chairman, clause 13 makes transitional provisions to "grandfather" funds exempted under the repealed provisions of the Act. Such funds would continue to be exempt for a further three years notwithstanding the repealed provisions.

That is all I have on the clauses, Madam Chairman. I welcome comments from any Honourable Members.

The Chairman: Thank you, Minister.

Are there any individuals that would like to speak to clauses 1 [through] 13?

The Chair recognises the Shadow Minister of Finance, Mr. E. David G. Burt, from Pembroke West Central, constituency 18.

You have the floor.

Mr. E. David Burt: Thank you very much, Madam Chairman.

Madam Chairman, I just have a quick question for the Minister. Of course, as I said before he has the full support, he and the Government have the full support of this side of the House for this important issue. And I understand its timely nature given the discussions that I was fortunate to have with not only officials of the Ministry of Finance but also with officials within the Bermuda Business Development Corporation and the various working groups.

I am dealing with clause 8, Minister. And in clause 8 we are talking about exempted funds and the grants of the exemption and we are talking about clause 8 with the new section 8A(2) where it says, "The Authority must notify the applicant in writing of its decision within ten days from date of the application." I guess it is a question that will apply to other clauses, but dealing specifically with this clause, as we understand that in Class A Exempted Funds (which this is creating) there was no need to apply for an exemption or to get a response. It is done basically upon submission. It is assumed they meet the requirements, check the boxes, you are done, your fund is approved and you can start. Prior to this amendment, funds had to apply to the BMA.

The question I have for the Minister, and I am hoping that he can advise the House, How long did it take the BMA to normally get back to these groups?

We are talking about speed to market and we are talking about certainty, so the question that I would like to ask the Minister is, How long did it take the BMA traditionally under our current arrangement to get back to these groups? And I think that will shed some light on . . . I guess the speed which is actually required nowadays in global financial markets because I understand that the time was very quick, and it is kind of like even that speed is not fast enough.

I also think it applies to make sure that the BMA will be able to make its checks within these 10-day periods because if you do not respond within 10 days the fund is automatically said to be approved. I know that the Minister . . . and I know that the BMA signed off on this, so clearly they are confident that they are going to be able to do it, but I think it will be instructive for Members of the House if we could find how long it took the BMA to actually approve the applications that went to them prior to this.

Thank you.

The Chairman: Thank you.

Are there any other Members that would like to speak to clauses 1 through 13?

Thank you.

The Chair recognises Mr. T. E. Lister JP MP, Sandys South, constituency 33.

You have the floor.

Hon. Terry E. Lister: Thank you, Madam Chairman.

Madam Chairman, I have two questions and a comment, really. The first one relates to clause 5. Clause 5, [section] 6B(3) talked about the requirements for the Class A Exempt operator on an ongoing basis . . . especially [6B(3)](b) where it says "at the time of filing the annual certificate required by subsection (2)" must also be filed with the Authority and you have to have a copy of the audited financial statements and any "statement of material changes to the fund's prospectus." When I looked at clause 5 I first thought, *Well, maybe this last part was a bit over the top.* But then when I gave it more thought it really got back to whether or not the fund qualifies for the exemption.

So my understanding and my belief is that all of this information is important for the Authority to be able to examine and decide whether they are in compliance, whether they deserve the status they have, [and] whether they should keep the status they have. And so upon further reflection it seemed to me that the process, the consultative process that the Minister and Minister Gibbons had referred to earlier, is being born out in this clause. You can see it actually working in that what is required makes sense from both parties—it satisfies the BMA, it also satisfies the party running the fund. So I think that is a correct understanding. The Minister can sort me out if I am on the wrong track.

Now the second thing, when I looked in clause 12 at the fees . . . obviously, we want to get back on top. We want to get our business back. The Minister said that the Caymans were eating our lunch. Well, they did not eat my lunch! They might have eaten somebody else's lunch. But anyway we want to get things . . . you know, where Bermuda is doing very well. So we do not want to charge too much.

But on the other hand, I was surprised that these fees are extremely low—extremely low. The accountants, the lawyers, the bankers will do quite well out of this, but I do not know how the Government is going to make out. And so my question to the Minister is, How do these compare to alternative jurisdictions? If the fund can go somewhere else, what sort of fees will they be looking at elsewhere? And in other places is there another means of drawing money out of the fund for the Government? Have we ensured that Government is going to get its share, not just the accountants, the lawyers, and the bankers?

Lastly, in clause 13 the "grandfathering" is over a period of three years. This whole conversation is about speed to market, moving quickly, and then we turn around and have a "grandfathering" that is over this snail's pace of three years. So I did not really understand why that was, and maybe the Minister can explain why three years instead of two years or one year or not even having it, just a requirement to move over.

Thank you, Madam Chairman.

The Chairman: Are there any other Members that would like to speak to clauses 1 through 13?

There are no other Members.
Minister?

Hon. E. T. (Bob) Richards: Thank you, Madam Chairman.

There was a question of how long the BMA generally takes. I am told that the average is six days, but as with any average you can have one that takes one day and one that takes, you know, two weeks. So the purpose of this 10-day restriction that the Member was talking about is to basically—

[Inaudible interjection]

Hon. E. T. (Bob) Richards: No, not that.

It is to basically put a fire under the BMA so that . . . you know, if they do not get on with it and do it in a competitive period of time, then their decision is made for them, which I am sure that nobody in the BMA wants that. I mean, if I were them, I would not want the decision made for me. I want to make my [own] decision. So it forces the BMA to make their decision in a timely fashion, and the BMA have accepted that they are able to do that.

[Inaudible interjection]

Hon. E. T. (Bob) Richards: If they go over the 10 days, the decision is automatic—the thing is automatically approved. So to prevent automatic approval, they have to make their decision in 10 days.

The Honourable Member, Mr. Lister, talked about fees. And we are aware that the fees are a lot lower than our competition. But that is what competition is about, so we have attempted to . . . as I said, these folks ate our lunch. And to get it back we are going to have cut our costs. So the fees to the Government are less, but if we get this business here then the Government will get paid in other ways, as you well know. So that is the philosophical approach to this particular conundrum here.

As for “grandfathering,” I guess it does not really matter how long it takes to “grandfather.” These are funds that are already in existence. So there is no . . . there is a need to speed for the new ones. For the ones that are already in existence we can go at a grandfatherly pace, and I think that is what we are doing here. (I have got a note here.) It gives those “grandfathered” funds time to make the necessary adjustments to their operations so that they can comply in due course. So that is the reason they are given more time to do that.

I think those are all of the issues that were raised, I believe, Madam Chairman. So if there are no objections, I will ask that this Bill be reported to the House.

The Chairman: Are there any other Members that would like to ask any further questions on clauses 1 [through] 13?

There are no other Members.
If you would like to move the clauses?

Hon. E. T. (Bob) Richards: Okay. Madam Chairman, I would like to move clauses 1 [through] 13.

The Chairman: It has been moved that clauses 1 through 13 be approved.

Is there any objection to that motion?
No objection.
Agreed to.

[Gavel]

[Motion carried: Clauses 1 through 13 passed.]

Hon. E. T. (Bob) Richards: Madam Chairman, I would like to move the Preamble.

The Chairman: It has been moved that the Preamble be approved.

Are there any objections to that motion?
No objections.
Agreed to.

[Gavel]

Hon. E. T. (Bob) Richards: Madam Chairman, I would like to move that the Bill now be reported to the House.

The Chairman: It has been moved that the Bill be reported to the House as printed.

Are there any objections to that motion?
No objection.
Agreed to.

[Gavel]

The Chairman: The Bill will be reported to the House as printed.

Hon. E. T. (Bob) Richards: Thank you, Madam Chairman.

[Motion carried: The Investment Funds Amendment Act 2013 was considered by a Committee of the whole House and passed without amendment.]

[Pause]

House resumed at 3:51 pm

[Hon. K. H. Randolph Horton, Speaker, in the Chair]

REPORT OF COMMITTEE

INVESTMENT FUNDS AMENDMENT ACT 2013

The Speaker: Honourable Members, we have had the Investment Funds Amendment Act 2013 approved.

We will now move to Order No. 6, which is the Proceeds of Crime Amendment (No. 2) Act 2013 in the name of the Attorney General and Minister of Legal Affairs, the Honourable and Learned Member, Attorney General Mark Pettingill.

You have the floor.

SECOND READING

PROCEEDS OF CRIME AMENDMENT (NO. 2) ACT 2013

Hon. Mark J. Pettingill: Thank you very much, Mr. Speaker.

Mr. Speaker, I move that the Bill entitled the Proceeds of Crime Amendment (No. 2) Act 2013 be now read the second time and committed.

The Speaker: Are there any objections?

There are none.

Carry on, Minister.

Hon. Mark J. Pettingill: Thank you.

Mr. Speaker, I rise today to introduce to the Legislature for its consideration a Bill entitled the Proceeds of Crime Amendment (No. 2) Act 2013.

Mr. Speaker, Bermuda will now have an unprecedented legislative tool to plug a loophole in our legal system and to protect the integrity of our jurisdiction as a reputable international business destination.

Mr. Speaker, this Bill seeks to amend the Proceeds of Crime Act 1997 in order to create a new civil cause of action in the Supreme Court that will enable a designated enforcement authority to recover property that the evidence demonstrates has been obtained by unlawful conduct.

Mr. Speaker, take the example of where an individual in Eastern Europe who is charged with human trafficking slips out, breaches his bail, and has through various channels deposited his profits from that unlawful endeavour in one of Bermuda's financial institutions. Prior to this Bill there was little chance that [anything] could be done by Bermudian authorities to either recover these illegitimate funds or prevent them from being moved to another jurisdiction. Other examples where the problem may arise include instances where such persons are deceased or incarcerated for the rest of their lives or a period of time.

Mr. Speaker, in seeking recovery of such property it is important to underscore the fact that no person will stand in jeopardy, nor is the recovery of illegitimate property a penalty against the person who holds the property. The justification for this new civil action is founded entirely on the public interest.

Mr. Speaker, this Bill serves the public interest in two ways. First, it reinforces Bermuda's commitment to combating money laundering as a matter of public safety and morality, underscoring the measure that unlawful conduct does not pay. It can only be right that where a person has obtained property through unlawful means they should not benefit. Such a benefit is against the principles of justice and morality that are valued in a democratic society.

Second, it protects Bermuda's economic well-being. The connection between our continuing reputation as a reliable and desirable financial jurisdiction in which to do business and the robustness of our regulatory environment is clear. In order to maintain our position in the global marketplace as a competitive jurisdiction, it is our responsibility to ensure that there are mechanisms in place to prevent criminals and wrongdoers, wherever they may be, from using our financial systems as a use for their ill-begotten gains.

Mr. Speaker, this Bill has been drafted with great care to ensure that Bermuda's Constitution is not impugned. The provisions contained within include adequate protections of the rights and freedoms of the individuals and strike a fair balance between those rights and the interests of a democratic society in maintaining public safety, the public benefit, and the economic well-being of our community. As such, the Bill makes provision for adequate compensation to third-party individuals that suffer loss arising out of the recovery process, ensures that parties to proceedings for civil recovery and other third parties are given the opportunity to be heard by the Supreme Court during proceedings, and also are able to appeal decisions made by the Supreme Court in the course of those proceedings.

Another further protection included in this Bill is the requirement of the minimum threshold of value before proceedings can be instituted against property, thereby ensuring that this regime is not to be used to pursue trivial cases.

Mr. Speaker, the regime this Bill seeks to implement is in keeping with the UK regime under Part 5 of the UK Proceeds of Crime Act 2002. Members of this Chamber may be interested to know that according to the 2012/13 Annual Report produced by the Serious Organised Crime Agency, the primary designated enforcement authority within the UK, approximately £4.6 million or \$7.4 million in assets were recovered through civil recovery orders in that period alone.

Mr. Speaker, under our Proceeds of Crime Act 1997, there is currently in place a limited scheme for non-conviction based assets forfeiture. Sections 50 and 51 of the 1997 Act empower a police officer to apply to a court of summary jurisdiction with the intention of seizure of property that has been imported into Bermuda or exported from Bermuda or seized by the police in the course of their duties.

During the period of 2012/13, a total of five applications have been made under these sections. Two remain outstanding. However, the remaining three were successful and resulted in forfeiture orders totalling \$66,161. This Bill would augment and expand that scheme providing a more comprehensive means by which a designated enforcement authority can recover proceeds of unlawful conduct. The Bill also provides that property which is recovered to be deposited in the Confiscated Assets Fund. In doing so, this Bill will allow the illegitimate profits of unlawful conduct to be diverted from benefiting criminals to benefiting the people of Bermuda.

Mr. Speaker, this new regime is also in keeping with the goals of the United Nations Financial Action Task Force (FATF), which, under the organisation's Recommendation 4, encourages countries to consider the implementation of such regimes. It is therefore in Bermuda's best interests, as well as in keeping with our commitment to adhere to our international obligations, that this regime be implemented. Other jurisdictions that have implemented similar civil recovery regimes include Antigua, Barbuda, Dominica, Ireland, and South Africa.

Mr. Speaker, this regime adds other tools to the legal arsenal to protect public safety and address the harm that unlawful activity—both locally and globally—can do to our society. Another example is when under current law Bermuda's prosecuting authorities are unable to bring a prosecution against an individual in cases where known criminal acts have been committed outside our jurisdiction, or where the whereabouts of the holder of such illegitimate property are unknown or concealed, or that person is deceased or is in prison elsewhere, and the proceeds of that criminal activity is being held in Bermuda. By targeting the illegitimate property Bermuda is now able to more fully address the issues presented by increasingly complex and globe-spanning unlawful activities.

Mr. Speaker, with those brief comments, I now read for the second time the Bill entitled the Proceeds of Crime Amendment (No. 2) Act 2013.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Attorney General.

Is there any other Honourable Member who would care to speak?

The Chair will recognise now the Honourable Member from constituency 34, Sandys South Central, the Shadow Attorney General, the Honourable and Learned Member, MP Kim Wilson.

You have the floor.

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

Mr. Speaker, the first comment that I would like to make on behalf of the Opposition party is that we do support the proposed amendments here before us.

We agree and acknowledge that this is certainly a step in the right direction, and it provides a further impetus to the justice system as it relates to law enforcement and the recovery of properties that were gained through illicit means. In addition to that, as you would recall, Mr. Speaker, Bermuda will be reviewed in the spring of 2015 with respect to the recommendations of the Financial Action Task Force, and this allows us to tick the box with respect to recommendation 4.

You would also recall that a number of the other previous recommendations that have been met through our legislative regime were done within the last several years under the Bermuda Progressive Labour Party confirming, again, the commitment of the Opposition towards ensuring that Bermuda has all of the requisite legislative steps in place to ensure that we are compliant with international standards, particularly as it relates to money laundering and terrorist financing.

As we heard from the Learned Attorney General . . . and Mr. Speaker, I think it is important to note, particularly for those that are listening, that this is . . . though it is a tried and tested format in many other jurisdictions, and Bermuda has had it on a limited scale within the summary offences, the Magistrates' Court, I think it is important for the people that are listening to remember that this is a recovery as it relates to non-convictions. And it relates specifically to the property as opposed to the person.

So, for example, Mr. Speaker, if the evidence or the information suggests that a particular person is holding property and that that property was itself obtained through unlawful, illicit means—not just money laundering, drug trafficking, any other type of criminal means—it is the civil seizure of the property and not the person. And therefore the person that may own that property may very well not be . . . they would not necessarily be part of that procedure. So there is no sentence against that person, there is no finding of guilt against that person. This is an offence with respect to civil forfeiture, as we would call *in rem* for property, as opposed to against the person. And I think it is important for people to know that.

In addition to that, Mr. Speaker, as it is a civil matter the tests with respect to whether or not that property was obtained as a result of illegal means is on the balance of probabilities, which you may recall Mr. Speaker, is a lesser (so to speak) test than the criminal standard insofar as beyond a reasonable doubt. And I will return to that in just a few moments.

However, Mr. Speaker, again I think that this particular piece of legislation proves an effective and appropriate measure to ensure that we do our best to tackle criminal activity. And we know that it is recognised that in addition to investigations and criminal proceedings, helping to undermine the actual criminal conduct and to stem the criminal conduct, also taking away the ill-gotten gains and the property that has

resulted from the criminal conduct is also a way of reducing the criminal activity.

Mr. Speaker, I have a couple of questions. But before I ask them I just want again to try to break it down for those that are listening. The proceeds themselves: There may be circumstances . . . and I know the Learned and Honourable Attorney General gave one or two examples, but there are other examples where this legislation could be quite useful. For example, if a criminal investigation has been commenced and there is not sufficient evidence to proceed with the prosecution yet there is sufficient information—evidence—to show that the property itself (and let us pretend we are speaking about a car or a bike or a house, for example) has been obtained through illegal and ill-gotten means, and that the person, perhaps, that is holding onto that asset has no legitimate explanation as to how they acquired that. So again I want to emphasise, Mr. Speaker, it is the property that we are speaking about as to the person that may be the owner of same. So the civil procedures will be with respect to claiming forfeiture of properties.

Now, the few questions that I do have, and concerns that I do have with respect to this, are that with respect to the civil recovery we recognise that there may be circumstances where individuals may . . . I guess my question is, To what extent is the Government considering the issuance of legal aid?

Because an individual gains a civil forfeiture procedure against the property, but an individual may claim that they have an interest in that property, and I do not know what the Government's position is insofar as somebody being able to apply for legal aid. Because it would be a shame if a person was unable to, for a number of reasons, to finance a private retainer of a law firm to assist them in ensuring that this property or that their rights are being protected concerning that property. So that is my first question, [it] is with respect to legal aid.

These are just concerns that I have, Mr. Speaker, concerning this legislation. And the other one is with respect to the capacity of the seizure. So for example, if properties are seized or they are . . . [as] the process is going on in the courts, to what extent do the police authorities have to effectively keep and maintain the properties?

I say this because many years ago I had a client that I represented and their car was seized. And when we went several months later—in fact several years later after the trial was finished—and we went to collect the car there was literally a tree growing up from the bottom of the car. And we could very well be talking about a property—big properties—and other types of things *in rem*, and I just wanted to make sure to what extent do the police have, insofar as the powers and the facilities, to secure these items that could be subject to a civil procedure. It may not be just a ring or a diamond necklace. It could be other grander items such as real property.

Then my last comment, Mr. Speaker, before I take my seat, is that we all recognise, particularly when we are talking about the drug trade, that we have got the smaller fish and then we have got the big drug barons that are calling the shots, normally the money people. And my question to the Learned and Honourable Attorney General . . . it is more of a comment, Mr. Speaker, if I may. I am trusting that the Government will utilise their resources with respect to making these applications for civil forfeiture orders evenly and not simply utilise all their resources for the street pedlar (so to speak) that is less culpable than the person that is bringing in the drugs with all the money and the drug barons so to speak. So I am hopeful that the resources will be used equally insofar as making applications for civil forfeitures.

Thank you, Mr. Speaker.

The Speaker: All right. Thank you, Honourable Learned Member.

Is there any other Honourable Member who would care to speak?

It looks like only the lawyers are speaking. Sorry, the Chair recognises the Deputy Speaker.

You have the floor.

Mrs. Suzann Roberts-Holshouser: Thank you very much.

Yes and no, I am not a lawyer and by no means will I ever want to be a lawyer. But thank you, Mr. Speaker, I am going to do the best I can to actually bring home what this piece of legislation means. And I am very, very grateful that, of course, the Proceeds of [Crime] Act began when it did, which was well before the One Bermuda Alliance, and will continue because it is a living document. As things continue to change we will continue to see the evolution of legislation.

But what I mean by [saying] I would like to bring it home is that there are advantages to the people of Bermuda with this piece of legislation. And while we think sometimes that these criminals get away with everything, the reality of it is that this piece of legislation will actually benefit society.

Going back to the Proceeds of Crime Act 1997, if I can just basically outline what some of these proceeds will go to and what are the benefits of having this legislation: law enforcement, cover costs associated with the treatment and rehabilitation of drug addicts, cover costs associated with the prevention and public education concerning drug abuse—these are things that the community will begin to benefit from.

Where we see what we call “dirty money” we are going to begin to take that “dirty money” and we are going to make it clean. This is a piece of legislation which will go far into helping society, and I am very, very pleased to see this day come, and we will

continue to see the birth and the growth of the Proceeds of Crime Amendment Act.

Thank you very much. And as we go forward we look forward to more legislation.

Thank you.

The Speaker: Thank you, Honourable Deputy Speaker.

The Chair will recognise the Honourable Minister, Dr. Grant Gibbons.

You have the floor.

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

I am going to be pretty brief here. I would just like to first of all say that I think, while a long piece of legislation, it is also an important one for Bermuda in a broader context.

While we may focus on Bermuda issues here in terms of the illegitimate property locally, I think the real target here is to try and get the message out that those who are overseas and who perhaps are involved in more sophisticated criminal activities—they could be drugs, the Honourable Member, the Attorney General, talked about possible human trafficking, things of that sort—that Bermuda is not a good place to park illicit funds.

And the nice thing about the civil recovery aspect of this is that you do not need essentially to convict the individual if the funds are here. It is simply a matter of being able to show, as the Honourable Member on the other side said, on the balance of probabilities, that that money sitting perhaps in a bank in Bermuda came from illegitimate activity—it could be drug dealing, it could be any number of illegitimate activities. And I think the good news here for Bermuda is that people will start to catch on that because the civil recovery Bill is now part of our legislative base that Bermuda is not a good place to park funds of this sort.

I think the flip side of it, of course, is that to the degree that there are funds that are on-Island and within our jurisdiction and this piece of legislation can be used essentially to recover those, then that is going to benefit the people of Bermuda because these funds will then go into the Confiscated Assets Fund and then can be used to essentially be spent on police and other activities that the Confiscated Assets Fund allows for that money to go to.

So it is a complicated piece of legislation, and I would simply like to say that I think the Honourable Member, the Attorney General, has done a great job in getting it done. We are certainly ahead of a number of other jurisdictions in having this. I think it is going to be good for Bermuda's reputation from an international business perspective as well because it means we are less likely to be used for illicit or illegitimate funds of this sort.

So I think this is an important piece of legislation. And while it may be dry and long, it is going to be something which is significant I think in the days and years to come.

Thank you.

The Speaker: Thank you, Dr. Gibbons.

Are there any other Honourable Members who would care to speak?

That takes us back to you, Honourable and Learned Attorney General.

You have the floor.

Hon. Mark J. Pettingill: May I say I am delighted that we have had this type of agreement in dealing with this. I am obliged to my honourable and learned friend who clearly had a . . . sat in a position for a number of years, and now with her role with NAMLC. I think she clearly appreciates the significance of the bringing of this legislation.

Mrs. Kim N. Wilson: Point of order, Mr. Speaker.

The Speaker: Yes.

Mrs. Kim N. Wilson: I think—

The Speaker: Please, take your seat.

[Inaudible interjection]

Mrs. Kim N. Wilson: Well, perhaps as a point of clarification.

The Speaker: Yes.

POINT OF CLARIFICATION

Mrs. Kim N. Wilson: I am not involved in NAMLC.

The Speaker: Okay. Clarification.

Mrs. Kim N. Wilson: Thank you.

The Speaker: Thank you.

Carry on, Minister.

Hon. Mark J. Pettingill: My mistake. In her private capacity she has appreciation, I think, for the work that we are doing here.

Mr. Speaker, a couple of issues were raised. The legal aid question, which my honourable and learned friend raised, would be probably a policy question that I will address.

There is some provision within the Act, as my honourable and learned friend will have seen, with regard to the providing of legal support, if need be, with regard to these types of applications. It may be as the Act sets out that many of the applications that

are brought, or a number of them may be brought by what is called *ex parte*. That actually means that the other party may not be here. Much as you saw in the example, Mr. Speaker, that I gave at the outset, if you have got the Eastern European drug dealer who has been charged and has skipped bail and you cannot find him, there may be no other party. You have got the assets here, you put the evidence together, an application is brought to the court, *ex parte*, without him here. And you just set out the facts of it so there would be no need to provide him with any funding. If he wants to show up 10 years later and say, *No, no, no, this \$5 million was from my grandmother's cookie jar money*, then he has a right to come and appeal that. And that is something that is provided for in the Act just to ensure that we have the balance all around.

Certainly with regard to the keeping of property and so on, such as cars and vehicles or boats or whatever, there is already a regime for that type of keeping of chattels of physical property, and even if it is a case of having seized and keeping a house.

You know, those again are all largely matters of policy that one will want to ensure that you keep the property that you have to deal with, the real property, in as best condition as possible, especially on the fact that it may be something that came up . . . let say it came from . . . it was seized and it came up for appeal and it was said that it had to be given back and it was not the proceeds of unauthorised or criminal activity, and therefore the funds were considered unlawful. One would not want to be in a position where you had to pay out damages on it. So that is just the question of dealing with any property that is seized—any real property that is seized—in an appropriate manner. And that would be a question, again, of policy.

With regard to my honourable and learned friend's issue with regard to how this will be used and not just against a street pedlar—absolutely, and I concur. And my honourable and learned friend will have seen, of course, that this is a Supreme Court application so the threshold starts at \$25,000 which is the Supreme Court standard for seizures of that ilk. So we are not really looking at the realm of getting into dealing with petty crime and seizures in relation to that. The criminal law deals with certain aspects of that in any event.

This is with a view, as I set out, with a view largely to laundered money. It makes provision for laundered money in this jurisdiction where you have, perhaps, the Pablo Escobars out there that are under indictment, are on the run, have been charged and escaped, have been killed in the process of the criminal enterprise, and it turns out that they have laundered funds into this jurisdiction. And as tight as our regime is and as . . . the fact that we are upgrading it all the time, and that I think it is first class . . . I know that the Honourable Finance Minister certainly thinks that it is first class, it is a world standard [regime].

But the fact of the matter is that, this is an ongoing moving target. You know, the bad guys are trying to stay one step ahead and they are smart. The money launderers have bankers and accountants and people that are crooked and they try and figure out ways to make these monies look legitimate. We are trying to stay one step ahead through our regime to ensure by legislation and an FIU (Financial Investigation Unit) and our Task Force that we are ahead of the game and that we are able to find those monies.

So in the case where we can find them and seize them, the facts speak to them being as criminal proceeds, the individuals cannot necessarily be brought to justice, but we know that it is unlawful money that we are able to apply this legislation to in obtaining those funds—number one—and number two, and this is my favourite part, Mr. Speaker, because of the way that it is set up, about [how we can] use those funds out of Confiscated Assets for legal enforcement or to give back to the community.

I am looking forward very much to the day . . . because I intend this to be . . . this is not just a Bill we are passing here as an amendment to Proceeds of Crime. I think when these things come up there tends to be a collective yawn, which I get. It is not the most exciting stuff perhaps to most Members, but to my honourable and learned friend I am sure she finds it interesting because of her area, but perhaps not to most. But it is the effect of it that I am hoping, ultimately, we [will be able] to make use of. This is not just to be there. This is going to be used. This is an ongoing work in progress that is intended to be used and I hope we are going to be able to reap the rewards of this legislation that we helped pass today.

So, Mr. Speaker, with those few comments I move that the Bill be committed.

The Speaker: It has been moved that the Bill be committed, that the Bill go to Committee.

Are there any objections to that?

There are none.

So I will ask that the Deputy Speaker, Mrs. Roberts-Holshouser, please, take the Chair [of Committee].

House in Committee at 4:19 pm

[Mrs. Suzann Roberts-Holshouser, Chairman]

COMMITTEE ON BILL

PROCEEDS OF CRIME AMENDMENT (NO. 2) ACT 2013

The Chairman: Honourable Members, we are now in Committee of the whole [House] for further consideration of the Bill entitled [Proceeds of Crime Amendment \(No. 2\) Act 2013](#).

I call on the Minister in charge to proceed.

Minister, you have the floor.

Hon. Mark J. Pettingill: Thank you, Madam Chairman.

There is a matter that I am going to have to deal with so I am going to move these in a particular way. So to begin I will move clauses 1 [through] 5 first.

Clause 1, Madam Chairman, provides the citation for the Bill.

Clause 2 amends section 7 of the principal Act by inserting new definitions relating to civil recovery.

Clause 3 amends section 8 of the principal Act by inserting provisions which set out when an application for the making of a recovery order for civil recovery is concluded and when a recovery order that has been made is satisfied.

Clause 4 amends section 35 of the principal Act by inserting provisions which set out the interrelationship between bankruptcy and civil recovery proceedings.

Clause 5 amends section 36 of the principal Act by inserting provisions which set out the interrelationship between company winding up proceedings and civil recovery proceedings.

The Chairman: Thank you.

Are there any Members that would like to speak to clauses 1 through 5?

Thank you. The Chair recognises the Shadow Attorney General and Shadow Minister of Legal Affairs, Ms. Kim N. Wilson.

You have the floor.

Mrs. Kim N. Wilson: Thank you, Madam Chairman.

With respect to clause . . . oh, sorry, I am waiting for clause 6.

I apologise. I jumped the gun.

The Chairman: That is fine.

Minister, please, proceed.

Are there any other Members that would like to speak to clauses 1 through 5?

There are no other Members.

Minister, please, proceed.

Hon. Mark J. Pettingill: If you will just bear with me for a moment.

The Chairman: Absolutely.

Hon. Mark J. Pettingill: Thank you so much.

I am going to now move clause 6, which inserts into the principal Act, Part IIIA (Civil Recovery of Proceeds of Unlawful Conduct). A summary of the sections contained therein is as follows:

Sections 36A to 36G provide for an enforcement authority responsible for instituting civil recovery proceedings. Section 36A enables the enforcement

authority to institute civil proceedings in the Supreme Court for the purposes of recovering property which is, or represents, property obtained through unlawful conduct.

Section 36B specifies the conduct that is unlawful conduct. Section 62 applies the civil standard of proof (that my honourable and learned friend commented on).

Section 36C explains what it means to obtain property through unlawful conduct.

Section 36D defines “associated property” and makes provision for the circumstances in which such property may be the subject of a recovery order.

Section 36E explains references to a person disposing of his property. “Disposing” of property is a key feature of the provisions at sections 36.1K and 36.1L, which deal with following and tracing property.

Section 36F provides that the enforcement authority shall be designated by order made by the Minister responsible for justice and that order shall be made subject to the negative resolution procedure.

Section 36G provides that the enforcement authority may not take proceedings for a recovery order unless it reasonably believes that the total value of the recoverable property is not less than \$25,000. This ensures that civil recovery will not be used in minor or trivial cases. The Minister may change this amount by order subject to the affirmative resolution procedure.

Sections 36H to 36N allow for property freezing orders in relation to civil recovery proceedings. Section 36H enables the enforcement authority to make an *ex parte* application in the Supreme Court for a property freezing order and sets out how such an application is to be made.

Section 36I makes provisions for the Court to vary or set aside a property freezing order.

Section 36J allows the Court to exclude certain assets from a property freezing order to enable respondents whose property is subject to civil proceedings to have access to their assets in order to meet expenses such as reasonable living expenses and the cost of their legal representation. The amounts able to be drawn down are controlled to avoid dissipation of assets. That clause perhaps addresses my honourable and learned friend’s question with regard to the legal assistance.

Section 36K allows the Court to restrict other proceedings and remedies in the interest of a property freezing order.

Section 36L empowers the Court to appoint a receiver in respect of any property to which a property freezing order applies.

Section 36M sets out the powers of a receiver appointed by virtue of section 36L.

Section 36N makes provision for supervision of a receiver appointed by virtue of section 36L.

Sections 36O to 36W allow for interim receiving orders in relation to civil recovery proceedings.

Section 36O makes provision for interim receiving orders. Interim receivership procedures may, but need not always form the preliminary stage of civil recovery proceedings.

Section 36P specifies the functions of an interim receiver appointed by virtue of section 36O.

Section 36Q provides that any notice of an interim receiving order relating to land must be deposited at the office of the Registrar General thereby ensuring that where an interim receiving order affecting land is applied for, its effect may be reinforced by taking action to prevent the disposal of the land in question.

Section 36R provides for certain duties, to be placed on a person whose property is subject to an interim receiving order, as are reasonably required for the preservation of the property.

Section 36S permits an interim receiver, a respondent, any party to the proceedings, and anyone else affected by the receiver's actions (including the enforcement authority) to ask the Court to clarify the receiver's powers.

Section 36T provides that the interim receiving order must prevent any dealing with the property to which it applies, subject to any exclusions which may be made under that section.

Section 36U enables the existence of an interim receiving order to have an effect on collateral legal proceedings affecting the property in question.

Section 36V empowers the Court to vary an interim receiving order at any time with the effect of excluding property from the proceedings.

Section 36W requires an interim receiver to keep the enforcement authority and the Court informed.

Section 36X sets out what the Court must do if the Court finds any property to be recoverable.

Section 36Y requires the Court, where it makes a recovery order, or a consent order under section 36.1D, to appoint a trustee for civil recovery. The enforcement authority is required to nominate someone suitably qualified, and may appoint a member of staff of the enforcement authority. This is because, unlike the interim receiver, the trustee acts in the interests of the enforcement authority following the Court's judgment in favour of the authority and has no investigative functions. The trustee is under a duty to secure the property which will be vested in him, and to liquidate non-cash assets for the benefit of the enforcement authority.

Section 36Z establishes that a recovery order will override any provisions that would otherwise prevent, penalise or restrict the vesting of the property in the trustee for civil recovery.

Section 36.1A explains how associated property and joint property are to be dealt with when a recovery order is made.

Section 36.1B provides for a situation where a person who holds associated property, or an excepted

joint owner, comes to an agreement with the enforcement authority to make a payment to the trustee in lieu of the recoverable property. Where an agreement is reached, the recovery order may then require the person to make the payment to the trustee, rather than vesting the property in the trustee.

Section 36.1C makes provision for the Court, if the Court thinks it would be just and equitable to do so, where no agreement can be reached under section 36.1B, to make provision concerning associated property or joint property. In deciding what provision to make, the Court must have regard to the rights of the persons and the value to them of the property, as well as the interest of the enforcement authority.

Section 36.1D gives the parties to civil recovery proceedings the power to settle the proceedings at any time after the originating summons.

Section 36.1E provides that subject to certain safeguards described elsewhere (e.g., for *bona fide* purchasers), property is recoverable if it was obtained through unlawful conduct, or it "represents" property obtained through unlawful conduct.

Section 36.1F gives examples of circumstances in which the enforcement authority's right to recover property would be satisfied, for the purposes of section 36.1G.

Section 36.1G governs the use of sums in the hands of the trustee for civil recovery.

Section 36.1H deals with recovery of property which has been stolen or is the result of some other unlawful conduct comprising the deprivation of a true owner of his property, and therefore potentially recoverable by the enforcement authority.

Section 36.1I provides that proceedings for civil recovery may not be taken in respect of certain people in prescribed circumstances.

Sections 36.1J to 36.1P make provisions for recoverable property. Section 36.1J defines when property is recoverable, and how the original property may be followed when it is disposed of by the person who originally obtained it or a person who subsequently obtained it.

Section 36.1K allows the enforcement authority to recover property which has not itself been obtained through unlawful conduct, but which represents such property.

Section 36.1L confirms that property which was not itself obtained through unlawful conduct at any stage can come to represent such property, and therefore be potentially recoverable, not only by being traceable by the enforcement authority under section 36.1K but also by having become mixed with recoverable property.

Section 36.1M provides that the property that is recoverable under sections 36.1F to 36.1H is to be taken to include accrued profits; the profits are to be treated as representative property. So, for example Madam Chairman, if the enforcement authority can recover money paid into a bank account, the authority

can recover it with any interest accrued. So you get the benefit of that as well, that is not going to kick back to the individual that has laundered the money.

Section 36.1N constitutes a limitation on the enforcement authority's ability to follow and trace property.

Section 36.1O provides that certain property is not recoverable or associated property if it is prescribed by order or is disposed of in pursuance of a prescribed enactment.

Section 36.1P makes provision about the granting of interests in property.

Sections 36.1Q to 36.1S make provisions pertaining to the use and disclosure of information by and to the enforcement authority. Section 36.1Q ensures that the enforcement authority can use information obtained in connection with any one of the authority's functions under this Part only.

Section 36.1R enables information to be disclosed to the enforcement authority by a person (a "permitted person") listed in that section. The Minister will be able to add to the list of permitted persons by order.

Section 36.1S provides that the enforcement authority may disclose information to any person or body for any of the purposes set out in that section.

Sections 36.1T to 36.1Y enable the offence-related provisions under the principal Act to apply with modifications to civil recovery proceedings. Section 36.1T applies section 43, with the necessary modifications, to create an offence of concealing or transferring recoverable property, or assisting a person to do so.

Section 36.1U applies section 44, with the necessary modifications, to create an offence of assisting another to retain recoverable property.

Section 36.1V applies section 45, with the necessary modifications, to create an offence of acquiring, possessing or using recoverable property.

Section 36.1W deals with disclosure of information where there is suspicion that property is recoverable property.

Section 36.1X applies section 47, with the necessary modifications, to create an offence of tipping-off in relation to a civil recovery investigation.

Section 36.1Y applies the penalties set out in section 48 to offences committed in relation to civil recovery.

I am going to be laying an amendment, if I may, at this point, Madam Chairman, with regard to clause 6, amending that by deleting the word "consolidated" from subsection (2) of section 36.1G and substituting the word "confiscated." And if I may by way of explanation explain what has happened there—

The Chairman: I am just going to look for it first.

Please, so everyone else can have an opportunity.

Hon. Mark J. Pettingill: Yes, of course, 36.1G subsection (2). I have shared a copy with my—

The Chairman: Page 24?

Hon. Mark J. Pettingill: Yes.

—with my honourable and learned friend and briefly explained to her what the difficulty was that arose. But I will do it now here for the benefit of other Honourable Members as well as Honourable and Learned Members and the listening public.

It was spotted . . . when you do this, of course we have the Consolidated Fund and then we have a Confiscated Assets Fund. It was originally a typo where it was put in as the Consolidated Assets Fund which does not exist, which was readily spotted in one of the initial drafts and was changed to the appropriate fund, the Confiscated Assets Fund. For some reason we have had some computer issues (which we are working on) including the printing of various things, and in the final draft that we brought to the House it reverted back (and we still do not quite know why) to the original mistaken one of the Consolidated Assets Fund. And, of course, that having been tabled.

So it is really a simple amendment and an obvious one because that does not exist, but we need to do it here on the floor of the House. So I will be moving that clause 6 is amended by deleting the word "consolidated" from subsection (2) of section 36.1G and substituting the word "confiscated." And I have copies of—

The Chairman: Yes, please.

Thank you.

Hon. Mark J. Pettingill: It is not something we can do by slip rule with regard to . . . I am sorry? Do you want another one?

[Crosstalk]

The Chairman: Thank you.

Hon. Mark J. Pettingill: I discussed it with my honourable and learned friend.

The Chairman: That is fine. I just wanted to make sure I knew exactly where it was. So we are just changing the "Consolidated Asset Fund" that we have in front of us to—

Hon. Mark J. Pettingill: The word "consolidated" becomes "confiscated."

The Chairman: "Confiscated."

Hon. Mark J. Pettingill: There is no Consolidated Assets Fund; it is "Confiscated Assets Fund."

The Chairman: Thank you.

Thank you.

Hon. Mark J. Pettingill: I move that amendment then.

Hon. Mark J. Pettingill: To be fair, I do not think I used the word “discretion.” I think I said that that was a policy matter for consideration in relation to that, because I know I do not have discretion under the Act where we can come in and say, *Do it this way*.

The Chairman: That amendment is fine. Thank you.

Let me just say this in a practical sense: One, yes, as my honourable and learned friend will see, we carved out a provision for legal funds to be retained. If a person shows up and makes an application to a court after their money has been seized . . . now bear in mind, we are bringing these applications on the basis of the evidence as put forward. We are going to be alleging that these are the proceeds of unlawful conduct.

Hon. Mark J. Pettingill: There I have dealt with . . . up to—

The Chairman: Six.

Now there will have to be evidence before a court setting out the reasons why we are doing that and what the civil basis is for it. So this is the type of application we are talking about here—in excess of \$25,000—as my honourable and learned friend already pointed out in the Supreme Court and on the basis, obviously, where the other party is present, not the *ex parte* type of application. In those circumstances . . . and my honourable and learned friend is quite right that the initial application, if we come along and freeze all of your money, may well not be covered. But the hurdle to get over that threshold on the initial application would, I think, not be too onerous in the sense that once you were in the door (as it were) then the Act provides for the rest of the legal proceedings (if so merited) to be funded out of that.

Hon. Mark J. Pettingill: Six, yes.

The Chairman: We have done 6. Thank you.

Are there any Members that would like to speak to clause 6, which is rather lengthy?

Thank you very much for the presentation.

The Chair recognises Shadow Attorney General and Shadow Minister of Legal Affairs, Mrs. Kim N. Wilson.

You have the floor.

Mrs. Kim N. Wilson: Thank you, Madam Chairman.

With respect to clause 6, in particular section 36G, which speaks to the amount of recoverable property not less than the \$25,000.

Hon. Mark J. Pettingill: Less?

Mrs. Kim N. Wilson: Not less than \$25,000. And then still on section 36 now I am over to “J” concerning the property freezing order, I guess my question still relates to the availability of legal aid. I appreciate that in section 36J, Madam Chairman, it speaks about once the property freezing order has been obtained then reasonable expenses [such as] reasonable living expenses and reasonable legal expenses can be effectively set aside or excluded from the property freezing order.

You know, it is a civil process. So you can always claim costs as well. There is that type of thing. If we get it wrong then, you know, there is the ability, Madam Chairman, for a person who is the respondent to claim costs against the Crown, or even to claim compensation against the Crown. So it may be within that limited application that some funds have to be found in order to address with an attorney that particular application—the initial application.

My question relates specifically to the availability of legal aid on the application of the property freezing order. I respectfully submit, 36J speaks to the ability to be able to use part of . . . exclude part of the assets to pay legal fees to represent you, but this is once the order has been made. What happens if in the meantime when the application has been made pursuant to 36H, application for property freezing order, you do not have any money?

Now I would think in a practical sense the way that would work is that you would go and see your attorney. He would review it and think, *Well, yes, you have a very good case here*, and probably waive the initial \$500 or whatever fee was going to be charged to make that initial application to get the foot in the door.

The Learned and Honourable Attorney General indicated that he has discretion under the Legal Aid Act to allow for legal aid under the Act. And I would invite the Learned and Honourable Attorney General to highlight to me where that is, because I see under the Legal Aid Act there is no provision for allowing for civil matters to be paid for out of the Legal Aid Fund unless they relate to children and similar matters to that. So if he could direct me to where he has [been given] the discretion and where the Legal Aid Act speaks to that, I would be grateful.

If it were the case where under the legal aid scheme one were providing for family and so on and so forth, they would still be able to go along and make that application under that scheme for support to be given from Legal Aid for the initial application. And it would obviously switch over to the Act as you got into the more substantive hearing of that in the Supreme Court. So it is certainly not designed in any manner to prevent somebody from being able to obtain legal counsel.

But I have to say this, having done it for many, many years (as my honourable and learned friend has done and did), that in the real world, in a practical sense, I do not see where that is going to present any great bar in the circumstances of what the Act is designed to do and what the mischief is that is intended to be cured for the sake of that. I would see it where, you know, the court would address that where a person wished to make that application. It is the initial application. Frankly, they can make the initial application and do it themselves almost by saying, *No, no, I want to apply to challenge that*. It is as simple as that, really.

So once you got in the door in that . . . you could go to the legal clinic probably or get legal advice as a quick benefit to say, *I want to make this application*. Look at the provisions of doing that and be able to say, *I am applying to challenge this*. It is simple as that. If a person rolls up in the court, the courts are not going to decide, certainly the judges are not, if a person shows up unrepresented says, *I have got no money judge. Judge, I want to challenge this. It's not fair. That is my grandmother's cookie jar money. I am not the Pablo Escobar that everybody thinks I am, just because I drove here in a BMW today and am wearing all this bling. I am not . . . you know, this is all legit money. I don't even have the money now to pay a lawyer because the big bad prosecution have taken it all from me. They have frozen it up, but I want to apply—that is your application right there*. And now you are in the door and you are on the record as being the respondent of the action and then the provisions of the Act can kick into play.

So that is how I would see it working in a really practical sense, even though the Act does not spell out for the sake of the application that you are going to have to apply for the legal aid. That is the practical approach to it.

The Chairman: Thank you.

The Chair recognises the Shadow Attorney General.

You have the floor.

Mrs. Kim N. Wilson: Yes, thank you, Madam Chairman.

I wish it was that simple. But according to the application it indicates that the application for a freezing asset order commences with an originating summons. So we all know, those of us that have been to court before, that an originating summons is accompanied by an affidavit. There are documents, exhibits, *et cetera, et cetera*. It is a process. Far more than \$500, far more than something that the Legal Aid (and I will return to that in a moment) can address.

The provisions of this legislation support that once the order has been made you can then say, *I would like some of that money to be excluded so that I can pay for legal representation*. My point is what

happens to an individual who is trying to prevent the order, who has a legitimate claim to the property that is about to be seized. Remember, I said it is the property that is seized, not the person. So this could be the mother.

I am not talking about the person, with the greatest respect, that my learned and honourable friend, the Attorney General spoke about, who walks into court with the bling. I am talking about the grandmother who lives in a property and the property is the subject of the order. She believes she has a rightful claim, has no money to make an application, she can ask for part of the money to be excluded from the freezer *after* the order—the order is done! I am talking about beforehand. And under the Legal Aid Act (and my learned friend just said it again) that is where legal aid kicks in.

I am asking him to show me where, under the Legal Aid Act 1980, it provides for a person to make an application in civil proceedings such as these. Because the Act that I am looking at says that it can only be made in circumstances when it relates to children, ancillary matters, *et cetera*. So unless there is an amendment to the legislation that I have not seen here, and it has not [happened] here . . . that is the question I am making. I am not talking about the obvious scenario. I am talking about an individual who wants to defend the proceedings beforehand, rather than waiting until after the fact. And this particular legislation, Madam Chairman, and I am sorry . . . I do not mean to—

The Chairman: That is fine.

Mrs. Kim N. Wilson: I am just concerned about those types of people, those innocent people.

And the reality is that legislation provides that it is an originating summons and it is a process. You cannot just show up and say, *Your Honour, I don't have a [lawyer]*.

But then that puts that person in a difficult position because they are fighting against the institution of the state, the resources of the state, the resources of the police. And this is my grandmother who does not have that extent of resources or sophistication to be able to fight that. That is what I am speaking about.

With respect, the first application that was made before the Court of Appeal, concerning the Proceeds of Crime Act and where they did a confiscation action in front of the Court of Appeal, I did it. We were able to show that the wife had an interest in the property, a legitimate interest. So they had to take half of the property; the prosecution could not take the whole. I am talking about situations like that. Not every lawyer is going to do something *pro bono*.

The Chairman: Thank you, Member.
Minister?

Hon. Mark J. Pettingill: Madam Chairman, I think my friend raises an excellent point, if I may say so with great respect. You know, it is not . . . of course, as a criminal practitioner I defended innocent people for many, many years. (I thought that would draw a chuckle, but obviously it has not.) And far be it from me to be in this position and trying to certainly block anybody from having their constitutional right to legal representation.

So I will take entirely under advisement the issues that my learned friend has raised. I think it is a very fair point. And if need be, we will look to amend those provisions in the Act to broaden them to apply to the application for a . . . under the civil recovery because it is a fair point and there may well be (leaving aside my rather crass characterisation of a person, you know, like Pablo walking with the gold and all the rest of it) . . . that may well be.

I know my friend did that case with the mother (or somebody else) that was legitimately caught out and did not know that all this money came from the proceeds of crime or has a legitimate interest in the house and she has to be able to get in the door. And I think that, you know, we have to safeguard that, that it happens. I am obliged to my friend for the point.

I will undertake that we will review that. There are a few boxes we still have to check before we get over the final hurdle because of some guidance rules that have to come in. There is a change that has to happen to one particular . . . the Supreme Court rules. Pretty simple fixes but they have to be done. And I would see that as one (that I have had members of my team note now) that I will undertake to ensure that we look at the best way to ensure that those individuals that fall into that category . . . I anticipate it will be very rare, but that does not mean it will be unimaginable by any means. I think it will be rare but not unimaginable that we ensure that they are protected with regard to their right to have at least the application satisfied through Legal Aid. So we will undertake to do that.

The Chairman: Are there any other Members that would like to speak to clause 6?

If there are no other Members, Minister, please proceed.

[Pause]

Hon. Mark J. Pettingill: Sorry, Madam Chairman—

The Chairman: That is fine.

Hon. Mark J. Pettingill: I am going to move—

The Chairman: We are on to clause 7 now.

Hon. Mark J. Pettingill: Clause 7. And I will move clause 7 to the end, I would think at this point.

The Chairman: So that would be clause 7 to, I believe, clause 20—

Hon. Mark J. Pettingill: Clauses 7 through 27.

The Chairman: Clauses 1 *[sic]* through 27.
Minister—

Hon. Mark J. Pettingill: Clause 7 through 27.

The Chairman: Seven, sorry.

Hon. Mark J. Pettingill: Thank you, Madam Chairman.

Clause 7 amends section 37 of the principal Act to include civil recovery investigation as a purpose for which a production order may be made by the Supreme Court and the conditions that must be fulfilled.

Clause 8 amends section 39 of the principal Act to include a civil recovery investigation as a purpose for which a search warrant may be issued by the Supreme Court and the conditions that must be fulfilled.

Clause 9 amends section 40 of the principal Act to enable the Attorney General, subject to a civil recovery investigation, to apply to the Supreme Court for an order requiring a Government department to produce any material in its possession.

Clause 10 amends section 41 of the principal Act to enable account monitoring orders to be made by the Supreme Court subject to a civil recovery investigation.

Clause 11 amends section 41A of the principal Act to enable customer information orders to be made by a court subject to a civil recovery investigation.

Clause 12 amends section 41C of the principal Act by inserting provisions which set out the requirements to be met before a customer information order can be made.

Clause 13 amends section 42 of the principal Act to make prejudicing a civil recovery investigation an offence.

Clause 14 amends section 50 of the principal Act to include under the provisions related to seizure and detention of property, property detained in relation to civil recovery proceedings.

Clause 15 amends section 53 of the principal Act to enable the enforcement of recovery orders made in relation to a country or territory outside of Bermuda, designated by the Minister responsible for justice as being a country or territory to which such orders apply.

Clause 16 amends section 54 of the principal Act to enable the registration of an external recovery order.

Clause 17 amends section 55 of the principal Act to include provisions setting out the meaning of

the corresponding law in relation to civil recovery proceedings.

Clause 18 amends section 55[A] of the principal Act to require that property recovered under Part IIIA be paid into the Confiscated Assets Fund and to enable authorised payments out of that fund to be made for the purposes of training officials in relation to civil recovery and meeting the expenses of the enforcement authority.

Clause 19 amends section 60 of the principal Act by setting out the circumstances in which the Supreme Court may make an order that compensation to be paid to a person who owns or holds property against which a civil recovery investigation was conducted.

Clause 20 amends section 61 to enable the Court to make a declaration for costs in relation to civil recovery proceedings.

Clause 21 amends section 64 of the principal Act to include in the index of defined expressions new expressions relating to civil recovery.

Clause 22 amends section 65 of the principal Act to enable the Minister responsible for justice to make regulations in relation to civil recovery—including regulations pertaining to the powers and functions of the enforcement authority and provisions for the recovery of property in relation to pensions.

Clause 23 inserts into the principal Act Schedules 1 and 2, which set out the powers of interim receivers and trustees for civil recovery, respectively.

Clause 24 amends the Limitation Act 1984 to set a limitation period within which proceedings for a recovery order must be brought. Proceedings must be brought within 20 years of the original property being obtained through unlawful conduct.

Clause 25 provides for consequential amendments to other legislation to be made by regulations under this section.

Clause 26 provides that until the enforcement authority has been designated under section 36F, the Minister shall perform the functions of the enforcement authority.

Clause 27 sets out the commencement provision.

The Chairman: Thank you,

Are there any other Members that would like to speak to clauses 7 through to 27?

There are no other Members.
Minister?

Hon. Mark J. Pettingill: Thank you.

Madam Chairman, I now move clauses 1 [through] 27 and I also move the Preamble and I move that the Bill be reported to the House.

The Chairman: We are going to actually propose that the amendment to clause 6 be approved.

Hon. Mark J. Pettingill: Yes. Thank you. The amendment to clause 6, section (2) of 36.1G.

AMENDMENT TO CLAUSE 6

The Chairman: It has been moved, the proposed amendment to clause 6, by deleting the word “consolidated” from section (2) of section 36.1G and substituting the word “confiscated.”

Are there any objections to that motion?

There are no objections to that motion.

Agreed to.

[Gavel]

[Motion carried: Amendment to clause 6 passed.]

The Chairman: It has been moved that—

Hon. Mark J. Pettingill: Move the Preamble.

The Chairman: —the Preamble be approved.

Are there any objections to that motion?

There are no objections to that motion.

Agreed to.

[Gavel]

Hon. Mark J. Pettingill: And I move that the Bill be reported to the House.

The Chairman: It has been moved that the Bill be reported to the House with amendments—

Hon. Mark J. Pettingill: With amendment.

The Chairman: With an amendment.

Are there any objections to that motion?

There are no objections.

Agreed to.

[Gavel]

The Chairman: The Bill will be reported to the House as amended.

[Motion carried: The Proceeds of Crime Amendment (No. 2) Act 2013 was considered by a Committee of the whole House and passed with an amendment to clause 6.]

[Pause]

House resumed at 4:54 pm

[Hon. K. H. Randolph Horton, Speaker, in the Chair]

REPORT OF COMMITTEE

PROCEEDS OF CRIME AMENDMENT (NO. 2) ACT 2013

The Speaker: The Bill, the Proceeds of Crime Amendment (No. 2) Act 2013, has been approved with an amendment to clause 6. And that has been approved by the House.

We move now to the next Order which is Order No. 7.

Hon. Michael H. Dunkley: Carried over, Mr. Speaker.

The Speaker: Carried over. [Order] No. 7 is carried over.

[Order] No. 8, Dr. Gibbons . . . is carried over?

Hon. Michael H. Dunkley: It is also carried over, Mr. Speaker.

The Speaker: Okay.

And [Order] No. 9 . . . Mr. Lister, I think, is carried over.

So, Deputy Premier.

Oh, excuse me.

Hon. Michael H. Dunkley: Third readings.

The Speaker: Third readings, yes.

Thank you.

I recognise now the Honourable Minister of Tourism, the Honourable and Learned Member, Mr. Crockwell.

You have the floor.

SUSPENSION OF STANDING ORDER 21

Hon. Shawn G. Crockwell: Yes, Mr. Speaker.

I move that Standing Order 21 be suspended to enable me to move that the Bill entitled the Park Hyatt (St. George's) Resort Repeal Act 2013 be now read the third time by its title only.

The Speaker: Any objections?

There are none.

Carry on.

[Motion carried: Standing Order 21 suspended.]

THIRD READING

PARK HYATT (ST. GEORGE'S) RESORT REPEAL ACT 2013

Hon. Shawn G. Crockwell: I move that the Park Hyatt (St. George's) Resort Repeal Act 2013 now do pass.

The Speaker: Is there any objection to that?

The Bill is now passed.

[Motion carried: The Park Hyatt (St. George's) Resort Repeal Act 2013 was read a third time and passed.]

The Speaker: I recognise now the Minister of Finance, Minister Bob Richards.

You have the floor.

SUSPENSION OF STANDING ORDER 21

Hon. E. T. (Bob) Richards: Thank you, Mr. Speaker.

Mr. Speaker, I move that Standing Order 21 be now suspended to enable me to move that the Bill entitled the Investment Funds Amendment Act 2013 be now read for the third time by its title only.

The Speaker: Are there any objections?

There are none.

Carry on.

[Motion carried: Standing Order 21 suspended.]

THIRD READING

INVESTMENT FUNDS AMENDMENT ACT 2013

Hon. E. T. (Bob) Richards: Mr. Speaker, I move that the Bill be now passed.

The Speaker: All right. It has been moved that the Bill be now passed.

Any objections?

The Bill is now passed.

[Motion carried: The Investment Funds Amendment Act 2013 was read a third time and passed.]

The Speaker: I move now to the Honourable and Learned Attorney General.

SUSPENSION OF STANDING ORDER 21

Hon. Mark J. Pettingill: Thank you, Mr. Speaker.

Mr. Speaker, I move that Standing Order 21 be suspended to enable me to move that the Bill entitled the Proceeds of Crime Amendment (No. 2) Act 2013 be now read for a third time by its title only.

The Speaker: Are there any objections?

There are none.

Minister?

[Motion carried: Standing Order 21 suspended.]

THIRD READING

PROCEEDS OF CRIME AMENDMENT (NO. 2) ACT 2013

Hon. Mark J. Pettingill: Mr. Speaker, I move that the Bill do now pass.

The Speaker: It has been moved that the Bill do now pass.

Are there any objections to that?
The Bill has now passed.

[Motion carried: The Proceeds of Crime Amendment (No. 2) Act 2013 was read a third time and passed.]

The Speaker: I now recognise the Deputy Premier.

ADJOURNMENT

Hon. Michael H. Dunkley: Thank you, Mr. Speaker.
I move that the House now adjourn until next week, Friday, September 27th.

The Speaker: Friday, September the 27th.
The Chair will now recognise the Honourable Member from Pembroke [Central], MP Walton Brown.
You have the floor.

[Inaudible interjection]

The Speaker: I think he stands up . . . before me . . . I think he remains standing.

[Laughter]

BRITISH OVERSEAS TERRITORIES PASSPORTS

Mr. Walton Brown: An abundance of caution.
Mr. Speaker, I rise today on a Motion to Adjourn to speak about an issue that really transcends party politics, but one which deeply affects all of us as we look toward the future.

This week the Minister responsible made a statement—

[Inaudible interjection]

Mr. Walton Brown: —the Minister responsible made a statement in another place referring to the British decision regarding the issuance of passports, the British Overseas Territories Passports. And while that will cause a level of concern among Bermudians because it means that the application process has now become somewhat more complicated, now will become much more prolonged, there is a much more problematic issue that has arisen with this entire issue of the December 2014 decision to cease the issuance of Bermuda passports in Bermuda.

Mr. Speaker, in 2009, I was at the Foreign Commonwealth Office seeking permission to negoti-

ate visa-free access for Bermuda passport holders into the Schengen area because in 2005 the UK Government misrepresented the facts to the European Union Visa section indicating that Bermuda passport holders (like other Overseas Territories passport holders) did not have the right of abode in the UK. But, of course, Mr. Speaker, as you would know, in 2005, the British Government gave back British citizenship to all of its Overseas Territories citizens, having taken it away in 1983.

[Inaudible interjection]

Mr. Walton Brown: The Act was passed in 2002, the Member is correct.

Mr. Speaker, at that meeting I tried to persuade the FCO to allow Bermuda passport holders to have a stamp put on their passport to say that all British Overseas Territories citizens who hold Bermuda status will be allowed to get the Right of Abode stamp on their passport because that would have allowed them to enter the Schengen area without a visa. The British Government refused to allow the Bermuda Government to put that stamp on the passport. They claimed it was a security issue, a security matter.

It just so happened that around that time, Mr. Speaker, an entire truckload of UK passports went missing in the UK. So here I was with Dr. Brewer, former Chief Immigration Officer, trying to secure some greater rights for us, but the British were refusing to do so, on the basis of a level of security concerns. There has never been a British Overseas Territories passport lost or stolen from Government offices in an Overseas Territory. But that was the concern they raised.

But it goes deeper than that, and I really hope that we can have a bi-partisan examination of this issue because it has nothing to do with party politics. It has everything to do with our rights and our privileges as we move around this world.

What was disconcerting in that meeting in 2009 was the comment made by one FCO [Foreign & Commonwealth Office] official that at some point they are going to eliminate the British Overseas Territories passport altogether. They had mentioned the date of 2020 for that to be in place. What is important about this point, Mr. Speaker, is that it has nothing to do with which party is in power in the UK—Labour, Conservatives, Coalition—because it is driven by the civil servants. And that is something that should concern every last one of us.

I know that the responsible Minister is going to engage in dialogue with the UK to see if something can be done to alleviate some of the hardship that will be imposed on Bermudians in December 2014 when this new policy comes to the place, but we need to look at the much larger picture that is involved. The larger picture has to do with a British Government position that none of the Overseas Territories seek to

alter their current constitutional status. Our Honourable Premier has just come back from Gibraltar where there was some allusion to this fact that things were more or less okay the way they were constitutionally—although there might be a need or desire of some tweaking of this relationship.

Mr. Speaker, the deeper concern is that as we move forward past 2014 and when the British Government decides that there will no longer be Overseas Territories passports issued, there will be a fundamental challenge for Bermuda passport holders; first of all, because the visa-free access that we currently have to the United States would be seriously jeopardised. Bermuda and Canada are the only two countries that have visa-free access to the United States today. A British citizen has to apply for a visa. A Bermudian national, if I can use that term loosely, but a Bermuda passport holder—someone who holds Bermuda status does not need to acquire a visa—should the Bermuda passport disappear, that visa-free access will disappear.

There will be a fundamental challenge for many Bermudians because we love to go to America. America is our closest trading partner and we are related to America on so many levels.

POINT OF INFORMATION

Hon. Trevor G. Moniz: Point of information, Mr. Speaker.

The Speaker: Yes?

Hon. Trevor G. Moniz: The Member is slightly misleading the House. He is correct in the sense that it is residents of Canada and Bermuda who have visa-free travel. If you read the US law, in fact it does not even say Bermudians or Canadians; it says residents of Bermuda or Canada.

The Speaker: Thank you. Thank you, Minister.

Mr. Walton Brown: Mr. Speaker, with respect to the Honourable Member who just took his seat, I am not quite sure what position he was reading, but if there is a Jamaican resident in Bermuda—

[Laughter and crosstalk]

Mr. Walton Brown: If there is an Indian national resident in Bermuda, they do not have visa-free access to the United States.

RELATIONSHIP WITH THE UK AND THE UNITED NATIONS DECOLONIZATION COMMITTEE

Mr. Walton Brown: Now, Mr. Speaker, the bigger issue involves our relationship with the United Nations and the [United Nations Decolonization Committee](#).

Our Honourable Premier just came back from Gibraltar, where he met with other members of the British colonial realm, and they discussed issues of mutual interest. The Premier will understand that there is a fundamental role played by the United Nations Decolonization Committee, because under section 73 of the UN Charter, the United Kingdom is required to file annual reports to the UN on the state of affairs in Bermuda because the UN provides oversight. But for a number of years the UK has sought to have that oversight restricted, if not eliminated altogether.

I have sat around the table with the British representatives at these meetings, Mr. Speaker, and I know exactly what they intend to do. The UK used to avoid these meetings and send surrogates to speak on its behalf. They attended the first meeting in 2001, which just so happened to be in Cuba, so maybe Cuba provided the attraction for Britain to be finally represented at these meetings. But, Mr. Speaker, the British hold the view that the Overseas Territories do not seek to alter their constitutional relationship with them and therefore they should be beyond the purview of the United Nations. But the United Nations has a fundamentally important role to play in that regard.

If I can just refer you, Mr. Speaker, to the old comment that was made about Britain when the Empire was vast and expansive. It used to be said that the sun never sets on British soil.

The Speaker: On the British Empire.

Mr. Walton Brown: On the British Empire—the British soil—and the Irish responded by saying, *because God does not trust them in the dark*.

[Laughter]

Mr. Walton Brown: I say that, Mr. Speaker, because to have a relationship with the United Kingdom without any oversight would be deeply problematic for us.

You will see, as we have seen since 1999, this process by which power has been taken away from the Overseas Territories. And I hold former governments responsible for having sat by and allowing this to take place. But what is the point of having a Constitution if the UK does not respect the powers that are allocated in the Constitution?

So this passport matter may seem relatively small, [but] it has big implications. It has big implications. I would encourage the Government to look at it in its full context. It is not a minute issue. It is part of an overall strategy that the UK has been playing out since 1989. And when our Honourable Premier goes to the UK in December for the Joint Ministerial Conference, you will have the UK bringing forward issues that have nothing to do with their constitutional powers.

I would encourage the Premier to push back, because you either have a Constitution that you respect or you do not have a valid Constitution.

Once the UK moves on the passports, they will be able to go back to the UN and say, *You know what? Everybody in Bermuda, everybody in Cayman, everybody in Turks and Caicos, have said they want to be British. They all hold British passports.* So the issue of decolonization no longer arises.

So, again, this is not a particularly partisan issue. This is an issue of national importance. This is an issue that transcends the sort of peculiarities of political party positions, and I really hope that the Premier can demonstrate sincerity on this issue and let us have a collaborative collective approach because we are talking about our long-term interests. This Government belongs to no party. This Government belongs to no individual. So let us look at this issue at the very minimum, Mr. Speaker, with the degree of seriousness that it involves. We have powers that allow us to look at our internal issues, but there are times when our external concerns become very, very important. This is one of those times.

So, as I take my seat, all I will say is the following: We are in a situation where the world is changing rapidly. We need to have more and not less authority to make decisions that benefit our interests.

The Honourable Finance Minister brought today a very important piece of legislation that will allow us to get a further, sort of, niche mark, redevelopment, because (as he said) we lost sight of it over the years. It just so happens that our ability to pursue that was not impeded by UK concerns. But I can assure you, Mr. Speaker, when the UK starts talking about contingent liability—as they have applied to Cayman and other territories—we need to be concerned about that and we cannot have our economic interests hamstrung by, primarily, civil servants because the UK politics do not give much regard to the Overseas Territories—only when there is the embarrassing situation like the Uighurs, for example.

But, by and large, this issue is driven by civil servants. I would encourage the Premier [and] I would encourage the Finance Minister to look at the issues that we need to address as we move forward and address the issue of our relationship with the United Kingdom. They have taken power away and they continue to [do so]. Some of you may tire of me raising this issue, but I raise it because I care about my country. I care about my country. I hope all of you—despite your proclivities toward a particular constitutional framework—will nevertheless see that it is important for us to address this issue.

Thank you, Mr. Speaker.

[Desk thumping]

The Speaker: Thank you, Honourable Member.

The Chair now will recognise the Honourable Member from Pembroke West Central, constituency 18, the Shadow Minister of Finance, MP David Burt.

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

Before I go to my topics, I would like to echo what my Member in Parliament, MP Walton Brown said, because he does represent Pembroke Central, the place where I have lived and—

[Inaudible interjections]

Mr. E. David Burt: Yes, Pembroke Central.

I would like to echo what he said. Especially the nice quip that he gave from the Irish, that they do not trust what the British will do in the dark, because I think it is very serious and I think that a lot of the discussion which happened during the motion to adjourn last week, during the question and answer period earlier today, and also during the question and answer last week, is in regard to our relationship with the United Kingdom and the fact that we need to make sure that we have the freedom and the ability to do what it is that we need to do as a country to represent our own economic best interests.

When things happen to us, which we have seen the announcements which seem to impede our ability to, I guess you could say, live as we are used to, not having passports printed here, *et cetera*, and these are things I think are rightfully raised and things that we as a Government need to consider—as the peoples representative needs to consider.

GAMING REFERENDUM BILL

Mr. E. David Burt: My topic today is . . . and I am rising because noting that this morning and noting that we are scheduled to meet one final day next week in this extraordinary sitting of the House of Assembly in the month of September, is that I say this, Mr. Speaker. Say what you mean and mean what you say.

I would like to bring the record to the Hansard and the *Official Hansard Report* [page 1177] of [May 31st](#). The Honourable Minister of Tourism and Development said this, he said, and I quote: “. . . to achieve these game changers to attract development, this Government will lay the Gaming Referendum Bill this session, and we expect to hold a referendum at the end of summer or beginning of fall.”

Well, Mr. Speaker, this session . . . our last scheduled day of meeting is next week. We do not have a [Gaming] Referendum Bill in front of us. The autumn equinox is going to take place this weekend, so summer is over. We are wondering as to when this is going to happen between the time when the House comes back next year. So we are seeing this missing.

But, Mr. Speaker, also, we have heard reports that the Government may again be reconsidering their position in regard to whether or not they are going to

have a referendum. The clarity is not clear. We have heard Ministers on that side say that, *You need to be clear with your investors. You need to make sure they know what is ensuing. They need to understand the direction. You need to speak with clarity if we want to get investment. We need to mean what we say and say what we mean.*

So, all that, Mr. Speaker, and we still do not have clarity because on August [12th], [Bernews.com](#) reported, and I quote, “Following speculation about Government’s position on gaming, a Government spokesperson said there is ‘no change to the government’s position on Gaming. As promised, we remain committed to the Referendum process.’” And then again on August [9th], the [Bermuda Sun](#) reported, and I quote, “Premier Craig Cannonier last night said he was sticking to his guns on a referendum on casinos in Bermuda.”

Mr. Speaker, I stand today to say that the lack of clarity that has been emanating from the Government benches on this particular issue, the fact that we do not have a Referendum Bill in front of us—and it was a Bill that was written. It is a Bill that was tabled last November. If the Government is looking for it, I suggest they go online to [www.parliament.bm](#) and they can pull the old Bill down and they can table it in this House.

We attempted to table it. It was ruled out of order, but we believe (on this side of the House) it is very important business. As we are coming to the last session on this extraordinary sitting of the House of Assembly, we still do not have a Bill in front of us for us to consider.

So, what I will say is what I have said before, say what you mean and mean what you say. If the Government is clear, if the Minister of Tourism said during the session [they] will lay a Bill, if the Premier said that he is committed to the referendum process, then we should not be hearing murmurs in the media that there might not be a referendum on Gaming—that there may be something that is going about where things are going to be handled in a different way. The people need clarity from the Government, Mr. Speaker, and I hope that I will get it today in this Motion to Adjourn.

Thank you.

The Speaker: Thank you, Honourable Member.

Any other Member care to go?

I recognise now the Honourable and Learned Member, the Member from constituency 31, the Minister of Tourism, MP Shawn Crockwell.

Minister Crockwell, you have the floor.

Hon. Shawn G. Crockwell: Yes, thank you, Mr. Speaker.

In response to the last speaker, the Honourable Member, first of all, let me just say that based on his presentation it was quite clear that there is no lack

of clarity on the position of the Government. The Government, whilst we were campaigning, we promised a referendum and it has been stated by multiple individuals—including the Premier, including myself—that we are committed to the referendum process.

An Hon. Member: Where is the Bill?

Hon. Shawn G. Crockwell: Now, the Honourable Member just interpolated, *Where is the Bill?* (talking about the Bill that was laid by the previous Administration just before the election and was never taken up). We have looked at the Bill, we will certainly—considering whether or not we could go ahead and just lay the same Bill—but if I could remind the Honourable Member and honourable colleagues that the question that was contained in the Bill was, *Do you support casinos in Bermuda?* That was the question.

We felt that the question needed to be . . . the whole issue of the question for the referendum needed to be investigated further, and we did not think that that question was adequate enough. Just a simple question, *Do you support casinos in Bermuda?* But more than that, Mr. Speaker, and the reason why there has been a delay . . . but we are committed, very much committed to getting this done as soon as possible.

I am the chairman of the subcommittee for Gaming of Cabinet. What we determined in the subcommittee was that just bringing a referendum as the previous Administration did . . . and I understand the urgency and everyone saying we have to get this decision resolved and the like. But this may be one of the most important decisions that we make in a very long time in this country.

POINT OF CLARIFICATION

Mr. Walter H. Roban: Point of clarification, Mr. Speaker, if the Member obliges.

The Speaker: Yes, the Honourable Member has yielded.

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

As I recall, as a Member of the previous House, the Bill was a Referendum Bill to facilitate referenda irrespective of the issue, and there was just . . . and it was an enabling Bill for perhaps a future referendum on that question.

[Inaudible interjections]

Mr. Walter H. Roban: Okay—

Hon. Shawn G. Crockwell: I accept that. It was the umbrella Bill that was passed.

The Speaker: Thank you, MP Roban.

Hon. Shawn G. Crockwell: The Government did lay the Bill that contained the question. So, we did consider that particular Bill.

But the point I want to make is that [we] understand the urgency of trying to get this done, everyone wants this question to be resolved. As I was saying a minute ago, we fundamentally believe that this is one of the most important decisions as a country we can make—changing whether or not we are going to invite casino gaming into Bermuda.

We know that there has been significant dialogue on this over the years. As a result of that, Mr. Speaker, we have to get it right. We have to get it right. In getting it right, we have decided . . . first of all, the Government has to be clear on what model of gaming we are going to bring to Bermuda. Now, the referendum may go one way or the other. We are anticipating that the referendum would be in the affirmative. As you know, I have been on record, promoting the fact that (at least for tourism) we need to introduce this amenity to help incentivise people coming to Bermuda and giving them an additional amenity whilst they are here.

But we need (as a Government) to make sure that we get the model right. What type of gaming are we going to have? There are multiple types of models and we were surprised to ascertain that there was significant work done—as you will recall, Mr. Speaker, the [Innovation Group](#) did come (I believe it was in 2008) and consulted with the Government, and as a result of that there was a Green Paper that was laid before the House in relation to gaming, and it was debated. But we found out that that particular organisation actually compiled a great deal of information, a great deal of data, as it related to the study of gaming in Bermuda. I believe there were about six different models that they had explored, and they made the recommendation of a particular model that they felt was most suitable for Bermuda.

We had never seen that before. We did not see it whilst in the Opposition; all we saw was the Green Paper. Since becoming the Government, it was never brought to our attention that this information was available. When I did my investigation as to why we were not aware of this information, I was told that all that my director within the Ministry of Tourism had was the Executive Summary. So, for whatever reason, it was proprietary information.

[Inaudible interjections]

Hon. Shawn G. Crockwell: The Honourable Member is saying it was in Cabinet Office.

We did not have access to the full report. Let me say right now that since we have had access to the full report, it is an excellent report. We have now met with the Innovation Group and we believe that they are suitably qualified to update that report be-

cause [from] 2008 to 2013 is a significant difference. The economy has changed, our population has changed, they have to look at the census and other data to update their recommendations. So, before we actually have a referendum, the Government believes it is prudent that we are in agreement as to what model we are going to be advocating, and get out to the public and explain to them in the event that we have an affirmative decision on the referendum, then this is the type of gaming that we propose to implement.

Because if you just say, *Do you support casino gaming in Bermuda?* and they do not know how it is going to work—is it going to be just in hotels? Are we going to have one major central casino? Is it going to be a hybrid? Will locals be able to participate? How will it be regulated? What is the Gaming Commission going to look like?—If those issues are not dealt with and the Government is not in a position to articulate to the people this is exactly what we plan to do, then I think that that puts the referendum at risk. The people of the country need to know exactly what they are voting for and what the end result is going to be.

So, Mr. Speaker, that is why it has taken time. I did make a commitment (during this particular special session) to clarify that. We were planning to have a press conference before we ended the session to explain where we are and where we are going. We believe—we are confident—that the referendum will happen before the budget of next year. We are confident of that, but we are still waiting for that updated information as it relates to the data.

We are very pleased that the research was already done so we did not have to start from scratch, and that is one of the primary reasons why we retained the Innovation Group because they had a relationship . . . they had an understanding of the jurisdiction already. So, we are working tirelessly on this. I can tell you as the chairman it is something that we have been dealing with. We understand the importance, but because of that importance we recognise that we have to get it right. We cannot rush it and then end up with an unfavourable result or get to a point where we are not clear exactly on how we want to proceed.

But let me just say this, the Honourable Member got up and said that he heard about the fact that there is some division in relation to whether or not we are going to have a referendum or not. That is just simply not the case. I am very concerned because last night I heard on the ZBM news quite a few things that were alarming. They were alarming . . . I do not know how news organisations can report stories without any verification or report stories that have conflicting verification. It was stated last night, number one, that the Cabinet is divided on whether or not we should have a referendum. That is fundamentally not true. It is not true. For some reason there are rumours out there that the Cabinet is divided. That is fundamentally not

true. This is a solid Cabinet and, of course, it is healthy to have debate, robust debate, and there may be disagreement on issues, but this is a Cabinet that is unified.

It was also stated, Mr. Speaker, that I forced the Premier to transfer lotteries under my Ministry. First of all, I do not know if the Honourable Premier can stand up during my presentation, but I cannot force the Premier to do anything, Mr. Speaker. Let us just get that clear right now. I would never even consider that. The reason why lotteries were transferred to my Ministry was because, as you will know, we laid the Cruise Ship Casinos Act today, that particular piece of legislation falls under the remit of lotteries because it is dealing with casinos.

My Ministry, particularly Transport, is responsible for the negotiations with the cruise lines and the cruise ships (and we have always done that for many years) and it was my Ministry that dealt with the negotiations as it relates to that particular piece of legislation. The Premier deemed it prudent that, as a result of that, not to now have some form of disjointed transfer where he will now be dealing with the Bill when he has not been dealing with the issue from the beginning. So he felt it was prudent to transfer lotteries under my Ministry, and particularly because I chair the gaming subcommittee of Cabinet that it just made perfect sense. That is the reason why it was done; there was nothing else involved in that.

It was also stated that somehow the other Cabinet decided that the Premier should not have gaming and they used the term “because of lack of wherewithal.” Mr. Speaker, nonsense! It is absolute nonsense and it is irresponsible for a news agency to report something like that without clear verification and collaboration. It is reckless. Since I was part of that story, Mr. Speaker, I was never called! I never received a call to say, *Is this true, Minister?* I just saw it on the news. I was shocked by it. I think we have to . . . the news agencies, the news organisations in Bermuda have to be more responsible when reporting the news.

So, Mr. Speaker, I wanted to clarify that. I hope I provided additional clarity to the Honourable Member, Mr. Burt, but we are committed to getting the referendum in order, but we must make sure that we know where we are going. We must make sure we have a clear vision that we can articulate to the people of this country before we do so.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

The Chair recognises now the Honourable Member from constituency 21, MP Rolfe Commissiong.

You have the floor.

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

I want to say that I am appreciative of the Honourable Member, the Honourable Minister’s clarification with respect to the (quote/unquote) “missing referendum” during these sittings, these extraordinary sessions, or sittings that we have had over the last couple of weeks. I would just advise the Member that if he has some complaints about the media and their practises, go to the Media Council and see if you can get some satisfaction in that regard.

[Inaudible interjections and laughter]

Mr. Rolfe Commissiong: I am trying to be helpful, Mr. Speaker.

The Speaker: Carry on, carry on.

Mr. Rolfe Commissiong: The Member interpolates—

The Speaker: Carry on and speak to the Speaker.

Mr. Rolfe Commissiong: I am trying to be helpful.

Like I said, I think that it was long overdue for the country, not only ourselves on this side of the political fence, to get some clarification on how the Government intends to proceed with the issue of referendum on the issues of casinos/gaming.

One thing I think we can say here is that certainly the Government is in favour of casinos and/or gaming for Bermuda. The Minister said as much in his presentation.

An Hon. Member: So has the Opposition.

Mr. Rolfe Commissiong: The Minister has stated that they will not only put down a referendum that will eschew a simple question, but they will also lay out their model or proposal for gaming in Bermuda. Certainly the only thing he neglected to mention would be that I am pretty certain that they will also have a model . . . (what did we call it?) the Sir John Swan model would be included in that. So you will lay out three or four different models, one would be Sir John Swan's model.

[Laughter]

An Hon. Member: Our model, our model.

Mr. Rolfe Commissiong: Now, I am not going to be here long, I am going to sit down momentarily, but I just want to say this here: While the Government appears to be united now around this issue, and as the Minister has articulated that there is no division within their ranks on this issue, I think it bears noting that you had two contrasting opinions about the issue of gaming and its viability in terms of investment coming from two Ministers of the Government within the last two weeks.

Earlier today on the Park Hyatt Bill that we considered in this House, the Minister of Tourism, the Honourable Member who just took his seat, said that he had two development teams (to use my language, I guess) who are looking to invest in Bermuda's tourist industry, hotel industry, hotel development, but they are looking to have a gaming component or availability of gaming licences to make their investment viable.

However, you will note that the week before that our Honourable Leader (who is not here with us today) called out, or posed a question, to Mr. Richards (if I could frame it as such), where Mr. Richards, in his view,—

An Hon. Member: The Honourable Member.

Mr. Rolfe Commissiong: The Honourable Member acknowledged that in his opinion, that gaming is not the game changer for bringing in and attracting major investment in the hotel industry to Bermuda.

So we have seen two substantively different views on this subject. I would only hope that in the interim, since the time when Mr. Richards, the Honourable Minister, made his statement that the Government now is solidly on board.

So, Mr. Speaker, with those few comments, I will take my seat.

POINT OF CLARIFICATION

Hon. Shawn G. Crockwell: Point of order, or clarification, if the Honourable Member would allow—

The Speaker: Thank you.

Hon. Shawn G. Crockwell: I do think that the Honourable Member . . . and he is correct in his recollection and recounting what was stated, certainly of what I said today. But in terms of the question last week, the question was, Did the Honourable Member believe that a gaming licence could attract the investment similar to what the guarantee would do, and the Honourable Member said, *No*. And I said at the same time, *Yes*.

Now, it is fine that we have differences of opinion in terms of the impact of gaming, but there is a difference in a developer saying, *I am interested in coming to your jurisdiction if I can have a gaming licence*, and saying to a developer that a gaming licence can enable him to attract substantial lending. So I think there is a little difference there.

The Speaker: Okay, yes.

Mr. Rolfe Commissiong: Mr. Speaker, can I respond to that?

The Speaker: Yes, go ahead.

Mr. Rolfe Commissiong: Only to say that those same developers they questioned have made it clear publicly that they feel that a gaming licence would be the game changer in terms of attracting investment. Certainly one can then logically transpose Mr. Richards' view on that case to a more broader view on the issue of the fact that gaming will be a game changer for attracting additional investment for our tourism industry.

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

Any other Member care to speak?

[Gavel]

The Speaker: The House is adjourned to Friday, September the 27th.

[Gavel]

[At 5:34 pm, the House stood adjourned until 10:00 am, Friday, 27 September 2013.]

BERMUDA HOUSE OF ASSEMBLY**OFFICIAL HANSARD REPORT****27 SEPTEMBER 2013****10:03 AM***Sitting Number 24 of the 2013 Session*

[Hon. K. H. Randolph Horton, Speaker, in the Chair]

PRAYERS

[Prayers read by Hon. K. H. Randolph Horton, Speaker]

CONFIRMATION OF MINUTES**20 SEPTEMBER 2013***[Deferred]*

The Speaker: Members, the Minutes of the 20th September 2013 have been deferred.

MESSAGES FROM THE GOVERNOR

The Speaker: There are no messages from the Governor.

**ANNOUNCEMENTS BY THE SPEAKER
OR MEMBER PRESIDING****APOLOGY**

The Speaker: The Honourable Member from Warwick West, constituency 28 (I believe) is not well, so will not be here, MP Jeff Sousa.

MESSAGES FROM THE SENATE

The Speaker: There are no messages from the Senate.

**PAPERS AND OTHER
COMMUNICATIONS TO THE HOUSE**

The Speaker: No papers and/or other communications to the House.

PETITIONS

The Speaker: No petitions.

STATEMENTS BY MINISTERS

The Speaker: I now move to Statements by Ministers.

I will recognise first the Honourable Minister for Public Safety.

Minister Michael Dunkley, you have the floor.

NEIGHBOURHOOD WATCH 2.0

Hon. Michael H. Dunkley: Good morning, Mr. Speaker.

The Speaker: Good morning.

Hon. Michael H. Dunkley: Good morning, colleagues.

Mr. Speaker, I last provided an update on the initiative known as [Neighbourhood Watch 2.0](#) to this Honourable House on the 13th of March of this year. As I stated then, a strong community needs equally strong public participation so that it encourages the development of our youth, safer communities and healthier relationships.

Mr. Speaker, as I outlined in the Speech from the Throne, a vibrant Neighbourhood Watch programme must be supported as Bermuda residents gravely commit to taking back their communities. Mr. Speaker, Neighbourhood Watch 2.0 is designed to enhance the present Neighbourhood Watch programme by using technology to connect neighbours and their communities. Neighbourhood Watch 2.0 will notify residents via voice call and text messages. The smart use of technology is another best practice tool in the fight for safer communities.

Mr. Speaker, as you are aware, Neighbourhood Watch is one of the most effective ways to reduce crime and build better relationships between residents of a specific area. It also encourages members of the community to share the responsibility for the welfare and upkeep of their neighbourhoods.

So, Mr. Speaker, on October 16th of this year, the Ministry of Public Safety will officially launch the Neighbourhood Watch 2.0 initiative. And this event will highlight the power of cooperation between communities, private business, public departments and the Government, working together to build a better Bermuda through technology.

Mr. Speaker, our local vendor, Bermuda Security Group, entered into a partnership with Village

¹ [Official Hansard Report](#), 13 March 2013, pages 675-676

Defence, thus aligning the Neighbourhood Watch 2.0 programme with international best practice standards. Village Defence has performed testing of the technology successfully.

Mr. Speaker, with the assistance of the Bermuda Police Service, there will be four pilot communities, to include a mixture of Neighbourhood Watch groups and community action group. Each group will be sponsored by public or private partners for the year. So I am pleased to advise honourable colleagues today that four communities are confirmed: And they are the Jennings Road, Convict Bay, Friswells Hill and George's Bay Lane.

Mr. Speaker, keeping Bermuda safe is not solely the responsibility of the police. Each member of our community can play a vital role by getting involved in the neighbourhood. Cooperation, participation and partnerships are paramount for the betterment of our community. Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

The Chair will now recognise the Honourable Minister for Public Works, Minister T. G. Moniz.

You have the floor.

KPMG INFRASTRUCTURE SUMMIT

Hon. Trevor G. Moniz: Good morning, Mr. Speaker.

Mr. Speaker, I am making a Statement on the [KPMG Infrastructure Summit](#), Miami, Florida.

Mr. Speaker, I rise this morning to provide Honourable Members of this House with an update on the recent KPMG Infrastructure Summit that was held in Miami, Florida, from September 22nd to 24th. Mr. Speaker, the Honourable Premier led a delegation of Ministers, namely, the Honourable Shawn Crockwell, the Honourable Sylvan Richards and myself. We were also accompanied by six senior civil servants with expertise in the areas we were to discuss at this summit.

The respective Ministers were responsible to take part in panel discussions or to answer questions from those in attendance on issues relating directly to their ministries. Thirteen Caribbean islands, as well as Panama, had strong representation at this summit. Other island leaders included Dr. the Honourable Orlando Smith, Premier and Finance Minister of the British Virgin Islands; the Honourable Dr. Rufus Ewing, Premier and Minister of Tourism for Turks and Caicos Islands; and the Honourable Alden McLaughlin, Premier of the Cayman Islands, among many Ministers of these same islands.

Mr. Speaker, it is evident that the summit is becoming more popular, since the number of islands has more than doubled, from 6 in 2011 to 13 this year, and from 80 delegates to over 230. The conference brought together parties interested in public private partnerships relating to the procurement of infrastructure projects, from clients, law firms such as Fresh-

fields, Davis LLP, and locally, Conyers Dill & Pearman, as well as developers and investors.

The hundreds of delegates were informed that there is potentially \$57 trillion worth of infrastructure projects globally, and that the potential of infrastructure projects in the countries represented amounted to some \$17 billion. By the way, Mr. Speaker, the list of the delegates or attendees at the conference can be accessed on the KPMG website. From this, you can see that this is a very competitive market we are in, and therefore it is critically important that Bermuda be seen as a good place to invest.

Mr. Speaker, our Premier was the first to talk at the summit on one of the many panels discussing the importance of infrastructure projects in the islands. The Premier emphasised that the Government is working with transparency and integrity and is committed to working collaboratively with those who are willing to invest in infrastructure.

The Premier also detailed how project development has become more streamlined under this Government with the setting up of the Economic Development Committee [EDC], which was created, as the Premier emphasised, to cut down on the bureaucracy, thereby enabling projects to progress more quickly. Mr. Speaker, the concept of the EDC was praised by major developers later in the summit as an example that should be followed by others in the region.

Bermuda also received praise during a later panel discussion for the ease with which the P3 contract for the KEMH Hospital had been set up. We were advised that this contract had been put together far more quickly than any in the United Kingdom would normally be.

On the second day of the summit, Mr. Speaker, I had the opportunity to join a panel on stage in which the focus was on successful project management and keeping projects on time and on budget. Delegates were interested to hear the success that Bermuda has had in delivering the upgrade works to the Heritage Wharf to accommodate the new *Break-away* cruise ship. And before the summit concluded, Bermuda delivered a very comprehensive and impressive presentation on the proposed new airport and the new crossings bridge, which was very well received by the delegates.

Mr. Speaker, I can report that by attending the summit Bermuda has been put in a very positive position, and there were many positive comments from delegates about how things are done in Bermuda. In addition, the Bermuda delegation learned and received invaluable advice, which will help investment in infrastructure which, we are optimistic, will go a long way to help generate jobs. Thank you, Mr. Speaker.

The Speaker: All right. Thank you very much, Minister.

The Chair will now recognise the Honourable Minister of Community, [Culture and Sports].

Minister Wayne Scott, you have the floor.

GRAND ATLANTIC DEVELOPMENT—UPDATE

Hon. R. Wayne Scott: Thank you, Mr. Speaker, and good morning.

The Speaker: Good morning.

Hon. R. Wayne Scott: Mr. Speaker, I rise this morning to provide a brief Statement to this Honourable House on the status of the [Grand Atlantic project](#).

Mr. Speaker, a total of eight proposals were received by the Bermuda Housing Corporation pertaining to the Grand Atlantic development. The proposals include one promoting tourism use, senior residential use and mixed use.

Mr. Speaker, to date, four entities have been shortlisted for review, with emphasis being placed on tourism use. The process of discussions with local and overseas investors interested in the purchase of the Grand Atlantic property is entering the final stages of sensitive negotiations. The Bermuda Housing Corporation has facilitated the viewing of the property for overseas investors and their local partners, during the past few months.

The potential investors were impressed with the recent viewing and agreed to send in a second tier of formal written documentation confirming their interest in the property, and the partnership and associated cost that they envision with the Government to bring jobs, tourists and opportunity to Bermuda.

Mr. Speaker the proposals are being carefully vetted and the preferred proposal will be recommended to the Cabinet as soon as possible for consideration and approval to proceed. Thus, a decision on the best long-term use of the Grand Atlantic development that will benefit the entire Island of Bermuda is expected to be made shortly by the Government.

Thank you, Mr. Speaker.

The Speaker: All right. Thank you very much, Honourable Minister.

The Chair will now recognise the Honourable Minister for the Environment.

Minister Sylvan Richards, you have the floor.

NATIONAL INFRASTRUCTURE PLAN UPDATE

Hon. Sylvan D. Richards, Jr.: Thank you, Mr. Speaker.

Mr. Speaker, I rise today to update this Honourable House and the people of Bermuda on the [National Infrastructure Plan](#) and to provide clarity in light of recent misleading statements made by the former Minister of the Environment, Planning and Infrastruc-

ture Strategy, current Opposition Leader, the Honourable Marc Bean.

Mr. Speaker, firstly, I would like to refer to the Monday, September 23rd, 2013, edition of the [Royal Gazette](#), where the Opposition Leader expresses his thoughts regarding the Premier, Government Ministers and public officers attending the recent KPMG Island Infrastructure Summit in Miami, Florida.

Mr. Speaker, the following quote was attributed to the Opposition Leader in that *Royal Gazette* article. And it says: "As Minister, I attended the summit in 2012 and as a result issued a Request For Proposal for the development of a comprehensive infrastructure strategy for the use of future Bermuda Governments. Multiple bids were received and PWC was selected as the successful bid. In the fourth quarter of 2012, PWC was paid approximately \$500,000 to produce the infrastructure strategy."

Mr. Speaker, I did some checking, and the Opposition Leader, in his capacity as a former Minister under the previous Government, actually attended the last KPMG summit, which was held September 22nd to September 23rd of 2011. There was no summit held in 2012 due to a number of elections occurring in the various islands, including our own, that would have normally attended that year.

Mr. Speaker, there is, however, a much more important clarification that must be pointed out, and that is this: PWC [PricewaterhouseCoopers], as a result of their successful RFP, was given a two-phase contract by the former Government consisting of a Phase I Report and a Phase II Report. The Phase I Report gave a broad overview of the initial considerations for a *Vision for Infrastructure in Bermuda*, including strategic drivers which underpin the case for developing the National Infrastructure Plan.

The Phase I Report had a contracted price tag of \$50,000 and was completed December 21st, 2012. To date, the full payment for this Phase I Report is a grand total of \$58,181, consisting of \$50,000 per the contract, and \$8,181 in incidentals. The purpose of the Phase II Report was to deliver the actual National Infrastructure Plan. This OBA Government has made a decision to not proceed with the Phase II Report at this juncture, and is considering its options with regard to the management of Bermuda's long-term infrastructure.

Mr. Speaker, this Phase II Report had a contracted price tag of \$340,000. As the Phase II Report is not moving forward at this time, the total dollar amount spent on the National Infrastructure Plan to date is \$58,181, which is a far cry from the inaccurate \$500,000 figure that was quoted repeatedly by the Opposition Leader.

Mr. Speaker, the Bermudian public has to be made aware that currently there is no functional National Infrastructure Plan in place. Let us be very clear: This Government, the One Bermuda Alliance, is diligently in the process of working out the best way

forward. We are hard at work at putting together real plans, which have real potential to help Bermuda get back on track—not pie-in-the-sky, feel-good words, but determined action.

We contrast this with the inaccurate information and misquoting of figures that continues to come our way from a former Government that talked about helping Bermudians and getting Bermuda back to work, while, in reality, overseeing the largest mass exodus of jobs in our Island nation's history.

Mr. Speaker, if we are to truly collaborate and work together, let us all be honest brokers on behalf of the Bermudian people whom we are honoured to serve.

Thank you, Mr. Speaker.

[Desk thumping]

The Speaker: All right. Thank you.

[Inaudible interjections and crosstalk]

The Speaker: Members, today we are not going to have Members speaking across the floor of the House! Members, I am not going to be tolerating this today.

If you would bear with me for a minute before we start the Question Period, please.

[Pause]

QUESTION PERIOD

The Speaker: Thank you, Members. We will now go to the Question Period.

WRITTEN ANSWERS

The Speaker: First we do have written responses from the Honourable P. J. Gordon-Pamplin on questions from the Honourable Zane De Silva.

And now we have oral responses from the Honourable E. T. Richards on the questions from MP David Burt.

MP David Burt?

Mr. E. David Burt: Mr. Speaker, I do not have a copy of the question in front of me, because it is not on the Order Paper.

The Speaker: Oh, would you like it? Here.

[Pause]

QUESTION 1: PRICE CONTROL COMMISSION

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

Mr. Speaker, would the Honourable Minister please advise this Honourable House how many times

the Price Control Commission has met since the appointment in March 2013, and will he make a Statement on their work?

The Speaker: Honourable Minister?

Hon. E. T. (Bob) Richards: Thank you, Mr. Speaker.

Mr. Speaker, the direct answer to the question of how many times have they met since they have been appointed, is they have not yet met since their appointment.

On the broader context as relates to the very high cost of living in Bermuda, which the Price Commission is supposed to address, I would like to make a few comments on that.

First thing is that the Government is very concerned about the high cost of living in Bermuda. And in this regard there are two initiatives that are being undertaken, not by the Price Commission, but in other areas of the Government.

The first area is an area that my colleague, the Honourable Grant Gibbons, is going to speak about in a few minutes. And that relates to the Energy Commission, because a lot of what the Price Commission used to do has been transferred to the Energy Commission. Obviously, energy is the foundation of virtually all costs. And so, the Price Commission itself is a shadow of its former self because energy has been taken away from it, and the responsibility for that.

So my honourable colleague is going to comment on that in a few minutes, but it relates to the Energy Commission and their investigation of the fuel adjustment rate.

Secondly, my other honourable colleague, the Honourable Michael Dunkley, has been involved in a committee that is investigating our food prices, particularly prices in supermarkets in Bermuda. And he is going to comment on that in a minute as well.

Thirdly, I would like to say that there are basically three essential elements driving prices in Bermuda: fuel, food, and the last one is health care costs. And my honourable colleague, Patricia Gordon-Pamplin, and her department are working diligently on finding solutions in that area as well, and no doubt will bring measures to this House to address those points.

So those are the three main elements. They are not being dealt with in the Price Commission, but they are certainly still being dealt with in broader Government. That is the point I want to make.

This Government is a firm believer that free markets are the most efficient and cost-effective way of delivering goods and services. Government does not fix prices. In fact, Government—

[Inaudible interjections]

The Speaker: Members, keep it down. I cannot hear. Carry on.

Hon. E. T. (Bob) Richards: Thank you, Mr. Speaker.

Government does not fix prices in Bermuda. In fact, Government price-fixing does not work. There is an old saying in economics that you can fix the price of something, and you can fix the supply of something, but you cannot fix both at the same time.

What that means is that if the Government wants to fix the price of a loaf of bread, they can do so. But they cannot force somebody to bring it in and sell it at that price. And if the price that is fixed is too low and the supplier cannot make any money on it, they just will not bring it in. They just will not sell it. So there will be a shortage of supply.

We have seen that happen in communist countries all during the communist era, where there was no inflation in Russia. But the supermarket shelves were bare. So those are the realities.

So, it is important that we do not mislead Bermudians to think that the Government of the day, whether it is today or yesterday, or this year or yesterday, that the Government can wave a magic wand and sort of ban inflation. We cannot.

What we can do, Mr. Speaker, is to try to ensure that free markets work. That where there are, say, like in supermarkets or in retail, where there is supposed to be competition, the Government can ensure that there really is competition and no price collusion. We can ensure that. And we can also ensure, where there is no competition, there is not a competitive market, where there is a monopoly, that there is a robust regulatory framework to counterbalance monopolistic practices. Those are things that the Government can do. And these are the things that we are looking into right now insofar as the cost of living is concerned, in Government.

The Speaker: Thank you. Thank you, Minister.
Yes?

[Inaudible interjection]

The Speaker: I think so, yes. Go ahead, sir.

Mr. Walton Brown: Thank you, Mr. Speaker. Good morning, colleagues.

The Speaker: Good morning.

SUPPLEMENTARIES

Mr. Walton Brown: Mr. Speaker, I wonder if the Honourable Finance Minister can answer this question: How many inquiries has the Minister ordered under section 9 of the Price Commission Act [1974]?

The Speaker: Minister?

Hon. E. T. (Bob) Richards: None.

The Speaker: None.

Mr. Walton Brown: A second supplemental: And why is that?

The Speaker: Just a second. Just a second, please. Thank you.

Yes, yes.

Mr. Walton Brown: Second supplemental?

The Speaker: Yes.

Mr. Walton Brown: And why is that, Honourable Minister?

Hon. E. T. (Bob) Richards: I believe that I answered that question in my remarks just now. We are going about it in a way other than through the Price Commission.

The Speaker: All right. Thank you, thank you, Minister.

Yes. Yes, I recognise the Shadow Minister of Finance, MP David Burt.

SUPPLEMENTARIES

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

Mr. Speaker, as a supplementary to the Minister's Statement, and given what he said, and understanding the dynamics . . . And let me just be very clear that this party on this side does not support price controls, because our Leader has said on many occasions that price controls do not work.

However, the Government undertook to speak with the private—

The Speaker: What is the question? What is the question?

Mr. E. David Burt: Yes. This is a supplementary question, Mr. Speaker.

The Speaker: Yes.

Mr. E. David Burt: The Government undertook to speak with the private sector on reducing costs to help with Government employees who took a pay cut. The Minister's response would make it seem as though the Government has not lived up to their expectations, seeing that he says that the Government does not have a magic wand on their side of the bargain.

What new information can he give my constituents on the success that the Government has had with working with the private sector to fulfil that pledge?

The Speaker: Yes. Yes. We are stretching this question, you do realise that.

The question was, How many times has the Price Control Commission met, and if he will make a Statement on their work? That was the question. So we are stretching.

I am going to allow this question now.

Mr. E. David Burt: It was a supplementary to this one.

The Speaker: But understand that it is stretching it some. Yes.

Hon. E. T. (Bob) Richards: Thank you, Mr. Speaker.

Mr. Speaker, I have already answered that question. You know, if the Opposition is fixed on the Price Commission, that is their fixation.

We are fixed on trying to solve this problem. And we are going about solving this problem. I have explained how we are going about solving this problem.

The Speaker: Yes. Thank you. Thank you.
Yes, you have another supplementary?

Mr. E. David Burt: My supplementary, Mr. Speaker, is that in the Minister's response, he spoke about how the Government has no magic wand. What I am saying is that the Price Control Commission, the Minister has the power to order the Price Control Commission to investigate certain items. He said that the Government has made a commitment to public sector workers that they will get concessions from private sector businesses.

All I am asking is, What new information can he give my constituents on the success that the Government has had with that pledge?

The Speaker: Minister?

Hon. E. T. (Bob) Richards: Mr. Speaker, it is a work in progress. And my other colleagues will give some more colour to what we are doing in that regard.

The Speaker: All right. Thank you. Thank you, Minister. Thank you.
Yes, MP Roban.

QUESTION 1: PRICE CONTROL COMMISSION *[Disallowed]*

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

In light of the Minister's Statement and also comment as it relates to that the Price [Control] Commission is not a priority, would the Minister at least admit that the issue of prices was made an issue by the Government around their negotiations with the

Government workers and the 4.6 per cent decrease that they were looking for, as it was the Government—

The Speaker: Member, Member, I really think that we are stretching it a little bit too much. The Minister has, I believe, answered the question. The supplementaries that have followed, I believe, have been appropriate in bringing some clarity to what he said.

So I think we will move now to the second question from Mr. Burt.

Mr. Walter H. Roban: Mr. Speaker, just I would beg your indulgence. So I am not going to get an answer to my question to the Minister?

The Speaker: Did you hear what I just said?

Mr. Walter H. Roban: Fine.

The Speaker: I now recognise again . . . Oh, you have it? Okay.
MP Burt.

QUESTION 1: GOVERNMENT IN TALKS TO TRY TO LOWER FOOD AND ELECTRICITY PRICES

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

Mr. Speaker, my question is to the Honourable Minister of National Security, who speaks for Home Affairs in this House.

My question is, will the Minister advise this Honourable House on the progress of talks that he and the Minister of Home Affairs have held with leading grocers on reducing the price of standard food items, and if he will make a statement on the particulars of these meetings?

The Speaker: All right. Thank you, MP Burt.
Minister?

Hon. Michael H. Dunkley: Thank you, Mr. Speaker.

Mr. Speaker, I am pleased to inform this Honourable House that the talks are ongoing. However, in light of the sensitive nature of the subject matter, I am not in a position to make a statement to this Honourable House at this time.

It has been agreed with the stakeholders that, to encourage frank discussion, no public comment will be made in advance of any agreed resolution. The leading grocers are meeting amongst themselves, and once they have the potential options, they will revert to the Government.

Thank you, Mr. Speaker.

The Speaker: All right. Thank you.

Yes. As I say, if you have a supplementary, it is your question. So you have the supplementary.
I recognise MP Burt.

SUPPLEMENTARY

Mr. E. David Burt: Mr. Speaker, I thank the Minister for his response.

I guess my supplementary question would be, Could the Minister please advise how many meetings have been held with supermarket chains?

The Speaker: Minister?

Hon. Michael H. Dunkley: Mr. Speaker, I have been involved in at least three discussions. And I cannot count for the other Honourable Member who has been involved in this, Minister Fahy.

The Speaker: Thank you.
Yes, MP Blakeney.

Mr. Glenn A. Blakeney: Thank you. I have a supplemental, Mr. Speaker, to the Honourable Member, Mr. Dunkley.

The Speaker: Go ahead. Yes.

SUPPLEMENTARIES

Mr. Glenn A. Blakeney: I think it absolutely is a good thing that there is some engagement going on. However, in response to your question, it seems as if it might be a two-tier challenge. The retailers, the grocers, supermarkets, on the one hand; but then, what about the wholesalers? Because if the wholesalers are not a part of the collaborative effort, then the retailers could be in a very challenging position because if the prices remain the same at wholesale—

The Speaker: Question, MP, about wholesalers?

Mr. Glenn A. Blakeney: So, are the wholesalers being also consulted, as well as the supermarkets?

The Speaker: All right. Yes.
Minister?

Hon. Michael H. Dunkley: Mr. Speaker, that is up to the leading grocers to get them involved in that conversation and then report back to Government after that.

The Speaker: All right. Thank you. Thank you, Minister.

Yes, you had another one? You are allowed to ask another one.

Mr. Glenn A. Blakeney: Just a follow-up. With regard to the Government's position, would they not think that is putting the cart before the horse? Because if the retailer is depending on the wholesaler, would it not have been even more prudent to approach the whole-

saler first and get some ground of agreement, and then follow on with the supermarkets?

The Speaker: Thanks.
Minister?

Hon. Michael H. Dunkley: Mr. Speaker, while I appreciate the Honourable Member's concerns, as a point of reference, I will refer back to the former Government's press statement in, I think it started in the middle of July 2011, where they looked at this very subject. And they have got the wholesalers involved from that point. And there was supposed to be a report to be delivered to the Minister of Finance at that time. I sat in another place, with the Honourable Member who started this question . . . had said there would be a report delivered to the Minister of Finance, and it would look at ways of ensuring that consumers get the most reasonable price for the essential goods and services.

So we went through all of that exercise, and nothing has been delivered since then, Mr. Speaker. So, I ask the Honourable Members, let us get on with the job, and we will report back. At this stage, Mr. Speaker—

The Speaker: Honourable Member, why are you standing?

Mr. E. David Burt: Standing for a supplemental.

[Laughter]

Hon. Michael H. Dunkley: At this stage, Mr. Speaker, these are very sensitive discussions. And I believe it is best to let them do it behind closed doors. In good faith they said they would report back to this Government, and we will take them on their word. And if we do not hear back in a reasonable period of time, we will approach them again.

The Speaker: All right. Thank you.

Mr. E. David Burt: Mr. Speaker, though I—

The Speaker: Yes. Yes, MP Burt.

SUPPLEMENTARY

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

Though I welcome the Honourable Minister's statement, I would ask if the Minister could actually give a response in this House without blaming the last or the next PLP Government and confess that the cost of living is an issue that the OBA must deal with and has not been able to deal with it thus far?

The Speaker: Minister?

Hon. Michael H. Dunkley: Mr. Speaker, anyone who lives in the real world understands that cost of living is a real challenge for everyone. And this Government understands that fully. And, unlike the former Government, we are committed to doing something about it.

Whether he likes my answer or not, that is the answer he is going to get, Mr. Speaker.

[Laughter]

The Speaker: Thank you, thank you.

Hon. Michael H. Dunkley: We understand that not only his constituents, but constituents from one end of the Island to the other are struggling, and this Government has been left a mess, and we are attempting to clean it up and bring a bright ray of sunshine in all the rain we have got around here in this Island, Mr. Speaker.

Thank you.

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

[Inaudible interjections]

The Speaker: Honourable [Member], I am not going to have it. I think you heard me earlier today. I am not going to have it!

The Chair will now recognise—

Mr. Derrick V. Burgess, Sr.: Mr. Speaker, I had a supplementary for Mr. Dunkley.

The Speaker: [Member], you have got to move quicker than that. But if you do have one, I will allow you to have one.

SUPPLEMENTARY

Mr. Derrick V. Burgess, Sr.: Thank you, Mr. Speaker. You are so kind.

Mr. Speaker, I would like to ask the Minister, being that they had some meetings with the retailers, What is the increase in the cost of food since 2008, up until now?

The Speaker: Yes.

Hon. Michael H. Dunkley: Mr. Speaker, to give an accurate answer, I will report back to the Honourable Member.

The Speaker: That is fair. Yes. All right. Thank you, Minister. So you will get the answer to MP Burgess? All right. Thank you.

The Chair will now recognise, again, MP Burt. Do you have the question? All right.

QUESTION 1: GOVERNMENT IN TALKS TO TRY TO LOWER FOOD AND ELECTRICITY PRICES

Mr. E. David Burt: Yes, Mr. Speaker. And, Mr. Speaker, if I could, I just want to at least make sure that I provide context to the House and to the listening public that in the same Statement that the Minister of Home Affairs made to Labour Day, he also said that the Minister responsible for the Department of Energy, Dr. Grant Gibbons, has met with BELCO to discuss ways to reduce the cost of electricity for you, the consumer. That is what the Minister of Home Affairs said.

Therefore, Mr. Speaker, my question to the Honourable Minister of Economic Development is, Will the Minister please advise this Honourable House on the progress of talks with BELCO on reducing the price of electricity and will he make a Statement?

The Speaker: Minister?

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

Mr. Speaker, let me start by saying that the OBA Government is working with stakeholders to reduce the average electricity bill for individuals, families and businesses. We have had several meetings with BELCO and their senior representatives, the most recent being on August 28th with Walter Higgins, the Ascendant Group CEO.

It should be noted that the last base rate established for BELCO was set at February 2012 under the former Progressive Labour Party Government.

Earlier this year, under this administration, the Minister of Economic Development authorised the Energy Commission to undertake a review of the fuel adjustment rate being applied by BELCO. We are in the process of analysing the findings of that review and are discussing them with BELCO.

We have formed an industry representative consultation committee called the Bermuda Energy Working Group, who are working with the Department of Energy and BELCO on a variety of projects, one being the agreement of equitable interconnection agreements. These will allow independent power producers the ability to produce energy and sell that energy to BELCO for distribution on the grid. This diversification reduces our reliance upon BELCO as a sole provider and enables them to re-evaluate their processes and efficiencies. It also introduces competition into the power production industry. And ultimately, we anticipate that will result in price reduction. Our discussions with BELCO will continue.

There are several other initiatives we are working on, each with an aim to lower the average fuel bill. And I will make a Statement when we are ready to report. Thank you, Mr. Speaker.

The Speaker: Thank you.

Yes, MP Burt, you have a supplementary?

SUPPLEMENTARIES

Mr. E. David Burt: Mr. Speaker, the Minister's response, that it seems that discussions are on-going, provides little comfort to my constituents who have seen their fuel adjustment rate increase by 15 per cent from January to September—in the nine months that the OBA have been in Government.

The Speaker: Question?

Mr. E. David Burt: Given that the Government has just announced a tax that will raise the cost further, will he take the opportunity to explain to the people of this country why his Government is saying they are working to lower rates, while taking actions that will increase rates?

The Speaker: Minister?

Dr. the Hon. E. Grant Gibbons: Mr. Speaker, let me start by saying that the former Government had 14 years to do something about the rate of electricity and did nothing.

As I said, the last base rate was done under the former administration, and that is the base rate in which we are currently operating.

The Honourable Member fully understands the fuel adjustment rate is based on the cost of fuel purchased by BELCO and is independent of the Government in that regard.

Thank you, Mr. Speaker.

The Speaker: All right. Thank you.
Did you not have—

Mr. E. David Burt: I have one supplemental.

The Speaker: This is your second one?

Mr. E. David Burt: It is my second one.

Mr. Speaker, it is good to see that the Minister is holding true to form and blaming the former Government when they are in the chair. However, since January to September there has been a 15 per cent increase in the fuel adjustment surcharge. Now, they can say that it is not their direct responsibility. The fact is that they promised to lower the cost of electricity.

The Speaker: And the question?

Mr. E. David Burt: So I ask, again, if he will explain to the people of this country why his Government is saying that they will work to reduce rates while they are taking action and rates are increasing.

The Speaker: Minister?

Dr. the Hon. E. Grant Gibbons: Mr. Speaker, I think I answered the question already. We are working to reduce rates. I will report when we have essentially good progress to report.

The Honourable Member understands completely the fuel adjustment rate, and it was something that was put in place, has been in place for many, many years. We are looking at that as well. And I think at this point, as I said, they had plenty of opportunity to do something about this, and they did nothing.

Thank you.

The Speaker: All right. Thank you.

Mr. Walter H. Roban: Mr. Speaker, I have a supplementary to the Minister of Economic Development.

The Speaker: Yes, yes. MP Roban.

SUPPLEMENTARY

Mr. Walter H. Roban: Is the Minister prepared to at least confirm or admit that reducing the cost of energy in Bermuda would actually do much to increase our international competitiveness more than most other proposals that they have already produced? And also, that bringing the White Paper on energy as a priority, as they have discounted it, would actually also do a great deal to lower the cost of energy in Bermuda over time?

The Speaker: Minister?

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

Mr. Speaker, I think we all understand that being able to have a reduction in the price of electricity, and fuel generally, would help in terms of not only the cost of living, but also our competitiveness and the cost of doing business in this community. So I think we are all on the same page there.

Mr. Speaker, as I have said before, there are initiatives in the White Paper. Some of those were advancing. One of the ones I mentioned in my first answer is this issue of getting interconnection so that alternative energy producers who may be involved with solar or other types of alternative energy would be able to sell much (the same way that Tynes Bay does) energy back to the grid to produce alternate sources and some competition for the existing regulator.

There are other initiatives that we are looking at right now, Mr. Speaker, but we are not ready to report on those.

Thank you.

The Speaker: All right. Thank you, Minister.

We will now move to the first Ministerial Statement, the Ministerial Statement by . . . Oh, there

are no questions on the Ministerial Statement by Minister Dunkley.

We now move to the Statement on the Infrastructure Summit. And I will recognise first the Honourable Leader of the Opposition, Marc Bean.

Leader of the Opposition, you have the floor.

Hon. Marc A. R. Bean: Good morning, Mr. Speaker.

The Speaker: Good morning. And good to see you back.

Hon. Marc A. R. Bean: Thank you, Mr. Speaker. And thank you for allowing my MPs to comment, talk to you.

The Speaker: No problem, no problem.

QUESTION 1: KPMG INFRASTRUCTURE SUMMIT

Hon. Marc A. R. Bean: Mr. Speaker, I refer to the Ministerial Statement by Minister Moniz, where he indicates that four Ministers and six civil servants attended the latest Infrastructure Summit. Mr. Speaker, the Minister also indicates that the Premier spoke on day one and the Minister Moniz spoke on day two.

My question is, What, then, was the purpose of the attendance or presence of Minister Crockwell and Minister Richards?

The Speaker: Yes. Minister?

Hon. Trevor G. Moniz: Mr. Speaker, we were not there just to speak. We were there also to listen. But it is also true that Minister Crockwell participated in a panel for presentation of the projects of the airport and the new crossings bridge. So he also participated.

But the listening part was just as important as the speaking. Perhaps that is good advice for the Opposition Leader.

[Laughter]

The Speaker: Thank you.

The Chair now . . . Is it a question, MP Burgess?

Mr. Derrick V. Burgess, Sr.: A question, Mr. Speaker.

The Speaker: A question from MP Burgess.

MP Burgess, you have the floor.

QUESTION 1: KPMG INFRASTRUCTURE SUMMIT

Mr. Derrick V. Burgess, Sr.: Yes. Mr. Speaker, I would like to know from the Minister, Did the Minister inform the delegates at the summit that the project that was scheduled to be finished, complete by

May 15th, was not completed for the arrival of the *Breakaway*?

The Speaker: Minister?

Hon. Trevor G. Moniz: Mr. Speaker, it is not a serious question. We have never said the project would be totally finished at any point in time. It was never stated. So he is just being silly.

Mr. Derrick V. Burgess, Sr.: Mr. Speaker.

The Speaker: Yes. A question is a question. Yes, carry on, MP Burgess.

Mr. Derrick V. Burgess, Sr.: Yes. You know, Mr. Speaker, this Member calls everything "silly."

The Speaker: And, Honourable Member, it is not a silly question. It is a good question. I think any question, Honourable Members, that anyone . . . If anyone stands up—

Mr. Derrick V. Burgess, Sr.: Yes. Everything he cannot answer—

The Speaker: Just a minute, sir.

Mr. Derrick V. Burgess, Sr.: —is silly.

The Speaker: Can you hold for one second?

Mr. Derrick V. Burgess, Sr.: Certainly.

The Speaker: Just to let Members know that any Member who stands and asks a question, it is important to that person that they ask that question. So we must respect that.

Mr. Derrick V. Burgess, Sr.: Well, let me ask a supplementary.

The Speaker: Yes. Yes. A supplementary.

SUPPLEMENTARIES

Mr. Derrick V. Burgess, Sr.: What was the success that he reported on Heritage Wharf?

The Speaker: What was the success?

Mr. Derrick V. Burgess, Sr.: Yes.

The Speaker: Minister?

Hon. Trevor G. Moniz: Mr. Speaker, as that Member will know, due to the defects and deficiencies in the construction of Heritage Wharf, we needed to upgrade that wharf in order for the new *Breakaway* to be able

to tie alongside on May the 15th of this year. And that is what we accomplished.

The Speaker: Thank you. Thank you, Minister.
Yes, you have a supplementary?

Mr. Derrick V. Burgess, Sr.: Mr. Speaker, did this Honourable Member inform the summit that the ship *Breakaway* tied up to the original wharf?

The Speaker: Minister?

[Crosstalk]

Mr. Derrick V. Burgess, Sr.: Did—

The Speaker: Yes, I heard the question.

Mr. Derrick V. Burgess, Sr.: All right.

The Speaker: Yes. Minister, do you want to respond to that?

Hon. Trevor G. Moniz: There is only one Heritage Wharf.

The Speaker: So, did—

Hon. Trevor G. Moniz: It is tied up to Heritage Wharf.

The Speaker: All right. Thank you.
Yes?

QUESTION 2: KPMG INFRASTRUCTURE SUMMIT

Mr. Derrick V. Burgess, Sr.: Mr. Speaker, did the Minister inform the summit that the workforce at the Heritage Wharf project was made up of 60 per cent Bermudians and 40 per cent guest workers?

The Speaker: Minister?

Hon. Trevor G. Moniz: The delegates were informed that this was a very successful collaborative effort between the Government local contractors and the necessary foreign advisors and contractors.

The Speaker: Thank you.

Mr. Derrick V. Burgess, Sr.: Mr. Speaker.

The Speaker: It is your last question.

Mr. Derrick V. Burgess, Sr.: Well, I just want to make a comment.

The Speaker: No, no. You cannot make a comment, Honourable Member, not at this time, Honourable Member.

Mr. Derrick V. Burgess, Sr.: Well, Mr. Speaker—

The Speaker: Honourable Member.

Mr. Derrick V. Burgess, Sr.: Yes?

The Speaker: Not at this time, you cannot make a comment.

QUESTION 3: KPMG INFRASTRUCTURE SUMMIT

Mr. Derrick V. Burgess, Sr.: Okay, Mr. Speaker. Supplementary.

Did the Member, the Honourable Member, inform the summit that the equipment that was needed to fix, make the upgrades at Heritage Wharf were brought in from overseas when we had that equipment available in Bermuda?

The Speaker: All right. Thank you.
Minister?

Hon. Trevor G. Moniz: That statement, to the best of my information, is incorrect, particularly with respect to the 200-ton crane that had to be brought in.

The Speaker: All right. Thank you.

You have had all your questions, Honourable Member.
MP Roban.

[Inaudible interjection]

The Speaker: No, no, no! Honourable Member, you have had all . . . You have had several. You have asked a lot of questions, Honourable Member. Yes, yes, yes.

Carry on, MP Roban.

QUESTION 1: KPMG INFRASTRUCTURE SUMMIT

Mr. Walter H. Roban: Thank you, Mr. Speaker. I have a question for Minister Moniz in relation to his Statement.

Minister Moniz did mention in his Statement that there were discussions of Heritage Wharf. And his answers, to date, in this House as it relates to the questions already presented was that Heritage Wharf is not complete. But I would ask for the Minister to clarify that—

The Speaker: What is the question? What do you want—

Mr. Walter H. Roban: In a [\[Royal Gazette\]](#) article on the 23rd of this month, it was mentioned that the Minister would be talking about the recently completed Heritage Wharf. So, which answer is correct? Is Heritage Wharf complete? Is that what he told the people

in Miami? What is the actual state of the project at Heritage Wharf?

The Speaker: Yes. Okay.
Minister?

Hon. Trevor G. Moniz: Once again, there are the completed works on Heritage Wharf, and there are still the on-going works, which both affect Heritage Wharf and King's Wharf. There is a southern mooring dolphin that has to be completed. There is fendering that has to be completed.

The work is on-going. The list of defects and deficiencies from the previous construction are huge.

The Speaker: Thank you.

Mr. Walter H. Roban: I have a supplementary.

The Speaker: Supplementary. Yes.

SUPPLEMENTARY

Mr. Walter H. Roban: All I can say, all I can ask is that I am not sure the Minister has answered the question, because statements that have already gone out publicly have suggested—

The Speaker: Well, he can only answer the way he—

Mr. Walter H. Roban: They have stated that the Minister said it was complete—not that there were on-going modifications. So, what is the actual state? What is the actual state; and what are the measures taken on the wharf?

The Speaker: I think he just answered, he just replied to that. Maybe it is not satisfactory in your regard, but I think—

Mr. Walter H. Roban: No, it is not.

The Speaker: Yes. I think that he answered it.
MP, you have a question? Okay.

Mr. Walter H. Roban: May I go on to my next question, Mr. Speaker?

The Speaker: Yes. Yes.

QUESTION 2: KPMG INFRASTRUCTURE SUMMIT

Mr. Walter H. Roban: Mr. Speaker, in the Statement that the Minister just made, the Minister mentioned the setting up of the Economic Development Committee, which was created, as the Premier emphasised, to cut down on the bureaucracy, thereby enabling projects to progress quickly.

The Minister then also, Mr. Speaker, in the next paragraph, spoke about the P3 development at KEMH Hospital. And it was emphasised that it was noted that that project was devised far more quickly than such projects in other jurisdictions.

Can the Minister actually clarify for us what is more efficient through the Economic Development Committee than what was done with the KEMH project, since it is highly regarded as one of the most efficient P3 projects ever done by any jurisdiction?

The Speaker: Minister?

Hon. Trevor G. Moniz: Well, I do not know that I have time to teach that honourable gentleman how the government works.

The Economic Development Committee is a subcommittee of Cabinet, which deals with new projects coming forward. The P3 project at King Edward Hospital was a very specific project of the Bermuda Hospitals Board that they took forward and which was in regard to the speed with which the P3 was set up, was done very speedily.

There were shortcomings in that project with respect to the vision of the project, et cetera. But I would allow my honourable colleague, the Minister of Health, to speak to those.

The Speaker: Thank you.
Yes, MP Roban.

Mr. Walter H. Roban: As a supplementary to that, Mr. Speaker.

The Speaker: Yes.

SUPPLEMENTARY

Mr. Walter H. Roban: Can the Minister clarify, since the Minister seems to be so knowledgeable, what the actual shortcomings were in light of the highly regarded opinions of the P3 project and how it was done at that summit? And I am quite familiar with the project, because I actually guided it to its near getting started. So I understand how that works. But can the Minister clarify specifically what shortcomings there were with the P3 formula and why the use of the Economic Development Committee is going to improve that process of infrastructure development?

The Speaker: Minister?

Hon. Trevor G. Moniz: Mr. Speaker, I have already answered that. The Economic Development Committee deals with the Cabinet level of Ministers collaborating their departments. The P3 project at the hospital was a project by a quango, the Bermuda Hospitals Board. It is an entirely different thing. They are different creatures.

The Speaker: Thank you.

Thank you very much, Honourable Members.

I now move to the next Statement, the Grand Atlantic Statement.

I recognise the Honourable Member Lawrence Scott.

QUESTION 1: GRAND ATLANTIC DEVELOPMENT—UPDATE

Mr. W. Lawrence Scott: Thank you, Mr. Speaker.

My first question to the Honourable Minister is, How many of these shortlisted companies are Bermudian or Bermudian-owned companies?

The Speaker: Minister?

Hon. R. Wayne Scott: Yes, thank you, Mr. Speaker.

I think every one of these shortlisted projects have a Bermudian component.

The Speaker: Thank you.

Mr. W. Lawrence Scott: A supplementary to that question.

The Speaker: Yes. Yes.

SUPPLEMENTARY

Mr. W. Lawrence Scott: Is the Bermudian component a Bermudian owning the company?

The Speaker: Yes, Minister?

Hon. Sylvan D. Richards, Jr.: I do not understand where the confusion comes with that. There are Bermudian companies that are working with foreign investors. There are multiple companies that are working together. Each one of these shortlisted projects comprises collaborative efforts.

The Speaker: Thank you, Minister.
Yes, MP Scott?

QUESTION 2: GRAND ATLANTIC DEVELOPMENT—UPDATE

Mr. W. Lawrence Scott: A second question is, Would the Minister deem that this project, this site, is safe for tourists?

The Speaker: Minister?

Hon. R. Wayne Scott: Let me answer the question this way, if I may, Mr. Speaker. I think—

The Speaker: Answer the question. He said, Is it safe for tourists? That is what you need to answer.

Hon. R. Wayne Scott: Well, the only thing that this question is not safe for has been the Consolidated Fund of Bermuda.

[Laughter]

Hon. R. Wayne Scott: I think that—

The Speaker: The question is, Is it safe for tourists?

Hon. R. Wayne Scott: Yes.

The Speaker: All right. Thanks.

QUESTION 3: GRAND ATLANTIC DEVELOPMENT—UPDATE

Mr. W. Lawrence Scott: And my third question is, When will the residents of constituency 24 be brought in and their views and concerns in regards to the future of the Grand Atlantic project be addressed?

The Speaker: Minister?

Hon. R. Wayne Scott: Mr. Speaker, this is the project. In just doing some quick math (when we talk about the constituents of the area), that cost \$42 million, the taxpayer of Bermuda has into it, at 78 units at approximately 1,100 square feet, each that is just under 86,000 square feet at \$200 a square foot, that project should have cost about \$17 million, using that estimate.

So, I think what we are trying to do right now is to say make lemons out of lemonade would be an extraordinary, I guess—

An Hon. Member: Make lemonade out of lemons.

Hon. R. Wayne Scott: Yes, just to make lemonade out of lemons would be kind of . . . Well, it would be talking down on lemonade, because this is a mess.

And I think that what we are actually doing is trying to figure out the best way forward for the residents. I live in that area. And I can tell you that it is a pain seeing this area just sit there, unused. But these are the cards that we have been dealt. And I am working diligently—

The Speaker: So your answer to the question is?

Hon. R. Wayne Scott: We are working diligently.

And as I said in the Statement, that will be provided in further updates shortly. As I have committed in this House, and I have committed to the people of Bermuda, I will continue to keep everyone in the loop as I try to figure out this problem.

The Speaker: Thank you. Thank you, Minister.
Yes?

SUPPLEMENTARY

Mr. W. Lawrence Scott: The Honourable Member did not answer the question. When will the constituents be brought in and be able to speak to the Minister or the people involved to have their concerns addressed directly?

The Speaker: Minister?

Hon. R. Wayne Scott: The constituents are welcome to speak with me anytime. I can be reached at 531-3401. My e-mail address is rwscott@gov.bm. I have no problem answering or listening to concerns of residents, which many residents have contacted me with concerns.

The Speaker: All right. Thank you.

Hon. R. Wayne Scott: You can call me anytime.

The Speaker: Thank you.

Yes. MP Burt, do you have a supplementary?

SUPPLEMENTARY

Mr. E. David Burt: Yes, just a supplementary on the question that was asked the Minister regarding whether there was a Bermudian component or not. Would the Government consider—

The Speaker: This is late, you know. You should have asked that question when we were dealing with that. And I am going to give you the leeway. But, you know, we have conversation about an issue. And we stay on that issue. When we move from that issue, we have moved from it.

Mr. E. David Burt: Okay.

The Speaker: All right? So, this time, go ahead.

Mr. E. David Burt: Mr. Speaker, the question that I would ask is, Would the Government consider, because we say *Bermudian component*, et cetera—would the Government consider selling that property to a foreign owner?

The Speaker: Yes. Minister?

Hon. R. Wayne Scott: Yes.

The Speaker: All right. Thank you.

All right. Thank you very much.

We now move . . . I am sorry, I was saying, *That concludes*. But the Leader of the Opposition is really ready to jump up.

We go now . . . The next [question] is [regarding] the Statement on the Infrastructure Plan, by the Minister for the Environment, Minister Richards.

I do recognise the Leader of the Opposition, MP Marc Bean. You have the floor.

Hon. Marc A. R. Bean: Thank you very much, Mr. Speaker. And Mr. Speaker, I need to ask these questions as slowly as possible for the clarity of the public.

The Speaker: All right. Take your time.

QUESTION 1: NATIONAL INFRASTRUCTURE PLAN UPDATE

Hon. Marc A. R. Bean: Thank you, sir.

Mr. Speaker, in context, the Premier at the National Infrastructure Summit told everyone that his Government was working with transparency and integrity and is committed to work collaboratively with persons who want to invest in our infrastructure.

Mr. Speaker, I now ask Minister Sylvan Richards the first question. And it is a serious question, Mr. Speaker: Who was the author of this Ministerial Statement, either his [Permanent Secretary] or himself?

And [there] is a reason, Mr. Speaker, because my name is spelled wrong. Right? And I have a supplemental based on that response.

The Speaker: Yes. Honourable Minister?

Hon. Sylvan D. Richards, Jr.: Mr. Speaker, I wrote the Ministerial Statement. And I apologise to the Honourable Member for misspelling his name.

Hon. Marc A. R. Bean: No problem.

The Speaker: Thank you.

SUPPLEMENTARY

Hon. Marc A. R. Bean: Mr. Speaker, my supplemental is, and I quote: Mr. Speaker, the Minister said he did some checking. He said "I did some checking, and the Opposition Leader, in his capacity as a former Minister under the previous Government, actually attended the last KPMG summit, which was held September 22nd to September 23rd, 2011. There was no summit held in 2012 due to a number of elections occurring in various islands."

Mr. Speaker, is the Minister aware that I became the Minister of Environment, Planning and Infrastructure Strategy on November 1st, 2011? And is he aware that I attended the KPMG summit on January the 19th and 20th, 2012?

The Speaker: Minister?

Hon. Sylvan D. Richards, Jr.: Mr. Speaker, if my facts are incorrect, then I have to apologise. I rely on my civil servants for the information.

Some Hon. Members: Ooh!

Hon. Marc A. R. Bean: Mr. Speaker, he said he wrote the Statement.

Hon. Sylvan D. Richards, Jr.: But I did write the Statement, based on the information that was given to me. That happens all the time. I do not think that is unusual.

The Speaker: Thank you. And that is reasonable, Members. That is reasonable.

Hon. Marc A. R. Bean: We make errors, Mr. Speaker. We are human.
Mr. Speaker?

The Speaker: Yes. Carry on, Leader. Speak to the Chair.

Hon. Marc A. R. Bean: Mr. Speaker, thank you.
I would like to now quote more in this quasi-Statement.

The Speaker: Are you doing another question now?

Hon. Marc A. R. Bean: Yes, second question.

The Speaker: Second question, yes, yes.

QUESTION 2: NATIONAL INFRASTRUCTURE PLAN UPDATE

Hon. Marc A. R. Bean: Mr. Speaker, the Minister says the Phase I Report gave a broad overview of the initial consideration for a *Vision for Infrastructure in Bermuda* inclusive of strategic drivers which underpin the case for developing the National Infrastructure Plan.

Now, this is the PricewaterhouseCoopers report, for the edification of the listening public.

The Phase I Report had a contracted price tag of \$50,000 and was completed December 21st, 2012. To date, the full payment for the Phase I Report is a grand total of \$58,181 in total.

Mr. Speaker, my second question is, When will Phase I be made public—Phase I that was completed after the One Bermuda Alliance Government became the Government. When will it be made public?

The Speaker: Thank you, Leader.
Minister?

Hon. Sylvan D. Richards, Jr.: Mr. Speaker, the Phase I was delivered to Cabinet. And we looked at it, and we deliberated on it. And we decided that, based on the fact that we wanted to get our arms wrapped around what had been done and what needs to be done—more importantly, what needs to be done in the future—we decided that we would not proceed with Phase I of the report.

So, Phase I was completed December 2000. And we are going to deliberate further, and then we will make a decision on whether it will be revealed to the public.

The Speaker: All right. Thank you.

Hon. Marc A. R. Bean: Supplemental, please.

The Speaker: Yes, supplementary.

Hon. Marc A. R. Bean: Mr. Speaker, again, supplemental.

The Speaker: Yes.

SUPPLEMENTARIES

Hon. Marc A. R. Bean: The Minister went on to say the purpose of the Phase II Report was to deliver the actual National Infrastructure Plan. "This OBA Government has made a decision to not proceed with the Phase II Report at this juncture, and is considering its options with regard to the management of Bermuda's long-term infrastructure."

My second supplemental, Mr. Speaker, is, For a Government that never acknowledged a National Infrastructure Plan, when did they make this decision and why did they come to this decision to not proceed? When did they make it and why?

The Speaker: Thank you. All right.
Minister?

Hon. Sylvan D. Richards, Jr.: Thank you, Mr. Speaker.

Phase I was initially brought to Cabinet in February 26th of this year and then again in June 4th of this year. And we deliberated over it, and we decided that we needed to basically do our own due diligence on what had been done, and then also get our arms around what needs to be done in the future.

And we made a collective decision that we were not comfortable with . . . We were not going to go with what Phase II basically was looking to do. So we are going to continue to work on developing our National Infrastructure Plan.

We do recognise that a National Infrastructure Plan is needed, but as a new Government, we want to make sure that what we implement is comprehensive and serves Bermuda's needs in the future.

The Speaker: Yes.
Yes, yes?

Hon. Marc A. R. Bean: Mr. Speaker, one more supplementary on that question.

The Speaker: Yes?

Hon. Marc A. R. Bean: Based on the Minister's response, can he tell us, When was Phase II of the report received by the Government, for them to make a decision not to proceed?

[Inaudible interjections]

The Speaker: Carry on. Ask the question then.

Hon. Marc A. R. Bean: Mr. Speaker, based on the response from the Minister, can he tell this Honourable House, When was Phase II received for the Government to make a decision not to proceed with it?

[Inaudible interjections]

The Speaker: Honourable Member, you can answer. You can answer.

Hon. Marc A. R. Bean: It is a simple question. It is a simple question.

Hon. Sylvan D. Richards, Jr.: Okay. Let me try and be as clear as I can.

The Speaker: All right.

Hon. Sylvan D. Richards, Jr.: We received Phase I, which was delivered by the previous Government December 21st, 2012.

Hon. Marc A. R. Bean: We were not the Government then.

Hon. Sylvan D. Richards, Jr.: It was crafted by the previous Government.

The Speaker: Well, it would have been . . . So you received it from . . . they were the Opposition at the time.

Hon. Sylvan D. Richards, Jr.: Okay. The Phase I, which was done by the previous Government, we received December 21st, 2012.

The Speaker: Yes. Right.

Hon. Sylvan D. Richards, Jr.: It was brought to our Cabinet, initially, February 26th, 2013, and then again on June 4th, 2013.

The Speaker: Yes. Right.

Hon. Sylvan D. Richards, Jr.: Phase I. The object of Phase I was to authorise Phase II. Phase II does not exist, because we did not proceed with it. The purpose of Phase I was to authorise Phase II. So, Phase II does not exist.

The Speaker: Thank you. Thank you, Minister. I think you have answered that.

Hon. Marc A. R. Bean: Just for clarity—

The Speaker: Yes. And another—

Hon. Marc A. R. Bean: No, just for clarification. Will it be permitted?

The Speaker: Yes. Go ahead.

Hon. Marc A. R. Bean: Because the Minister did say that he actually, based on their reading of Phase II they decided not to proceed, is what he just said in his clarification, so we need clarity.

The Speaker: All right. I think it was reading of Phase I. I think he said reading of Phase I.

Hon. Marc A. R. Bean: Okay. Maybe the Minister has mixed up his times, dates and stuff.

The Speaker: Yes. From what I understand, it was the reading of Phase I that led to not—

Hon. Marc A. R. Bean: Okay. All right.

The Speaker: Carry on.

Hon. Marc A. R. Bean: Thank you, Mr. Speaker.

The Speaker: Do you have another question?

Hon. Marc A. R. Bean: This is my third question.

The Speaker: Third question, yes.

Hon. Marc A. R. Bean: Third and final question.

The Speaker: Do you have a supplementary on that?
The Honourable Member has a supplementary.

You are paying attention, MP Blakeney. You are paying attention. Very good.

Mr. Glenn A. Blakeney: Thanks, Mr. Speaker.

The Speaker: Carry on, MP Blakeney.

Mr. Glenn A. Blakeney: I see you as a headmaster, and I do not like to be admonished by you.

[Laughter]

The Speaker: Carry on, MP Blakeney.

SUPPLEMENTARIES

Mr. Glenn A. Blakeney: Given the answer that the Honourable Member, Minister Richards, gave regarding the first Phase, would he explain why he as a Minister, and as Government, has turned back on [his] commitment to transparency when he states that they will still deliberate and there is the possibility of the document not being shared with the general public, given the number of times that they have conveyed to the public that they will be a Government of transparency?

The Speaker: All right. Thank you. All right. Yes. Minister?

Hon. Sylvan D. Richards, Jr.: Thank you, Mr. Speaker.

[Inaudible interjections]

The Speaker: Members, you know, before the day is out, something is going to happen in here—before the day is out if we continue like this.

Carry on, Minister.

Hon. Sylvan D. Richards, Jr.: Thank you, Mr. Speaker.

The Phase I that was brought to us, it was not our work. It is just like if I inherit work from somebody else and I am not comfortable with the work, then I am not going to proceed with it. I am not going to show it to anyone, because my name is going to be attached to it.

So, the short answer is that Phase I was done. But we decided not to proceed with Phase II.

The Speaker: All right. And a supplementary?

Mr. Glenn A. Blakeney: Yes.

The Speaker: Yes.

Mr. Glenn A. Blakeney: Given the fact that taxpayers' money to the tune of \$58,000 was used, notwithstanding who commissioned the report or the project that you now feel the public who has underwritten the cost is not due any accountability in having a fair sight [of] to assess what was done for \$58,000.

The Speaker: Thank you. Minister?

Hon. Sylvan D. Richards, Jr.: Thank you, Mr. Speaker.

Yes, \$58,000 was spent on Phase I. I guess we have to decide whether that was the best use of that \$58,000.

But the point to be made is it was \$58,000, not \$500,000, which is what the Leader of the Opposition said.

I also need to clarify . . . the Honourable Opposition Leader said that he attended the KPMG summit in January 2012. He did not attend the KPMG summit in January 2012. He attended an energy conference by Platts in the Bahamas.

[Inaudible interjections]

The Speaker: Thank you.

Honourable Member, we are not going to spend time.

Honourable Member, thanks.

Hon. Marc A. R. Bean: I have to respond. I have to respond to that.

The Speaker: All right. Very quickly.

Hon. Marc A. R. Bean: Mr. Speaker.

The Speaker: Yes.

Hon. Marc A. R. Bean: The public and yourself, this Honourable House can check *Bernews* to see the dates of myself and Minister Weeks.

The Speaker: All right. Okay. Thank you.

Hon. Marc A. R. Bean: Subsequently, the next week, we went to the Platts energy conference in Nassau, Bahamas, at which time we also—

The Speaker: Okay. Thank you. Thank you. Thank you.

Hon. Marc A. R. Bean: —had an opportunity to look at the Nassau port development.

The Speaker: Thank you. Thank you. Thank you.

Hon. Marc A. R. Bean: It is factually correct.

The Speaker: Thank you, Minister.

I think that the one thing . . . Let me just say this. It is that Members—and I am saying this to Members on both sides of the House—we must remember that what we say is for the record. And we must work extremely hard to ensure that what we bring to this floor is accurate.

Hon. Marc A. R. Bean: Thank you, Mr. Speaker.

The Speaker: And I would just like to put that out, that all of us—all of us—whatever we say in this House has to be accurate. We are dealing with the people's business. And we cannot afford not to be that way. So I am asking all Members, please, to bear that in mind. Thank you.

Hon. Marc A. R. Bean: Third question.

The Speaker: Thank you.

QUESTION 3: NATIONAL INFRASTRUCTURE PLAN UPDATE

Hon. Marc A. R. Bean: Thank you, Mr. Speaker. This is my third question.

The Minister states that I stated—and he is correct—that in the fourth quarter (and it was actually third quarter) of 2012, PricewaterhouseCoopers [PWC] was paid approximately, approximately \$500,000 to produce the Infrastructure Strategy.

Mr. Speaker, I go on in the Ministerial Statement, where the Minister says, "This Phase II Report had a contracted price tag of \$340,000. As the Phase II Report is not moving forward at this time, the total dollar amount spent on the National Infrastructure Plan is \$58,181, which is a far cry from the inaccurate \$500,000," Mr. Speaker.

Mr. Speaker, my third question to the Honourable Member is, Is approximately \$500,000 similar to a total of \$340,000 plus \$58,000, which is \$400,000?

The Speaker: All right. Yes, Minister?

Hon. Sylvan D. Richards, Jr.: Mr. Speaker, I am going to be honest. I do not really understand that question. It sounds like fuzzy math is going on here.

[Laughter]

Hon. Sylvan D. Richards, Jr.: Can he repeat that question again?

The Speaker: Let him. Let him.

Honourable Member, would you bring clarity to your question?

Hon. Marc A. R. Bean: I will be very clear. The Minister, to laughter on his side, claimed that I was inaccurate by saying that we spent approximately \$500,000 on this strategy. And he claims that to date they have only spent \$58,181. But just above that, he says that Phase II was \$340,000.

Combined, the total is \$400,000, Mr. Speaker.

I am asking the Minister, Is approximately a half a million similar to \$400,000 and not the \$58,000 that he says in his Ministerial Statement, to deflect from his irresponsibility?

The Speaker: All right. I see. I see. Well, apparently—

[Inaudible interjections and crosstalk]

The Speaker: Honourable Members, this is the last time I am going to say that I do not want shouting across the floor. I have said that that is my position.

Honourable Member, Minister Richards, you have the floor.

Hon. Sylvan D. Richards, Jr.: Thank you, Mr. Speaker.

Mr. Speaker, if you would indulge me, I would just quote from the *Royal Gazette* article.

The Speaker: I think . . . I think . . . All you need to do is explain what you understood happened.

Hon. Sylvan D. Richards, Jr.: Okay. Okay. The Honourable Member, the Leader of the Opposition, has said repeatedly in the printed press, on electronic media, that in the fourth quarter of 2012, PWC was paid approximately \$500,000 to produce the infrastructure strategy.

That is not the case. That is not the case! PWC has been paid a total of \$58,181. It is simple.

The Speaker: Just so we get clarity, so the \$340,000 was contracted but never spent? Is that what you are saying?

Hon. Sylvan D. Richards, Jr.: Yes, Mr. Speaker. It was contracted, but never spent.

The Speaker: All right. All right. Yes. That is what I mean. That seems, to me, to clear the issue. I hope that clears the issue.

Hon. Marc A. R. Bean: Yes! It does.

The Speaker: All right. Thank you.

Hon. Marc A. R. Bean: I have one supplemental.

The Speaker: You have a supplementary? All right.

Hon. Marc A. R. Bean: Yes, hooked to my third question.

The Speaker: Yes. Okay.

SUPPLEMENTARY

Hon. Marc A. R. Bean: Mr. Speaker, the Minister says, in the end, in closing, "The Bermudian public has to be made aware that currently there is no functional National Infrastructure Plan in place. Let us be very clear: This Government, the One Bermuda Alliance, is diligently in the process of working out the

best way forward. We are hard at work at putting together real plans, which have real potential to help Bermuda get back on track—not pie-in-the-sky, feel-good words.”

Mr. Speaker, my supplementary question is, Is the Phase II Report produced by the reputable international firm, PricewaterhouseCoopers, not a real plan? And is it a pie-in-the-sky plan, Phase I and Phase II?

The Speaker: Yes. Minister?

Hon. Sylvan D. Richards, Jr.: Thank you, Mr. Speaker.

I am going to help this Honourable Opposition Leader to comprehend what I am saying.

The Speaker: Just answer [the] question, Honourable Member.

Hon. Sylvan D. Richards, Jr.: It is pie in the sky, because Phase II does not exist. It does not exist. Phase I was put in place to give a \$40,000 outline of what Phase II would do. Phase I was the structure of the document that was to become Phase II.

We decided not to proceed with Phase II. Phase II does not exist! In my book, that is pie in the sky.

SPEAKER'S RULING

[Unparliamentary language]

The Speaker: All right. Thank you. Thank you.

And I would like you to withdraw that statement *pie in the sky*. All right? There is nothing . . . In fact, had I noticed that in the Statement, I would have asked you to remove it. So *pie in the sky*, really, you should withdraw *pie in the sky*, because it is imputing improper motives here. You know, there is nothing such as pie in the sky.

Hon. Sylvan D. Richards, Jr.: Okay, Honourable Mr. Speaker, I will withdraw that.

The Speaker: Thank you, Honourable Member.

And, Honourable Members, I am taking no more questions on this. We have exhausted this Statement. And I thank all Members for their attention to the matter.

Members, we move now to . . . I think that was the last Statement, was it not? Yes. We move now to Congratulatory and/or Obituary Speeches.

[Timer beeps.]

The Speaker: Wow. The time was just up, too. That was good timing.

CONGRATULATORY AND/OR OBITUARY SPEECHES

The Speaker: The Chair will recognise the Honourable Member, Minister Scott.

You have the floor.

Hon. R. Wayne Scott: Thank you, Mr. Speaker.

On a lighter note, I would like to congratulate the Bermuda Women's Under 17 National Football team, who have just won their third consecutive game in a row in Haiti by defeating Grenada 2–0 on Wednesday and advancing them to the semi-finals undefeated. And I would like to associate the whole House with that. That is a great accomplishment for our Under 17 footballers.

And also, Mr. Speaker, having watched this Trunk Island Swim on Sunday, I want to congratulate 14-year-old Jesse Washington for winning that. The female winner was 12-year-old Emma Harvey—amazing, the youngest finalist in both the male and female divisions. And that is just a phenomenal swim. So, congratulations to our young athletes.

[Mrs. Suzann Roberts-Holshouser, Deputy Speaker, in the Chair, 11:26:2]

Hon. R. Wayne Scott: Thank you, Madam Deputy Speaker.

The Deputy Speaker: Thank you.

Are there any other Members?

The Chair recognises the Honourable Minister from St. David's, Ms. L. F. Foggo, from constituency 3. You have the floor.

Ms. Lovitta F. Foggo: Thank you, Madam Deputy Speaker.

I would like to give a congratulatory remark to both St. David's Primary and, in particular, Ms. Kristi Foggo, who is the P6 teacher down there and was recognised by the Bermuda Reading Association's President Award for Outstanding Teacher of the Year.

I have to say that Ms. Foggo is a phenomenal teacher. For the past two years, St. David's Primary P6, in the Cambridge exams, has scored extremely high, being one of the top schools in Bermuda in terms of performance. So I thought it necessary to come here and speak in honour of her commitment as a teacher and what she has been able to get her P6 students to do in terms of how well they score on the Cambridge exam.

So, accolades for both Ms. Foggo and for St. David's Primary School.

The Deputy Speaker: Thank you.

Are there any other Members?

The Chair recognises the Honourable J. P. [sic] Gordon-Pamplin.

You have the floor.

Hon. Patricia J. Gordon-Pamplin: Thank you, Madam Deputy Speaker. It is P. J.

The Deputy Speaker: Right. Thank you.

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

Madam Deputy Speaker, on a very sad note, I would ask that this Honourable House send condolences to the family of young Nosaj Stovell, who was tragically killed. And I believe that the entire House wishes to be associated with those remarks of condolence.

I would also ask that this Honourable House send condolences to the family of Ethel Lodge, who in her 93rd year passed away at the early part of the week. She was an absolutely delightful lady, Madam Deputy Speaker. I can remember the last time I went to visit her, and I said, *I just want to make sure that the registrations are correct and that you are the only registered voter here.* And she says, *Oh, yes, I am.* I said, *I just want to check. I want to make sure that you haven't had a new husband since the last time I was here.* And she just laughed so heartily. And she says, *Oh, you have got to come back. We have got to have tea because I like your style.* So, she was an absolutely delightful lady, and I would ask that condolences be sent to her children, Chris, Jeremy and Bryan.

On a more positive note, I would ask that this Honourable House send a letter of congratulations to SCARS [Saving Children And Revealing Secrets] and CAA (the Committee Against Abuse) for an extremely informative dinner that they put on last week, with a guest speaker, Johnetta McSwain, who spoke to the issues of childhood abuse. It was really a heart-rending presentation by Ms. McSwain, having acknowledged her own upbringing and the challenges that she faced, but more importantly, her ability to rise above and to be able to get on top of what was an absolutely heinous growing-up experience for her.

The Honourable Member, Zane De Silva, the Honourable Member, Michael Dunkley, the Honourable Member, Glen Smith, and the Honourable Member, Wayne Scott, would also like to be associated with those remarks, too, for SCARS and CAA.

Finally, I would ask that this Honourable House send a letter of congratulations to the Bermuda College, who in conjunction with SickKids Hospital [Hospital for Sick Children] in Toronto, have made available—or SickKids has made available through collaboration with Bermuda College the ability for nursing students to actually go to SickKids in Toronto and have hands-on practical experience while they are completing their nursing training. I believe that this will bode well for the quality of nurses that are being produced in the programme that is being offered by

the Bermuda College, and I would like for letters of congratulations to be sent on this collaborative effort.

The Honourable Member, Walton Brown, would like to be associated with those remarks, and I would imagine the Honourable Member, Jeanne Atherden, would also like to be associated with those remarks.

Thank you, Madam Deputy Speaker.

The Deputy Speaker: Thank you.

Are there other Members?

The Chair recognises the Honourable G. A. Blakeney, Shadow Minister of Economy, from Devonshire North Central, constituency 13.

Mr. Glenn A. Blakeney: Thank you, Madam Deputy Speaker.

I would like to take this opportunity, on behalf of this Honourable House, to convey congratulations on a very successful parish council meeting held by the Devonshire Parish Council and hosted at the Elliot Primary School a couple of nights ago, where Ms. Kimberly Caines and Mr. Hil de Frias, a director at MJM Ltd., presented an incredible presentation that edified those in attendance, and it was very well attended, on wills, powers of attorney, trusts, et cetera, et cetera, and on the on-going endeavours of the Devonshire Parish Council to serve the people of Devonshire.

Not only myself, from this Honourable Chamber was there, but also Honourable Member Glen Smith was in attendance with his wife as well. And I think that we would concur that it was a very informative and most worthy annual meeting held by the Devonshire Parish Council. Thank you, Madam Deputy Speaker.

The Deputy Speaker: Thank you. Thank you.

The Chair recognises Mr. G. C. Smith, Devonshire North West, you have the floor.

Mr. Glen Smith: Good morning, Madam Deputy Speaker.

I would like to congratulate Ms. Hannah Marshall, who was in the *Royal Gazette* this morning, on the front page, published new book, arts book, of UK's best-selling band called *One Direction*. I have to say, the Marshall gene pool is very strong of talented people and it starts from Dr. Marshall, who is also in the article today, as I believe the founding educator or built the foundation of Warwick Academy. Then of course, you have his son, Dr. Shane Marshall, who is a leading cardiologist; and then you have Mr. Chris Marshall, who was a founding member of ACE Insured, CFO, worldwide, that created several jobs for Bermudians. And of course, his son Tim, who is a leading lawyer; and then, of course, the daughter, Ms. Kim Marshall, who is the [mother] of Hannah. Thank you, Madam Deputy Speaker.

The Deputy Speaker: Thank you.

The Chair recognises the Honourable Z. J. S. De Silva from constituency 29.

You have the floor.

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

Madam Deputy Speaker, I would like the Honourable House to send congratulations and thanks to the Bermuda Blood Donor Centre for their summer blood drive. Due to this drive, Madam Deputy Speaker, we had 60 new donors that signed up this summer. And I think that is fantastic for the Blood Donor Centre. You will know that we have about 55,000 people that are eligible in Bermuda to give blood. And out of that total, we only have about 2 per cent that donate. So, to get 60 new members join up through this summer drive, we must thank Digicel as well, because they offered us some nice prizes for all those folks that donated during the summer to get a couple of phones. So I certainly, certainly would like congratulations to be sent to the Blood Donor Centre.

And the Honourable Minister, Pat Gordon-Pamplin, and also Minister Dunkley would like to be associated. We can never stop trying to get our people to donate.

Before I move on, Madam Deputy Speaker, I have to mention, too, that there are a lot of well-known athletes that donated for the first time as well. And I would encourage all of us that are involved with our youth, you know, to drive that point home because we never know when one of our loved ones, let alone one of us, may need a little bit of blood if we happen to come across the unfortunate—to have a serious accident and need blood.

On a happier note even still, Madam Deputy Speaker, I would like congratulations to be sent to Janet “Pinky” Todd. You may be aware that during the summer, she retired from being a scorekeeper at Cup Match. She kept score for 30 matches, Madam Deputy Speaker.

The Deputy Speaker: It has been previously done.

Mr. Zane J. S. De Silva: Oh, well, I would certainly like to be associated with that. And I thank my colleagues, in my absence, for not letting that pass them by. She was certainly a fantastic . . . I do not know if it was mentioned last week, Madam Deputy Speaker, but she also had got her umpire qualifications. So Pinky has certainly shown her love for the sport of cricket. I am sure she will not be too far, even though she is sort of retired.

And if it was not mentioned last week, I cannot let it go unsaid, the congratulations for the six-time marathon Bermuda champion, Mr. Ed Sherlock, and his wife Bernice, who celebrated 50 years of marriage over the summer as well.

Thank you very much, Madam Deputy Speaker.

The Deputy Speaker: Thank you. Thank you.

The Chair recognises Minister Dunkley, from constituency 10.

You have the floor.

Hon. Michael H. Dunkley: Thank you, Madam Deputy Speaker.

Just following briefly on the Honourable Member Zane De Silva in regard to the blood donor drive this past summer, like the Honourable Member, I have been donating blood some time. And the first time I went, I was quite apprehensive about it. But the more you do it, the more comfortable you get. And I urge all Honourable Members to go try to give.

So the funny thing is, I took my daughter with me earlier this summer. And when she got there, her platelets were just a little bit low, so she could not give. And she said, *Daddy, you'll never get me back again*. But it is important. The clinic does a fantastic job of making you feel comfortable. You do not really even feel the needle going in anymore. And go during the time of day when there is something good you can watch on TV and afterwards enjoy a cookie and some apple juice.

But it is something we need in this small community, because you never know the demand for blood. And I think we should all suck it up and just go down there, Madam Deputy Speaker.

Also, on a brighter note, I would like to ask this Honourable Chamber to send congratulations to 11 police officers, 5 who graduated from constable to sergeant: Karema Flood, Shakisha Minors, Shawnta' Edmonson, Wang Sonson, and Derrick Golding; and six who graduated from sergeant to inspector: Arthur Glasford, David Geraghty, Derricka Burns, Colin King, Scott Devine and Peter Stableford. The Honourable Member David Burt would also like to be associated with that. I had the pleasure of going through the ceremony, Madam Deputy Speaker, and I applaud the commissioner for making the ceremony something where family and friends can enjoy the celebration. I think that is very important.

I would also like to be associated with the congratulations given by the Honourable Member, Mr. Blakeney, to the Devonshire Parish Council. I had the opportunity to go to the meeting they had the past Tuesday night. And certainly, they have a very vibrant and energetic council that I think is doing a lot of work for the mid-parishes on the Island, and they should be congratulated for doing what they have to do.

And finally, Madam Deputy Speaker, I would like this Honourable Chamber to send congratulations to young Alex Doyle, who was called to the bar last Friday. The Honourable Attorney General would like to be associated with that as well, and the Honourable Member, Mr. Glen Smith. Young Doyle is a constitu-

ent of mine and certainly joins in the tradition of his father of being a member of the bar. And I would like to wish him all the best in the endeavours ahead of him. Thank you.

The Deputy Speaker: Thank you.

The Chair recognises the Shadow Minister of Transport, W. L. A. Scott, from constituency 24 . . . Sorry. Michael Scott.

Hon. Michael J. Scott: [Constituency] 36, Madam Deputy Speaker.

The Deputy Speaker: You can tell that I am not using my normal layout here.

[Inaudible interjection]

The Deputy Speaker: I just need my own layout.

Thank you.
You have the floor.

Hon. Michael J. Scott: Thank you, Madam Deputy Speaker.

I rise to be associated with the Health Minister's offer of condolences to the family of Mrs. Ethel Lodge. I was sad to have learned of Mrs. Lodge's passing, and I certainly want to be associated with offering condolences to Jeremy and Bryan and to Chris, and to Mary Lodge.

Certainly, Mrs. Lodge and Mr. Arthur Lodge, a former police officer, they played a pivotal role in my and many of my friends' coming up in Bermuda. We spent many happy days at their home, whether it was at the Herons Nest in Southampton, or wherever they were, over there at Witchery Lane, and now that she was over in Seven Sisters, where she spent her last days residing in Paget.

So, to the sons of Mrs. Ethel Lodge, I offer and wish to be associated with the condolences on the passing of a wonderful mother, Mrs. Ethel Lodge. Thanks.

May I be associated, Madam Deputy Speaker, with the congratulations offered up by the Minister of Public Safety to the movement of officers in ranks in the Bermuda Police Service. I am happy to be associated with that progress in the service. Thank you.

ANNOUNCEMENT BY THE SPEAKER OR MEMBER PRESIDING

HOUSE VISITOR

The Deputy Speaker: Thank you.

Before I recognise the next Member, I would like to recognise in Chambers, in the House, Reverend Dr. Leonard Santucci, former Senator. Welcome.

[Desk thumping]

The Deputy Speaker: Thank you.

The Chair now recognises Mr. E. D. G. Burt, from constituency 18.

You have the floor.

CONGRATULATORY AND/OR OBITUARY SPEECHES

[Continuing]

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

I would like to ask the House to send a note of congratulations, and this note of congratulations would go to St. Paul's AME Church on the celebration of their 128th anniversary. But specifically, Madam Deputy Speaker, the St. Paul's AME Church are recognising golden couples. And I would like to ask the House to please send a special note of congratulations.

They are recognising members of their church who are celebrating a grand 50 years of wedding anniversaries. And although it is not typically the thing to give congratulations for anniversaries, 50 years is definitely a milestone. And there are two people in [particular] that I would like the House to send congratulatory messages to. The first (and I declare my interest) would be my uncle, Uncle George Leon Burt and Aunt Helen, who are celebrating their 50th anniversary this year. And also a former Member of this House, and one of my constituents, the Honourable Stanley Morton and his wife Ileys, celebrated their 50th anniversary last month.

[Desk thumping]

Mr. E. David Burt: So I would ask that—I am sure that all Members would like to be associated with the message specifically to Mr. Morton, and we wish him and his wife many more years of happiness.

Thank you, Madam Deputy Speaker.

The Deputy Speaker: Thank you.

The Chair recognises Mr. Kenny Bascome, from constituency 1.

You have the floor.

Mr. Kenneth (Kenny) Bascome: Good morning Madam Deputy Speaker.

The Deputy Speaker: Good morning.

Mr. Kenneth (Kenny) Bascome: I would ask that a letter of congrats be sent to the Bermuda Body Building Association, who just returned home, and they have done outstanding in the competitions that they just participated in. They received a number of medals. I would just ask that a letter be sent thanking them and congratulating them.

And, Madam Deputy Speaker, you should use my proper name so that these folks do not get bent out of shape: Kenneth. Thank you. Have a pleasant day.

The Deputy Speaker: Mr. Bascome, I am sure they all know who you are, from constituency 1. Thank you.

Are there any other Members that would like to speak? Thank you.

The Chair recognises the Honourable D. P. Lister. You have the floor.

Hon. Dennis P. Lister: Thank you, Madam Deputy Speaker.

I rise this morning—first let me associate myself with a couple of remarks that have already been expressed. And one of those would be to the remarks of congratulations that was given to the blood donor association on the drive that they had this summer. I too have been a long-term, been on the donors list for quite some time, many years, Mr. Speaker now. So the drive that they did this summer was a successful drive, and I would like to recognise their continued effort, Mr. Speaker, in keeping our blood bank going.

[Hon. K. H. Randolph Horton, Speaker, in the Chair]

Hon. Dennis P. Lister: Mr. Speaker, I would also like to be associated with the remarks of my colleague who sits here in front of me, Mr. Burt, with regard to the acknowledgement of recognition for a former Member of this House, who will be celebrating—he and his wife will be celebrating their 50th anniversary, that of Mr. Stanley Morton, whom I had the privilege to sit in this House with, Mr. Speaker. And the milestone of 50 years must be recognised. But especially, I would just like to acknowledge Mr. Morton as one of our Members of this Chamber and give best wishes to him and his wife.

Mr. Speaker, I rise this morning to ask this Honourable Chambers to join me in sending condolences to the family of the late Doreen Caesar. Mr. Speaker, you as a Somerset man would know the Caesar family and the Smith family, which Ms. Caesar comes from in Somerset. In fact, she will be funeralised this afternoon, Mr. Speaker. Her loss will be surely missed, not only by her family and her friends, but the Sandys community in general, and I speak specifically of her daughter-in-law, Ann, and her grandchildren and great-grandchildren. And our thoughts are with them at this time.

Thank you.

The Speaker: All right. Thank you, Honourable Member.

The Chair now recognises the Honourable Member from constituency 4, Hamilton East, the Deputy Speaker.

MP Roberts-Holshouser, you have the floor.

Mrs. Suzann Roberts-Holshouser: Thank you, Mr. Speaker.

I would like to send a letter of congratulations, or just at least extend verbally a letter of congratulations, to the reporter that this morning is in the Gallery covering today's proceedings. This gentleman's name is Owain Johnston-Barnes.

There is an organisation that is called Newseum, where over 800 newspapers submit their front-page articles. These articles are then reviewed. And for the first time, I believe, in Bermuda's history, a story that was written by this journalist, Owain Johnston-Barnes, was numbered number 10. So I would like the House to recognise his endeavours and continue to encourage. While, of course, most politicians do not like reporters or their profession or their stories, we need to acknowledge when Bermuda is brought to the forefront.

Sadly enough, the story was a sad story. It pertained to the massacre within the mall. So consequently, while it was a sad story, Bermuda got world recognition. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Any other Honourable Member care to speak to congratulatory? No other Member cares to speak. That concludes congratulatory and/or obituary speeches.

MATTERS OF PRIVILEGE

The Speaker: There are no matters of privilege.

PERSONAL EXPLANATIONS

The Speaker: No personal explanations.

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

The Speaker: No notices of motion.

INTRODUCTION OF BILLS

The Speaker: No introduction of Bills.

And, Members, just before we go to the Orders of the Day, I am going to adjourn the House for 15 minutes while I deal with a matter before we move forward. So, at five past twelve, we will return to the floor of the House.

[Gavel]

Proceedings suspended at 11:48 am

Proceedings resumed at 12:04 pm

The Speaker: Thank you, Honourable Members.

ORDERS OF THE DAY

The Speaker: We now move to the Orders of the Day. And the first Order of the day is the Bermuda Tourism Authority Act 2013, in the name of the Minister of Tourism Development and Transport, the Honourable and Learned Minister.

Minister Shawn Crockwell, you have the floor.

Hon. Shawn G. Crockwell: Thank you, Mr. Speaker. Mr. Speaker, I move that the Bill entitled the Bermuda Tourism Authority Act 2013 be now read the second time and committed.

The Speaker: Are there any objections?

Mr. E. David Burt: Mr. Speaker.

The Speaker: Do you object?

Mr. E. David Burt: Yes, Mr. Speaker. Mr. Speaker, I object.

The Speaker: Honourable Member. I just had a meeting with the Honourable Leader of the Opposition.

[Pause]

The Speaker: Yes. Carry on.

Mr. E. David Burt: Mr. Speaker, I object to the Second Reading of the Tourism Authority Act 2013, pursuant to [Standing Order] 27(2), which states that "Every Bill shall be accompanied by a short explanatory statement of its objects, and if it involves expenditure, a financial memorandum indicating the estimated annual recurrent cost and any capital cost."

Mr. Speaker, this financial memorandum was not presented with this Bill. And I find it difficult to deal with the Bill. So, as per [Standing Order] 27(2), I object to the Second Reading, and I ask that you not allow the Second Reading until [Standing Order] 27(2) is complied with and a financial memorandum is supplied to the Members of this House.

The Speaker: Honourable Member, thank you for that, and I do understand your point.

I have had . . . and the adjournment was so that I could have a meeting with the Leader of the Opposition to explain the position and the ruling which I have taken on our carrying on with this Bill.

In fact, Honourable Members will note that, as precedent will have it, it has been taking place in this House, and no less than the Tourism Board Act last year was carried on in exactly the same way. So, therefore, I went in the back room to have discussion

so it would not be necessary to go where we are going at this moment.

I took it upon myself to fully disclose my position and what we thought. So I would ask that you respect the fact that I have ruled that we will carry on with this.

Mr. Derrick V. Burgess, Sr.: Mr. Speaker.

The Speaker: Yes.

Mr. Derrick V. Burgess, Sr.: Mr. Speaker, are we suspending the Rules to carry on this here? Because the Rules are the rules; I understand about precedents, the precedent. Right?

The Speaker: Yes.

Mr. Derrick V. Burgess, Sr.: But once the Rules are in place—

The Speaker: Honourable Member, we can do that. We can suspend the Rules. If you like, we can certainly suspend the Rules.

But I want Honourable Members to be clear. And sometimes, we forget what happened just last year. And that is why the Speaker took his position for what has happened consistently. And if we want to go and . . . And, yes. This maybe has been over. But it has been . . . a precedent has been set. And we will certainly move . . . and I appreciate that we will move to this. We will improve and move to this.

But, Honourable Members, understand that the Speaker took the time. I was given this this morning. You know, I was given this this morning. It could have come to me during the week so that I would have had further time to explore it. But it came this morning! That in itself was not good enough.

So, therefore, Honourable Members, I would appreciate that we are . . . but the Honourable Member is correct in that. And I would like for someone actually to move that [Standing Order] 27(2) be suspended so that we can move on with that. And since we have had . . . and I had the decency to speak with the Leader of the Opposition. I would hope that the Opposition will abide and honour the position of the Leader of the Opposition, whom I had conversation with today.

So, if I can have someone just move?

[Pause]

The Speaker: Yes, will someone like to move that [Standing Order] 27(2) be suspended so that we carry on with this Second Reading?

Yes?

SUSPENSION OF STANDING ORDER 27(2)

Hon. Mark J. Pettingill: Mr. Speaker, I move in relation to the laying of this Bill, that [Standing Order] 27(2) be suspended.

The Speaker: Thank you very much.

It has been moved that [Standing Order] 27(2) be suspended so that we carry on with this Bill.

All those in favour, say Aye; those against, say Nay.

AYES.

The Speaker: The Ayes have it.

[Motion carried: Standing Order 27(2) suspended.]

The Speaker: Carry on, Minister.

BILL

SECOND READING

BERMUDA TOURISM AUTHORITY ACT 2013

Hon. Shawn G. Crockwell: Thank you, Mr. Speaker.

Mr. Speaker, the Bill before the House today seeks to establish a Tourism Authority. Mr. Speaker, in the current Government 2012 general election campaign platform, it pledged to create a Tourism Authority to better manage all aspects and elements associated with Bermuda's tourism industry. The main thrust behind the decision to create a Tourism Authority is to ensure commercial and strategic continuity in this vital industry.

Throughout Bermuda's tourism evolution, internal politics, national politics and institutional bureaucracy all had a major impact on tourism and meant that spending plans, branding and even signature events were all subject to the caprice of politics. The present Government's model for Bermuda tourism consists of the department, the Bermuda Department of Tourism, and the Bermuda Tourism Board.

The Department of Tourism's primary functions include hotel licensing, destination marketing and the coordination and sponsoring of local tourism-related events. The Tourism Board's primary objective is strategy development. And, with the authorisation of the Minister, the Board can act as an agent for the Government for the transaction of any business connected with tourism enterprise.

The recently enacted Tourism Board Act 2012 makes no legislative provision for a working relationship or collaboration between the Bermuda Department of Tourism and the Tourism Board. Therefore, the current governing structure impedes both strategic and operational tasks being conceived, analysed and implemented by one body.

We believe that this governing structure needs significant change to enable agile and efficient management of the tourism industry, which will allow the industry to be more competitive and, hence, more successful.

Mr. Speaker, international tourism is growing at a fast pace. One just has to look at the Asian and Pacific regions to see how tourism is booming there. Bermuda must reclaim its position as one of the leading tourism countries in the world. We have vast tourism potential, excellent geographical and climactic conditions, historical and cultural heritage, human and natural resources. It is abundantly clear that all the ingredients are here.

Mr. Speaker, the turning around of our tourism industry is of great national importance. Bermuda's tourism sector was once the key pillar of our country's economy. But Bermuda tourism has effectively been in decline for over three decades. We have seen the number of hotel rooms shrink by more than 50 per cent. We have seen the number of airline seats coming to Bermuda significantly decline and the number of gateways reduced. We have seen the number of jobs in tourism disappear.

And during these 30 years of decline, we continue to use the same methodology in trying to turn the industry around, and we have collectively failed. There is no one specific government or political party to blame. The reality is that politics got in the way of the effective management of tourism, and this must change. Tourism is far too important to be used as a political football. The temptation to manipulate numbers or create desperate, ad hoc campaigns to give the illusion of tourism's success for political expediency must end.

Mr. Speaker, we can look upon the revitalisation of tourism from two main perspectives. First of all, tourism occupies an important place in the cultural renaissance of our Island. Through tourism, we can collectively embrace our history and culture. We can learn of the places of interest and our unique, exquisite beauty. We can learn of our historic figures, our traditions and our customs. In turn, we can educate and impart this knowledge to our children, Bermuda's future torchbearers.

When we all do this and embrace this mantra, not only do we become great ambassadors for Bermuda, we also engender that powerful factor called national pride.

Secondly, and of no less importance in today's economic environment, one can say the most important factor is that tourism is one of those industries in which we can, if we establish a proper and effective way of doing things, achieve quick and important results which will contribute to a broad-spectrum economic revival in Bermuda—for example, the creation of much-needed new jobs. There is no disputing that a revitalised tourism industry in Bermuda can and will create new jobs for Bermudians, either directly or

indirectly, with the provision of services and activities for tourists and tourism-related industries.

If our tourism industry is successful, then Bermuda is successful. This is why the OBA Government has made the creation of a Tourism Authority one of its main priorities. It is about turning around our economy, creating jobs for our people and re-establishing our rightful place in the world tourism market.

Mr. Speaker, we need to have consistent and effective leadership in turning around tourism. I am the fourth Tourism Minister in four years. That is a recipe for inconsistency and instability, a glaring structural flaw of how we have historically managed tourism. I have no doubt that every Tourism Minister in the last five years or the last thirty years had Bermuda's best interests at heart. The sincerity and commitment of successive Tourism Ministers is not the problem. The hard work and dedication of the staff at the Department of Tourism or the Tourism Board are not the problem. The problem is that our governance or structural model is deficient because it has had politics as its driving force.

Mr. Speaker, the OBA Government believes that the creation of the Bermuda Tourism Authority is a better governing structure that will lead to the renewal of our tourism industry. The Authority will be managed independently; will be a modern and leading tourism enterprise, which will be dynamic, entrepreneurial and vibrant. The Authority will be the singular voice that restores and evolves Bermuda as a world-class tourist destination. It will develop creative and innovative ways to make Bermuda an attractive destination for visitors and tourism investment.

The Authority will empower Bermudians to be customer focused, proactive, solution oriented, and make decisions that are in the best interest of Bermuda as a tourism destination.

The Authority will partner with the Government of Bermuda to meet the primary objectives to grow tourism and to create jobs. The Authority will be results oriented, accountable and transparent to our stakeholders.

Mr. Speaker, I believe that it is imperative that, collectively, the Government, the Opposition, the various stakeholders in our community join efforts to revitalise tourism in Bermuda. If we join hands and work together, we can take this industry to new heights.

Today, I am not interested in apportioning blame or playing the blame game. I believe and accept that my predecessor, the Honourable Wayne Furbert, did some good things whilst he was Tourism Minister. There is no question that the National Tourism Plan is an excellent blueprint to lead us to tourism recovery. The House of Assembly unanimously endorsed the Tourism Plan on the 29th of June 2012. Over five months of collaboration went into the crea-

tion of the Tourism Plan, and the final result was applauded by the whole community.

The Tourism Plan has even been recognised internationally as . . . to my surprise and delight, a tourism consultant made reference to the Tourism Plan during the recent KPMG Infrastructure Conference in Miami and stated that it was a plan that, if implemented, can reposition Bermuda as a leading tourist destination.

Mr. Speaker, I am grateful to the Honourable Member, Mr. Furbert, for his leadership in the creation of the National Tourism Plan. The Authority will continue to use and implement the Tourism Plan as its strategic model for success.

Mr. Speaker, I also believe that the Tourism Board Act 2012 was a step in the right direction. My main criticism of this Act was the lack of independence of the board to manage and drive the tourism industry. At every turn, there was the requirement of ministerial approval or political consideration. This is what we believe to be the primary impediment to a successfully managed industry.

In addition, the Tourism Board Act 2012 failed to define how the Board and the Department of Tourism would work effectively together. This lack of a mandate and procedure for collaboration created confused lines of authority. These were my primary concerns, areas of concern. But as I stated earlier, I believe that this Act was a step in the right direction.

Mr. Speaker, questions have been asked concerning the differences between the Act before the House today and the Tourism Board Act 2012. There are many significant differences, and I wish to highlight some of the more salient ones. The Authority Act creates a new governance model for tourism which dissolves the Bermuda Department of Tourism and the Bermuda Tourism Board, thus creating a singular entity and voice that can restore Bermuda as a world-class tourist destination.

The Authority will not be subject to political changes of Ministers and Governments and will be able to manage its affairs without consistent political considerations. This is evidenced by generally reducing the Minister's oversight from that of approval to that of consultation.

The Authority Act creates independence by allowing the Authority Board to appoint its own members. It is only the initial Authority Board appointment where the Minister has any significant influence. Thereafter, the Authority Board independently appoints its members. The Minister, however, retains the power to appoint the chairman.

The Authority Act establishes a rotating board, which prevents the total dissolution of the Authority Board at any one time and allows for continual influx of new faces and ideas. This provides greater continuity and innovation by the Authority Board.

The Authority Act does not allow for mandatory selection of Authority Board members from the

Bermuda Hotel Association, the Chamber of Commerce and Bermuda Industrial Union, or for any ex officio members. These appointments are mandated by the Tourism Board Act. By eliminating these mandatory appointments, the Authority Board will be more agile and function more effectively. Members of these important stakeholder organisations will be involved in the tourism revitalisation process and consulted often.

Our composition of boards research showed us that best practice for boards is to limit [their] number to no more than eight. Otherwise, it will be very difficult to reach consensus and be effective. The current Tourism Board had 20 members.

The Authority Act does not allow for the removal from the Authority Board by just giving notice. The Minister can only remove a member for specific cause. The current position is too arbitrary and engenders the potential for political interference. This runs completely counter to an independent entity.

Mr. Speaker, the principal objectives are a unique feature of the Tourism Authority Act in that they set out statutory corporate objects that govern the functioning and purpose of the Authority, which are used throughout the Act as a benchmark for governance and performance issues. The Tourism Board Act simply grants functions and powers without linking purpose to performance issues. The Tourism Authority Act also provides the statutory requirement that the Authority provide for much wider and more ambitious statutory objectives, including the social and economic enhancement of Bermuda, education and training, the implementation and update of the Tourism Plan, together with the requirement for sustainable development of tourism, taking into account the size, environment, resources and population of Bermuda.

The Authority Act mandates that a qualified full-time CEO is hired to manage the Authority, to work to further the principal objectives and drive the tourism industry. This CEO will be hired and held accountable by the Authority Board. The Minister will only be consulted.

The function of the CEO under the Authority Act is clearly set out and is far more significant. The CEO will be the most important figure in the new governance model.

The powers of the board contained in the Tourism Board Act are heavily curtailed by the need for Ministerial approval. The Tourism Authority has far greater freedom and autonomy and is not subject to such Ministerial control. Ministerial approval is kept to a minimum and is only utilised when there is a clear need to safeguard public funds. The Tourism Board Act has limitations that prevent talented and suitably qualified Bermudians from becoming Board members or employees of the Board, and this blanket prohibition on involvement with the Board is self-defeating.

The mischief of potential self-dealing and corruption is dealt with in the Tourism Authority Act by a declaration of interest, which applies to any person

who seeks to be employed by the Authority or act as a board member, or anyone so employed who is a member.

Mr. Speaker, it is a fact that the Bermuda Tourism Authority will receive funding appropriated by the legislature for the purposes and functions of the Authority. But the inaugural board and CEO will immediately be tasked to develop and implement a plan that will be the blueprint to lead and guide the Authority along the path of self-sufficiency that will ultimately end at our desired state of full financial independence from the Government.

We are creating an Authority that will transform from dependence to independence, one that will be governed and operate based on a private sector model that will no longer require huge annual subventions. This is not only aspirational; it is achievable. However, until we reach the state of complete and full independence, the appropriate level of financial controls, ministerial oversight and approvals have been applied to ensure the public's best interests are protected.

It is important that I highlight and emphasise that it is the intention for the Authority to be self-funding within the next three to five years, or hopefully, sooner. Some may say, *If you are funding it, then you control it.* That is not entirely the case here. The Bermuda Tourism Authority Act creates a management structure which allows the day-to-day decision-making of the Authority, including how it spends its funds, to lie with the Authority board and the chief executive officer. No approval is required from the Government as it relates to the management of the Authority, but it is mandated that the Government is consulted on certain matters and kept informed by the submission of the minutes of the board meeting every quarter.

Mr. Speaker, I would also like to address recent statements and reports concerning the transitioning from the Bermuda Department of Tourism to the Bermuda Tourism Authority, in particular the issue concerning the current Department of Tourism staff. Contrary to recent statements in the print media, there will be no mass redundancies. I have publicly stated, and will reiterate to this Honourable House today, all employees of the Department of Tourism will have the opportunity to apply for Tourism Authority positions. Should employees not transfer to the Tourism Authority, employment opportunities will be made available within Government Ministries and departments.

My Ministry is currently working and will continue to work very closely with the Department of Human Resources and the Bermuda Public Service Union to ensure the transitional process is inclusive and transparent. As this is an on-going process, it would be inappropriate for me to provide any specific or additional details on this matter, other than to state that our Ministry fully understands and is cognisant of the

staff's concerns, apprehension and anxiety. And we will do our utmost to provide a smooth transition.

The transition process will be managed by the recently created Executive Steering Committee [ESC], which includes the Chairman designate of the Tourism Authority, the Honourable David Dodwell; the Permanent Secretary for the Ministry of Tourism Development and Transport, Mr. Francis Richardson; Ms. Jessica Mello, Director of Consulting at the DeLoitte and Touche, Limited; and Mr. Andrew Dias, the General Manager at the West End Development Corporation. The ESC will execute the office of the CEO during the transition period.

Mr. Speaker, I consider it most worthy to acknowledge and personally thank the Department of Tourism staff for all of their hard work over the years. And I can attest to the high level of professionalism, commitment and passion that some of the staff possess and exhibit on a continuous basis. And for their efforts, our Ministry is most thankful.

Mr. Speaker, I would also like to take this opportunity to thank the members of the former Tourism Board, Bermuda Hotel Association, the Chamber of Commerce and all stakeholders, corporation and entities that have given their time and have contributed to the Bermuda tourism industry. And we look forward to working with all of you as we enter into a new age and direction for the Bermuda tourism industry.

Mr. Speaker, what we are embarking on today is historic. We are officially starting the process of changing the way we have managed our tourism industry for the past 50 years. I appreciate that major change engenders anxiety and fear. Change is also unpredictable. It is important that this Honourable House and the people of Bermuda know that this has not been a simple process. A great deal of thought and consideration has been put into the creation of the Bermuda Tourism Authority and how it will work to produce the best results for Bermuda.

The dominant reality of our time is change. And the key to the economic survival of Bermuda in the coming years will be our ability to make bold changes and adapt to a changing world. Change is about making the difficult choices. We are now in a position where unless we undertake a radical reform of our tourism industry, we will fail. And we cannot, Mr. Speaker, afford to fail. If tourism is successful, then Bermuda will be successful.

Mr. Speaker, implementing the legislative framework that empowers the Tourism Authority to carry out the principal objects and key tourism functions is the first step in ensuring that Bermuda once again becomes a competitive tourism destination of choice. And it will spur and encourage investment in new tourism products, create much-needed jobs and ultimately help to restore our economy.

Thank you, Mr. Speaker.

[Desk thumping]

The Speaker: Thank you, Honourable Minister.

I think we are at the point, and I would like to ask the Honourable Premier. I think, Honourable Member, it looks like it is lunch time.

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

I move that we now break for lunch till 2:00 pm.

The Speaker: Thank you, Premier.

The House will adjourn to 2:00 pm.

[Gavel]

Proceedings suspended at 12:33 pm

Proceedings resumed at 2:02 pm

[Hon. K. H. Randolph Horton, Speaker, in the Chair]

[Gavel]

SECOND READING

BERMUDA TOURISM AUTHORITY ACT 2013

[Continuation of debate thereon]

The Speaker: Members, we will continue with the Second Reading of the Bermuda Tourism Authority Act 2013 in the name of the Minister of Tourism Development and Transport, the Honourable and Learned Member, Minister Shawn Crockwell, who has just completed his presentation.

The Chair now recognises the Honourable Shadow Minister for Tourism Development, MP Wayne Furbert, from constituency 6, Hamilton West.

MP Furbert, you have the floor.

Hon. Wayne L. Furbert: Thank you, Mr. Speaker.

Mr. Speaker, just to remind our listening audience (for those who just probably turned on their radio) that we are debating the Bermuda Tourism Authority Act 2013.

Mr. Speaker, I think we have all been waiting for this particular day in regards to the . . . first of all, let me thank the Minister for his presentation and for acknowledging the work done by the Progressive Labour Party over the last year or so in regards to two particular items, and those are the Tourism [Board] Act 2012 and the National Tourism Plan, which clearly was some hard work and, as you know, Mr. Speaker, [since] you formerly sat on the Tourism Board, that we believe that it was a milestone at that time in moving the country ahead particularly in tourism.

And we will be debating today the Bermuda Tourism Authority Act where the Minister says it is a game changer. And in some aspects there are some changes. I do not believe the changes are significant

enough to at least . . . where the Government probably spent about a half a million dollars to get some things done to make the Act work. And what I mean by a half a million dollars (in case anybody is wondering what I am talking about) as the Honourable Member, the Minister of Health, will be aware of and Honourable Member, Adderley [*sic*], recognise that as accountants we take consideration of those things that it took to develop or make a product. And so the . . . as a matter of fact, I am not sure if the Chairman should be talking to the Minister right there, Mr. Speaker.

The Speaker: Yes. Thank you.

Hon. Wayne L. Furbert: It is interrupting. It does not work that way in this . . . as the former Minister would know.

[Inaudible interjection]

Hon. Wayne L. Furbert: No, he was talking to the Minister. I do not—

The Speaker: Yes, carry on.

Hon. Wayne L. Furbert: And so the point is that to get from this point, because you know the OBA (the Government) had the idea for years—for months, not years—but predominantly that it had the idea of producing an independent Tourism Authority.

As a matter of fact, I expected to see that word in the Act, “Independent” Tourism Authority, because they said it so often. But they come here today with the word Tourism Authority Act 2013. So what I mean by half a million dollars, the cost to produce this particular Act, had to . . . when you include everything, when you start with the . . . Mr. Corey Butterfield, the consultant, the cost for the lawyers to produce the document, the cost for travel, the cost for consultation, the cost for civil servants, the cost for . . . and it goes on and on. You follow what I mean. Why I am saying half a million dollars to produce such an Act, which we say is not significant . . . which is not significant.

But again, we thank the Minister for recognising the work done by the former Government—the Progressive Labour Party Government—in producing the National Tourism Plan. And as you would notice, Mr. Speaker, that the National Tourism Plan plays a key role in the Tourism Authority because that is how basically the Government is saying we will use this Authority—the National Tourism Authority—to push our programme. And with some changes allows the Government to make some changes to the National Tourism Plan, but it is the foundation of where the Board will be operating out of.

Mr. Speaker, I would say, and I am sure most people would say, that a Tourism Authority is not the panacea. It is not the panacea. And as much as we hear people saying about what the Authority would do,

it is not the panacea that is going to, at the end of the day, bring in tourism. We are aware that, at the end of the day, it is our friendliness, it is our service, it is the infrastructure, it is new products. Mr. Thomas, who was waiting to do the work there up in Horseshoe Bay that was turned down by the . . . I do not know if it was turned down by the Board, but I remember Mr. Hayward appealing the decision to do something up there, or whether who works out at Dockyard.

All of those items have nothing to do with . . . at the end of the day, most of them have nothing to do with an authority or a board because the Government still (through Planning) will have to make a decision on whether an individual is allowed to do certain things. So the Government still has some basic controls over whether the tourism works. And that is all within the National Tourism Plan. It talks about new products. It talks about what the body should do in improving particularly the numbers. Numbers, and as hoteliers know, the length of stay.

Our biggest problem is not that we have a problem in the summer months because we do quite . . . well, hotels do quite well in the summer months and as I say the months of (I will take a guess right now) let us say May to September . . . June to September maybe . . . And the other months are kind of fighting it. We basically can hold probably, even with the number of rooms that we have, 2,500 rooms, 5,000 (I think it is) beds, we probably, if we multiply those numbers, we can hold over a million people a year, in theory. In theory, we could hold over a million people at the numbers that we have right now.

Our biggest problem is that we are not fully occupied in those winter months. And so the National Tourism Plan talks about how we are going to deal with that and how we should approach it basically on sports tourism (and you, Mr. Speaker, as the former chairman of looking at the sports product) and also on convention groups. And why I say that the Tourism Authority or body is not the panacea is because those things can be done under the Ministry. We have just got to make more people accountable in the Ministry going forward—hold the Minister responsible and those bodies.

However, Mr. Speaker, let me just say up front that when we talk about a Tourism Authority, most people in Bermuda do not know what we are talking about. It sounds nice. It sounds fabulous—a Tourism Authority—as if there is something magical about that particular entity. Truthfully, it is not. It is just an entity. It is a body. There is nothing magical about the word “tourism” and nothing [magical] about the word “authority.”

The real power is in the word “authority.” You have heard of port authorities, you have heard of parking authorities, you have heard of other authorities. And Governments give bodies, particularly citizens, the right to work and operate within authorities to get things done. And the reason why they do that is

because in certain aspects authorities or an entity . . . and I called it a Tourism Board, we could have called it Joe Green's Hamburger that operates tourism. My point is it was not in the name, it was in the contents of the Act. And we will get to that in some time.

So it was not the name, but the word "authority" has been used for . . . we have got Malta, we have got Barbados Tourism Authority, Aruba, Hawaii, Philippines, Samoa, Qatar, Zimbabwe, Australia, South Africa, Guyana, Egypt. Do you think a Tourism Authority is getting people [to travel] over there right now because of the Tourism Authority? I do not think so. I do not think so.

So it is not the word itself or whether the entity is called a Tourism Authority. It is about a body getting on and getting the work done and giving them certain powers to make things happen. So there was nothing magical. Before 1998, all we heard was Tourism Authority under the former Minister, David Dodwell. It was not until the last year or two that we heard the word "independent" Tourism Authority. And I recall . . . I was trying to figure out what in the world this independent authority was all about because, fortunately enough, I had the opportunity to not spend a half million dollars to create the Tourism Act. I probably created it with \$10,000 because it took me a weekend to show the comparison between the bodies and come up with the idea that . . . *Hey, let's move ahead with the Singapore Tourism Board, the Act* (because they called it a Singapore Tourism Board.) The contents of the Act were basically similar to everyone else. So that is how the words "Tourism Board Act" came up in 2012. We followed the Singapore model. So that is how we came up with it. But most people use the word "authority."

An authority is where a body is given the rights to get on with certain things that sometimes Governments are hindered to do or are slow-moving. Governments are red tape. We all understand that. And even I am sure that Ministers understand that sometimes it takes a long time for things to proceed. As they are aware (I am not sure in their room), but we had to basically get approval for anything over, I think it was \$50,000. Cabinet had to approve it.

This authority has been given a little more leeway to move a little quicker. And certain aspects of an authority allow it to sometimes save money. So there was nothing magical about this Tourism Authority that I kept on hearing the OBA talk about, as if it was going to be the saviour to our problem here in Bermuda. Because a lot of the things that the Board had the right to do in 2012 to bring in tourism, Mr. Speaker, did not hinder them to [from doing] it.

We are talking about the . . . well, we talked about an authority as an organisation having power or control to make things happen. We do not see where the significant difference that the Government has brought forward, as I have heard from the Minister—significant difference—and the Chairman talking about

significant difference that will allow those tourism numbers to increase. If you were to say to me that the significant difference in the Act allowed the Board to . . . I do not know, but would show increase in numbers, I could understand that. But the powers that the Government is giving this Authority (and I say that entity) are not significant enough, as far as I am concerned, that it is going to make a major difference between the 2013 Act and the 2012 Act.

Now, the Minister had said that we had 20 members on our Board (the 2012 Act), which is not true. The number of members that were on the Board was 15. The other members were ex-officio members, thereby . . . by the . . . and I will be quite surprised if the Board does not have certain ex-officio members coming in from time to time, come in from time to time to give advice or to listen to them. Because at the end of the day they are not the ones who are on . . . for instance, the CEO is not a Board member. So I would have thought that he would be (he or she would be) coming to the boardroom from time to time as an ex-officio member to talk and discuss about what is happening in tourism. That is why we had the directors on the Board as ex-officio members and why we had certain people, such as the person from overseas, and I think it was another member . . . but we only had 15.

Now that was not a magical number, Mr. Speaker, because there was a report done in 1998 at that time by the Vancouver International Strategic Services Ltd. It was sitting there in the Ministry and that is why I could not figure out why the Minister spent so much money in trying to produce an authority when the full report, at that time which was under the guidelines of the former Minister David Dodwell, was sitting there. And the whole report lays out how an authority should operate.

In this report, Mr. Speaker, it talks about 15 members. Now you know why my 15 members came up. Now you know why the member of the union was on the Board because in this report it says a member of the union should be on the Board. Why? Because a lot of the BIU members work at the hotels. Why should a member from the Chamber of Commerce be on the Board? Because the report said that a member of the Chamber of Commerce should be on the Board, et cetera, et cetera, et cetera. So it was nothing unusual.

What we did, like I said, is take the Singapore Board Act, work with that, then we used the guidelines of what was happening in this Executive Summary to make things work. I mean basically what the . . . and I am not sure whether the Minister has seen this report, but it said in the introduction "to provide guidelines for drafting legislation to establish a new Tourism Authority and to provide transition plans, which if implemented would ensure the orderly transition of the tourism function from a Government department to a Tourism Authority." So I could not . . . that is why it bothered

me from day one why Mr. Corey Butterfield was hired particularly at that time it was announced to work on—

Hon. Shawn G. Crockwell: Point of order, Mr. Speaker.

The Speaker: Honourable Member?

Hon. Wayne L. Furbert: Yes.

The Speaker: Thank you.

POINT OF ORDER
[Misleading]

Hon. Shawn G. Crockwell: Mr. Speaker, the Honourable Member is misleading the House and this happens time and time again as it relates to the employment of Mr. Corey Butterfield.

Mr. Corey Butterfield was not employed specifically and only for the Tourism Authority development. He had a wide remit and continues to perform a wide remit.

The Speaker: All right. Thank you, Minister.

Hon. Wayne L. Furbert: Okay. I am not going to debate the Minister on that. That is—

The Speaker: All right. That is acceptable.

Hon. Wayne L. Furbert: I am just saying that when I first heard the name Corey Butterfield, I remember him coming before the House, particularly, outlining his role as working to draft up and do research on a Tourism Authority, hence, why he ended up in Barbados . . . the Bahamas. All right? A place which does not have a Tourism Authority. But he ended up there so . . . but that is fine. I am not saying that he did . . . all I am saying is that I remember clearly when I told the Minister at the time to go down the hall, around the corner, in the end of the drawer, you will find a report. And the report was there. So it did not need all that work done by Mello House and Jones, and KPMG, and this other consultant I see floating around . . . I cannot remember—

[Inaudible interjections]

Hon. Wayne L. Furbert: I can't remember. . . Mello . . . I don't know if it is Jones. Mello—

[Inaudible interjection]

Hon. Wayne L. Furbert: That is right. I am thinking back to the old days. I forget the name of the company right now.

Hon. Shawn G. Crockwell: Point of order, Mr. Speaker.

The Speaker: Yes.

POINT OF ORDER
[Clarification]

Hon. Shawn G. Crockwell: Mr. Speaker, the Honourable Member is misleading the House. The law firm that was employed was MJM Limited and the consultant and—

The Speaker: So that is a clarification.

Hon. Shawn G. Crockwell: —the consultancy company was Ernst & Young.

The Speaker: All right. Thanks for the clarification.

Hon. Wayne L. Furbert: I appreciate it. I appreciate the clarification.

At the end of the day, there was a law firm—MJM—and an accounting firm—Ernst & Young, And there was another consultant I see floating around here recently that the Board has hired and it started with a “K” . . . I cannot even remember the name. But I am saying there are so many different groups out there . . . oh, well.

Hon. Shawn G. Crockwell: Mr. Speaker, point of order.

The Speaker: Yes.

POINT OF ORDER
[Misleading]

Hon. Shawn G. Crockwell: The Honourable Member is misleading the House. I do not know what he is talking about, about another consultant that starts with a “K.” I think it is important if he is going to come to the House to make these statements, he needs to be accurate in what he is saying, Mr. Speaker.

The Speaker: Thank you, I think you are correct.

Honourable Member, please, you know, be certain about what you are saying.

Hon. Wayne L. Furbert: Okay, Mr. Speaker, yes . . . I am . . . I am really being nicer than normal.

[Inaudible interjections and laughter]

Hon. Wayne L. Furbert: I have not raised my voice. I have not gotten upset. All I am saying is that—

The Speaker: No, you are doing—

Hon. Wayne L. Furbert: —there were a lot of consultants around. And whether it was . . . and I think it was hired by the Tourism Board. Okay? But there is another consultant out there, floating out there. As a matter of fact, they are the ones that are looking to the CEO. They are the ones looking into the CEO. Now who are they?

POINT OF ORDER

[Misleading]

Hon. Shawn G. Crockwell: Point of order, Mr. Speaker.

The Speaker: All right. Yes.

Hon. Shawn G. Crockwell: Mr. Speaker, the Honourable Member is misleading the House. We have only hired one consulting company and we have been clear. That was Ernst & Young. And we were clear that we hired a company to do a CEO search.

The Speaker: All right. Thank you, Minister, for that clarification.

Honourable Member, if you could, please, just make sure that, you know, that you are clear. That you understand exactly who it is you are talking about if you are going to be . . . if you are going to be making those comments.

Hon. Wayne L. Furbert: Sorry, Mr. Speaker.

I just want to clarify something. Did I . . . what did the Minister say about consulting? What did he say about hiring?

[Inaudible interjection]

Hon. Wayne L. Furbert: But that is what I said.

[Inaudible interjection]

Hon. Wayne L. Furbert: But that is what I said. I said a consultant. What do you call those people?

The Speaker: Yes. Carry on, carry on.

Hon. Wayne L. Furbert: That is what I was saying. Yes, that is what I said—

[Inaudible interjection]

Hon. Wayne L. Furbert: Yes, that is what I said. They are not working for the Government. I said Ernst & Young and MGM . . . MJM (whatever they are called), and the consultant for them to hire a CEO—I said that. I am not misleading the House. This Minister is misleading the House because there is a group. All I am saying is that it is about up to \$500,000-plus.

So the major differences between the 2012 Act and . . . and in a minute we will get [into] a discussion of it, it is mainly the functions and powers of the Board. He talks about political interference and not wanting to . . . the fourth Minister in four years . . . I remember, I think in the UBP days we went through four Ministers in six weeks, that is how we were hopping through those days.

[Inaudible interjection]

Hon. Wayne L. Furbert: No, it was not. It was not.

And we have seen a decrease in tourism numbers and rightly so. He said it is not right to point fingers, and I remember them pointing fingers all . . . for the whole year last year. It was the PLP that did not have the answer to go forward. And so you are absolutely right, this is such an important topic that we should not be pointing fingers, we should find something to work together on. And as you know, Mr. Speaker, I have not been beating up the Minister over the last nine months, even when the stats—

[Inaudible interjections]

The Speaker: Carry on. Carry on, carry on.

Hon. Wayne L. Furbert: I have not been beating up the Minister as much as the Minister was beating up on me over the nine months. Every time we talk about stats, he was always jumping in the paper. I do not jump in the paper because I understand that. I understand what those numbers mean. I mean, I got a call yesterday from ZBM asking about something that came up from the statistical department. And I said, *I am not going to respond to that.*

[Inaudible interjection]

Hon. Wayne L. Furbert: Yes, I said I am not going to respond to that.

[Inaudible interjection]

Hon. Wayne L. Furbert: I am not going to respond to that. I did not want to respond to the first quarter 2013 or the second quarter 2013 or third quarter coming up. I am not going to. Why? Because I understand the psyche, and why we need to find a way to move forward.

Now they are saying by putting this Tourism Authority in place all of a sudden . . . fourth quarter, first quarter, second quarter 2014 we are going to see this massive . . . implying . . . implying.

[Inaudible interjection]

Hon. Wayne L. Furbert: So they are . . . the Minister said that he has never said that, but implying that this

is going to be the panacea that is going to bring back . . . return and everything. No, it is not. And we have got to make sure that Bermudians understand that, because the expectation level is like, you know, the drop in the rates for foreigners to purchase homes to 6 per cent was going to cause some big move—it has not.

I spoke to a realtor on Saturday at a “Feel the Love” concert, peace concert. He said, *Wayne, there has not been much movement at all on that particular side. Now, on the PRC, there have been some changes, but not many coming from the overseas purchase to purchase.* So it is the expectation level that we have got to ensure Bermudians . . . yes, we have got to build hope. Yes, we have got to ensure that things are in place to make sure things work. But do not give false hope that all of a sudden things are going to make a major change, as if the Tourism Authority is going to make this happen.

So it is mainly in the . . . the differences are when you talk about political interference. The Minister has the right to pick the chairman—the same thing that we had. And let me just tell you, he that controls the chairman almost. Mr. Speaker, you understand. You have a little luncheon in the afternoon and the chairman has a lot of influence over most boards. And you just cannot run from that.

And the Minister has influence over the chairman. So I do not care whether Mickey Mouse picks the other five or six. If the Minister controls the . . . picks the chairman, he plays the tune of the Minister. Initially . . . the initial board is picked by the Minister in consultation with the chairman. I found that strange. Why in consultation with the chairman? So . . . and you are picking them for two, three and four years. So for at least two years, Mr. Speaker, you control the board because you put them in place.

Any Minister knows that if you pick the chairman, and you pick the board, you do not want to be twisting arms, but you could, you know, call them up for lunch and say, *How are you doing? Something does not look right.* That is how it works, not only in the political world, but it happens also in the real world out there. If I control 51 per cent of the shares of a board and now my chairman . . . you call him up and say, *By the way, let's have lunch.* You understand that. And so you cannot say that you are . . . all of a sudden there is no . . . [that this] independent Board is going to operate.

[Inaudible interjections]

Hon. Wayne L. Furbert: So it is about . . . it is not about . . . all I am asking the OBA [is] to be a little more truthful on if we had something, a structure set in place that was so intertwined in influencing the Board . . . and the Chairman sits here right now. He will tell you, *I am not going to influence the Board.*

And Mr. Speaker, you were on the Board, I never came in to the Board and said, *Hey, Board, you have got to do this.* I never did that . . . never did that. And they were from, I guess, from July to December. I never came in and said, *Chairman, you have got to do that*—no. And, no, you could not do that to a certain degree.

So you have this picking of [the] Board. And then the Board then says, *Okay, how will the next Board members be picked?* Apparently, in the Act it talks about the Board members are elected by the Board members (who the Minister and the Chairman just picked), and in consultation with the Minister, the new Board members shall be appointed. So if your seed at the very beginning is in control, how do you think . . . as a matter of fact, those Board members do not have to resign because they could stay on. They can stay on.

I do not think that the Chairman and the Minister are going to pick some insignificant Board members. They are going to say, *Well, let me pick insignificant Board members now because I know in three or four years there is going to be another arrangement.* It is not going to work that way. I can guarantee. I could probably name three of them that are going to be on the Board, first the Chairman—

[Inaudible interjection]

Hon. Wayne L. Furbert: Mark Winfield. He is not going to be on the Board? I was surprised at that one. He must be the CEO.

An Hon. Member: You are batting zero still.

The Speaker: Honourable Member, leave those kinds of things out of it.

Hon. Wayne L. Furbert: So my point, Mr. Speaker, is that those Board members who are picked initially by the Board Chairman and the Minister will probably be there for years because they are not going to pick insignificant individuals to make this work.

Now, when we talk about functions and power of the Board (because that is where it operates), and who controls that, and there is implication of it in the 2012 Act. In their function and power, the 2013 Act talks about . . . I think they call it objectives and power of authority. Those principal objectives and powers of authority are no different in what we saw before. As a matter of fact, the Minister, currently (the Minister in 2013), has the right under the 2013 Act to make . . . “the Authority [may] undertake such other functions as the Minister may”—*may*—“by written instrument, authorise the Board to carry out.” So the Board, certain functions that the Board may want to carry out, cannot be carried out unless the Minister approves it.

[Inaudible interjection]

Hon. Wayne L. Furbert: Yes. Okay?

So this independence that we are talking about is now starting to crumble. A Chairman who is appointed by the Minister, a Chairman who . . . and the Board members appointed by the Chairman and the Minister, and now the power . . . the objectives and the . . . (I keep getting it wrong.) the objectives and power of authority—

The Speaker: You know we are going to go all through that when we get into Committee, right?

Hon. Wayne L. Furbert: Yes, I know but we cannot . . . I—

The Speaker: Yes.

Hon. Wayne L. Furbert: Just give me a . . . I am not going over the clauses.

The Speaker: Yes.

Hon. Wayne L. Furbert: I am generally talking about the Act itself.

The Speaker: The general meaning of the—

Hon. Wayne L. Furbert: Yes. I am just talking about the general [part of the] Act itself. That is what I am talking about.

The Speaker: All right. Okay, okay.

Hon. Wayne L. Furbert: So the general part is that the Minister “may”—not “shall”—change some of the functions and power. If they do not want to change it, if Cabinet does not want to change it, so be it.

The other part, Mr. Speaker, is the power . . . we call it the power of authority . . . the power . . . the power . . . please, give me one . . . function and power. There are certain things under the Act that we felt it was important, and the Minister has now given them up to the Board. And those who are in the listening audience cannot tell me (and will understand this) because the Board does not have the right without the approval of the Minister to buy shares in another company, will stop tourists from coming here.

So under the 2012 Act, it talks about the Board has to seek approval from the Minister to buy shares. And, Mr. Speaker, you cannot tell me (and I am sure you understand that) that—

POINT OF ORDER

Hon. Shawn G. Crockwell: Point of order, Mr. Speaker.

I do not know if I heard him correctly. He said that in the current, in the Act before the House, the

Minister has to approve the purchase of shares. If that is what the Honourable Member said, it is incorrect.

The Speaker: Are you talking about this Act or are you talking about the . . . are you talking about the previous Act?

[Inaudible interjections]

Hon. Wayne L. Furbert: No, he is actually right. He is right. And I did not say that. I said that under the 2012 Act—

The Speaker: Right, that is what—

Hon. Wayne L. Furbert: Under the 2012 Act.

The Speaker: Yes, he was talking about the 2012 Act.

Hon. Wayne L. Furbert: Because everything under the powers of authority is basically the same, other than with the Minister (under the 2013 Act) does not have to approve where the Board approves to buy shares.

Now what stops the Minister of the Board from buying shares in the Reefs? The Board . . . the Minister cannot stop him. The Board can buy shares in the property down here in St. George's. It can buy shares anywhere from anyone at any time. But if the Government is giving the Board \$29 million or more, we thought it would be appropriate for the Minister to have some say on whether the Board should have the right to purchase those shares. It was checks and balances on accountability. That is what we are talking about right now—accountability—on whether the Minister . . . the Board should go ahead and do what they want to do.

But giving them that responsibility does not bring in tourists. Giving the Board the right to invest in and outside of Bermuda does not bring in tourists. But under the 2013 Act, the Minister has removed himself (or herself, himself now) . . . himself . . . themselves. So these little independent things they are talking about, do not bring in the numbers and increase the product as we think they should have.

The Board had the responsibility under the 2012 Act to promote and market Bermuda for bringing in tourists. So from July 2012 up to now, Mr. Speaker, it was the Board's responsibility—not the Minister's—to promote and market Bermuda. I am not holding the Minister responsible for the numbers where they are right now. I am holding the Board and the Chairman because they had the responsibility. They had total responsibility for marketing and promoting Bermuda. As I said to them once (and he will confirm it), *You can spend all your money on chewing gum if you want. We will give you the money that is allocated toward the Board. But at the end of the day, you have*

got to report to this House on how you spent your money and the House will hold them accountable.

[Inaudible interjection]

Hon. Wayne L. Furbert: It is not the same thing. I heard the Honourable Member Grant Gibbons—

The Speaker: Go ahead, Member, you are giving your position so carry on.

Hon. Wayne L. Furbert: It is not the same thing where the 2013 Act allows the Board to buy shares in Capital G and where we stopped it under the 2012 Act, where the Minister has the right to go back to Cabinet and Cabinet says, *Minister, I don't think you should allow the Board to go out and buy shares because we are giving them \$29 million.* Under the 2013 [Act] that Board can do whatever it wants. But it has nothing to do with bringing in tourists. They have the right to lease and purchase land. This has nothing to do with bringing in the tourists. If these are the things they are talking about, [referring to] independent, then I am not . . . you do not have me.

So we do not support the idea of giving the Board total *carte blanche*, [the] right to just go buy shares and purchase land and invest overseas without the Government's hand. No, you want to be independent in three years' time, you bring back an amendment. You bring back an amendment in three years' time when you said they will be fully funded.

I will be interested to know how they will be funded. I am interested in that one. And I would like to know what the Minister . . . Give us an idea, what supports the idea of funding this Authority in the next three years? I just found that quite amazing. You are going to tax somebody. It is not coming from their hotels. Trust me. There ain't no hotels that will be paying money into that Board. And when I . . . there are some other bets.

So the Minister said that it would be totally funded in three years. I want to hear the Government . . . the country wants to hear how does that Board expect to fund that Authority in three years' time? They will be (what is that word?) . . . they will be coming to Parliament for the next 10 years. They will be coming to the Parliament asking for their money and probably more too.

If I remember, the magic word [was] of 40-some million dollars that we were looking at. They will be coming back here. So three years? And the Minister says sooner. I would be interested. Now, if you are going to turn the tax over from the cruise line or turn the tax over from the hotels, that is not where they are funding it. We are giving them the money, because at the end of the day they are going to the Consolidated Fund to help out other projects.

Now, unless these magical individuals—the Minister of Finance and the gurus on that side on the

finance—understand where the money is coming from for that Board. I do not know any board, Mr. Speaker, that is funded by itself, any authority, without taking revenue from the Government that once had it. Any new revenue, I would like to know how they are going to charge.

So do not tell me we are going to take the cruise ship money, and that is the funding. No, you are taking the money from the Consolidated Fund who could help some people who are living and not working. So we do not support that idea. We do not support the rights . . . we support an entity to move things ahead. We support that. But we do not support where the Government is limiting . . . and it is not really control, but holding the Board accountable for the money they are giving them. We do not support that. I think that is where the differences are.

I will wait to hear from anyone that wants to stand up and tell me . . . not the fluff. I do not want to hear the fluff about these . . . I want to hear specifically what are those things that were so amazing. And I have already pointed out those things that are different.

Now, Mr. Speaker, we are handing assets over to this Authority. This Parliament, this Honourable House, gave the Board the right to form a body last year called the Tourism Board. They had the right to be sued; they had the right to collect money, and so on and so on. Now this Parliament is handing over—giving this Tourism Authority a new name, just a new body, a different body of people—the assets of the old Board. Well, shouldn't they come to this Parliament and tell us what those assets were that we are handing over? They collected money—2.5 per cent—of the tourism fee. I am interested to know what liabilities are out there that the Board had. They had the right to report to Parliament.

As a matter of fact, their financial year was March 31, 2013. So they have had time to at least give a preliminary financial statement to the Minister. So under the Act they have the right to give the financial statements to the Minister. As of March 31, 2012, I want to know what the assets were. How much cash did this Tourism Board have? What liabilities were outstanding? Is anyone suing them? Does anyone owe them any money? This Parliament has a right to know that before we hand over a cheque. Should only the Minister know what the assets are? He had to report to Parliament within . . . by September 30th.

By now I would have thought, because September 30th is three days from now (I think it is three days from now) he should have the financials sitting there on that desk telling us how much cash the Board has and which hotels have not paid their fee. So I ask the Minister, how much cash does the Board have as of August? Or whatever the latest statement he can give. And what hotels have not paid their tourism fee? Because the tourism fee did not come from the hotels, it came from the tourists.

So they collect the money on behalf of the tourists, and have they paid the money into the Board? We want to know that from this Parliament.

Mr. Speaker, I have got, what? Probably 15 minutes to go? Eighteen?

This CEO concerns me. When I read the ad in the paper, I was waiting to read the bottom line saying Bermudians need not apply—need not to apply. What are we . . . what have we come to, Mr. Speaker? What have we—

The Speaker: I missed that, what were you . . .

Hon. Wayne L. Furbert: The ad. They took a big ad in the *Bermuda Sun* today, as if they were impressing me or the Bermudian public—

The Speaker: It was in the paper a few days.

Hon. Wayne L. Furbert: —that were advertising for a CEO.

The Speaker: Yes.

Hon. Wayne L. Furbert: And the CEO had so many qualifications, all right? Requirements. At the bottom, I was waiting to read, *Bermudians need not to apply*. After all, the best practice . . . let me just tell you, if we did the best practice many of us would not be in this Parliament. If the qualifications for the CEO are what [they are], then why should not the Minister of Tourism meet the same qualifications?

[Inaudible interjections and crosstalk]

The Speaker: Carry on, carry on.

Hon. Wayne L. Furbert: Mr. Speaker, are you following me on this?

[Crosstalk]

[Gavel]

Hon. Wayne L. Furbert: All I am saying to you [is] that after all these years—hundreds of years—we are not proud to know that there is a Bermudian out there, who is a qualified CEO. Cannot run tourism.

Here is what they do, Mr. Speaker, they talk about the person has to have financial management and then they talk about travel and tourism experience and a few other things. You are trying to tell me that Bill Gates could not be the Minister—the CEO—of the Tourism Authority? You are telling me Brian Duperreault could not be the Minister of this Tourism Authority? Are you telling me that Gil Tucker could not be the Minister of—sorry, the CEO—of this Tourism Authority? Are you telling me that the many top CEOs

that we have on the Island are not qualified because they do not have travel and travel experience?

Something is wrong there, Mr. Speaker. Most CEOs do not have to know everything. They have to know some things, but they have other people to give them guidance. (I almost started picking on the Permanent Secretary, but I am not going to.) Not everybody has to know that. You do not have to know that.

Mr. Speaker, it is ludicrous that at the end of the day, I guarantee—I guarantee—that the CEO that comes in will not be a Bermudian. And they are not . . . they advertised in the *Bermuda Sun* or the *Royal Gazette* just to do it. But that head-hunter is not looking in Bermuda. If they are, where are they? They are overseas looking worldwide. Why do we not just do headhunting for every job in Bermuda? Every job in Bermuda . . . the clerk. You know, why do we not go and find somebody in Timbuktu, because there is somebody always overseas who is better than a Bermudian—always. But, you know, most countries have their own people as CEOs.

[Crosstalk]

Hon. Wayne L. Furbert: Most people have their . . . and what message are we sending to our people? What message are we sending to our people? We are not smart enough. We are not . . . we are not . . . you know, you have not reached that standard because you are not . . . we can always find somebody better than you.

Mr. Speaker, I am telling you that the message that is being sent by the OBA Government is wrong. It is wrong. Because when we start believing in ourselves, we are going to find this country going in a better direction. But until we hold on to the thing that people outside are better than us, except the Minister . . . I mean, you have got to tell me why there is a Minister of Education. I am not going to go into that part. I am going to talk about tourism today.

But you cannot . . . cannot . . . I accept that the person has to have some smarts about themselves. And I can guarantee, Mr. Speaker, I will ask them to report back to this Parliament how much money that person is making and what are their full benefits? If it is less than a half a million dollars, I will be surprised. I bet you that if it were a Bermudian, you would only offer them \$100,000 and say that is all they were worth. But anybody from overseas is worth more.

But the day we start believing in ourselves that we as a people can do anything . . . we taught people how to do tourism. We taught people. But yet we are saying, *No, we have got to go overseas and find somebody who has all these skills* and who does not even know where Beanie's Bay is. But they are going overseas to sell Bermuda. They are going to sell Bermuda [although they] do not know anything about Bermuda. Am I missing something?

And then you are going to ask some Bermudian to come along and help and whisper, *Hey, Shelly Bay is down at Shelly Bay*. And he gets up to make a speech on how good Bermuda is. Probably the first time he has put his foot in the House and he is going to be a CEO of this Authority. If there is anything that is more sickening to me . . . everything else I can live with, but to send a message that Bermudians are not qualified, I am sick and tired of that.

[Inaudible interjections]

Hon. Wayne L. Furbert: I am sick and tired of that.

[Crosstalk]

[Gavel]

The Speaker: Members, quiet.
Carry on.

Hon. Wayne L. Furbert: Mr. Speaker, my record speaks for itself.

[Crosstalk]

[Gavel]

The Speaker: All right. Listen.
Member, sit down. Sit down. Sit down, please.

Hon. Wayne L. Furbert: Did I do something wrong?

The Speaker: No, you did not do anything wrong. You did not do anything wrong.
Maybe now they are ready.
Carry on.

Hon. Wayne L. Furbert: Yes, I was just listing off—

The Speaker: It was not you.

Hon. Wayne L. Furbert: Okay. Thank you, Mr. Speaker.

Mr. Speaker, my record speaks for itself. When I was on the [Bermuda] Hospitals Board, it came down to whether the CFO should be a Bermudian or somebody from South Africa. I had the vote. Do you know who I put my bet on? A Bermudian. When I was the Minister of Tourism, of Transport, and we had a fellow down there, I told them to put a Bermudian in charge. I did not care; he could be in the background. He could be a consultant. But I want a Bermudian standing up front there. And it happened. So I am saying to you, I mean, if the person needs to have finance, management, [and] travel—you might as well pick the Premier because he has all of those.

[Crosstalk]

Hon. Wayne L. Furbert: And I am not being facetious.

What I am saying is that I believe that if the CEO—the top CEO—of the country is the Premier . . . and by the way, when he leaves office (based on our experience [with] most of them) . . . it is not going to work. In other words, if you can run the country, he cannot run an Authority? And get his Ministers and get his directors and everybody else who understands finance and health and tourism, and whatever . . . that is how . . . a CEO does not have to know everything.

So I am sending a clear message to the Chairman, who I am sure is already looking for that CEO, and the Minister, because that head-hunter is out there looking all around besides on North Shore—

[Inaudible interjection]

Hon. Wayne L. Furbert: Besides on North Shore. They are not here. They are overseas. Because at the end of the ad it says, Bermudians need not apply.

Mr. Speaker, in summary, we on this side do not support a CEO who is not a Bermudian. We do not support the total powers given to a Board which has no connection and accountability to the people . . . and those things I am talking about are buying up shares, investing money, having the right to invest money here and there without the Minister's approval, and some other things which I am sure the Minister will see when we get into Committee. Those things we do have great concern over; the general premise of an entity making things work.

And we are concerned about the staff. The Minister has given us that assurance that the staff will be okay. I just find it strange that if none of the members qualify . . . and you know what makes me smile about that, Mr. Speaker? It was never the staff at the bottom who were clipping the paper, who made the decision about tourists coming here. It was always the top level who made the decision on policies. So whether I am in there booking in accounts, or whether I am in there seeing whether the person who is doing the graphics, or whether the person is attracting some people here for the sporting . . . a lot of the decisions are made at the top. But . . . I probably put my . . . I am not putting my life on it, but there are certain people I know that are probably going to still be there. I will be interested to know whether the person who is in the New York office will still be there—a non-Bermudian.

I always felt that a Bermudian could take that spot. I always felt that a person from Canada—non-Bermudian—a Bermudian could be in that spot. I always felt that some of the people in the London office could be Bermudian. And we were working on those things. I guarantee that their heart is not beating as much as the Bermudian staff here.

I went to the Immigration Office the other day and I said, *I want a work permit*. She said, *Why?* [I said,] *Because work permit holders get a job faster*. So my point is that there is something wrong with us—there is something wrong with us, Mr. Speaker, that after 400 years our children and our grandchildren do not have the ability to believe that their leaders are going to take care of them. And you are wondering why we have problems the way we have it? Well, just keep on going that way.

Mr. Speaker, I am not a prophet, but I can tell you right now if we do not start believing in ourselves and are building hope for our people that they can do anything they want—whatever—whether they went to school at Francis Patton or they went to school at Sandys or they went to school on St. George's or they went to school up at Saltus—if they are Bermudians, they should feel that they can come here and be able to get a job if they are qualified.

I understand that there is a time, that there are some needs and some training that has got to take place. I understand all of those situations. But once we arrive . . . we are Parliamentarians, Mr. Speaker, we are big time. People put us here. Why? To make sure that the people are protected, to make sure that things are going right, to make sure that the future is bright. But based on this move . . . based on this move . . . this move is not . . . I can probably guarantee, [the] CEO is not a Bermudian. We still have that person sitting there in the New York Office. They will probably move him now, now that I have said it.

[Inaudible interjection]

Hon. Wayne L. Furbert: Beg your pardon?

Mr. Speaker, I am not going to get into that discussion.

[Inaudible interjections and laughter]

Hon. Wayne L. Furbert: I am not going to get into that discussion.

The Minister . . . *Who put him there?* I just know that there are certain people who are currently sitting on your Board who have encouraged me to keep them there, who asked me to keep them there. So, Mr. Speaker, I believe that we have to build hope. And the one thing that if we do not get it right—and that is hope for our future—our people will live in despair, and somebody is going to come and bite us where we do not want to be bitten.

Thank you, Mr. Speaker.

[Desk thumping]

The Speaker: Thank you, Honourable Member.

The Chair now will recognise the Honourable Member, Mr. G. C. Smith JP MP, from Devonshire North West, constituency 14.

You have the floor.

Mr. Glen Smith: Thank you, Mr. Speaker, and good afternoon.

The Speaker: Good afternoon.

Mr. Glen Smith: I stand here today as I am strongly in favour of tabling this Bill today. And I also applaud the Minister and the One Bermuda Alliance Government for taking these bold and courageous steps that need to be taken in order to put tourism back on the map.

The Honourable Member, the Shadow Minister of Tourism, said that it has been projected that this will be the panacea that is going to save the tourism. Well, Mr. Speaker, if we do not do something or try to do something, then we will have nothing in the end. And no one has ever said that this is going to be the silver bullet that saves tourism. It is going to be a combination of many things.

And anyone can see today that the way that we have been operating is not working. It is broken. We need to have a whole new fresh look at the way that we run our business and the way that we do things. We have seen over numerous years the hotels closing down during several different administrations—from the UBP, to the former Government, to today. We have all seen hotel occupancy dropping down.

Mr. Speaker, I remember many years ago . . . in actual fact, my first business was to be a horse and carriage driver on Front Street. And I remember hacking on Front Street, Monday through Thursday, once that cruise ship left, we all used to try to get a little pick up at the Bermudiana Hotel and maybe get a little fee up to Flavours to drop tourists off there and what have you.

An Hon. Member: That is a long ride.

Mr. Glen Smith: Well, it is but—

[Inaudible interjections]

Mr. Glen Smith: I most certainly did, Mr. De Silva.

[Inaudible interjection]

Mr. Glen Smith: That is what I—

[Inaudible interjection and crosstalk]

Mr. Glen Smith: That is when I used to work . . . it was in the evenings because I did have another full-time job during the day. But the point of the matter is, Mr. Speaker, that we have all lived and have seen

these hotels go out of business and they are not around today. And I was fortunate enough to be in the tourism industry because I do not think I would be standing here today, because that was the base that put me on the map in regards to starting businesses.

I woke up this morning and before I came here I was under the impression that 10 per cent of the GDP was through tourism, but according to the *Royal Gazette* this morning it is 5 per cent. So, Mr. Speaker, we do have to make changes. The world is changing and we compete in a global market.

Many years ago I remember my grandparents used to take college students in in their home and then when they could not take them the overflow would come to our home (as a child) and we would accommodate them because there were a lot of college students coming to Bermuda and our hope was that those college students would return—which they did for a time—they would come back to Bermuda and spend their time as they got older in repeated trips. But the world has changed. We as travellers have changed. We all know that today. I personally, certainly, do not go back to the same jurisdiction. The world is your oyster and Bermuda is no different from the rest of the world, in that we have to be able to sell something differently. And, unfortunately, the net loss was net loss of jobs, with housekeepers, landscapers, cruise tour operators, and so forth. And we have seen it and it has been failing and continues to fail.

What we have in this Act today, Mr. Speaker, to me, the way I look at it, is a real business plan. And why I say it is a real business plan, [is that] I look at the way that it has been written and what is in this plan and, to me, I almost equate it to how Bermuda should be run—as a Fortune 500 company. That is what we should be running it as. And how are we going to do that? Well, this Act certainly helps that.

When I look at the previous Act of 2012 versus this Act, and the Honourable Member talked about the Board members. Well, nowhere . . . anywhere in the world, particularly in the Fortune 500 companies, do you have 20 board members.

Hon. Wayne L. Furbert: Point of order, Mr. Speaker.

The Speaker: What is the point of order?

POINT OF CLARIFICATION

Hon. Wayne L. Furbert: The Honourable Member is misleading this House.

The Speaker: What is the point of order? He is not misleading?

Hon. Wayne L. Furbert: He is misleading the House.

The Speaker: He is not misleading the House. What is your point of order? Misleading how?

Hon. Wayne L. Furbert: We do not have 20 board members.

The Speaker: Well, then you give a point of correction. Correct him.

Hon. Wayne L. Furbert: It is a point of order.

The Speaker: Yes, but you are correcting him. Right?

Hon. Wayne L. Furbert: Yes.

The Speaker: Yes. All right, so a point of clarification.

Hon. Wayne L. Furbert: Do I do a point of correction? It is a point of order.

The Speaker: You are making a point of clarification that he is . . . all right? Yes.

All right.

Thank you, Honourable Member Furbert.

Mr. Glen Smith: Thank you and I will accept that four ex officio members were in that, and I guess he did say 15, but according to the Act it was 16 members that he could have up to as board members.

[Inaudible interjection]

Mr. Glen Smith: Sixteen. That is what it states.

[Inaudible interjection]

Mr. Glen Smith: I know but if you add 16—

The Speaker: Honourable Member, speak to the Chair—

Mr. Glen Smith: Sorry.

The Speaker:—and make your presentation.

Mr. Glen Smith: I am including the ex officio members in there, but I will accept what the Honourable Member said.

[Inaudible interjections]

The Speaker: Carry on, Honourable Member.

Mr. Glen Smith: Thank you.

As I mentioned in regard to boards, particularly the Board that the 2013 Act has, [it] has eight members. And the good news is that we will be looking for credible individuals that have a full understanding of not necessarily being in tourism, but having a strength, maybe in marketing, a strength, perhaps in finance, and a strength in travel and development that will be participating on these boards.

Then we want to talk about the CEO. The ad that is in the paper today in regard to the *Bermuda Sun* does not discriminate that Bermudians cannot apply for that job. It never says that at all.

[Inaudible interjections]

An Hon. Member: Unless you read the fine print.

Mr. Glen Smith: Well, even if you read the fine print, it does not say that.

And at the end of the day I will . . . what the Minister said is that we will hire the best for this position in order to take this country forward. And that is what we intend to do. We have to remember we are competing in a global market, not just in a small fish bowl anymore.

Mr. Speaker, if I look at Aruba (where they have privatised their Tourism Authority), they are now running at 78 per cent occupancy.

[Crosstalk]

Mr. Glen Smith: And they also look at Singapore (that has been extremely successful), Britain, Puerto Rico, and Hawaii. So essentially we will be creating a \$30 million enterprise of qualified, highly creative, self-motivated, and business savvy individuals that will be on this Board.

Mr. Speaker, it is about getting Bermuda back on track and putting Bermuda on the map to become a preferred destination that will get Bermudians employed and working again.

Thank you, Mr. Speaker.

The Speaker: All right. Thank you, Honourable Member.

The Chair will now recognise the Honourable Member from Pembroke Central, constituency 17, the Shadow Minister of Education, MP Walton Brown.

You have the floor.

Mr. Walton Brown: Thank you, Mr. Speaker, and good afternoon colleagues.

Mr. Speaker, I just have four points that I would like to make about this Tourism Authority Bill.

The first has to do with the redundancy which the Government has already spoken to. Mr. Speaker, you will know that last year the One Bermuda Alliance party made a very clear statement that there will be no Government redundancies and there will be no loss of jobs. That statement was made emphatically and repeatedly. What we have before us today, Mr. Speaker, are approximately 40 Government employees being made redundant, without any shadow of a doubt. This is a violation of a solemn undertaking that the party made prior to the election. I think, Mr. Speaker, it does not bode well for other Government departments as Government seeks to—

Hon. Shawn G. Crockwell: Point of order, Mr. Speaker—

Mr. Walton Brown: —make some amendments.

Hon. Shawn G. Crockwell: —or point of clarification.

The Speaker: Yes.

POINT OF CLARIFICATION

Hon. Shawn G. Crockwell: Mr. Speaker, I understand what the Honourable Member is saying in terms of the position—the role that the employees currently perform will be made redundant—obviously; we are abolishing a department. The promise was that no jobs would be lost or no employment would be taken away. Every individual will remain employed, either in the Tourism Authority or in another department of Government. So if the Honourable Member wants to play with words—

The Speaker: All right. Thank you, that is—

Hon. Shawn G. Crockwell: —the fact of the matter is that employment will be—

The Speaker: —that is a clarification.

Hon. Shawn G. Crockwell: —protected.

The Speaker: That is a clarification in terms of what you said. Member, do you understand that?

Mr. Walton Brown: I fully understand it, Mr. Speaker.

The Speaker: All right, carry on. And you can have your opinion and your right to have whatever opinion you want.

Mr. Walton Brown: I can have my opinion and I also have the right to state facts, Mr. Speaker.

The Speaker: Yes.

Mr. Walton Brown: And the fact is that 40 positions, approximately, have been made redundant.

Hon. Shawn G. Crockwell: Positions, yes.

Mr. Walton Brown: That is my point. And the Minister will accept that.

Hon. Shawn G. Crockwell: Yes.

Mr. Walton Brown: Thank you.

And as I say, it is precedent setting. And the Minister will also accept, Mr. Speaker, that that is in

direct contradiction to a solemn election promise that was made.

[Inaudible interjections]

Mr. Walton Brown: And the Minister can disagree and so too can the Premier. That is why we are here to have debate, Mr. Speaker.

Mr. Speaker, the second point is that a great deal of thought, a great deal of work has gone into this notion of what the former . . . what the Member from constituency 14, who just sat down, said concerning privatisation. A great deal of thought has gone into it. And, Mr. Speaker, the notion of privatisation does not in and of itself create a better set of policies or programmes.

Those who believe in privatisation have a particular ideological outlook on the world. They believe that the private sector always does things better. It is just a fundamental philosophical belief that they have. And I can respect that that is a belief that is out there. The reality, of course, will show that the private sector, left to its own devices, create havoc in many jurisdictions. And the last round of financial collapse has shown what kind of havoc can in fact be created by having the private sector run everything as if they understand fully how things should be done.

Mr. Speaker, so this is an ideological position taken by the Government. And no doubt they will look at other areas in Government by which to make these further privatisations. And their tool then, Mr. Speaker, will be other positions that will have been made redundant. So we will see a further escalation of redundancies in Government.

But, Mr. Speaker, the challenges in tourism will not be fixed by the particular structure of a Tourism Authority or Tourism Board. That is just a vehicle for dealing with certain types of issues. The problems in tourism go way beyond whether it is privatised or Government run. We have long-standing challenges in tourism which this legislation by its design is not meant to address. Our decline in tourism began (many would agree) immediately in the period of the 1980s, for any number of reasons. And we can all debate what those reasons are. Part of it was the easy and rapid money that came with international business and so [there was] less of an emphasis on tourism. But it began in that period nevertheless.

But today, Mr. Speaker, we face a series of structural challenges, issues of service in our tourism sector, a lack of initiative being shown by hoteliers. Mr. Speaker, if you are paying \$500 a night for a hotel room and do not get wireless Internet, you are going to question whether you are putting your money in the right place. And I have had clients who were in Bermuda who were paying \$500 and did not have wireless Internet. So there is a question about the product. This Tourism Authority is not in and of itself going to

address that. That is a matter for the hotels to address.

You see part of the challenge is that hotels by and large do not market themselves. For decades they have relied on Government funding to market their business. If free enterprise and private enterprise is the best vehicle, then why were they not doing it? I know one hotelier who does a great deal of marketing on his own, Mr. John Jefferis at Coco Reef. And I know that as Chairman of Bermuda College for four years we saw the Coco Reef development (which we managed indirectly) turn a profit because he put a lot of investment in direct marketing of that hotel. Other hotels seem not to do that. So there are long-standing systemic problems. There is the issue of wage disparity which gives young people a disinclination to be involved in tourism. So if you are going to address it and revitalise tourism, we need to look at the totality of the issues.

This Tourism Authority, as I read the Act, is focused primarily on marketing. But how effective is your marketing going to be if your product, if your service, is not up to the standard for the prices you are going to charge? So let the Government have its privatisation. That, in and of itself, Mr. Speaker, is not going to lead to an improvement in our tourism product.

Mr. Speaker, the third point I want to make relates to the structure of the Board. This Government intends to give \$30 million of taxpayers' money to this private entity (as it was described by my colleague)—\$30 million!

An Hon. Member: Approximately, \$30 million.

Mr. Walton Brown: That is why I used the word approximately.

Mr. Speaker, the legislation that we have before us allows for the Board to fund private enterprise. Up to a million dollars can be given to a company without any involvement of the Minister.

[Inaudible interjection]

Mr. Walton Brown: So if you are talking about good governance and transparency, this is in direct contradiction to that. If I was a cynical person (and I am not normally cynical, but if I was a cynical person), I would say that this is an OBA rendition of *Friends and Family*, because you can give money to a company up to a million dollars without any oversight or approval by the Minister. So I am concerned about that. And if this is a false interpretation, I am hoping the Minister will explain that in his response. I am happy to be wrong on this matter, Mr. Speaker. I will be happy to be wrong.

Mr. Speaker, my final point has to do with the selection of the CEO. Mr. Speaker, we have been in the tourism business since 1883 when Princess Louise, the wife of the Canadian Governor General,

came to Bermuda to convalesce. The reporters who accompanied her wrote glowing reports about Bermuda. Bermuda was put on the map from a tourism standpoint as a result of that visit. And from 1883 up until the 1980s, we had a reputation as an upscale jurisdiction that delivered quality service with a quality product. We have more than 100 years of experience in successfully running tourism.

It troubles me, Mr. Speaker, that we cannot have a clear statement from this Government that the next CEO of the Tourism Authority will be a Bermudian. Because if there is one thing we have right, it is the running and experience of running tourism. We understand this better than most people. Our challenges are structural. It is not because of the fault of any individual. We have structural challenges that need to be addressed. And I do not believe that anyone can sell Bermuda better than a Bermudian who has demonstrated knowledge and interest in our tourism product.

So, Mr. Speaker, I will encourage this Government, despite the concerns that you have about Bermudians being able to fill a range of other positions, to recognise that tourism is something that we can do, that we can deliver.

And so as I take my seat, Mr. Speaker, I will end on this note: Tourism and Bermuda have been inextricably linked for over 100 years. As we go forth for the next 100 years, Mr. Speaker, let us put forward our best foot. You cannot have someone wearing Bermuda shorts speak about Horseshoe Beach or some other iconic venue in this Island and not be able to say it convincingly and persuasively. My view, Mr. Speaker, is that that can best be done by someone who is a son or daughter of the soil.

Thank you, Mr. Speaker.

[Desk thumping]

The Speaker: All right. The Chair now will recognise the Honourable Member from Pembroke East, constituency 15, Shadow Minister of Home Affairs, MP Walter Roban.

You have the floor.

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

I am happy to rise to speak to this Bill, the Bermuda Tourism Authority Act 2013. I thought my honourable colleague who just took his seat made some very valuable points about some of the issues that we feel concerned about. And despite the fact that this is just about the Bill that the Minister has tabled upon which we are debating, this is really a discussion about tourism. And frankly, Mr. Speaker, this is the first opportunity we have had to have a substantive discussion about tourism over this year.

This is the real first, I would suggest, substantive piece of legislation that the Government has brought (obviously linked to their campaign promise).

But it really is because we have not really had any big discussions about tourism at all. And I would argue perhaps [it is] because they have been focused on putting this together. And that is fine. One would have thought that since they had so much to say prior to becoming Government we would have talked more about tourism other than, perhaps, the budget and a few occasional reports on trips and some other things . . . a few concessions here and there, some of which were already in line prior to them becoming Government.

But this is really the first time that we have had an opportunity to talk really substantively about what is going to be happening with tourism, the actual direction of tourism and where this country is going to go. And I know for you, Mr. Speaker, it is something close to your heart, perhaps because it has been so much a part of your livelihood. So you can understand. And your involvement at the Board level as well with trying to shape in more recent years how we move forward. So you have some understanding of these issues. But this is really the first time. So this is a debate not just about the Authority . . . Board Act 2013, this is really about the destiny of Bermuda tourism.

So it is more than that. And I am not trying to suggest I am going to stretch latitude here, Mr. Speaker, but I do think that this is what this is about. And it deserves a level of treatment that we would give to any other area that is going to be shaping the destiny of our country going forward.

We have heard a lot from the OBA Government about financing and debt—all these other things of which they feel that they are so well versed to deal with . . . and where the country is going in that area. They have set up a commission to deal with other things in Government and all these sorts of things. But this is really one of the core issues that is going to shape our country going forward because as my honourable colleague said to me . . . I mean, said to this House, we have been involved with tourism longer than any other economic activity that perhaps currently exists, in the vastness, in that it affects the people of Bermuda. Although international business is there, its presence has not been as long as the visitor industry has been here in Bermuda. And the visitor industry certainly has evolved since 1883 and become something else, but it still remains an essential economic lifeblood to our country.

Thousands of Bermudians still remain employed directly in the industry, let us not even talking about indirectly of the 36-or-so-odd people employed in this country—a considerable amount of Bermudians still remain currently involved with the industry. It built houses, it financed children's education, it took care of the needs of people, it helped shape families—that is what tourism has been about.

So we must give this Act the treatment that is required. It developed musicians of world renown—

from Bermuda through tourism. Arguably, we may be more famous in some of those areas as Bermudians than we are in other areas that we currently exist and have activity in. Some of the musicians were created out of the tourism industry—that is why what my honourable colleague said is so important about the Bermudian component of this because it actually has produced world-class talent, the industry here. Some people were so talented they could not even stay in Bermuda, but they started here.

They are running hotels (some of them) in other parts of the world. They were world renowned musicians like the Talbot Brothers and others . . . Lance Hayward. Our tourism industry here, our indigenous industry, created this quality. So when people talk about it is important that Bermudian leadership be strongly considered as we continue to shape this industry—whether it is through the Bermuda Tourism Authority Act or whatever piece of legislation—that has got to be remembered.

And that is what my honourable colleague said is so important to understand, because that has been the history. We have shaped world tourism. That is why the African Diaspora Heritage Trail is important—it started here. It has been given international recognition. These are products of the Bermuda tourism experience and the ideas that have come out of our experience with it.

Now fine, we have had some decades of decline and struggle. There is no one who does not understand that. We have been challenged to continue to see tourism efficiently provide a livelihood for the country. But that does not mean that we cannot adapt, we cannot change, we cannot grow. And perhaps it is the idea of the OBA that this is a part of that process.

So we shall see, Mr. Speaker, on how what the OBA is bringing to the table to contribute to the continued Bermudian presence in tourism will actually do that. There clearly are some who are sceptical that what they are doing here today—certainly, we on this side have expressed that scepticism—about what they are actually doing today will actually contribute to that . . . some of the substantive issues that face Bermuda tourists. My honourable colleague, Mr. Furbert, put forth our case as well about how we see this Act comparable to the Tourism Board Act 2012. And hopefully those words will be taken with some seriousness by the OBA Government and its friends and family and those who are supporting its policies.

But I ask a question as well, Mr. Speaker. What will this Tourism Authority that will come out of the Tourism Act really do to address those issues? And I say it like this, I listened to the Minister and to his presentation, but there are some things that I did not hear and that I think are important. I did not hear from the Minister some of the rationales that make this particular structure so much better in doing for tourism than either the Board that precedes it or even what the more governmental structure has done.

I say that in a couple of ways. One, clearly, this Tourism Authority Act appears to . . . gives them a power to raise certain . . . to apply some levies or fees which will be taken out of the activity industry which will fund this Authority. The Minister has not even told us how much they expect to raise through that over time—none. Now, that might be interesting to see because comparatively we know how much the Government spends on tourism now. Is that a figure that is quantifiable right now . . . that the Minister and his team can project how much they expect to raise over time through that figure?

I have not heard anything. We have heard a lot of words, but none of the actual things that might actually make the Minister's argument credible. That actually, it is value for money going this way.

Tourism is a costly exercise for the Bermuda Government, and this Authority will actually bring some financial benefits to how we run tourism—I have not heard that from the Minister. That some of the levies and fees and the projection on perhaps at what point will they feel that the Authority will become self-sufficient, because there seems to be a goal that this independent Authority will over time become self-sufficient. Where are the projections in that, compared to what has been spent or what is being spent now or what has been spent over time? I have not seen any of that information.

Now my honourable colleagues have mentioned about how, historically, there has been this relationship, particularly with the hoteliers as it relates to the marketing of their product and how much we spend on marketing their properties over marketing Bermuda, and how the Bermuda Government has carried quite a bit of the burden of that. And what you find in other jurisdictions is that the actual properties put a lot of money into marketing their product internationally. And the Government focuses on promoting the country while the properties, the respective properties, put money and investment into their [own] properties.

Now we know that in Bermuda that has been a very strange thing. That has not actually happened as efficiently as it could have. And I know that a former Tourism Minister worked quite hard to get the hotels to begin to do more of that. I even think there was (and I can be corrected) the effort to develop a fund—a joint fund—that the tourism industry here and the Government would contribute to [so as] to create a sort of pool of financing that would assist with marketing and other activities that they could jointly participate in. I do not know what happened with that. But it seems to me that the tourism industry, the private industry, has basically treated the Government like its own welfare provider. Right?

We talk about the difference between private and public here. And much of the language I have heard from the OBA has been that the public side has been the worst part of the package. But for decades

we have been subsidising the private sector. Right? As a part of the background, some of my Members have mentioned the Hotel Concessions Act [and] other things. We have done [that with] all of the giveaways that we have provided to the hotel industry in recent years through . . . for Payroll Tax, even efforts for those who want to refurbish and redevelop their properties. We have given so much back to them. That is money that they should have been paying into the Government coffers as a product of their activity.

So to some degree we found that the private operators in the tourism industry have used Government as a crutch! Right? And then who has been the sacrifice? Clearly, clearly, the decline of Bermudians working in the industry has not improved. Clearly, the physical state of some of the product has not improved. Clearly, the offerings on-Island have not improved. And those were never the responsibility of the Government, Mr. Speaker. They were always, and have been since 1883 (since that date came up earlier). Bermuda tourism has been primarily a private enterprise, not publicly run or set up like you find in some other jurisdictions, that actually set up the tourism industry and then maybe they privatise it later.

Or in some cases, in places like Mexico and others, [they are] huge public interests. I mean, the only substantive properties that we owned in tourism that were Government related were Stonington and, of course, the old Club Med property which was owned by the Government but then leased to a private operator. But that would have been this huge Government ownership in tourism. So much of the activity, much of the investment, has been that of the private sector. But they have been using the Bermuda Government for decades as a social crutch and then blaming workers or the Government or whoever else for what was wrong—whoever—those who represent workers.

So I say all that to find out from the Minister (because this is not what the Minister talked about) how the Authority is going to change this dynamic of making tourism more efficient in itself to pursue the investment it requires.

Yes, some might argue, well, like we debated an Act last week (I am sorry, last sitting) about the Park Hyatt. You know, an effort by the Government to bring overseas investment into the product. The Bermuda Government has for decades (and I would give those who came before us as well) tried to encourage that relationship, encourage people to come here and invest in the tourism product. But what we found in more cases than not [was that] the hotel association and their members, rather than being the generator of the real ideas to push tourism forward, they have depended on the Government to do it, like they do not have the intellectual capital to facilitate some of the structural issues that my honourable colleague mentioned. That is where it should be coming from—from the industry.

And I do recall that at one point a former Tourism Minister brought, or invited, AAA to come in here and do an examination of our properties. And what was discovered is that those that were offering the premium rates of \$500 or \$600 a night in rooms (which one would argue would be sort of four- or five-star properties) were barely three-star properties—they were barely three. And we know we only really have had one five-star property in Bermuda and that is the Rosewood Tucker's Point. Again, it is sustainability facilitated by Government activity—a Government Act. Seemingly all the private wise heads down at Tucker's Point and the Bermuda Properties Ltd. did not have the means or the ability to survive on their own. So who did they come to [to] save themselves? They came to a Bermuda Government. Again, we have the Bermuda Government facilitating the where-withal of private industry.

Now, I am not suggesting that that was wrong, because these things are done often in the national interest. Tourism is a national industry. It was like . . . I do not know, it was like the US outsourcing the running of the defence industry to somebody else. It just would not . . . you know, it just would not happen. So we see tourism—at least this side does—as a national industry. And so Government involvement is essential at some level to ensure the national interest and so [over] periods of time that has happened.

That is why I believe we argue the points that we do, Mr. Speaker, about this Tourism Authority and the distance, or the perceived distance that the Government is arguing it has from being a Government body to a so-called independent body. We are not certain that that is the best thing for a national industry. And I am not trying to speak social stuff, socialism stuff here. I am not trying to speak that because I have already acknowledged that our tourism industry has for most of its history been pretty much a private operation, and that has been a part of its success frankly.

I am not arguing for anything else. But I do also argue that a certain level of Government involvement is essential to its success because it is in the national interest. It employs a core part and has historically employed a core part of our citizenry. But, as I say again, I have not heard much of what I would call data from the Minister supporting how this move to an Authority is going to benefit the running of tourism from a cost standpoint, as to the reasons why it is more cost-effective to set up an Authority. Because the Government will be spending less on it, that, actually, we can employ, whether it be Bermudians or whoever we need to run it, perhaps, at better terms, that we will get better performance from our staff this way, that the changes that we are making will bring about some efficiencies that will allow us to be more effective in how we shape tourism.

Also, Mr. Speaker, and perhaps the Minister will give those answers later, I do not know, but it was

not a part of the brief that he gave to this House earlier. So I am not seeing some of the things that would make me understand why the Government is going this way. Some of the other things that I am interested in understanding, Mr. Speaker, because, again, this is really the first substantive debate that we have had on tourism all year—this time right now—we really have not had it. And, frankly, that is an indictment on the Government because it should have been up in front a little bit sooner than now—any discussion on tourism considering its importance to the country.

What I am interested in knowing, Mr. Speaker, is how this Authority is going to help the Government to reach the objectives in the Tourism Plan. That was not mentioned in the Minister's brief. Although we know that the Authority acknowledges the Plan, accepts it as being . . . And the Minister acknowledged that it is the framework upon which they are pursuing the objectives for tourism. But the Minister did not specifically say how the Authority is going to help to reach those goals.

There are goals already set in the Tourism Plan to be reached from when it was set up. We are almost a year in. We have had no report about how those goals are being met. There are set expenditures year on year. The Plan has a particular timeline attached to it, and it attaches expenditure to very core areas around the development and redevelopment of the Bermuda tourism product. And there is one thing in this House that is clear, Mr. Speaker. We all accept the Tourism Plan. That is one thing that the Minister does not have to be concerned about and he does not have to scratch his head and worry about his hair falling out or worrying about anything else falling out about—

[Inaudible interjection]

Mr. Walter H. Roban: Well, yes, perhaps. All right? Perhaps he has already got rid of it so he does not have to worry about it.

But, Mr. Speaker, that is one thing he does not have to worry about. This House endorses the Tourism Plan. And so we look forward to the Plan fulfilling itself, Mr. Speaker. But we have not heard much from the Minister about the Plan. He has not . . . the Honourable Minister, linked and rationalised the Plan to these amendments in showing us how it is going to further advance the Plan, if the Plan is a benchmark document upon which we are pursuing our destiny in tourism.

I have not heard things about how . . . other than the Plan, I have not even heard how this Authority is going to advance Bermudian involvement in tourism. The only thing we have heard about Bermudian involvement with this Authority is how many Bermudians are being made redundant as a result of the Authority. That is about it. And I do think,

Mr. Speaker, that part of the Minister getting an endorsement for this would be to show Bermudians how they are a part of the Authority, how they are going to . . . how the Authority is going to make them more embracing of seeing tourism success. The Minister did not make that case today. And I wonder when he is going to make the case because, as I said, this is the first real discussion we have had about tourism all year. I am going to say that a few times because this is what I see. And so there is a lot more work to be done if the Minister and his team are going to endeavour to do it, on making a convincing case for this Authority.

So I wait to hear a few of those things. I wait to see some metrics or data on how this Authority is more cost-effective than any structure that it has been preceded by. The Minister has not made that case. I would be interested to see what sort of revenue is going to be raised by the Authority through the new mechanism that it has been afforded. I have not heard that from the Minister.

I also would like to know (and I know that the Government has done some work in this area) how the Authority is going to facilitate more inward investment in our product. I have not heard much about that. Because those are some of the key structural issues—inward investment, Bermudian participation, better product. Some of those things I have not heard about . . . at least the Minister's brief today did not make cases for them or they were just missed altogether.

So, Mr. Speaker, I remain unconvinced by this Tourism Authority Act. And my honourable colleague has already gone through some of the comparative issues, which I think have been made very clear as to whether it is really even different from the Board. My honourable colleague has done that. I remain concerned as he is about this issue of the Board being able to invest and to handle and to invest in interests and to acquire interests and so on. Now, one might argue that is just a different complexion of what the Board or what the Tourism Ministry or Board does now in that it can provide funding for tourism-related initiatives now, but of course that gets approved by the Minister, Cabinet, and ultimately the Legislature. But that component is being removed now with the so-called independence that the Board is being afforded . . . or the Authority and the Board are being afforded.

So that is a concern because . . . It is! I mean, if tourism expenditure, arguably, or even if based on the National Tourism Plan, if that expenditure is going to change year on year, how much of that money that is allocated in the Tourism Plan is expected to go to the new Authority? The Minister could have talked about that because that is already there, he does not have to make up those figures.

All those projections of Government expenditure going forward are laid out in the National Tourism Plan. So the fact that the Minister did not come here

and give us some more exact, precise information on that, I do not understand why not, because it is all there, if the Plan is the framework, the foundation of where we are going.

[Laughter and crosstalk]

[Gavel]

Mr. Walter H. Roban: Sorry, Mr. Speaker.

So, Mr. Speaker, I do think the Minister's defence, support, information, on the rationale for this Act has been short and has not really proven the case on why the Authority will do what the Honourable Members of the Government said it will do, or they told the country it will do. There are just some key components that I believe are missing. I believe that is the foundation of our own argument on this side. I am sure there are other Members who will speak to that.

And I do hope that perhaps during this debate the Honourable and Learned Member who speaks for Tourism will provide us more clarity, Mr. Speaker, on these issues because, as I have said from the beginning, tourism is essential and has been an essential part of our history. My honourable colleague mentioned 1883, so that is the depth of it. It has built houses. It has educated children. It has created success in many people's lives. And I am talking about Bermudians here and also non-Bermudians because there are many persons around the world who have been a product of our tourism experience from every . . . from all over the world—Italian, French, South Africa . . . you know, all over the world! And there are many people who work in tourism who have gained friends globally. Some of those people have left Bermuda and have set up great hospitality operations in other like parts of the world because of the experience that they had in Bermuda. So Bermuda's tourism product has had global impact. It has been a framework for other jurisdictions setting up their own tourism products.

The Speaker: You have one minute.

Mr. Walter H. Roban: Thank you.

So in my conclusion I say this: I do hope the Government makes a better case. The concerns that my honourable colleagues have raised around this Act are completely valid, and perhaps the Government can show us a more clear vision as to how this Authority is going to advance the very Plan that we all have endorsed and ensure that through at least the time period of the National Tourism Plan we are going to have the success that we all desire for Bermuda tourism.

Thank you.

The Speaker: All right. Thank you, Honourable Member.

Now the Chair will now recognise the Honourable Member from Hamilton East, MP D. V. Burgess, who is the Deputy Opposition Leader.

MP Burgess, you have the floor.

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

Mr. Speaker, I think we . . . the question is, Why is our industry in the state it is in today?

Mr. Speaker, when we go back to our heyday back in the '70s and the '80s—and I know the former Tourism Minister, David Dodwell, will agree, that the competition then was not as great—Bermuda was one of the very few places you could come for a vacation. Today the competition has increased by maybe a couple of thousand per cent. That is how great the competition is.

You know, in our heyday we . . . it was different than it is today. We serviced our guests, our tourists, with entertainment, golf. Mr. Speaker, today even though we brag about having seven or eight golf courses, to get a starting time, a playing time, it is not that easy because most of the golf courses in Bermuda are membership [courses], even the public Port Royal. And on Saturdays and Sundays it is difficult to get a starting time for anybody . . . for a tourist.

Say you are going to go on the Internet, *Well, let me try to book a vacation with a week or two notice. A golf vacation in Bermuda.* They will face an almost impossible task to get a golf time for weekends. And as you know, you and I know very well, that the occupancy of the hotels is increased over the weekends as compared to Monday and Tuesday, so people will be more apt to come and want to play golf . . . or the entertainment.

We do not have the entertainment that we used to have. As my honourable colleague alluded to, we had the Talbot Brothers, Hubert Smith and the [Esso] Steel Band and all that there. You would see every week in the newspaper. I think it was on a Tuesday that you would see the full schedule of where these groups were going to be. *Where are the Talbot Brothers playing?* You even had the water ski show at Castle Harbour that they put on for our tourists. We do not have that today. And I do not think that we would get back to the level that we were in our heyday.

And I do not know if that was the reason why the former Government—the UBP Government—lost concentration, lost their way when it came to tourism as far as putting the investment and putting the interest in tourism and instead put the concentration on international business. That was not bad, now, because international business is really holding us together now. But, you know, they really concentrated on one pillar of the economy in Bermuda. That is, you really cannot run off of one pillar of the economy. You can get in trouble like we are in today.

So, I mean, former Ministers have tried hard. One Minister had a theme, "Let yourself go." And I

would have hoped that would have been successful. We had “Pop and Swizzle” (or Sizzle, whatever). Every Minister, they have tried. And even with us, we introduced the Hotel Concessions Act to try to get hotels to bring the standards up because with new products coming on the market worldwide you were getting some first-class facilities that we were competing with.

And our hotels . . . I do not even think at that time we had up to three star. But if you are the only show in town, or worldwide, you can get away with that. But once the competition comes in place as it did then we lost out big time. And consequently what did we lose? We lost, before 1998 (and I am not using 1998 as any factor, because whether it was 1998 or 2008) we lost about 50 per cent of our bed count. So we certainly will not get that revenue back.

I read, I think, somewhere this week, visitors spent \$37 million less up to this point in Bermuda than they did last year. So those are not good signs. I mean, we had problems way back in the '80s because when Holiday Inn closed, then Loews took over, and when Loews closed, Government was trying very hard to get somebody, an operator, to operate that hotel . . . to run that hotel. And it was the Honourable Minister, Irving Pearman, who was able to secure Club Med. And that was not fully accepted by the Government then because some in the Government figured out Club Med was a standard down. But as Irving would probably have told them, it was better than nothing. And they came here, they were not that successful, and they were here for maybe three or four years and then they left. And there has not been anybody there since.

So both Governments have tried to get the product where it should be. And with the Hotel Concessions Act, you know this as well as I do, you had the improvements in the plan—the Princess has improved, the Reefs has improved. The Reefs has improved so much that they have got so many international awards, and I applaud that and I like that. And Tucker's Point . . . you know, so there are some things that happened, but the competition is still great. It is still great out there, Mr. Speaker.

And, Mr. Speaker, what we have done in Bermuda, the workers in the country in the hotel industry, they have had a wage freeze for I think the last at least three years, maybe four. They have played their part to try to keep the product affordable to all in order to increase the numbers. They have played their part. And their wages right now are at the 2010 rate or the 2009 rate, if it was four years. And they are coping. I would not say they are coping very well, but they are coping. You know, I think all parties have done what they can to try to get this thing right. And I do not think this Authority is going to be the answer to everything but I am hoping it works. Let nobody fool you, I am hoping it works because it is not about who is in power, it is about Bermuda. So I am hoping it works.

Mr. Speaker, let me finish off with the one that you probably know is dear to my heart. [It] is the redundancy of the workers, the redundancy of those positions at the Department of Tourism. You have unsettled some people's lives because I think it is at the end of this month it finishes, the Department closes, or whatever date it is.

[Inaudible interjection]

Mr. Derrick V. Burgess, Sr.: It's not? Okay, whenever it is . . . it is shortly, let us put it that way.

It is shortly that they will be unsettled and some do not know where they are going to be working right now. And then we have the Minister and he has said it today and said it before, that those that can . . . the workers can reapply.

Well, this morning he did something which I applaud. He praised those workers up. They are good workers! If they are that good, why do they have to reapply? That puzzles me. It puzzles me, Mr. Speaker. And to lose their job and not only lose their job, Mr. Speaker, today they would experience 5 per cent less take-home pay not knowing where they are working whenever this happens, shortly. They are taking home less pay but their expenses still increase on a day-to-day basis, Mr. Speaker.

Mr. Speaker, the other concern I have is this Bill does not state, nobody has stated, how many employees will be employed. We lost 40-odd jobs in there. Are you going to have 20 people in there? Are you going to have 12? We do not know that. And as my honourable colleague, Mr. Roban, said, we do not see any projections there on what it will cost this Authority to run.

What is the projected revenue for this time period? And I am sure you can give us those figures because you . . . with the new Tourism Authority fee, you should be able to give us a projected figure on that. And the other question is, Is the whole Tourism budget or most of it going to go to this Authority plus the fee—the Tourism Authority fee? I am puzzled there and I am not very comfortable supporting this Bill because some things we do not know. And we are talking about the taxpayers' money.

For us to make a decision to pass this Bill, we should know what some projected costs are, we should know how many employees are going to work there, we should know what the projected revenues are—we do not know that. And so it is going to be very, very difficult because what they have done is they have privatised tourism to a private entity.

The question is who is next? Is the Post Office next? Are sections in the Public Works next? Who will be privatised next? And to say you are going to put people, those that are not . . . These guys are laughing. This is not a joke. The other side is laughing. This is not a joke. We are talking about people's livelihoods. That is what we are talking about. It is no joke

to me. It is serious when somebody loses a job. We are talking about we are going to put these people in other departments, Mr. Speaker, when we are forcing people to take early retirement so that these people can go there. Is that the formula there?

Mr. Speaker, every 100 people that you send home on early retirement, if you let them work another year, if you let them work, each year it would save the fund \$3 million. And I am basing that on a \$30,000 retirement package that they will get annually. Because it is about 470 people in that range, between 60 and 64, who are eligible that they are asking to take early retirement. And that fund is suffering, yet they are trying to make people go home. You can save that. Let these people work to 70 and see what money you would save. For every 100 (I am doing it on an average), you could save \$3 million a year. So if it was 400, that is \$12 million a year. And over a five-year period that is \$60 million a year. That fund can use that.

Mr. Speaker, we have concerns on this side of the House on going forward. We want any plan that comes in place to work, but at the same time we are dealing with individuals, we are dealing with people that have families. They do not know if they are going to be working in Public Works on something they have never done before—from Tourism to Public Works—they do not know. So they are going into a whole different environment, work environment. This is not good. It is not good, Mr. Speaker.

So Mr. Speaker, again, it is a lot of . . . there are some unanswered questions there that we need to know before we can comfortably support this. As much as we would like to support this, because we want tourism to succeed; regardless of whom the Minister is, we want it to succeed.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

The Chair will now recognise the Honourable Minister, the Minister from Paget East, constituency 22, the Minister of Economic Development, Dr. Grant Gibbons.

You have the floor.

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

Mr. Speaker, we have heard a lot of perspectives on the Tourism Authority Act which we have got before us today. And so far I think it has been, I think, a reasonable debate because there has been general sense. There is the ability to be able to point fingers and cast blame here (we have had a little bit of that but not too much), but I think it would be fair to say that certainly what I have been hearing on that side is that there is basically a sense that we really have some deep and complex issues in tourism going forward, and we have not really found the right formula yet.

A number of people have talked about product. A number of people have talked about issues about getting Bermudians involved. And people have looked at it from a number of different directions. In fact, the speaker who just sat down said (paraphrasing) all parties (and I think he was referring to political parties there) have done what they can to get things right, but obviously we still have not got it right. And I rather like . . . there is sort of an old expression (Mr. Speaker, you have heard it before). It is a definition. And that is the definition of “insanity”, and that is if you keep doing the same things over and over again and expecting a different result, that is insanity.

And what the Minister has brought to us today is a different way of doing things. It is a different approach. Now, yes, there are some questions about it. Is it a silver bullet? Probably not. And there are some risks. There are always risks when you change things. But I think the real risk, Mr. Speaker, is continuing to do the same things over and over again and expecting things to get better.

It is true. Political parties—whether it be the current one who has had a very short tenure, or the previous Progressive Labour Party, or indeed the United Bermuda Party before that—have tried different things. But the model has been pretty much the same. And that is direction from the top, Ministerial control, the Minister being the master strategist. And I think one of the challenges that we have seen is that . . . and I am going to say this nicely, when you have people in the Ministerial position (with very few exceptions) who have been amateurs—we have had doctors, we have had accountants, we have a lawyer right now who has been perfectly prepared to admit that his expertise is not tourism—what you end up with is a different plan every couple of years; you zig this way, you zag that way. And the issue that we have had is a lack of continuity and a lack of consistent direction.

[Crosstalk]

Dr. the Hon. E. Grant Gibbons: And that is exactly what my honourable colleague, Shawn Crockwell, said when he brought this legislation today. We need consistent leadership. We need consistent direction. And we need a better governance structure. And that is exactly what the Tourism Authority is designed to do.

Is it high risk? Certainly not. There have been a number of other very successful jurisdictions that have used a Tourism Authority model to do a good job.

And one of the reasons that it is a departure and it is an important change is [because] we need to get away from the politics of it. We need to try and take . . . we are never going to be able take all the politics out of this, but we need to take most of the politics out because politics in some respects has been one of the difficulties that tourism has had in

terms of specific and consistent direction over the years. Because every Minister coming in as the master strategist has got his own perspective—rightly or wrongly—about what needs to be done. Whether it was “Sizzle and Pop”, whether it was the Tourism Board, whatever it may be, it has always been an approach which is top down.

And, yes, there are people who have worked on Tourism Committees and Tourism Boards and all the rest of it that have a fair amount of expertise, people from the industry. But when you have political direction from the top, you are always going to be subject to the tumult, the exigencies, the expediencies of politics. And I think what we are trying to do is that we are trying to get away from that to provide some independence, not total independence, but some more autonomy to a group that will bring consistent and professional management to it.

I think, whether you want to look at a corporate model or whatever else, I think most of us would be prepared to agree that companies—certainly out there and, indeed, governments—rise and fall on the quality of leadership and the quality of how they manage things. And what we are suggesting today, what the Minister is suggesting is a different approach. I have to applaud this Minister because it takes some courage to change what is a model that we have seen over many, many, many years. It takes courage because there is always a risk in this. I do not think it is a large risk. And I think, as I said, the major risk is continuing to do the same things over and over again.

I have to say that to some degree this is kind of coming around again. I was sitting here listening to the other speakers and thinking that I remember working with the former Honourable Member, David Dodwell, in the mid to late '90s. At the time he was Minister of Tourism. And here was a Minister of Tourism who probably above all Ministers of Tourism had the ability to be able to look at this from a professional experience sense.

He was one of the few that actually came to this business from tourism, from hospitality. And his reaction after having been in that position for a couple of years was, *We need to change the way we govern and manage this business*. He was the one who probably could have said, *I know what I am doing*. He does know what he is doing. But he could have said at that point, *I know what I am doing as Minister because I understand this business. I am in this business, I have a hotel that has made money in this business and has been very successful*. But what that former Honourable Member said was, *We need to change the way we are doing this*.

I can remember working with him at the time because part of my responsibility was Management Services. So Management Services and the Department of Tourism at the time were working to try to put in place a Tourism Authority model because that Hon-

ourable Member (at the time) who had that experience said, *This is the way we have got to go forward*.

I think if there is anything in terms of hindsight being 20/20, it is unfortunate Mr. Speaker, because had that model been followed by the incoming Government at the time we may not have had the extraordinary and precipitous decline in tourism from the late '90s until now. The air arrivals, as you know, Mr. Speaker, went from 390,000 [to] 400,000. We are now looking at maybe in the best year so far at something on the order of 240,000 to 250,000 air arrivals. So we have had a precipitous decline. Was there decline before that? Yes, there was and I think we have all admitted today that frankly from about the '80s on the model was not working as well as it could. And there are probably a multitude of reasons for that.

So there is no simple approach. But what we are suggesting here today is a different way of managing and governing this. And Members on the other side have talked about, What is the difference between these two models? And there are, for those that have actually read the legislation, there are significant differences in terms of what I will call independence and ability to be able to be consistent and to move forward in a consistent way.

But one of the issues, and again it gets back to this top-down model of management, is that the Tourism Board—the members on that Board—whether they are the 15 independent members or the 20 if you add in the ex officio, basically . . . certainly, independent, relied for their appointment on the Minister, on the Ministerial appointment going forward and there was a certain amount of discretion—

Hon. Wayne L. Furbert: Point of order. The Member is misleading this House.

The Speaker: What is your point of order, Honourable Member?

POINT OF ORDER

[Misleading]

Hon. Wayne L. Furbert: There were eight. There were certain members that were picked by the hotel group itself. They were not picked by the Minister.

The Speaker: All right. Yes, thank you. So Hotel Association . . . yes.

Dr. the Hon. E. Grant Gibbons: I think the Hotel Association recommended . . . five, was it? Okay, five. Fair enough.

I think the point I am making here, Mr. Speaker, is that under the Tourism Authority model, once a member of the Tourism Authority Board has been appointed, they simple cannot be removed because the Minister does not like what they said a week or so ago. I think of the Brannon model here if I can put it in

that context. The only way to remove a member from this Board going forward, once they have been appointed, is for cause. But before, what you saw was people coming in and off the Board. So what that meant was you still had very much . . . even though you had a Board, even though you had a Committee, you still had very much what I will call top down.

Another problem with the Board—the current model we have, not the Tourism Authority—basically was pointed out by my honourable colleague, Shawn Crockwell. And that was there were . . . maybe the nice way to put it is that there were some confused lines of authority. You had the Board, but you still had the department, and, from what I can tell . . . and maybe you can say, *Look, I am a spectator in this*. But I have certainly heard it from the Minister as well (who is there now) it was not entirely clear what the authority of the Board was versus the authority of the [Authority]. And one of the differences between the Board and this new Authority, as the Minister said earlier on today, is that the Authority will be able to speak as a singular entity with a single voice. So there will be focus and concentration and you will not have mixed lines of authority.

I think, Mr. Speaker, there are a number of other issues as well. And there have been issues raised about the question of too much authority, too little authority—I think what it comes down to when you are setting up a corporate structure (which is really what this is, the Tourism Authority has a corporate structure to it)—they have certain powers and objects. Any company has that. If you look in the Companies Act, you will see how that works there. We have gone from the old “objects” which are now “objectives” and “powers” to “powers of an actual person.” But I think in this you need to set those out and you need to be able to define some of those powers and you need to be able to give them an extent of their authority.

Is there a risk that you might have a rogue Board? Maybe. I doubt it very much. I do not think the Minister or the Chairman is going to be appointing a rogue Board that is going to go off and make stupid investments. I do not think they are going to do that at all. In the event that something like that happens, there are checks and balances here. There is going to be significant monies (at least for the time being) although the Minister has said quite clearly he would like for this Authority to be financially independent. Certainly, in terms of allocation of monies from this Legislature, if it looks like it is going in a bad direction (and I doubt it will) then there are some checks and balances there.

The Minister can remove members of the Authority for cause. So I think if there are significant issues there, I am sure that they will be addressed. But I think that is the whole point. And that is setting up a good Board, a solid Board which has the focus, the expertise, and the determination to take a consistent approach to it.

Mr. Speaker, we have also heard some comments from Members on the other side that we need more of a Bermudian component to this Board. It may have been in the context of the CEO. And I do not remember the Minister ever, Mr. Speaker, saying we are not going to hire a Bermudian. What he said was, we are going to go out and look for the best person possible. Now maybe Members on that side feel that that excludes Bermudians. I do not, Mr. Speaker. And I am sure the Minister does not either.

But in terms of a Bermudian component, I cannot think of a more Bermudian component than the Chairman designate who has been appointed—Mr. Dodwell. And I do not want blow too much smoke because certainly I will have to live with his ego in the next day or so, but certainly in terms of expertise, Bermudian component, and understanding the nature of Bermuda tourism and hospitality—I cannot think of a better Bermudian to be Chairman, which is the highest position on this Authority, Mr. Speaker.

I used to get tired of having to stand up in the House and congratulate that Honourable Member on an award in *Condé Nast, Travel & Leisure* . . . whatever it is. The former Member was winning awards left, right and centre. Every year there were two or three awards—whether it was the Reefs, whether it was the Nisbet Plantation—the Honourable Member certainly knows what he is doing. But I think the whole idea here is that . . . between that Honourable Member and the Minister they will put together a Board that has the expertise and the ability to be able to do it. So that was certainly one of the issues that I had some difficulty with in terms of Bermudian component.

I think there are a couple of other points that I would like to make here. Let us see . . . we talked about the CEO as Bermudian. There has been, I guess, a little bit of word play, maybe that is the way to put it, Mr. Speaker, in terms of this issue of redundancy. And I think just to make it crystal clear, and I think the Minister was crystal clear when he stood up. Yes, when you dissolve a department there are redundancies. But that is not the same thing as a job loss. And what the Honourable Member was saying was that the current members of the department who will apply to be on the Tourism Authority, if they are not chosen, the guarantee is there that we will find them a job in Government somewhere else. So there will not be job loss. But technically, yes, if you want to play with words, there will be some redundancies there.

So I think the issues on that, I hope, are pretty clear. I think that the Minister has been bending over backwards to try and give assurances . . . and I understand. We all understand the anxiety that members of the department may have as to where they are going to be in a little bit. That is difficult. That is difficult to completely satisfy them on because we will have to see how this moves as we go forward. But if you are going to do something different and if you are going to

change a model, then there are going to be changes. And that is kind of the nature of life in a way, and no one wants to be unsympathetic, but in order to do what is right and good for tourism governance, and development of the tourism product in terms of the economy, we have got to make these changes. And that is the way that we need to go forward.

There was a certain amount of, I guess, complaining on that side that we have perhaps, (maybe the word was) we have subsidised tourism for a long time. That is true, Mr. Speaker, we have subsidised tourism for a long time. But there was also an implication that somehow Government has been the one that has been spending all the marketing money. That is not true, Mr. Speaker. I think if you look at the Fairmont and some of the other hotels in terms of the amount of marketing they do, they do spend substantial sums.

And it is obviously going to be up to the Authority as to how they increase the amount of money that they are able to get from the private sector in addition to the Tourism Fee of 2.5 per cent of the rack rate (which they will be getting automatically as a consequence of this) and possibly for a couple of years a Government allocation as well. But it is going to be up to the Tourism Authority by both persuasion and leadership to show them why it is going to be a good thing to basically invest in this as well. Because, quite frankly, if people can work together on this—and that is part of the model here, it is public/private sector working together—I think that is going to be a very important part of this whole piece.

So I think there were some other questions asked about who is going to be privatised next. Mr. Speaker, that is a little bit of setting up a straw man. This concept of a Tourism Authority has been around for a long, long time. I do not feel that way, but I am starting to feel like I have been in Government for a long time, and I guess I have at this point. So we are going back 20 years, this is a 20-year-old concept that we are talking about here—so this is not an idea that popped into somebody's head a year or so ago. And yes, it was in the OBA platform and yes, the Minister is bringing it in very quickly because he and the Government see this as a very important part of how we are going to get tourism to function more effectively going forward.

So I think, Mr. Speaker, those are most of the points that I wanted to comment on. But I would urge Honourable Members and indeed the public, if they get a chance, to have a look at this particular piece of legislation. I think it is an historic piece of legislation. It is a new direction going forward. Is it the silver bullet? No. But is it going to give us a much better chance of managing our tourism product, developing tourism, doing a better job with marketing, having more focus and emphasis in a very competitive complex world with a lot more competition out there? My bet, Mr. Speaker, is yes it will.

Thank you.

The Speaker: Thank you, Honourable Member.

The Chair will now recognise the Honourable Member from . . . in red!

[Laughter]

The Speaker: In all red . . . all red.

The Chair recognises the Honourable Member from Sandys [South Central], the Learned Member, MP Kim Wilson.

You have the floor.

Mrs. Kim N. Wilson: Thank you, Mr. Speaker. Following last week's episode, because I am somewhat vertically challenged, I thought that I would wear red today to perhaps draw attention to myself because—

The Speaker: You know how much I like red, do you?

Mrs. Kim N. Wilson: Yes! It worked last week for the Honourable Member from . . . [constituency] 4? From Pembroke. She is wearing blue today so we are colour-coordinated with the Somerset colours.

Mr. Speaker, I intend to be very brief. There are a couple of points that I want to raise with respect to some of the sections that I am not exactly clear on. However, before I address that I wanted to just speak quickly about the 47 staff members.

I am pleased because this is the first time that I have actually heard the Government, and particularly the Learned and Honourable Minister of Tourism and Transport, refer to it in the legal sense. It is a redundancy. And I know that one of the Members on the other side—the Government side—indicated that we were mixing words, but the law is the law. And what is happening to these employees is that their positions are being made redundant, the fact that they have to apply for other positions, *et cetera*.

But squarely on the definition of “redundancy” as is outlined in the Employment Act, I am thrilled to know that they are finally acknowledging that these positions are made redundant. I am wondering whether or not the Government has done any calculation as to what the redundancy pay will be for these 47 individuals because I believe under the Act it is 16 weeks maximum. However, I also note that . . . my other question would be insofar as superannuation.

If these individuals are now no longer employed by the Government and they are employed by a private entity, what happens to the money that was accrued in the superannuation now that they are on a private scheme? I am just wondering if the Honourable and Learned Minister of Transport will answer those questions with respect. And I am not asking for myself, I am asking particularly for those employees—the 47 employees—that are concerned about their fate.

Mr. Speaker, if I can also turn to the Bill itself now. In particular, let me start with section 4, the composition of the Board of Authority.

The Speaker: You know, Honourable Member, you know we are going to deal with that in—

Mrs. Kim N. Wilson: I am talking generally—

The Speaker: Okay. All right.

Mrs. Kim N. Wilson: No, no, I am talking generally. I am generalising, but I am trying to do it in an orderly fashion so that all can follow.

The Speaker: Okay.

Mrs. Kim N. Wilson: But with respect to the composition of the Board, I note that when we had a 2012 Act that was tabled here and passed concerning the Bermuda Tourism Board, the PLP Government made a specific point of ensuring legislatively that there was a provision contained in the legislation to require that certain bodies be represented on the Board. When I look at this particular legislation, it is a little bit concerning—no, it is very concerning to me, that no such requirement exists.

I am talking specifically about representation on a Board of Authority from a body of individuals that probably has the most employees represented within that industry and that is particularly the workers and the Bermuda Industrial Union.

When the PLP Government tabled a similar piece of legislation, we made a point to ensure in that in the legislation the composition of the Board required that the President of the BIU be a part of that particular body. In addition, we had the Chamber of Commerce and some other entities that, again, were equally as important with respect to the tourism industry—travel and tourism industry—in Bermuda. But certainly I would urge this Government to consider paying homage to the important role that the Bermuda Industrial Union plays in this community, particularly as it relates to the representation of workers within the travel and tourism industry, and place in their legislation a requirement that the Union representatives be part of the Board.

I am sure we will hear that, *Well, we have got great scope in terms of who can be on the Board, et cetera, et cetera*. And that is all well and fine. However, Mr. Speaker, to confirm the commitment that the PLP Government had to ensure that a representative from the BIU was there—we put it in black and white, it was in the legislation.

Mr. Speaker, I also note that with respect to other sections of this Act, particularly as it relates to the powers of the Authority, I am somewhat concerned because I note that in the 2012 Act the powers of the Authority . . . we have already heard, Mr.

Speaker, a lot about the fact that the Department of Tourism under the 2012 Act still was in existence. I guess my questions with respect to this that the Honourable Minister answer for me or at least point out to me (because I do not see where it is in the legislation) what . . . who manages the oversight?

Who provides that regulatory oversight? Now that we no longer have a Department of Tourism and we have the legislation that deals with the Hotels (Licensing and Control) Act 1969, we have got the Regulation[s] of 1971, and we have the Act of 1981—we had a department that helped to facilitate the regulatory environment of these hotels, the licensing and so forth. If there no longer is a department, who . . . does the Minister stand alone? I do not know if there even is a Minister.

I am just saying, How does that happen? Who guards the henhouse, so to speak, is my question in terms of the regulation—

[Inaudible interjection]

Mrs. Kim N. Wilson: It's not.
—in terms of regulating these entities?

Hon. Shawn G. Crockwell: Point of clarification if the Honourable and Learned Member—

The Speaker: You will have time at the end though. Do you want to do it now?

Hon. Shawn G. Crockwell: There is a lot to do at the end.

The Speaker: All right. Okay.

POINT OF CLARIFICATION

Hon. Shawn G. Crockwell: I just wanted to quickly say that the licensing and regulation of the hotels remain within the Ministry.

Mrs. Kim N. Wilson: Within the Ministry? I thought there was no Ministry.

Hon. Shawn G. Crockwell: I think that is where there has been confusion. We are dissolving the department. The Ministry of Tourism Development and Transport is separate from the Department of [Transport]. The functions—and it is not a large staff—but the functions of licensing hotels (as it is a regulatory function) will remain within the Government.

[Inaudible interjections and crosstalk]

Mrs. Kim N. Wilson: I do not know, I do not know.
So who will be doing the regulatory . . . my question, Mr. Speaker, and no doubt the Honourable and Learned Minister will—

The Speaker: He will have a chance again to—

[Inaudible interjection]

Mrs. Kim N. Wilson: —answer in the nearness of time. Thank you, thank you.

Mrs. Kim N. Wilson: Am I being specific again?

But, again, my question is, who will do the regulation? Who is the regulator?

The Speaker: Yes, again. Yes, I think . . . I think, yes. We will be able to . . . once we get into Committee, you will be able to drill down—

Now my other question relates specifically to section 13(3) and it is talking about the interest registry. Though I commend that there is this particular provision that allows for interest of persons, Ministers, or members of the Board who may have an interest in any business conducted by the Authority and that they have to provide written notice to such registry, though I am somewhat surprised . . . though I appreciate a lot of—

[Inaudible interjection]

Mrs. Kim N. Wilson: Okay.

The Speaker: You are getting specific—

The Speaker: You will be able to drill down.

Mrs. Kim N. Wilson: I am getting too specific? Okay.

Mrs. Kim N. Wilson: Okay. Thank you, Mr. Speaker.

The Speaker: Yes, yes, you are getting a little specific. When we get in Committee, we will deal with that, Honourable Member.

The Speaker: The Chair now recognises the Honourable Member from Sandys [North]. The Honourable and Learned Member, MP Michael Scott.
You have the floor.

Mrs. Kim N. Wilson: Can I just ask the question?

Hon. Michael J. Scott: Mr. Speaker, thank you.

The Speaker: Yes, go ahead. Ask the question.

In speaking now to the general principles of the Bermuda Tourism Authority Act, as the Honourable Member from Pembroke [East], Mr. Roban, indicated, it is an important debate. [This is] the first time that we are addressing the important area in this Parliament of this economic activity that is so important to us. So it is a very important debate.

Mrs. Kim N. Wilson: Thank you, thank you.

On this interest registry there is a five dollar fee. So if a member of the public wants to know who is on that registry, who has an interest, they must pay a five dollar fee. Now we know that our . . . the registry that we are all supposed to sign, there is no fee. And I just wondered whether or not—

As the Deputy Leader of the PLP indicated, the Honourable Member, Mr. Burgess, of course, we are all interested in seeing the mandate of the new OBA Government—its central mandate—the turning around and growth of this economy and creating jobs for people. And nine months into their tenure there has been precious little attention given to that, or results shown.

The Speaker: Now, again, we can deal with that actually when we get in Committee. The specifics of those things can be sorted out.

So the debate on the second pillar to our economy has got to be seminal and important. And as I open in my remarks, the thing that I wish to . . . the matter that I wish to first comment upon just even in, Mr. Speaker, the opening Preamble of this Bill, it speaks to the development and then the principles and objectives of the Authority. It speaks to the objectives of the Authority being to develop and promote Bermuda as a Tourism Authority. We have had a developed tourism product and industry since Furness Withy. And so I question why we continue to talk about development of it. We have got to get it right. We have got to make sure that the days when we did have 800,000 customers in our country is somewhat approached again. I do not know whether we will ever get it.

Mrs. Kim N. Wilson: All right. Thank you for your indulgence.

My final concern relates specifically to the Tourism Authority fees. Again, generally speaking, this rack rate charge, the 2.5 per cent that the Minister spoke about in his brief is also contained in the legislation. And, Mr. Speaker, this Tourism Authority fee is . . . and I appreciate that there . . . it is a requirement to be paid based on “X” number of occupants, *et cetera, et cetera*. I also note in the legislation that it speaks under pursuant to the Miscellaneous Taxes Act 1976 that every proprietor has to file this along with a statement, *et cetera, et cetera*. And I guess my question relates to the enforceability of this in that we have, on one hand, this section 15 that talks about this fee that has to be paid. And I know that in other pieces of legislation there is a requirement that you pay land tax, for example. And under that legislation—

But the focus has got to be, Mr. Speaker . . . and Mr. Speaker, you know from your day job at Fairmont, the customer is king. Now, the customer is king and therefore the focus of our energies as the stewards and protectors of people’s jobs, and the

people of this country and the reversal of the slide in this economy, has got to be on getting more customers here. I was happy to hear the Minister of Economy, the Honourable Member, Dr. Gibbons, say that the Tourism Authority has been around for a long, long time. He took the words out of my comments that I was going to address to you, Mr. Speaker. It has been around for a very long time. And have not the circumstances . . . certainly has not the economic terrain changed, so much so that we have the opportunity to get right down to the nuts and bolts—getting customers here.

Now, the Members of the Progressive Labour Party have spoken, including the Shadow Spokesman for Tourism, Mr. Furbert, followed by the Honourable Member, Mr. Brown, and all of the Members who have spoken . . . the Honourable Member, Mr. Burgess. They gave excellent speeches on bringing the focus to dealing with what we should be dealing with. I will come back to this point. The Tourism Authority is a very old idea. A party partisan idea that has now been parachuted in—alas, now that the OBA are in Government—parachuted into place. And I worry that we are setting ourselves, or the Government is setting itself up for disappointment when the focus and the opportunity for focusing on the customer is there.

I heard the Honourable Dr. Gibbons say that we are trying to get the product right and he mentioned Mr. Dodwell, the Chairman. I am going to mention Mr. Dodwell as well. The idea is to get the customer . . . because of the price point, because of the experience in the hotel, because the room the customer is in is a decent hotel room so that the customer can say, *Ah! I remember that experience. I am going to tell my friends about it. I am going to return. I am going to bring others.* That should be the focus.

But to focus on an old partisan party theory, an old party policy plan, and we are being drawn down into this silo by the speakers from the Government bench. I listened to the debate so far, the speech by the Honourable and Learned Member and Minister of Tourism so far, and the comments from our side, which have to be to focus on all sorts of things other than the customer. That is . . .

Let me make the point good. Because I asked myself, as I perused this Bill that we are generally debating now, What did the Bill address? A customer focus? To a degree the principles and objectives on page six of the Bill begin to. But nowhere in that entire list will we see, and when we get into Committee, [will] we see a commitment to the customer so that the things that Mr. Dodwell has been congratulated for now by the Honourable Member Dr. Gibbons, or the things that we can now congratulate the Green family for doing at Fairmont nowhere appear or give us the opportunity in this House as we debate an important mechanism and tool, nowhere does the focus or concentration land upon customer and getting the customer through . . . getting the rooms worth \$500.

I remember the well-known businessman, Mr. Gil Tucker, saying in one of these tourism discussions, *Customers will pay. They will pay.* They go over to London. They go over to Qatar. They go over to the [Al Ghariya] (I think you know where I am trying to say. That place over there in Qatar.)

[Inaudible interjection]

Hon. Michael J. Scott: Thank you.

And they go to Paris. If the room and the experience and the delivery of product are five-star, they do not mind paying—and they will pay. Gil Tucker said that. This is where the focus should be. This is where I believe . . . I say . . . and I am saying this not to be—

[Inaudible interjection]

Hon. Michael J. Scott: You can. You can, because the leadership requires us to at least state that our aim will be . . . not to have Members of the PLP Opposition stand up and say we are concerned that the power of the Board is to fund private enterprise. I mean, we should not be having that debate. We should be having a strong debate on we commend the Minister—the Honourable and Learned Member—for a Bill that drives the debate and the narrative of customer focus because this is where we need to get.

We all accept . . . every Member to a man and a woman who has spoken thus far has indicated that we know—and it has been a departure—we know that this is not going to resolve all matters. It is not a silver bullet. We have heard that over and over again. It happens to be a departure. I can recall the Honourable Member and Minister of Health, Ms. Gordon-Pamplin, sitting right here talking about the Tourism Authority—debate after debate—it was the bee's knees, it was going to solve all of our problems. But we know it will not. We know it will not.

The thing that will solve our problems is to get our customer experience one where they return. Now we know that . . . and there is some symbolism here. And when the Honourable Member, Mr. Furbert, who made a fine speech, spoke of the CEO's credentials and whether he should be (or she should be) Bermudian, he was absolutely right. Symbolism in Bermuda 2013—when people are on their knees, economically, in many instances—we need symbolism that says we are employing Bermudians.

And the CEO is going to lead the charge to employ more Bermudians. It is funny how the culture is infused with this kind of leadership. It just happens. Using the cottage industry, using the guest house, promoting more Bermudian owners of guest houses, again, is going to promote the experience of the visitor to this country from across the globe to a memorable one where they will click the mouse again and come back and say, *It's almost like coming home. It's almost like family.*

But this is a very narrow focus. This is an administrative tool. And this where Dr. Gibbons' speech took the debate. I listened to him clearly, carefully. We have got this . . . it is an administrative tool. It is very . . . it is very narrow. When in the ninth month of the Government 2013, we are at the eleventh hour of having to deal with their mandate. It would be the mandate of any Government in these conditions—job creation, economic growth. We have got to get employment of young people [who are] unemployed in this country. All of these are critical, mission critical, political realities. We have them in our homes across the country. And all of us in this House probably can speak to young unemployed.

Mr. Speaker, I [watched](#) Chelsea Clinton. I watched Piers Morgan the night before last. Three bright women—a woman from Africa, Ms. Peggy Mativo, Ms. America Ferrera, and Chelsea Clinton. They asked that question. They fielded this question about unemployment amongst young people across the globe. The question came from a princess of the Middle East. But we have our problem of unemployed Bermudians, too. They need to be responded to. They need to be employed. They need to be put in amusement parks running those rides. The product . . . the product . . . the opportunity to introduce products at hotels in this country, new hotels . . . and so this is where the focus should be.

But the bureaucracy and the bureaucratic vehicle for tourism, while all well and good, is not the focus in my respectful submission. And I say this not to condemn. I say this like the Honourable Deputy Leader of the party indicated, we want the process to begin. It is five to midnight, it is late in the day and we need to be having the right focus. And to hear Members of the Government indicate and concede that this is not a silver bullet . . . and that it is putting in place this Authority; well, we know it is not. So let us get on with what we need to be getting on with.

Mr. Speaker, I heard the Honourable and Learned Member, my colleague, the Shadow Attorney General, the Honourable Member Ms. Wilson, ask about superannuation. And the question I would ask, too, in the general discussion, is, Will the redundant 47 members of our department have a break in service? That is an important question for people to consider. There are many that are in this House, including the Minister of Finance, who may be able to answer that question authoritatively for us. But that has consequences . . . but in these times.

So, Mr. Speaker, when the PLP began the road . . . and it was as early as 1998, I believe that we started off on the right focus because we started off with product redevelopment. It comes back to my opening remarks. We do not need to develop tourism and we do not need a Tourism Authority to develop tourism, we need all energies—the Minister's brilliance—to get the developed tourism working again, so that it is employing again, so that it is making Ber-

mudian young boys and girls proud to say, *Yes, I will go into the industry*—again.

And we need to ensure that there is inward investment into the product so that growth is taking place and employment, therefore, follows. But to set up yourselves so that we have got . . . we are bound as Opposition to launch an attack on the credentials of the CEO and what will be the symbolism there. It is going to distract from the real needs, the ever present need of now, and the urgency of now could not be clearer. We do not need that. We need us to be focusing on a debate on the second pillar of our economy—on the customer.

Mr. Speaker, it was in 1998 that we began the policy of product development, and it needs to have been continued. And only today . . . so if we want to take a lesson from anywhere, and if we want to both nurture it and stimulate it, giving credit where it is due, because Mr. Dodwell at the Reefs began it before Peter Green and Andrew and Alexander Green bought that entity at the Fairmont. But we need Bermudian ownership or participation and involvement in a major way. It is going to be symbolic. It is going to send signals. It will result in the very ownership and family members of owners directing their children, their nieces, their friends into hospitality. That is just what happens. This is why it is not improper to speak firmly and fiercely about the Bermudian element in tourism in this country. You go down to Jamaica, as many of us have, or the Bahamas. I mean, you find their native indigenous people across the industry.

We have had this debate for so long about, you know, how generous we are with having the entire world operate on our floors. But when you have got the vibrancy of your people, then the creative juices of Bermudians are infused into the menu, the drinks, the food and beverage, the delivery of service and we have a good chance, we have an excellent chance, of differentiating our product from our competitors because of the Bermudian peace. And I do not think we have ever given it the broadest possible chance.

The Honourable Member, Dr. Gibbons, makes my case eloquently by talking about the number of *Condé Nast* awards, the best example we have had to date in our history, at the Reefs. Well, this needs to be replicated across the industry. This should be the focus, Mr. Speaker. This should be the focus.

And to the extent that the Tourism Authority sets out to achieve all of these principal objectives, may I submit that the customer focus—the customer—is the one where we need to be putting the focus. And I hope that this is where they put it because all of these other (a) to (h) objectives, ambitious as they are, including too, you know, to implement the whole National Tourism Plan, you know, civil servant types are going to get involved in that. There is going to be much spinning of wheels. Just . . . keeping it simple. KISS—Keep it Simple Simon. You know, keeping it simple will—

[Inaudible interjection]

Hon. Michael J. Scott: And I am not going to use that word. Strong, there you go.

—will pay untold dividends . . . will pay untold dividends.

Thank you.

The Speaker: Thank you, Honourable Member.

The Chair now will recognise the Honourable Member from Pembroke South West, constituency 20, MP Susan Jackson.

You have the floor.

Mrs. Susan E. Jackson: Good afternoon, Mr. Speaker.

The Speaker: Good afternoon.

Mrs. Susan E. Jackson: Well, I am fired up.

The Speaker: Oh, good.

Mrs. Susan E. Jackson: Yes. I am fired up.

[Inaudible interjections and crosstalk]

Mrs. Susan E. Jackson: I have been listening and, clearly, Mr. Speaker, there are no experts in this room when it comes to tourism.

I am standing here today because at one point I thought maybe I could be the expert in tourism. But I want to make a comment about the concept and the marketing of our tourism product and how we may have lost our way.

You know, we certainly spent the better part of the 1900s in some renaissance, the golden era of tourism in Bermuda. And, certainly, the visitors who were coming to our Island, the amenities that we afforded them were just amazing. It was a wonderful run for Bermuda, and times were good. But the marketing of any kind of product, including our country, has a life cycle. It is going to go through a series of growth and maturity [periods] and then eventually it will reach a stage where it will outgrow its usefulness and need to be reborn.

And God bless us all, but everybody in the last 20 years or so has had their two cents on how we are going to make it better. We have had concerts and we have had parties and we have done this and we have done that. And, you know, no . . . hey, no doubt about it, Mr. Speaker. I have a slew of ideas that I would love to share on the floor of the House right now, but you know what? I am no expert. I am absolutely no expert.

I even went away to school thinking that I was going to be that Bermudian that could come back and

I could head up the Department of Tourism and that I had the great ideas and we could work it out.

An Hon. Member: You are too modest.

Mrs. Susan E. Jackson: But, Mr. Speaker, I have understood over time that there is something much greater and there is something much more complex than an individual standing with great ideas to make something, a product as valuable as Bermuda, work.

So I say today that a Tourism Authority gives us an opportunity to create an environment for our tourism product, which is Bermuda, gives it an opportunity to have a rebirth and to become a part of the cyclical growth of a product that has been well-defined, well-executed and implemented, and therefore has an opportunity to reach those golden years again. Because, you know what? We have seen it time and time again with other jurisdictions (if we want to look at tourism). We have seen with other products and services that it is absolutely possible for any product to go from one cycle to another cycle through another cycle successfully. But it unfortunately does not come on the great ideas of an individual. It comes based on scientific . . . and analysis.

It comes from business development. It comes from things that many of us do not specialise in. But there is somebody out there, there is a team of people out there that do specialise in this, and they are ready and prepared to come together as professionals to do the job of creating a product and making it successful within the marketing mix, unlike anything that we as (what I am going to consider are laymen) can do.

So, Mr. Speaker, I am going to say that a Tourism Authority not only has the opportunity to deal with the complexities of product development, but also has an opportunity to incorporate and introduce the community to a new way of seeing Bermuda, a new way of developing and growing our tourism product. I just cannot even begin to imagine the opportunities that are out there for our tourism product. And if the community can embrace for a moment that with the beginnings of a Tourism Authority we have the opportunity to start to think in another way, it gives us the opportunity to make what is now popularly termed as a “quantum leap.”

We do not even know what is out there for us. We cannot . . . we are so busy thinking about the things that are already in our head, the things that have already been done, that as long as we, as the Honourable Member was saying, as long as we keep doing this over and over and over again we are just not going to get something new.

And all of the young people that are out there, all of the great ideas that are out there, will come to light if we are given an opportunity to start to see things in a different way. And this Tourism Authority is our opportunity to open that door to say we are going

to at least try to do it a different way. It does not matter to me; it really does not matter to me, the nuts and bolts of a Tourism Authority. What really matters is the fact that we need to put some responsibility and some accountability in a space that will allow us as a community to create something new, and for us to get into the business of attracting visitors to this Island.

Do you know that in Asia they have had something like a 22 per cent increase in inbound visitors since like 2000—or at least in 2010? I am hoping and thinking that maybe that statistic is still as high each year since. But if they are having double-digit growth in inbound visitors. I do not understand why we cannot even get in the game. And to me, continuing to do what we are doing is just not going to get us in the game, Mr. Speaker.

And so I . . . I just . . . I hope that all the Members in the House will take this opportunity to say, *You know what? We are going to work this out. We are going to give this Tourism Authority a chance because we have to absolutely at the eleventh hour do something to start to see things a different way.* And the Tourism Authority is a good start.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

The Chair will now recognise the Honourable Member from Warwick South East, constituency 24, MP Lawrence Scott.

You have the floor.

Mr. W. Lawrence Scott: Thank you, Mr. Speaker.

I rise today to speak on this because I am directly affected by the tourism product that we have as I work for an airline—JetBlue Airways—that brings tourists to and from the Island. So I am particularly interested in making sure that this Tourism Authority, if this is the way that we are going to go and the Government decides to go, works.

For me, I have to point out the glaring deficiencies in this plan. First and foremost, the Chairman is not qualified to run the Tourism Authority. And I say that because it is funny how the Minister says he is going to pick the best. He is going to pick the best, and the Minister is responsible for picking the Chairman. But yet the Chairman is not qualified to run the Tourism Authority. And I say he is not qualified because it is of my understanding that if you owe the Government money, you cannot have a Government contract, you should not be . . . and therefore my question is—

Hon. Shawn G. Crockwell: Point of order, Mr. Speaker.

The Speaker: Yes.

[Inaudible interjections]

POINT OF ORDER

[Misleading]

Hon. Shawn G. Crockwell: The Honourable Member is misleading the House, and I hear the Opposition Leader interpolating.

The Honourable Member does not owe the Government money.

The Speaker: All right. Thank you—

Hon. Shawn G. Crockwell: And it is not his company.

The Speaker: All right.

And I think we need to stay away from that, Honourable Member.

Mr. W. Lawrence Scott: All right. Thank you, Mr. Speaker.

But the thing is that the Chairman who is the most important person, who is appointed by the Minister, is supposed to be the representative of the country. But yet . . . and in this Authority has to actually be the one that polices other entities. And if they do not do what is prescribed by law, he, the Tourism Authority, is the one that has to impose fines, and so on and so forth. But yet the establishment that the Chairman was last with went defunct. And if this is the person that is supposed to . . . cannot manage one property, how are they going to—

Hon. Shawn G. Crockwell: Point of order, Mr. Speaker, point of order.

The Speaker: Yes.

POINT OF ORDER

[Impugning integrity]

Hon. Shawn G. Crockwell: Mr. Speaker, I do not know what the Honourable Member is talking about. The Honourable Member needs to be clear. If he is going to impugn the integrity of the Chairman of the Tourism Authority, he needs to be specific in what he is saying. Now, what entity went defunct? I do not know what the Honourable Member is talking about.

The Speaker: All right. Thank you.

Hon. Shawn G. Crockwell: He is going down a slippery slope here.

The Speaker: Right, just be careful.

Mr. W. Lawrence Scott: So should I mention the 9 Beaches, Mr. Speaker, or not? Or just—

The Speaker: Just carry on and just be careful about the language you use.

Mr. W. Lawrence Scott: Okay, Mr. Speaker, because the Minister asked for me to be specific, but I am going to be guided by you, Mr. Speaker.

The thing is, Mr. Speaker, is that on top of that there is no accountability when it comes to the finances of this Tourism Authority. The Tourism Authority could in theory (to be mindful of my language) in theory the Tourism Authority could be giving out their money to friends and family and then are protected under the (with no accountability) and then are protected under this piece of legislation if they are caught doing something wrong . . . they are protected and have no consequences.

[Inaudible interjection]

Mr. W. Lawrence Scott: Look—

The Speaker: Carry on.

Mr. W. Lawrence Scott: On page six, it protects them against consequences because nobody can sue or bring a case against anybody who is part of the Tourism Authority. So they are protected if they do something wrong, Mr. Speaker.

One thing that I realised is that . . . and we have touched on it before, about redundancies. They say that there are redundancies but no one is going to be fired and everybody will have a job, but what it sounds like is that we are now in almost somewhat of an ethical conundrum where Government ethics differ from business ethics. You can do something in business and it be considered professionally ethical, but those same professional ethics are considered unethical in Government. So, therefore, and where am I going . . .

An Hon. Member: Give us an example.

Mr. W. Lawrence Scott: An example is if someone is calling for a contract, they could fly somebody else to meet them on a private jet or something like that—

[Laughter and desk thumping]

Mr. W. Lawrence Scott: —and that is considered—

[Inaudible interjections]

Mr. W. Lawrence Scott: That is okay in business.

[Desk thumping and laughter]

Mr. W. Lawrence Scott: That is okay in business.

[Laughter and crosstalk]

Mr. W. Lawrence Scott: But when it comes to politics and Government then it is not right.

[General uproar]

Mr. W. Lawrence Scott: Mr. Speaker, I do not want to be long, because a lot of my colleagues have already touched on things. But the Honourable Member that just took her seat said one thing that, to me, stood out. That Honourable Member said that there is a team standing by ready to come in, and to me that sounds like a foreign team is ready to come in. It *sounds* like . . . it gives the impression that there is somebody that is not here on the Island that is ready to come in and be part of this Tourism Authority. I wonder what is really going on because—

[Inaudible interjections]

Mr. W. Lawrence Scott: —the President of the United States would never be a non-American. The Premier of this country, by our Constitution, has to be Bermudian. The 36 of us have to be Bermudian. Why? Because we represent Bermudians.

How could you even not consider . . . how could you even think about having somebody that is not Bermudian representing Bermuda on not just a local scale but an international scale.

Mr. Speaker, in my other job, JetBlue Airways has won numerous awards and is a trendsetter and a leader in aviation. Why? Because they do not necessarily go out and headhunt for the best on paper, they headhunt for people that believe in the product, people that can live the product. They use people that can grow with the product. So any person that you bring in will have to learn about the product, which means that any Bermudian that you pick, even though on paper they may not have the qualifications (as someone who is not Bermudian) but yet you have somebody who believes in the product, somebody who lives the product, somebody who can grow with the product. So, therefore, the best person is Bermudian regardless! Hands down!

[Inaudible interjection]

Mr. W. Lawrence Scott: So, Mr. Speaker, regardless the best person—

[Inaudible interjections]

Mr. W. Lawrence Scott: I hear the Government pointing out different people in the Government who are not Bermudian . . . but—

[Inaudible interjections]

Mr. W. Lawrence Scott: That are not Bermudian. But I stand by my words. The best person is—

[Inaudible interjections]

Mr. W. Lawrence Scott: And the Minister of Finance must be very mistaken because I did not hire anybody. I did not hire anybody. I was hired, Mr. Speaker. Remember? I was hired on December 17th, so if I was able to hire somebody in Government prior to that . . . mercy, I am a very special person.

[Inaudible interjections]

Mr. W. Lawrence Scott: But, Mr. Speaker, going back there is one thing I am noticing that this Government is saying . . . because my parents raised me and told me that I could be whatever I want to be, Mr. Speaker. But what I am hearing from this Government is that, as a Bermudian, you can only be what we say you can be.

An Hon. Member: Ooh!

Mr. W. Lawrence Scott: That is not the culture. That is not the Bermuda that we should be living in.

POINT OF ORDER

[Misleading]

Hon. Shawn G. Crockwell: Point of order, Mr. Speaker, point of order.

The Speaker: Point of order?

Hon. Shawn G. Crockwell: The Honourable Member is misleading the House.

The Speaker: I do not think that was said, Honourable Member. I think you need to . . . you need to withdraw that. That was not said.

[Inaudible interjections]

The Speaker: It was not implied. If you can just withdraw that.

Mr. W. Lawrence Scott: I will withdraw that last comment, Mr. Speaker.

But there is no motive, there is no incentive. If we bring in somebody and say that we are bringing in the best, what is the incentive for the youth of today to try and aspire to the great heights within the country? There is nothing in this—

[Inaudible interjection]

Mr. W. Lawrence Scott: And the Honourable Minister of Finance says they will replace him. But there is nothing in the legislation that says that that is what they are going to do. So, therefore, they are not bound to do it.

Mr. Speaker, I urge . . . I urge this Government to look at the CEO of this Tourism Authority to be Bermudian. I also urge them to look for a qualified Chairman, and in that I will take my seat.

The Speaker: Thank you, Honourable Member.

The Chair will now recognise the Honourable Member from Pembroke West, constituency 19, MP Jeanne Atherden.

You have the floor.

Mrs. Jeanne J. Atherden: Mr. Speaker, I am so disappointed to have to stand right now, because it just seems to me that the tone of our discussion is just starting to go down. I do not understand it. I thought we were coming here to debate the Tourism Authority Act and we have gone off into so many different directions and now starting to (if you will) attack people's character.

I must say right from the beginning that I am assuming that everybody that is in this House today came here to do the peoples' business and to go on the basis that we are all trying to do our best efforts. I am not going to impugn anybody's reputation or their motives. And I would hope that we would stop doing this. We are not turning around and setting a good example for the people out there who believe that they want to aspire to be like us.

When you start talking about aspiring, I do not have a problem with the fact that the CEO is . . . when we go out and look for the CEO that we go out looking for the best. Bermuda has always believed that we want the best. We want the best in our people. We want the best in the people that come here and run the businesses. We want the best companies to come here. So when I look at this ad, I am going on the basis that we are striving for the best and we are making sure that when the person comes and takes over this job they will do the best for Bermuda.

There are some things in here that I think we need to pay attention to because, Mr. Speaker, if you will allow me a moment just to read a couple pieces about that. This indicates that—

The Speaker: If you say where it is coming from.

Mrs. Jeanne J. Atherden: I am reading the ad that was in the [Royal Gazette](#) on Tuesday, September the 24th. It is the ad that says, "Tourism in Transition, Chief Executive Officer."

The Speaker: Yes.

Mrs. Jeanne J. Atherden: It says, "This is a senior executive position that is responsible for leading a competent group of professionals towards the realisations of its objectives." The second thing that is indicated here is that, "He or she will have substantive experience and success in managing people, ven-

dors, and projects." The third thing that captured my attention is that, this person will have, "Superior interpersonal skills reflecting leadership ability, the personality to inspire confidence and build teams and the flexibility to work in a dynamic environment and to manage a large advertising program."

Now to me, Mr. Speaker, I am hoping that any Bermudian that is out there will look at this ad and say, *I want to come back to Bermuda and I want to lead this organisation*, because we have people that are out there. Why are we automatically assuming that we do not have people, that—automatically—there are not people out there getting their experience and expertise and are willing to return to Bermuda?

I am assuming that that will happen but if (unfortunately) a Bermudian chooses not to come back for whatever reason and we have to hire an experienced, qualified non-Bermudian, I am expecting that that individual will put a team around him that will include Bermudians that will learn and grow because everybody knows you want Bermudians to be part of the organisation, but also everybody knows, Mr. Speaker, you do not promote someone just because your name is Bermudian. You promote people on the basis of their expertise, their experience and what they are going to bring to the table.

We have seen too many instances where people have been promoted and not had the requisite skills and ability. We have done more damage to people by not turning around and making sure that they have had the training and the opportunity. Mr. Speaker, I am assuming that that will not happen, but having said that, I would like to get back to the discussion on the actual legislation that we were supposed to be here to look at.

I was really glad (and the Member is not here) Member Derrick Burgess did say that he hopes that the Authority will work and it is not about politics because that to me set a good tone. It is on the basis of that tone that I am going to continue because I believe that that is the objective that we have here, that we are creating a Tourism Authority because we want to take the politics out of tourism. I think we started off doing that but slowly we have found ourselves being sucked into lots of other issues which are really not directly about the Tourism Authority. We are providing a new entity. We are creating something different. It has already been stated that this is going to be the single voice that will evolve Bermuda into a world-class tourism destination.

I want to remind all of us in this House here, at one stage we were the leading entity in tourism. People used to come here and look at our product and talk to us and try and find out what we were doing. But we have started to listen to our own marketing. We have started to forget how we got here. We got so fat that we stopped being lean and now what has ended up happening is that we have not grown the way we needed to grow. Therefore, I am saying to

you, Mr. Speaker, that Bermudians have to know that the time is now for us to change our direction and this is part and parcel of it. We have to do something different. We have to close the gap and get ahead of the game again and this time we have to make sure that we keep running.

The fact that we shape world tourism and that we had talented people who left Bermuda and they created quality and all sorts of things has been talked about by Members of the Opposition. That is true. But over time we have lost that edge. And if this new Tourism Authority is put together, I am certain that that is the type of thing that they want to do. Nobody wants to run an organisation that does not succeed. And the way it is set up . . . it is set up in a way that they will be held accountable for what they need to do. Mr. Speaker, as far as I am concerned when I look at the way it is set up and by the fact that goals are there, I am prepared to trust that this is the direction that we need to go and I would like to think that Bermudians will also believe that as well.

The other thing that I want to say, and if you look at the Bill itself, and I am looking at page six (I am just talking about it in general terms), this is talking about the objectives just to say that there are new objectives in here which (when we talk about it later on if necessary I will reiterate) but it is talking about education and training. The only reason I am saying that is because there was some concern expressed earlier in the general debate about whether Bermudians were being trained and what we were doing with respect to educating them and making sure that they were going to grow in their country, and I would like to think that by seeing these things in there it makes people feel that that is going to happen.

Also, the other thing that I want to relate to is the fact that this new Authority allows the Board to fund private enterprises up to \$1 million. I do not have a problem with that because there is also the caveat there that the Minister of Finance has an opportunity to be able to see what is happening. You know, sometimes we forget that when we made concessions to hotels by the Hotels Concession Act we were giving away equally large sums of money. We just did not do it in the way that is done here.

Mr. Speaker, I just want to say that, you know, when I sat in another place a while ago, we used to talk about needing to help hotels survive and because it helped Bermuda grow and we talked about this was in the national interest—well, the national interest has not changed. We still need to help hotels grow and this is the way we are going to do it.

I just want to say that making hotels more efficient is definitely a worthy goal. Getting more Bermudians into the industry is also a worthy goal and I expect that the new Tourism Authority will address this. I am prepared to trust the new Board to carry out the new mandate. I am also prepared, as I said earlier, to trust them on this selection of the new CEO.

And last, but not least, I just want to remind ourselves that we used to have another pillar of the economy and that was the (if you will) the international business. We had to make changes in that because equally we became complacent and we had to change our model, and I just want to say that if we do not change our model we run the risk that the Bermuda as we know—the standard of living that we have grown accustomed to, we will not be able to get ourselves back on that track.

Therefore, Mr. Speaker, all I just wanted to say is that there is a real concern that if we continue to live in the past and if we do not try and get ourselves into the 21st century, the heyday that we used to have is not going to turn around. We have to replicate and recreate a new one.

Last but not least, there was the suggestion—and I am sorry that the Honourable Minister Burgess is not here—when he talked about golf and all the other things that we used to bring to Bermuda and attractions, I just want to let him know that right now on a weekend at all the golf courses you can get tee times because there are not that many visitors here, and you can get them a week in advance and a day before, because the industry is suffering and we have to do something different.

Thank you very much, Mr. Speaker, and I look forward to the individual discussions and that we will go ahead with this Tourism Authority.

Thank you.

[Desk thumping]

The Speaker: Thank you, thank you.

I am going to recognise the Honourable Member from Pembroke East. He has been trying—

Mr. Rolfe Commissiong: South East, Mr. Speaker.

The Speaker: Pembroke South East. He has been trying for quite some time now.

The Member from Pembroke South East, constituency 21, MP Rolfe Commissiong.

You have the floor.

Mr. Rolfe Commissiong: Mr. Speaker, thank you for the acknowledgement here.

It certainly has been a fairly interesting discussion that has taken place around the Bill entitled Bermuda Tourism Authority Act 2013. If I may, though, I would just like to preface my remarks by wondering if we can get a mutual agreement on the part of the Members that we will desist from using shock-worn clichés at least for one year. Two clichés that come to mind are, (a) the one that states that the definition of insanity is someone doing the same thing and expecting different results which we hear quite often here usually without any attribution whatsoever and, of course the other one—(b) this one has been

going right up on the charts of late, it is probably up at number two or number one, that is the frequent and overused term “the urgency of now” which of course was popularised by President Obama of the United States. I was just wondering if I could get the cooperation of our Members that we will desist from any further use of shock-worn clichés.

[Inaudible interjections]

Mr. Rolfe Commissiong: Mr. Speaker, with respect to the issue at hand I heard a Member earlier and I cannot readily identify who it was (or recollect) who posited that Bermuda's growth in tourism, its presence in tourism, really begins around 1883. I contend that Bermuda's decline as a major “tourism power” (quote/unquote) probably takes place around 1983. So, we had this hundred-year period from 1883 to—I admit arbitrarily I am setting this historical timeline of 1983—as being the span of which Bermuda's tourism continued to have extraordinary growth and continued to grow and to gain strength from decade to decade. It was a period that saw Bermuda as the unalloyed champ for much of that period in terms of resource-style tourism.

Mr. Speaker, we also know that during that period tourism was the lifeblood of Bermuda. Certainly there was no other pillar to our economy that could even begin to rival the type of rewards (if I can use that term) that tourism conferred upon Bermuda. I would say that the Golden Era certainly comes from the post-World War II period probably from the 1950s up until (as I said this somewhat arbitrarily set period of) 1983.

You know, Mr. Speaker, I remember you were a good friend of my father, after we had left Cup Match in Somerset, he had left early from his vocation at that time which was owning and managing a Crown and Anchor table at Cup Match which he did for at least a couple of decades, and he had to leave early as he would do to get home to prepare himself for work with the Esso Steel Band, and I remember coming in the car, around that time 1983, 1982, and my father was saying to me, *Rolfe, I am going to have to leave Bermuda*. It may have been around 1981, actually, because work had begun to dry up within the hotel industry.

We had seen a number of nightclubs close which were the lifeblood of not only the Esso Steel Band but many other outfits of the day from Hubert Smith Sr.'s band, the Coral Islanders, to the Talbot Brothers—everybody was affected by this. At that time we had just got the announcement that the Sonesta Beach (formerly Carlton Beach for those over 45 years of age) was also going to close its nightclub or repurpose that space. So my father said to me, Rolfe, it was going to be time for him to leave. All of us were adult children—the boys in the family. And I understood what he was talking about because in essence

the livelihood of many within the industry began to dry up and for others totally disappear. We saw this gradual decline from 1983 to the present and it has largely been unabated. I think anyone would agree with that.

But, of course, Bermuda had a saving grace. And that was that around that same time we saw the growth (or shortly before that, talking about the mid-1980s, early 1990s) of Bermuda as a major off-shore international business domicile. Certainly, I am going to say the following without any fear or favour because I know it has been the custom of us to be unalloyed cheerleaders of the growth of international business. But I think it would be remiss on us when we talk about the structural decline of tourism, which I do not believe that this Bill and the Authority will begin to address (I will get to that in a little while) . . . we are loath to acknowledge the role that the growth of international business had also played in the gradual decline of Bermuda's competitiveness within the tourism sector.

Quite simply how that was accomplished was by the presence of international business. While being a God-send to our economy [it] had also begun to raise the standard of living in Bermuda and thus the cost of living in Bermuda. And thus I believe that from an economic standpoint [that] had begun to undermine and erode the competitiveness of Bermuda as a tourism destination. I think that we would be remiss without acknowledging that.

The other factor that we have to acknowledge is the fact that much like the United States of America in which after World War II strode like a colossal upon the global economy having few, if any, real competitors save that provided by the Eastern Bloc—after all, Germany and Japan (now economic powerhouses themselves) were on their knees—America became an economic powerhouse that was able to create a major middle class to ensure that the rights of workers were protected, to ensure that the American standard of living during that period from 1950 until the 1980s continued to rise (or at least until the 1970s) without much in the way of decline. There was no major competitive entity or other nation that could compete with America. America was the dominant hegemonic power.

People need to understand that Bermuda as well, in tourism, almost had the same position in terms of the global economy, particularly, as I said, in that period from 1883 at least up until the 1960s and 1970s when we began to see greater competition take off particularly in the Caribbean and in other destinations. So by the time you get to the 1970s and 1980s, Bermuda had also begun to experience significant competitors coming particularly from the Caribbean which I also believed to help undermine Bermuda's competitive position particularly in light of the fact that we were beginning to price ourselves out of significant segments of the market.

I do not believe that the Bermuda Tourism Authority Act, focused as it is in terms of creating an Authority whose main preoccupation appears to be on marketing and promotion, is going to be the answer to address these structural problems. Metaphorically or symbolically another speaker, again I fail to recall who it was, talked about the \$500 a night for a room—the Honourable Michael Scott, I believe, I think he acknowledges—the \$500 a room night for a room that looks like it came out of the 1970s or 1980s.

You see, Bermuda used to be able to attract very wealthy WASPs, primarily, from the east coast of the United States. (WASP is an acronym for White Anglo-Saxon Protestants.) These were the people of the American elite. So from the 1880s right up until the 1970s or 1980s, Bermuda was a favourite destination for many of these people who were the movers and shakers of American finance, Government, the arts . . . Bermuda was that place. Bermuda is no longer that place.

[Inaudible interjection]

Mr. Rolfe Commissiong: The answer, Mr. Speaker, again lies with us beginning to address the structural issues. How do we attract the type of investment that will see Bermuda gain position more in a way that attracts the descendants (if you will) the symbolic children and grandchildren of the wealthy Americans and others who came here during that period that I mentioned?

That is the challenge that we have and in light of that we also have to acknowledge that culturally Bermuda is not what it was then. You see, because besides (I think, in my view) international business playing a role that essentially began to price Bermuda in a way that was making it more difficult to attract middle-class American tourists. I believe it also has had profound effects on our culture. Each industry brings its own culture.

The culture of resource-style tourism, for example, was one of laid-back, a culture that was more relaxed, but it was a business culture. It was a culture predicated around service, treating the customer as king—that was the culture that is a by-product of that industry. We were successful because we were able to reflect the cultural values that were essential to the growth and success of that industry. That is not the culture we find around international business.

That is not to say that international business—and I want to reiterate—has not been a welcome addition to what Bermuda has to offer globally, because it has. Like I said, to some degree it was a lifesaver during that early to mid-1980s period. But we also have to acknowledge that its growth was problematic in terms of how it had its effect on Bermuda as a tourism destination. We are still grappling with it today. The culture that surrounds international business is one that is all efficiency-driven—one that says that getting

the job done is uppermost. It is not one that is built—that is necessarily one that is like the international tourism industry, I should say, that prides [itself on] taking your time, interacting with the customer in a sense and making the customer king in that sense as we know that the tourism had accomplished or what tourism required during that period.

This is, I think, the dilemma that we find here. How will we begin to turn tourism around? It has to be built upon the reality of who we are today and not on a nostalgia for what was 30 or 40 years ago. I think that is something we are still, as well, struggling with.

Mr. Speaker, we know that what we have seen here has been an attempt by the Government (some say) to privatise a core Government function in terms of this Bill. But I do not know if it is a pure example of privatisation because in privatisation, you know, you sell off a Government asset to private investors and they take it and do as they will to try and make it a success for them and their investors. This is one that has brought about . . . a privatisation that has been brought about but is one that is essentially going to be funded by the Government, subsidised by Government monies but with little in the way of accountability, which for us on this side of the political aisle is problematic.

We do know, notwithstanding that that has been a prized objective ideologically of some of those on the other side, particularly those Members who had their provenance with the United Bermuda Party going back as one Member alludes to the 1980s as well, as you know privatisation and outsourcing. Particularly privatisation was all the rage during that period. So their moment has come and now they feel that they can enact in a long-held and cherished agenda that they have sought to foster upon Bermuda for decades. I, again, do not think though that this particular effort is going to accomplish the goal that we seek.

Mr. Speaker, just one other note on privatisation. Why do we not go further? I heard people talking about privatisation of the post office but, why do we not just privatise the Finance Ministry as well? I am sure that PriceWaterhouseCoopers would take it over! DCI—privatise them—maybe a company like Inter-Island Communications, right? I mean, you know, we know that those who are ideologically speaking very much in tune with this type of agenda, what I would call (I guess) the Bob Stewart view of the world—that Government is bad, or that Government has no value, it can do no good and that all virtue belongs in the private sector, and they ask us to take this leap of faith with them (because it is a leap of faith) that by doing such, by taking such action as we are seeing here, that all will be well and that we will, again, see tourism in this case rebound from its dismal showing over the last quarter century. Again, we do not feel that that will be the end result.

I am just going to close by saying that they have in effect or will in effect create an industry-

dominated organisation, a private corporate entity that will advocate on behalf of the industry. I guess in some ways you can say it is similar to ABIR and ABIC which are, I guess it would be international business advocacy entities which are found in the insurance sector. I am still trying to grasp my mind around the structure (as many of our Members are). We do not necessarily wish that this not succeed but again, How will this Tourism Authority begin to address the structural problems as I said which have bedevilled Bermuda tourism for the last quarter century?

I have no confidence from what I see here that the authority is or has the tools to begin to accomplish that. What I do see is that you have had those who have had an ideological obsession with privatisation trying to use that tool as one which can begin to solve the riddle, the conundrum, surrounding Bermuda tourism.

Thank you, Mr. Speaker.

[Desk thumping]

The Speaker: Thank you, Honourable Member.

Any other Honourable Members who would care to speak?

The Chair will now recognise the Honourable Member from Southampton East, constituency 29, Shadow Minister of Health and Seniors, MP Zane De Silva.

You have the floor.

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

History will show that the former Premier of the Progressive Labour Party, Mr. Ewart Brown, and former Tourism Minister, said many times that a Tourism Authority was not a bad concept and I think many on this side agree. However, we all know that it is not the silver bullet and like most concepts the true power lies in the human beings that implement any plans that we may make. There have been other countries that have had Tourism Authorities for years. I would like to point out Barbados, for example. But the key to their success has been the ability to get things done. So the Tourism Authority is not just a name. You can name it what you like. You need people to implement plans and get things done.

The Honourable Dr. Grant Gibbons said earlier when he spoke, when we were discussing the funding, or lack thereof, from some of the hotels in marketing their product and Bermuda, and the Honourable Member said that hotels spend large sums of money for marketing. But what the Honourable Member did not remind the Bermudian public and the taxpayer of is all the concessions that the hotels get in order to market their product and Bermuda.

Do not get me wrong. I see nothing wrong with that. I support that. But if you are going to tell the story, let us tell the whole story. Let us not leave the little fine details that are important out when we are

talking about who is spending money, how much, and where that money comes from, because at the end of the day if you look at it and you weigh it out, you will probably find that the hotels are not paying that much at all. We all know that in this House just recently we passed concessions totalling more than \$14 million. Nothing wrong with that—we support it wholeheartedly. Nothing wrong with supporting any of the concessions that we have passed, but let us remember that the Government—the past Government and the Government of the day—are working very hard to give them concessions so that they can market their product and Bermuda.

Now one hotel recently declared a heavy dividend, I understand. Now, I hope that all the hotels are being made to account for these marketing dollars. I think those on the other side may know the entity of which I speak but, Mr. Speaker, let us make sure that the hotels are honest brokers as well in this game because we up here in this House, whether it be us when we were Government or the present Government, are working hard to see that we give them all the support that they need.

There was a smart, one little off-the-cuff comment maybe when there was talk about some marketing dollars and someone mentioned (as they do) because, you know, we have mentioned a few things today and you quite rightly try to bring people back on point, but let us not forget that when the name [GlobalHue](#) is mentioned, you know, we know how the Opposition at the time certainly rode that horse, Mr. Speaker, we will know that the record shows that the most air arrivals that we have ever had in our history was when GlobalHue was marketing Bermuda and its product.

[Inaudible interjections]

Mr. Zane J. S. De Silva: Oh yes! Oh yes! Mr. Speaker, 2007 was [when we had] the most tourists that we have ever seen in Bermuda in our history.

POINT OF CLARIFICATION

Hon. Michael H. Dunkley: Point of clarification.

The Speaker: Yes? Just . . . just . . . Member? Sit down, please. Thank you.

Hon. Michael H. Dunkley: Point of clarification.

The Speaker: Yes?

Hon. Michael H. Dunkley: He said air arrivals, now he is back into total visitors. Please be correct in what he says.

The Speaker: Yes, right. I think you are talking about—

Hon. Michael H. Dunkley: —Because with air arrivals, he is wrong!

The Speaker: Right. It is the number of visitors to the Island not air arrivals.

Mr. Zane J. S. De Silva: Number of visitors, yes, Mr. Speaker.

[Inaudible interjections]

Mr. Zane J. S. De Silva: Okay, my apologies. We all do that in our excitement at times.

The Speaker: Thank you. Carry on, carry on Member.

Mr. Zane J. S. De Silva: I will correct that, Mr. Speaker.

The Speaker: Thank you.

Mr. Zane J. S. De Silva: It was the record amount of tourists we have ever seen in Bermuda's history. Ever! Ever!

[Inaudible interjections]

Mr. Zane J. S. De Silva: The Honourable Member Dr. Gibbons also said that the Chairman, [Mr. \[David\] Dodwell](#), has the most experience and has been most successful and if we followed his idea maybe we would not be in the sad situation we are today, from Dr. Gibbons.

Mr. Speaker, let us not forget that that chairman, Mr. Dodwell, was a Tourism Minister for some time and I think that under his watch was when we saw the most decline.

POINT OF ORDER

[Misleading]

Hon. Shawn G. Crockwell: Point of order, Mr. Speaker. Point of order.

The Speaker: Yes?

Hon. Shawn G. Crockwell: The Honourable Member is misleading the House. The least amount of air arrivals we saw was in 2011.

The Speaker: The least amount. All right.

I do not know what point you are trying to make.

Mr. Zane J. S. De Silva: The point, yes, thank you, Mr. Speaker—

The Speaker: Just clear the point you are trying to—

Mr. Zane J. S. De Silva: I am trying to get to a point, yes. You might remember things like, *Let yourself go*, that was the brainstorm of that particular Minister at the time. I say that because it is an important role, the Chairman of this Board. It is an important role. While there has been much talk about the CEO, I think the Chairman plays a major role as well, especially something as important as this Tourism Authority.

So one has to look at—and I believe my honourable colleague, Mr. Scott, was touching on the point about qualifications. One has to wonder that if you look at past experience and some may say it was a wealth of experience and successful experience under that particular person when he was Minister—we on this side do not necessarily agree with that, Mr. Speaker, and we do not necessarily think that we have the right person. That particular—

[Inaudible interjections]

Mr. Zane J. S. De Silva: —person also is—

[Gavel]

The Speaker: The Member has a right to give his opinion and I think that is what we are in this House for.

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

The Chairman, Mr. Dodwell, also is a shareholder in the company that has the 9 Beaches lease which owes the Government a lot of money. Now, he may be a minority shareholder but I know Members of the Progressive Labour Party that have been minority shareholders of companies and in this House when those, the current Government Members of Parliament were on this side, and, Mr. Speaker, you will be very aware of how some of the Progressive Labour Party Members caught flak week after week after week. A lot of them unsubstantiated. I will just mention Cedar Beams for one. Okay?

So, if you are going to be the front man when you are representing a company as a minority shareholder—right, he is a front man because I remember when 9 Beaches first came out, the picture, Mr. Dodwell's picture, [was] blown all over the paper, 9 Beaches in the background. So if you are going to take the kudos for being the developer that is going to jumpstart Bermuda, you have to take it when things are not going so well either. You have to take that slam, too. So let us not forget that.

I point out those few things to say this, that I think the Bermuda Tourism Authority—they are going to struggle. They are going to struggle with blatant conflicts of interest. It is going to be a struggle for them. There is no way, in my opinion, that Mr. Dodwell can divorce himself from the Reefs and his deepening financial issues—cannot divorce himself from it. Bermuda is a small place. Bermuda is a small place.

Now, I will say this. I think that the Chairman should be allowed (I am not going to use the word force) to disclose the true condition of the Reefs as part of his deal to be Chairman. I think Bermudians have a right to know.

[Inaudible interjections]

Mr. Zane J. S. De Silva: Bermudians have a right to know. If someone is going to Chair the almost \$30 million purse of the taxpayers dollar and if you just take note of the few things that I just mentioned, they have a right to know. I would want to know, Mr. Speaker, if I had \$30 million and I am going to hire you as my chairman, I am going to want to know some things about you. I want to know what you have been doing. I want to know how you run your finances. I want to know what, you know, what are your qualifications. That is where I am at.

Whilst I am on that point, let me say this. We know that the Board has to declare their interests and we will get into that when we get into Committee—I will not go into too much detail at this point—but the Board Members have to declare their interests. Now I just hope the Minister—I hope Minister Crockwell is going to be a little bit more forceful and authoritative when it comes to declaration of interests. We had an election in December. We had Members that were elected over there that did not declare their interests, so I want to make sure that the Minister is a little bit aggressive when it comes to declaring one's interests. I hope he is laying down a marker with regard to that.

Mr. Speaker, I wanted to talk very briefly about the 48 jobs, and we heard for the first time today that the people that work in that department will be made redundant. First time today.

POINT OF ORDER

[Misleading]

Hon. Shawn G. Crockwell: Point of order, Mr. Speaker.

The Speaker: Yes?

Hon. Shawn G. Crockwell: We did not say that, Mr. Speaker. The Honourable Member is misleading the House. The posts—

The Speaker: He did say the posts.

Hon. Shawn G. Crockwell: —I do not know why people getting this confused.

The Speaker: I think that he did say the posts will be made redundant and you [can] read it the way that you want to read it.

Mr. Zane J. S. De Silva: Accept that. Accept that.—

The Speaker: Yes. Yes.

Mr. Zane J. S. De Silva: —Accepted, Mr. Speaker, accepted. No problem.

But the 48 jobs will be re-advertised—word it as you wish, we have a few issues. One is, and I am sure—I hope the Minister has the information—What is it going to cost the taxpayer? What is it going to cost the taxpayer? It is easy to say, *Well, we are going to give those folks opportunity to reapply.* But, Mr. Speaker, do they lose all the benefits that they had built up over the years? Is that lost?

An Hon. Member: No.

Mr. Zane J. S. De Silva: The Minister says no. Thank you for that. Great. Excellent. Good to hear because I do not know.

We have been told that any of the staff that do not, [who] are not fortunate to continue to work in that department will have opportunities to work elsewhere. Now, Mr. Speaker, that is okay and in this climate that is great. Minister, I am glad to see that you are looking out for the people's good. The only thing I caution you on is this: we all know, we have been around for a little while, there are no young puppies in this room—

The Speaker: Speak to the Chair. *The only thing that the Minister needs to be aware [of] is . . .*

Mr. Zane J. S. De Silva: Yes, and he is listening intently—

The Speaker: Yes.

Mr. Zane J. S. De Silva: Yes, thank you, Mr. Speaker. I will make sure that I keep my eyes cast on you.

The Speaker: I am not the best one to look at, but—

[Laughter]

Mr. Zane J. S. De Silva: Look, you do not want me to dignify that comment with a remark, Mr. Speaker, you might throw me out!

[Laughter]

Mr. Zane J. S. De Silva: But, actually, I was talking to someone earlier today that [said] you look very, very nice. In fact, Mr. Santucci was here. Pastor Santucci was here and he said that you cut your hair and I said, *well he cut his beard, too, because when I knew him, I played football against him he had this beard way down here somewhere. We used to call him Bigfoot.* But anyway, I digress.

[Laughter]

Mr. Zane J. S. De Silva: With regard to the staff now, all I would ask the Minister to do is consider. You know, you may say, *Well, look. Marc Bean is not going to lose his job. We are going to offer him a job over there in Health, or maybe another department within the Ministry.* But let us be very aware that not everyone likes to be shifted. You may move me over here working with Marc Bean and Joe Smith and, you know, but consider, consider. Have conversations with the people that you are suggesting to move, the ones that do not fit into your plan. Let us give them some serious consideration because I think that is important, Mr. Speaker.

There has been much talk about Ministerial interference and the differences between the 2012 Act and this Act. I am a little confused with the Government, Mr. Speaker. I have heard several of the Members speak to Ministerial interference and how there will be none, but then Honourable Member Atherden was speaking just now, and she said she does not have any concern about the \$1 million amount that the Board will be able to spend. She said because the Minister—the Minister—would be well in tune with what is going on so they will not be able to do that. Now this was from her. Hansard will show you that.

Yet you have had other Members who have said that the whole point of this is you have to keep politics out of it, the Minister is not going to be involved. Well, Mr. Speaker, the Minister appoints the Chairman and I think the Honourable Member, Wayne Furbert, said it best. Look, look, let us be honest. Let us be real. If you are the Minister, you appoint the Chairman or you appoint the CEO and you do not see things going quite the way you want. You take them down to Dinghy Club and you (Well, not us. If we were in Government, we would go round Devonshire Rec.) but they go around Dinghy Club and they have a little lunch. And quite frankly, let us be honest, they are told what to do and which direction to go by the Minister.

Let us be open, honest and real because that is what happens in the real world. Let us not beat around the bush.

I would like to use an example of what I am talking about. Some of us in this room will be familiar with trusts and how trusts work. He would say, *Well, the trustees run a trust.* Well, they may run it, Mr. Speaker, but every trust has trustees. The trustees answer to the protector. Who does the protector answer to, Mr. Speaker? The settlor. So, you see this is very close to operating like a trust. The trustees can manage the day-to-day business, they can pay some bills, but they do what they are told and they do what they are told by the protector. And you know what? The protector does what the settlor wants him to do and the minute that things do not quite go as they like, trustees are fired. If the protector does not like it, the settlor fires him.

Do you know what he does, Mr. Speaker? He appoints another protector who appoints another set

of trustees. It is no different than this Authority and this Bill. So this nonsense about—

POINT OF ORDER

[Misleading]

Hon. Shawn G. Crockwell: Point of order, Mr. Speaker.

The Speaker: Yes?

Hon. Shawn G. Crockwell: The Honourable Member is misleading the House. What he just defined are the legal principles of trusts.

The Speaker: Yes.

Hon. Shawn G. Crockwell: Those things are legally required and the settlor and the protector have the legal right. That is not contained in the Act.

The Speaker: Okay. Thank you.

Hon. Shawn G. Crockwell: There is a clear difference.

The Speaker: Thank you, Member.

[Inaudible interjections]

The Speaker: Minister, yes. I do not think we can take it as being the fact.

Mr. Zane J. S. De Silva: It was an analogy, Mr. Speaker. I said it from the start.

The Speaker: Carry on, Member.

[Inaudible interjection]

Mr. Zane J. S. De Silva: Thank you, Mr. Speaker, thank you very much.

The point is, the analogy, the example that I was setting, was no different than what the Honourable Member, Wayne Furbert, was trying to say. He said that at the end of the day we can talk all the poppycock we want, all the nice things people want to hear about it is no political interference and [they] have all this independence—not so, Mr. Speaker. Let us be real. Let us be real honest. It does not happen like that. We all know it in this House. It is not going to happen that way. It is not going to happen that way.

I would like to finish on this note. Let us remember, here in Bermuda, where most of our tourism dollars come from and where they will come from in the future. Bermuda tourism is not going to get better—I do not care how hard the Minister works. I do not care how hard the former Minister Furbert worked—Bermuda tourism is not going to get any bet-

ter, and we can form Authorities, we can form Boards, we can do what we want . . . until the US economy gets better.

[Inaudible interjection]

Mr. Zane J. S. De Silva: It is not happening, Mr. Speaker. I applaud the Minister. I applauded my Minister. Guys, look, we all work as Bermudians, I think, to do our part. I stop tourists on the street. I see them, if they have a map, I stop them every time. Every time I stop. I tell my children, *Look, this is what we do.* Okay? So we want Bermuda to thrive because when Bermuda thrives we are all going to live a better life. As the Honourable Member, Jeanne Atherden, said earlier, we like the standard of life that we have, or had, and we would like to get the best standard of life that we can. But let us remember, until the US economy gets better we are going to struggle, and we are going to struggle a lot.

But meanwhile what I would suggest the Government does—maybe what we should do—is what I call using the Duperreault model. Let us give multimillion dollar guarantees to developers who say they are going to build hotels.

Thank you, Mr. Speaker.

The Speaker: All right. Thank you very much.

The Chair will now recognise the Honourable Member from Devonshire North Central, constituency 13, MP Glenn Blakeney.

You have the floor.

Mr. Glenn A. Blakeney: Thank you very much, Mr. Speaker.

I would like to concur with a number of the concerns that have been raised on our side of the House notwithstanding the best efforts of the industry professionals that have over the years put their best efforts in. The interesting irony is that not even the experts have proven to be experts, because that is all we have ever done is rely on the so-called experts. I heard one Honourable Member who spoke previously speak to the fact that we need experts and lay people, the layman—it is not always one to make the significant impact to make a change not just in the psyche but in the pragmatic approach to any kind of marketing effort or whatever.

You would understand marketing from a simple concept that was used many years ago, and that was the concept that Wendy's used when the lady went up to the counter and said, *Where's the beef?* So it is all only relative. I do not think anyone has all of the answers and not all the experts have proven to be experts, as I said. We have gone to Park Avenue, we have gone all over the US looking for these so-called experts who have come back with all kinds of campaigns that the supposed experts in the industry as stakeholders have reviewed and endorsed. Not the

least of which is the former Minister who sits here in the House, when under his purview he had responsibility for oversight of Tourism.

Those same experts came through, the Department of Tourism experts were there under the directorship of various individuals, and we still did not get it right because there are a number of elements that combine to cause the challenge that we face in an industry that is shifting daily. If you do not start from the core focus being on the end user who is the invited guest to our shores, then you will never get it right, regardless if it is a Board, regardless if it is an Authority. So what do they look for? They look for, first and foremost, product/quality/price. If you do not have those things aligned, you cannot sell anything when the competitors who have realised what the elements are, that they need to be concerned about and prioritise are doing it, and not just talking about it.

If I were to be appointed the Chairman of the Broadcast Commission, I think the Government would have a big problem with that if we were the sitting Government and I was made the Minister.

[Inaudible interjection]

Mr. Glenn A. Blakeney: It is just the appearance. It is just the perception.

So when you stand to say publicly, or cast a public aspersion that, you know, it looked like the former Government was all about families and friends, and then you not only have a family member of your political party, but a very endearing friend who has absolutely no flaw (as far as I am concerned) with regard to how he has run his business . . . he has been a shining star as an ambassador for tourism in this country. And I speak to the Honourable David Dodwell. And I will call him Honourable, because he is always active in a very classy way. He may have not gotten it right, but it does not get it right when he has been there, done that, and we are still no better off for the effort.

So what has changed fundamentally? There is no change. The players that are going to be making up this Authority are industry stakeholders that have been around all this time and who have also weighed in with their particular schools of thought and opinions regarding where the country should go, even if not in an official capacity. They have been a part of the consensus because they talk and they network and they discuss the commonalities of the challenges they all face as an industry.

So what is this really fundamentally about? What is the main feature of this Bill? There is one main feature [and] that is who controls the purse strings. The Authority has been given autonomy with \$29-plus million as a resource to do as they will without answering to anyone save and except for presenting a statement of accounts at the year end. With that can be a retroactive explanation of how they got to

where they are to satisfy whoever is asking the questions. We all know about creative financing and creative accounting. So when you meet the challenge with the numbers, you can crunch them any which way you need to [in order] to get the result to make a substantive and substantial defence of any criticism that might be a challenge for you to answer. That is where I have a fundamental challenge with the Bill because it is taxpayers' money being used in a private way.

Now, if you want the Authority . . . I have no problem playing semantics with language. But where is the rubber that meets the road regarding the industry stakeholders having skin in the game? It is like you go to Las Vegas and somebody gives you the gambling money or the chips, and if you lose you come back and say, *Oh, the technical guy that was supposed to be fixing the machine was not on because, you know, a couple of chips got stuck and I just kept going with it because I was committed to it. Aw, it took everything.* So I have some challenges because I think the Authority should have some public accountability by way of the Minister.

I think that the Minister should have a degree of authority himself to override because he answers to the public. Otherwise he is insulated and can blame at arm's length another authority when he is supposed to be the authority by having been given the confidence of the Premier to undertake the responsibility. But now the whole Government is insulated with the Authority, and all the pressure is on the Authority, and they could try their best efforts. But if there is not fundamental realisation of those three elements that have to be addressed—you cannot go out and sell milk without having a cow! And if you have the cow, the cow has to be pregnant because otherwise it does not produce milk.

You have to understand and you have to start from there. That is what we have failed to do. So, the client we are looking to attract from our gateway cities have all kinds of options, and when they compare product, when they compare price, when they compare quality for their dollar value . . . there are so many options that they consider better that also has sun and beach with a lot more amenities that are more state of the art, more modern, *et cetera, et cetera.*

If we give this Authority to a group of men of eight—including women—to take on the responsibility of getting it right, whatever that means, based on maybe a directive from the Minister as to what he is looking for, and I think all he is looking for is increased numbers arriving by air, one. Two, he is looking for something that is fundamentally going to motivate people to consider Bermuda because of an improved infrastructure of the product that we have, which trickles down to the amenities and programmes and social opportunities and social activities where there could be interactivity with the Island and the people on the Island, which is our greatest natural resource. I must

commend the Minister because at least he has done one thing right in attempting to get Bermudians front and centre with regard to our marketing efforts relative to entertainment.

But there was some misinformation, and it might have been innocent, because, you know, you are a Minister; you are not always hands-on at the micro-level. But for the edification of him and the public, there were, yes, two auditions. One was strictly for amateurs. It was not a curtain call for all people that were interested who went around to Court Street to audition, and then the second night they were shortlisted. It did not happen like that. How it happened was the amateurs went there and the best of the amateurs were invited to audition with the professionals who auditioned on the Thursday at Princess. That is what happened. So, again, I use that example because when a Board and Authority wants a Minister who may not be hands-on at micro-level to hear what they believe he needs to hear, that is all they need to tell him. While they still may be working in progress to really get the real deal and a handle on it, to give him a real reflection of what is current and what is the deal.

So that is where there are some dangers there. We have to trust somebody, but we have trusted many individuals who supposedly had the expertise, who have had the resources and hundreds of millions of dollars over the last several years with a continuation of a decline in the numbers coming to the country. So just to change for change's sake—that is an easy thing to do. But fundamentally where is the substance? We have a Tourism Plan. I do not see anything in there saying that starting out, here are some things that have been extracted from the Tourism Plan, because the Minister and the Government has commended the Tourism Plan as being a good working document—so why not embed that as an amendment that should be at least, or something, within that Plan that is directed to the Authority to say we want you to follow this model.

It says in the Bill that they can do exactly what they want. Exactly what they want. They do not have to justify it. They can explain it and if the Minister falls out of sort with regard to what he is expecting from them or them going in a slightly different direction, they only really need to give an explanation as to why they did that—they do not necessarily have to do it here if they have consensus and say, *Yes, we are doing this regardless of what the Government thinks. We have the mandate and we have the rules of engagement and we are accountable to ourselves and we have the \$29-plus million. We are going to do it this way because this is what we believe. Can I have a show of hands? Amen! It is done.*

Now, the Minister has to come back to this Honourable House, his colleagues and Cabinet, his caucus, the country at large, and say, *Here is what, here is why, here is how.* That is a lot of pressure. I

would not want to take on that pressure without having some level of authority outside of just naming the Chairperson for the Authority.

Again, I will reiterate. It seems to be more an exercise of semantics, Madam Deputy Speaker.

[Mrs. Suzann Roberts-Holshouser, Deputy Speaker, in the Chair 18:10:20]

Mr. Glenn A. Blakeney: I think that is a shame because we stand to be taking a risk where, regardless of the qualitative data, the quantitative data, we do not have any real input save and except to express what we expect [and] what our desire is. We just transition it to what was, as I have heard mentioned earlier, akin to privatisation.

We have seen how privatisation has done what has been in the interests of the particular company in a private sector context. You cannot even call 411 and get somebody who is fluent in English to get a local number, to say the least, [let alone] ask them how you get there. God forbid if you pronounce it—if you have a lisp they do not understand and tell you it is not in Bermuda because it is not in the directory. And that is after you go through a process of trying to decipher what they are saying because of the broken English.

The consequential result, intended or unintended, is that Bermudians are the sacrificial lambs who have lost their jobs, who were not just a source of information but ambassadors even for their own fellow Bermudians, because sometimes you have a quick little conversation of how you are doing today or blah, blah, blah or whatever. We are losing all of that because there is no loyalty to Bermudianisation. Hence the concern brought up about hiring a Bermudian as the CEO—just a concern because of how the ad is worded it could be interpreted any which way other than being looked at to ensure that a Bermudian is encouraged, motivated or incentivised to apply.

These are the concerns that my colleagues have been articulating so far because this is real. We cannot play with \$29 million and afford to miss the target again. That is the only reason why we raise the concerns. The Government will have its way, we only have our say. We do not want to hear only what they are saying. We want to ensure that the walk is necessarily in the interests of serving the country to the best of the ability of those who are charged with ensuring that we will improve our tourism numbers in all areas.

In all areas, not the least of which is making sure we start here on the Island first, getting Bermudians to believe in Bermuda, in the product, in the necessity for them to retrain, in the necessity for their loyalty to the product and to the country even if they are not employed in the industry, to be walking ambassadors and walking billboards. So that like my father and grandfather used to do, if someone was in Bermuda visiting for the first time, or on honeymoon,

and they wanted to get to Horseshoe Bay, and he was heading towards Southampton, he might go beyond to take them a mile further and say, *Here is what you are looking for*. Out of that you get the recidivist potential with that tourist, because of that experience, [who then] says, *Wow, you know what, honey? Next year we are going back to Bermuda*. That is what we thrived on, and that is where we became complacent because we became more and more inclined to depend on the repeat visitor.

As someone had earlier said, the definition of insanity is to continue to do the same thing and expect a different result. As a result of thinking that we had arrived and all of the natural beauty and the few amenities we had were enough, while the other jurisdictions in direct competition with us were looking at Bermuda, using it as their platform or the springboard to spring further ahead of us.

Then we have the consideration of those who are the industry stakeholders. And hopefully Mr. Dodwell will agree. They need to be honest brokers, honest brokers with regard to training, with regard to Bermudianisation. He can speak to that because he is a living example—or at least his entity is a living example of the success one can enjoy with long-term commitment to the industry by Bermudians. Another place is Grotto Bay where an overwhelming majority of their employees are long-serving Bermudians who do a wonderful job.

Another thing that Grotto Bay does very well is sell an all-inclusive concept. Now as anyone in this Chamber or in range of my voice understands, if they have experienced Jamaica or one of the other islands to the south of us, they know the success rate of the all-inclusive. It is an unbelievable experience. That is where the on-island experience is going to, from my experience.

I would implore the Minister to have a look, have a rethink to ensure that as we go into Committee that he listens to maybe some of the suggestions that we will propose as amendments, and maybe bring it to a palatable state where he can get the support of the Opposition. We are not against best efforts being made to improve tourism. It is an imperative. There is absolutely no doubt about that as we experience redundancies and downsizing and outsourcing. The consequential impact is loss of jobs. Governments do not create jobs. Governments create conducive environments that facilitate the hiring through the private sector of employment opportunities. That is what Governments do.

So with that, Madam Deputy Speaker, I will take my seat and look forward to the remainder of my colleagues who have not contributed so far, to add their few cents.

Thank you.

[Desk thumping]

The Deputy Speaker: Thank you. The Chair recognises Mr. Cole Simons, JP, MP, from Smith's South, constituency 8.

You have the floor.

Mr. N. H. Cole Simons: Thank you, thank you, thank you, Madam Deputy Speaker.

I have been sitting here listening to this debate from the very beginning and I find it very interesting. I actually feel very, very sorry for the Opposition because philosophically I know that they support the Tourism Authority.

I would like to read a quote—

[Inaudible interjection]

Mr. N. H. Cole Simons: The quote reads as follows, if you do not mind.

The Deputy Speaker: Where is the quote from, please?

Mr. N. H. Cole Simons: From the [Royal Gazette](#) [22 January 2013]. It quotes a person in this House. It reads as follows, "When I became Minister, I put in place a Tourism Authority. I didn't use the word Tourism Authority, I used the word Tourism Board."

He went on to say, "I think it's good but what they are trying to say is going to look no different from what we have in place."

This was said by the then-Minister, the current Shadow Minister, of Tourism, Mr. Wayne Furbert.

[Inaudible interjections]

Mr. N. H. Cole Simons: So, as I said, it is difficult for the PLP on this debate because, quite frankly—

POINT OF ORDER

[Misleading]

Mr. Zane J. S. De Silva: Point of order, Madam Deputy Speaker.

The Deputy Speaker: Your point of order is?

Mr. Zane J. S. De Silva: The Honourable Member certainly is misleading the House. We never said this is difficult for us. We have always said, and I said on my feet, that we certainly have . . . and I even mentioned the former Premier saying that we do support. It is the mechanism and how you implement it.

The Deputy Speaker: Thank you.

Mr. Zane J. S. De Silva: There is no significant difference.

[Inaudible interjections]

Mr. N. H. Cole Simons: I have just proven my point. Thank you.

[Laughter and desk thumping]

Mr. N. H. Cole Simons: Another Minister of the PLP—Tourism Minister, again, former—and I would like to read that.

The Deputy Speaker: Would you like to give us the reference from where?

Mr. N. H. Cole Simons: Again, the *Royal Gazette*, August 29th. One of our smartest Tourism Ministers, if I may add, “Former Tourism Minister Renee Webb yesterday backed the privatisation of the Tourism Department as ‘an excellent step in the right direction’.”

POINT OF ORDER

[Misleading]

Mr. Zane J. S. De Silva: Point of order, Madam Deputy Speaker.

An Hon. Member: There cannot be a point of order. He is quoting!

Mr. Zane J. S. De Silva: Point of order, Madam Deputy Speaker.

The Deputy Speaker: Yes, your point of order?

Mr. Zane J. S. De Silva: The Honourable Member is certainly misleading the House and I will tell you why, because we know that the *Royal Gazette* does not print the truth.

[Inaudible interjections]

The Deputy Speaker: Thank you.

[Inaudible interjections]

The Deputy Speaker: Member, you have the floor.

Mr. N. H. Cole Simons: I would like to continue. The [former] Tourism Minister throws her support by also saying the SAGE Commission has it right. You have to deliver or be fired, which has not been the mindset of Government.

Madam Deputy Speaker, listen, what we have heard today on the Tourism Authority, we have had discussions about the CEO, the Chairman, we have talked about the financial controls, we have talked about the layoffs of 48 people and we are talking about the independence of the finance—and I would like to go through some of these issues because I think the cogent to the argument, the cogent to the

transition that the Government has chosen to make, like any organisation, like any business, there will be a transition, and the question is, How do we manage the transition to get the best results going forward?

Let us start with the stakeholders. There is grave concern about interference from the Government. Ideally, we would like for this to be independent, but practically the Government of Bermuda is a stakeholder in tourism. Like it or not. So, there is no reason to prohibit a representative from Government to be on the Board as one of the members as a stakeholder.

We talked about financing. We will have a regulatory authority. The Minister of Tourism will provide support to the Tourism Authority and we would be foolish to think otherwise. It is important to recognise that going forward there will be some type of Government involvement, and if there is no Government involvement at all it makes no sense and you cannot be as productive as you ought to be. At the end of the day, the Government and the Authority will work in partnership with each other.

The other issue that I would like to raise, Madam Deputy Speaker, we have had a lot of discussions about the CEO being Bermudian and non-Bermudian and I agree. I am a person who supports Bermudianisation all my life. I am not changing today. But let us be realistic. The reality is we are a community of 35,000 people. We know everybody—

An Hon. Member: Thirty-five thousand?

An Hon. Member: Still in the 30s.

Mr. N. H. Cole Simons: A working, a working community, 35,000 people. We know everybody.

An Hon. Member: I don't.

Mr. N. H. Cole Simons: If there is a person that is Bermudian that has a proven track record that is number one in global tourism, we would have had them back in Bermuda by now.

[Inaudible interjections]

Mr. N. H. Cole Simons: We would have tried, yes, we would have tried.

[Inaudible interjections]

An Hon. Member: So the decision is already made!

Mr. N. H. Cole Simons: Exactly, as the Premier said, *The PLP would have found them.*

The reality is at this juncture after 14 years of PLP Government—Renee Webb, Dame Jennifer Smith, Dr. Ewart Brown, a very resourceful Premier—he would have brought a Bermudian home if he had found one. The reality is we cannot find a Bermudian

to fill this role. So, we are putting this out globally to see if there is a Bermudian, and if there is no Bermudian, we want the best person for Bermuda.

An Hon. Member: Who? What is his name?

Mr. N. H. Cole Simons: We want the best person and if it means going to Singapore, if it means going to Hong Kong, if it means going to the US, if it means going to London, if it means going to Geneva, then that is what we had to do because Bermuda's tourism industry deserves the best. I make no apologies for that. I make no apologies for that. At the end of the day—

[Inaudible interjections and crosstalk]

[Gavel]

The Deputy Speaker: Members, there is one person who is standing on the floor. If I hear other individuals, I will have him sit down until everyone is silent.

Member, you have the floor. Continue to speak to me, please.

Mr. N. H. Cole Simons: If there was a Bermudian of international stature and calibre that can do this job, we would have found that person already. We would have found that person already. So we can sit up here and talk about this issue until the cows come home. We have scouted, we know our people, individuals who have sent their résumés in and have applied for the job for 14 years and it has not happened to date. As I said, and furthermore, we have quoted Gil Tucker as the person that could possibly fill this role.

[Inaudible interjections]

Mr. N. H. Cole Simons: Listen, Gil would tell you himself. Gil and I are very good friends. At the end of the day, Mr. Tucker—

[Inaudible interjections]

Mr. N. H. Cole Simons: Listen, we are a community of 35,000 people and we are not going to produce 10 world-class lawyers, we are not going to produce 15 XL-calibre CEOs because it does not happen in the world that way. We are a small community in Virginia.

[Inaudible interjections]

Mr. N. H. Cole Simons: We are a small community in Virginia of 35,000 people. They do not produce 100 CEOs of Citibank, Merrill Lynch, HSBC—it is physically impossible and Bermuda, in that same model, it is simply impossible to provide people of that calibre on a statistical basis whereby we could have 100 CEOs for this country.

An Hon. Member: Move to your next point.

An Hon. Member: Yes.

[Inaudible interjections and general uproar]

Mr. N. H. Cole Simons: We have to bring reality to the situation, Madam Deputy Speaker.

[Inaudible interjections and laughter]

Mr. N. H. Cole Simons: The Minister of Tourism has it right. He has accounted for 48 people that will be impacted by this transition. It is all in the planning and it is currently being addressed. As he said, the positions may have been made redundant but the people are not being made redundant. He has made it clear. He has made it very clear.

[Inaudible interjections]

Mr. N. H. Cole Simons: That is what I said.

Some Hon. Members: No, you did not!

The Deputy Speaker: Members!

POINT OF ORDER

[Misleading]

Mr. E. David Burt: Point of order, Madam Deputy Speaker.

The Deputy Speaker: Your point of order?

Mr. E. David Burt: The Honourable Member is misleading the House. It has been said by many Members on this side before. You cannot make an individual redundant. If you eliminate a position you are making that position redundant.

The Deputy Speaker: I believe he thought he actually said that and he was trying to clarify that, but I am glad we are keeping you awake by you popping to your feet.

Member? Member?

Mr. N. H. Cole Simons: The other—

[Inaudible interjections]

The Deputy Speaker: Member, you have the floor if you would like to continue.

Mr. N. H. Cole Simons: I would like to continue.

The other issue that I find intriguing is the Member Blakeney who was talking about financial—

An Hon. Member: Honourable!

Mr. N. H. Cole Simons:—control and making sure that who controls the money, controls the finances, controls the agency. Now, this can be a quango-type agency. We have the BDL, we have WEDCO, we have the BLDC and they, again, are similar Government agencies—

[Inaudible interjections]

Mr. N. H. Cole Simons: No, they are Government agencies and at the end of the day they are quasi autonomous Government agencies. At the end of the day this is a similar body. It is run by the trustees, the directors, the Board, at the end of the day. So, similarly, with this Board they will have some autonomy over finances once the revenues have been realised. This is not new. This is not new.

[Inaudible interjections]

Mr. N. H. Cole Simons: This is not new. In addition, the Minister also has the ability to have his hand in crafting regulations. It is clearly stated in the legislation.

One other thing I would like to address—

[Inaudible interjections]

The Deputy Speaker: Member, I would prefer to have silence.

Mr. N. H. Cole Simons: Me?

The Deputy Speaker: No, from the rest of the individuals.

[Laughter]

[Gavel]

The Deputy Speaker: Enough!

Member, would you stand to your feet, and will you continue?

And may I have silence from the rest of the room!

Thank you.

Mr. N. H. Cole Simons: The Honourable Glenn Blakeney talked about the core issues: Product, quality and price. He spoke about Grotto Bay and how Grotto Bay is doing well and the Reefs is doing well as far as being a role model for other hotels in this country—Bermudianisation, sustainable, good reputation, good quality service. They have been around. I know Grotto Bay is making good money and they are doing really well. That is attributable to the services that they provide and the commitment to quality.

I want to share this issue. I think it is incumbent upon all of us in this country to make a contribution to tourism and also [to] let institutions know when service is not up to scratch. I will give you an example. I went to dinner about a month ago with my family at one of our hotels, and I am not going to say which hotel, one of our hotels.

[Inaudible interjections]

Mr. N. H. Cole Simons: At a major so-called, I will say, four star (because we only have one five-star hotel and the service was abysmal) . . . it was abysmal!

An Hon. Member: Did you report it?

Mr. N. H. Cole Simons: Someone mentioned earlier one of the assessors came to look at hotels that were charging five-star price points for three-star services. I basically could subscribe to that theory that night. Anyway, my story is this—the serving was awful, they did not pay us any attention, they were not attentive—

[Crosstalk]

Mr. N. H. Cole Simons: We had asked for dessert. They came to us, they served right in front of us, not providing to the right, take away from the left, none of that. It was bad, bad service.

[Inaudible interjections and crosstalk]

Mr. N. H. Cole Simons: I said I am not going to tolerate this. The next day I called the managing director of the hotel, I said, *Listen, I am not concerned about me. What I am concerned about is the other guests that were in that restaurant that night facing that type of poor quality service. And if you are running a five-star hotel and charging five-star prices, it is incumbent upon you ensuring that your staff delivers high-quality service to the guests of this country.*

An Hon. Member: And your point?

Mr. N. H. Cole Simons: My point is simple. We all have to call these companies, these restaurants, and do similar things if we want to ensure and if we face this type of poor quality service in our own lives. That is the only way that we can augment and do our bit to also help address the declining quality of service in this country.

I would also say (just a continuation on that story) that the general manager thanked me for calling. He had his training person call me up the next day and ask me what specifically happened so they could correct the inequities and the poor service that was provided by the staff.

[Inaudible Interjections]

Mr. N. H. Cole Simons: And what staff member. So I registered, I told precisely what happened. Again, they said that is the opportunity for training and improving the quality of service in this country. It is important that we have this and that we bring this type of poor service to the attention to our hotel owners and hotel managers. We must do that.

It is tied to Authority. And that, again, it is about promoting Bermuda. If you are going to promote Bermuda, you can use your guests to promote Bermuda.

[Inaudible interjections]

An Hon. Member: Not if they had bad experiences.

Mr. N. H. Cole Simons: Precisely my point.

[Inaudible interjections]

The Deputy Speaker: Member, I did not hear the comment that was from the side that you responded to. I can only hear what you say. So, if you have something else to add, let me hear it.

Mr. N. H. Cole Simons: We are talking about promoting Bermuda. At the end of the day the best people to promote Bermuda are our guests.

An Hon. Member: That is right.

Mr. N. H. Cole Simons: So if we ensure that our guests have world-class experiences then they will do a more effective job in inviting guests and encouraging guests to come to Bermuda.

So my story was, we have to do our bit to report and make a contribution to our hoteliers when we recognise that deficient service is being provided, because we owe it to ourselves and we owe it to every individual tourist, every person that goes to a restaurant in this country.

The final thing that I would like to address is the fact that we on this side recognise that this has to be a collaborative effort. And in it being a collaborative effort, we will welcome the support of PLP stalwart. We welcome the support of international business. We will welcome the support of Government employees. We will welcome the support of our young people because at the end of the day they are all stakeholders, and the stakeholders will be invited to participate and make a contribution in Bermuda's strategy once—

[Timer beeps]

Mr. N. H. Cole Simons: —a Tourism Authority is up and running.

Thank you.

The Deputy Speaker: Thank you very much.

The Chair now recognises Mr. E. D. G. Burt, Shadow Minister of Finance, constituency 18.

You have the floor.

Mr. E. David Burt: As you say, Madam Deputy Speaker, saved by the bell.

I have my prepared remarks and I am going to go through them and hopefully they will not take me the full half hour which I have allocated. I find it really remarkable what I just heard from my good friend, the Government Whip, and that he, you know, said basically that the Government cannot find a Bermudian—cannot find a Bermudian—he said if there was a Bermudian we would have identified one already. We cannot find one! So, Madam Deputy Speaker, I am assuming that this ad is just nothing but a work permit ad so that the Government can go ahead and fulfil their work permit obligations, which is fine. But I hope that as we are in the general debate still and the Minister has a lot of questions to answer, and hopefully he will be able to answer them and tabulate them, if he has one in mind, do you mind letting us know who it is.

Then, from the Government Whip, we heard that this is a quango. My word! I am sitting here, I am like, we have been hearing all this stuff about this is an independent board and now we have the Government Whip saying it is not independent, it is a quango, we exert control, *et cetera*. I am hoping that the Minister can clarify which one it is. Is it a quango or is it a board? I am hoping that I can get that response from the Honourable Minister when he starts.

Madam Deputy Speaker, let me go into my prepared remarks. I will get some chuckles from Members of my caucus because I am tempted to say something that . . . I will echo Honourable Member Wayne Furbert when he said we spent half a million dollars to produce this. And I think that if we are ever going to talk about a waste and poor spending of money . . . half a million dollars produced this document. If that is all that was produced, it is by and large a sham. Because we know that we have hired consultants, we know that we have gone out to legal firms to do stuff, we know that we have had other people working on this, and if this is all that was produced by a half a million dollars, then we really need to understand or there is seriously a lack of accountability when it comes to Government spending.

I do not want us to get into the trap of saying it is the same because there are some things that are different. But save for changing the name of the Board to the Authority and, you know, removing a few checks that protect the Minister, one Act said, you know, with the approval of the Minister, and the other one just says the exact same thing except for no approval of the Minister. There are many things that are similar and there are some sections of the Bill that

were lifted entirely. So I would like for someone to tell me why we spent (and I hope the Minister is going to say) a half a million dollars for this or was there something else. Was there some type of strategy?

We heard the Minister talk in his brief about how he intends for this Board to be self-funding in three to five years. How are we going to do that? One would have expected that the Minister would lay that out so that the House can understand, before approving this Tourism Authority, how it is that the Authority in my view is being granted substantially more independence than the Tourism Board did—how are we going to ensure that the peoples' money is well spent? We did not have a vision; we do not have any understanding on how this plan—this Authority—is going to transition into independence.

Could we be creating a financial sinkhole for the Government? That is the question of which we have to answer. And without having it explained in the Minister's brief we are at a loss. I am hoping that when he has his final statements he can lay out how exactly . . . and that is my question to him. How do we intend on becoming financially independent—or getting this Tourism Authority financially independent—within the next three years? And if that was part of the \$500,000 that was paid to various consultants and to law firms insofar as drafting this Bill, *et cetera*, what exactly are we going to do and how are we going to transition to an independent . . . to something that is not supported by Government funding?

This is challenging to me, Madam Deputy Speaker. It is challenging because we are giving Government funds away to an organisation who, essentially (despite what the Government Whip said) by and large has very few checks and balances on how they spend that money. That is a far stretch, and we are basically giving it to Government. So we can give money to this organisation, and this organisation can invest money in a various number of private sector entities around Bermuda and even internationally, and we have very little control over that. What happens when those investments go bad? Then we have to continue giving them money.

Until we understand what the vision is, until we understand how we are going to have this transition, we are basically committing ourselves to a financial sinkhole. I do not believe that that is the way to go. I am hoping that the Minister will clarify and give the vision of how the Board will actually transfer itself to financial independence.

Now, that takes me to my next point which I wanted to raise, and I want to talk about finances because I think it is very important. Madam Deputy Speaker, you heard my objection earlier on where I objected that there was no financial memorandum attached to this Bill, and we are being asked to set up this Authority and there are sections of the Act that says sums which would be appropriated by the legislature at a point and time in the future—we have

heard the Minister say it will not be forever—but we do not know that.

We do not know the plan. We do not know the estimates and I think that it is incumbent at the very least for the Minister to say, instead of saying, we do not know how much it will be, it may be this or it may be that, surely with all the money spent and with all the time to bring a Bill that largely reflects the Tourism Board Bill, with changes, but largely reflects, that they would have at least done this planning. They would have at least been able to come here and say how we are going to wean [the Board] off of Government funding.

I do not see that there and it is not there, so I am going to ask for it again because the only things of which this Board has—we are going to abolish the Department of Tourism we have heard, (and we have heard it a little bit different but I will get to that later), we are going to abolish the Department of Tourism and then we are going to create the Tourism Authority which is going to handle all these items. But the only direct money that the Tourism Authority has been given is the 2.5 per cent guest levy which only amounts to \$3 million.

Where is the other \$25 million going to come from? How is that money going to be sent and how are we going to manage that? That is a challenge, if we are looking at \$24 million that is going to be appropriated by this House to this organisation but we have very few checks and balances on this organisation. When we appropriate things in the House, Madam Deputy Speaker, we know that we are giving to Ministers and the Ministers come back here and they are held to account.

The Tourism Authority is not held to account. Their money is given and that is it. They can spend the money without any accountability whatsoever. There are some protections but by and large they can spend the money and I do not believe that is the best structure and the best way. In my view, I have no issue with the Tourism Authority if the Tourism Authority was financially independent of Government. But when we are going to stand here and commit the Government to giving them Government funds, we need to make sure they are accountable to this House. Underneath this prescription here they are not accountable to this House which, for me, is certainly a challenge.

Again, I will ask, How are we going to get to financial independence? How are we going to turn this from something that is corporate welfare, where we are giving private sector people Government money to go ahead and start investing in private sector entities? Let us be clear, that is what this is. That is what this is—corporate welfare. What we are doing is giving private funds for that to happen. So we want to know how are we going to get it to independence and how does this not turn into long-term corporate welfare for

the hoteliers in Bermuda. That is what we need to understand.

And what I will say, Madam Deputy Speaker, is let today be noted. Friday, September 27th. I believe that there is more accountability needed in this Bill, and if there is something that goes wrong with the funds, if something happens, then the One Bermuda Alliance will not be able to say that that was the Tourism Authority's problem and not [theirs] because it will be squarely on their shoulders, and I hope that they understand that.

There is a level of risk. It is a level of risk of which they have decided to take. They are the Government. They will have the numbers. We can object, but the fact is that if it goes wrong, they are the ones who are going to have to answer to the people of Bermuda for anything which may happen, because there is not enough (in my view) accountability of the Government funds.

Now, let me move on to the next issue which we have heard a lot about recently. And, you know, the Minister came out, it was probably in August, last month, yes, and said that we are going to abolish the Department of Tourism. And I was like, *Oh boy!* Global operations, finance, administration, promotional services, hotel administration, policy planning—gone. This, of course, from the same Government that says we are not going to cut any government positions.

[Inaudible interjection]

Mr. E. David Burt: But let us be clear. This is something different. So, they have decided to eliminate all the positions inside the Department of Tourism—47 people made redundant.

I am going to reiterate the question that was asked by the Honourable Shadow Attorney General, How you have to make the redundancy payments when a position is made redundant. What is the cost of the redundancy for the 47 people that are made redundant? Because there may be some people in these positions, there may be some people like, *You know what? I do not want your other offered job. I am okay. I am going to take my redundancy package. Pay it up.* There is a significant amount there. So I am certain that there has been an estimate that has been done for the half a million dollars for transition planning.

I am hoping that the Minister will be able to give us that figure today. How much is accounted for—or how much is put insofar as a reserve in the Government's budget for redundancy packages because they are making 47 positions redundant. Whatever arrangements they come to later, we need to know the answer because it is very important. Then we hear earlier, I think it was in a point of order or point of clarification, that hotel administration is not going to be abolished. So now which one is it, Mr. Speaker?

[Hon. K. H. Randolph Horton, Speaker, in the Chair, 18:49:1]

Mr. E. David Burt: Which one is it? Are we making redundant all 47 positions in the Department of Tourism? Or are we making 40 of them redundant and moving hotel administration?

Or are we making 47 redundant and creating six new positions in the Ministry of hotel administration and then reapplying for that? Which one is it because we are hearing mixed messages, mixed signals.

Mr. Speaker, I would have thought that these things would have been covered in the Minister's brief. This is a very large departure and one would expect that these significant issues would have been covered in the Minister's brief. I listened to the Minister's brief intently, I did, but there were some things that, you know, that were not there. I would like to know specifically—specifically—are we getting rid of 47 positions? What positions are staying inside of Government? What positions are going to be taken up by the Tourism Authority, so we can have understanding and clarity before we move towards passing this important measure?

As I said earlier, Mr. Speaker, that we heard about the technicalities of the Tourism Authority Bill and the review through it, but we did not hear very much about the vision for the movement for independence. Insofar as the movement for the vision to independence, it is also about the movement and the vision for tourism because whether it is a tourism board, whether it is a tourism authority, whether it is a tourism collective or whether it is a tourism posse, they are not going to solve Bermuda's tourism problems.

That is not what is going to solve our problems. So it might be a wonderful way of changing the way you are going to minister and it might be a delivery on the OBA's election promise and the UBP's election promise before that, that we will create a Tourism Authority, but the fact of the matter is, Mr. Speaker, that that is not going to solve our tourism challenges. The state of tourism in this country has changed very much over the years and it is something that when I walk on the doorsteps of Pembroke West Central, it is a discussion that I have all the time and it is a discussion that I love because I love tourism. When I came back to Bermuda in 2003, in addition to working in my day job, I took a night job. I was a bartender working in restaurants. I enjoyed it. I really did enjoy it.

An Hon. Member: That is where you learned how to make Swizzles.

Mr. E. David Burt: Absolutely, there you go.

[Laughter]

Mr. E. David Burt: It was from my father, but I was pretty good at making the Swizzle.

[Laughter]

Mr. E. David Burt: But, here is where we go, Mr. Speaker, because it is very important. It is all good and well to talk about the Tourism Authority Bill and what the Tourism Authority will do, and we are moving, you know, creating political independence from Tourism Authority to make sure that it is consistent, *et cetera*, and that is okay because I can say that *we can do that*. But we could have done it before. We have a National Tourism Plan that we are all on board with, that both sides of the House supported when it came up last year and that we are in agreement with.

I understand it and I see the National Tourism Plan is written into the Tourism Authority Act. So I am going to assume that it is going to be their job to execute this plan. But the state of tourism is because when we like—and I have heard a few of them stated before—it is about the marketing mix of what Bermuda is. Mr. Speaker, from business school, we learned the marketing mix of the four Ps: product, place, price and promotion.

[Inaudible interjection]

Mr. E. David Burt: Our place—

Yes, yes, Mr. Speaker.

There was a time when Bermuda was unique. There was a time when other people did not offer what Bermuda had to offer. There was a time when, if you wanted to go to a wonderful beach at a nice hotel with a nice calm and relaxing atmosphere and, you know, [you could be] sure that the light stayed on in your hotel and you had good infrastructure *et cetera*, the only place that you could choose to come to was Bermuda. That is where our tourism industry grew from, Mr. Speaker.

There are now many other competitors that offer the same thing which we offer and that deals with our product. I understand that there are lots of things that are to happen with the development of our product. I was reading the Government's Throne Speech last night and they talked about a temporary Board called the Product Development Bureau. I have not heard any briefings from that, you know, it is not particularly the germane of this Bill, but it is germane to the whole issue of tourism. I am wondering what happened to that from the Government. But getting back to where we are.

Place. Our place is unique. We are not going to change our place, and our location is good. And our location is what led to our significant tourism growth, because we have to remember, Mr. Speaker, that where we are located is within a very quick flight from the Eastern Seaboard where a large amount of the

wealth in the United States was concentrated in our period of rapid tourism development. I am talking about the 1960s and 1970s, and probably from the 1950s.

Bermuda's modern tourism industry grew out of the infrastructure which was built for us for free, by and large, by the United States as a result of the Lend-Lease Act. Because of our strategic positioning in World War II, we got a ready-built tourism infrastructure, whether it be airports, whether it be sea-ports, all those things to cater to tourists. Power plants, infrastructure, to make sure that we were all here and running, so I think it is important to remember that.

Now we go to price and it is something that we always speak about, but it is something that has to be balanced across everything else. It is expensive to do business in Bermuda. The reason why we have seen properties fail and run into issues is because the cost of doing business in Bermuda is extreme. Now, the costs of doing business in Bermuda would not be prohibitive if our hotels had 80 per cent occupancy year round. They would make money. They would be able to survive. It would not be so much of a challenge. But because of the other things that are happening, our price is in some way, shape or form prohibitive, and that affects the final thing: promotion.

No matter what we do, Mr. Speaker—you could be the best marketing firm in the world but you cannot sell a bad product to people. And that is it. When people are going to consider all the other things, when they are going to consider the place, when they are going to consider the price, when they are going to consider the product, when they take all those things into the mix, [that] is how they decide. So whether it is an excellent marketing presentation or a poor marketing presentation—there are some places that, when they give out nothing, they do not need any marketing at all. They just need word of mouth because people are like, *Oh, you know what? We need to go here. This is great.* And things like that.

So, Mr. Speaker, we have to understand that that is where it comes from. As I said, in taking us back in history, we have got our tourism development from the infrastructures left in World War II. And by and large it was Hawaii and Bermuda. Both had the infrastructures which were built for the same reason, because of their strategic positioning through World War II and prior to that.

Now there are so many other places. The engine of growth in the post-war era by and large was the United States. And we had a captive access to that market. Now the engine of growth is in South America and it is in Africa and it is in Asia. It is no longer in Europe and North America. So that is the thing. And that affects our place as well because our closest captive markets have multitudes of other choices, and the major growth markets where we

could enter into mindshare are a lot farther for people to get.

When I heard the Honourable Member Susan Jackson talking about tourism increases on a scale of multiple digit percentages in Asia, I almost wanted to say, *Duh. Yes, because the Chinese market is growing!* Absolutely. I mean, if we are looking at Indian money—the Indian market is growing, the Indonesian market is growing, all that stuff over there—that is where a large amount of the growth is. So we have our challenges, yes. But in saying that, Mr. Speaker, what we need to realise is that other countries have a better and more compelling product to offer tourists than we do.

In the 1960s and 1970s when countries to our south could not keep the power on in their hotels, had generators and different things like that, no road infrastructures, *et cetera*, and all those items of which they faced, the people came here. But those countries saw what we did, looked at what we did, did it better and in the meantime we did not respond. We were complacent and that is something that both sides of the House can share. Absolutely! Because it did not start with the PLP, but we understand.

But there is a reason for that and I think that the Honourable Member, Mr. Commissiong, stated it well. It is because we did not have to, Mr. Speaker, because our economy changed and we got more and more foreign earnings from international business. That is what it was. The effect was not felt as much. There were still people that were employed, the effect was not felt as much, hotels were still enjoying things from business travellers before the proliferation of international communication and people did not need to travel as much for business meetings as before. So that is what we are facing.

This Tourism Authority does nothing to change the product offering that we have. It takes a change of mindset in Bermuda to understand that if we want people to come here, we have to offer them more than what other people are offering them. We live in a global world and global competition, and the exact same way as it applies to international business, that we have to offer them more—it is the exact same way that it applies to tourism. If we are going to change our laws to bring in international business, then we need to change our laws to attract tourists. If the Tourism Authority is going to be responsible for changing laws, then this is the right thing. But, Mr. Speaker, you and I both know that laws are changed here in Parliament.

No matter what the marketing is, you cannot save a bad product. That is what it is. We have to have some very fundamental discussions and a change of paradigm amongst our people, because we have to decide whether or not what we have right now is okay. If we are comfortable in being in the situation, where we are facing massive cuts in Government services, ballooning debt, and we are going to say, *You*

know what? We are just going to stay the way it is, throw some money, keep doing it this way, maybe a little jiggle around the edge.

No, Mr. Speaker, we are going to need a massive change of our paradigm if we are going to say, *Oh, guess what? You had better go to Bermuda. It is a lot of fun down there. It is a good time. They have nice infrastructure. They have lots of things to do.* We have to change our mindset, because the 1950s mindset is not going to work in 2013 when we have competition not just from the south, but we have people with the ability to fly halfway around the world. People are going to many places.

If we want our closest people to come and to choose to come here for the weekend, Mr. Speaker, then we have to offer them something better. It is my submission that this Tourism Authority does not do that. Yes, it removes independence. Yes, it might fulfil a tourism objective and an election objective for the One Bermuda Alliance. But it does not fix the challenges that we have.

Mr. Speaker, when we get into Committee we will argue the objects of this Bill. This is something that the OBA has delivered on one of their election promises, as I said, as a UBP election promise before. But it in no way, shape or form solves the problem that we have and there is some soul searching that will be needed and some serious debate if we are going to move from the point of positioning of where we are talking about cuts for our people, to where we are talking about we have surpluses so we can rebuild our tourism product. We have surpluses now and we can talk about what less cuts to make.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

The Chair will recognise the Minister of Finance, Minister Bob Richards.

You have the floor.

Hon. E. T. (Bob) Richards: Thank you, Mr. Speaker.

I have listened to various Members on this subject and it just reminded me of one universal truth as it relates to Bermuda and Bermudians, [which] is that every Bermudian is an expert on tourism. Everybody. Everybody. We have all kind of grown up in the tourism environment and we feel we know a great deal about the industry, if, for no other reason, by way of osmosis. It is just part of us. We heard a fairly wide diversity of approaches to the subject.

I have to congratulate my counterpart, the Honourable Member Mr. Burt. He gave a pretty good speech on this.

[Inaudible interjections]

Hon. E. T. (Bob) Richards: Some of the other comments I would not have given nearly as high marks as I would give the Honourable Member, Mr. Burt.

Sometimes we heard people sort of wandering down memory lane about how it used to be and how great it used to be. You know, all of that is fine and make us feel good; perhaps sentimental and all that sort of stuff. But it does not really have any relevance to September 2013. In September 2013 we are facing a tourism industry that is in real trouble. It is an industry, quite frankly, Mr. Speaker, facing extinction. Extinction is not just dead; it is a death where you cannot come back—period. It is facing extinction. Pretty soon, if it gets any smaller in capacity, we just will not have any kind of economy of scale to sustain a tourism industry.

As I listened to the discourses this afternoon, I thought to myself, *I have to remind Members that tourism is a business*. It is not a hobby. It is not a political football. It is not something that we talk about over the kitchen table, even though we do talk about it over the kitchen table. It is a business. And it is only a business. When we mix politics with business that is like oil and water. One of the essential objectives of a Tourism Authority is to remove the oil from the water. It is to remove politics from business.

Now, it is really difficult because tourism and politics have been inextricably linked in Bermuda, at least, probably from the beginning. One Honourable Member said tourism started in 1880-something. You know, he might very well be right. But I bet you, after that first tourist came here, politicians caught on to it and they said, *You know, how can we affect this industry? It might be a great industry for us. You know, steam ships can come here and we can do this and we can do that* and politics got involved probably from the start. But if only that one point is achieved that would be a tremendous change. Just that one small point. We can talk about all of the details we like. And I will get into, not some details, but I will get into some sort of big-picture issues here.

But I want to make it clear that to change course, to change the nature of our tourism in Bermuda where for decades and decades we have had Tourism Ministers whose political careers are inextricably linked to how well they did in tourism arrivals or how well they promoted Bermuda, where you had that really integrated link between a business, an industry, a sector of business which is an industry, and the political discourse. Of course, while everything was working nobody thought it was a problem.

But I congratulated the Honourable Member who just spoke before me on at least his description of what had been going wrong in tourism in terms of the rise of competition. How we basically started with an industry and nobody else had it and eventually the competition caught up. It is a combination of things. Competition caught up and we thought that no matter what nonsense we did in this country, you know, we could have general strikes, we could make people take their bags to the airport across the causeway, you know, we could inconvenience them all over the

place—no matter what we did we thought they would still come.

But now we know that is not true because they have choices. Because tourism is a business, first and foremost, and we are in a business. We are in a competitive business and if you do not do your homework as a business and you do not sharpen your pencil and you do not get your service right, then your competitors are going to eat your lunch. And, Mr. Speaker, they have eaten our lunch. They have eaten our breakfast and they have eaten half of our dinner. There is not much left. Maybe the only thing left for us right now is a midnight snack, but I can tell you that is the essence of the problem.

So the question here, Mr. Speaker, as I see it, is not whether or not you like the Tourism Authority, not some of the questions that have been put forward here. The essential question is, Can we as a tourism destination ever be competitive again? That is the question.

Now, my honourable friend who just took his seat kind of implied that we cannot ever be competitive again. I do not believe that. And I think that this party does not believe that. That is why we are going through all the trouble of bringing this Tourism Authority here, because we think there is still something that we have that we can offer our customers across the seas—something good. I will tell you—I am sure that everybody in this room has the same experience as me when you come from New York, Washington, the UK. It does not matter, you are on a plane and you come beneath the clouds and you look down and you see Bermuda down here and you say, *My God, what a beautiful place!* I bet that happens to everybody in this room and everybody who is listening to me. You look down and you say, *My God, this is a beautiful place!* So we still have that. We have to figure out how to make that work as a business.

My honourable friend who just took his seat, Mr. Burt, wheeled out his four Ps of marketing. He really took me back a long way with that one, but I would say that the one thing that was omitted, in addition to the four Ps, was the most important issue—it is the one V and that is for “value.” It is not that Bermuda is expensive. There are plenty of expensive places on this Earth where tourists flock to all the time. I have constantly given this example, and I will give it again.

In one of my favourite islands, Barbados, a place I go to often, they have a hotel there called Sandy Lane. You cannot get a room there for under \$1,000 a night, but you would have to book three years in advance to get that room because it is so popular. It is not the price, Mr. Speaker. It is what you get for the price—the value for money.

My honourable colleague, Mr. Simons, has it right.

An Hon. Member: He did?

Hon. E. T. (Bob) Richards: Yes, he got it right. If you are paying a five-star price and you get three-star service, you are going to go out of business pretty quickly.

You know what, Mr. Speaker? The hotel bed capacity in this country has declined by 50 per cent since the golden age of tourism—50 per cent! We have half the hotel beds now that we had 25 to 30 years ago. And in spite of that huge decline in capacity, our annual occupancy rate still struggles to make 60 per cent a year. These are telling figures—telling figures about this industry where you cut down the capacity and you still cannot fill your hotels.

I think the Honourable Mr. Furbert said it right. It is about seasonality. So we have to do something radical here. What we have had in tourism is called in economics an economic secular decline. We have had a secular decline in tourism. When we were on the road show for the bond issue in the summer, some of the investors asked about tourism, and when I told them that, you know, the bed count in Bermuda was down 50 per cent, they were just astonished. How do you even manage to have an industry that has declined by half? In most places if you are down 25 per cent, you are done. But we are down 50 per cent, so we have to do something radical here.

Much rhetoric has been made today about saying that, you know, this Tourism Authority is not going to change anything, and if a Tourism Authority was the only thing we are going to do, the answer would be yes. The Tourism Authority by itself is not going to change anything. But the Tourism Authority as a first step to radically change the shape and the structure of this industry will change something, and that is why we are doing this.

I must say, Mr. Speaker, that one of the things that I noticed about the debate here today, it kind of proves why we have to have a Tourism Authority, why we have to separate the business from the politics. Look at all the nonsense about things that were said here this afternoon. I mean, we had a personal attack on the most successful Bermudian tourism manager in the history of Bermuda! We had all kinds of personal attacks on this gentleman and he has given of his time to be the Chairman of this Tourism Board and what does he get—he gets all kinds of nonsense in this place. He is only doing it for his country.

If ever there was proof why we need to separate tourism from politics—that is it! It is this political sniping, this political back and forth across the aisle, scoring political points that relates to a vital industry that has helped to hurt us in tourism. That is why even though it may seem simple; the formation of a Tourism Authority is in fact a radical step. It is a radical step. At least it is a radical step for us. It is a radical step for us. You know, maybe in some other country it may not be a radical step, but in view of the tradition of having politicians integrally involved with tourism going back to the beginning of tourism—in view of that

tradition, to make this step is a radical step and the debate that we have had here proves that that separation has to be made, because most of the debate here is going to result (as an old song said), it is going to signify nothing.

The only thing that is going to signify something here is when we pass this Bill to form this Tourism Authority, because all of the political sniping, all of the character assassination, does not help anything. It is those kinds of distractions, those kinds of non-business related motivations that distract attention and dilute energy from the task at hand, which is to turn around a set of businesses that are on life support.

We had earlier this year, and we have mentioned this many times in this place, a tourism development summit. First time it has ever been done. The essence of tourism in Bermuda is not cruise ships. Now, I love to have cruise ships here. The Government makes money from cruise ships. And they spend some money in Bermuda. The essence of tourism in Bermuda is the hotel business. If we cannot have the hotel business in Bermuda—the aggregate of all the hotels—if they cannot be profitable in aggregate, then our tourism business is not sustainable, and our hotel business in aggregate has not been profitable for decades. You may have one hotel that has been profitable, one or two hotels that are profitable, but add them all together, the hotel industry has not been profitable.

We have to figure out a way to make hotels profitable. We have to figure that out before we can get new hotels in Bermuda, because nobody is going to invest the money in a hotel in Bermuda if they do not expect it to be profitable. That is the essence of this. This Tourism Authority is not just going to be involved in marketing, as far as I understand. All right? They are going to be involved in some of these (what I call) fundamental economic issues. I do not know how many amateurs in this room, including me, are going to be able to bring anything really valuable to that particular equation.

You have to get the people who are active in the industry, as someone said earlier, who actually have skin in the game. When you have skin in the game, it really does focus the mind. That is why this taking tourism out of the realm of politics and into the realm of solely the people who have something to lose makes all the difference. That is why it is not just nipping around the edges. It is something that is a radical change, and we need that radical change.

I am going to sit down in a few minutes, Mr. Speaker, but let me just look at my notes here.

[Inaudible interjection]

Hon. E. T. (Bob) Richards: Now, I just want to comment on this part. And I am glad the Member, Mr. Burt, is back because it was referring to the ability of

the Tourism Authority to make advances to businesses in the tourism business. He asked the question, What happens when the investments go bad and is this some sort of black hole into which you pour money? (Or words to that effect.)

Well, this is something that I am not intimately familiar with, all the aspects of this Bill, but I am intimately familiar with this part because we have a clause in there that says if the aggregate of all these investments and loans gets to be more than \$1 million, then the Tourism Authority has to come to the Minister of Finance to get approval for a dollar more.

So there is a check, Honourable Member. The check is me!

[Inaudible interjections and crosstalk]

Hon. E. T. (Bob) Richards: It is me, and whoever comes after me. So, there are checks and balances as it relates to that.

There was also a mention by the Honourable Member, he used the phrase very colourfully “corporate welfare.” That is an interesting term. I would not call the Tourism Authority corporate welfare because the Tourism Authority is a very kind of unique animal. What I would call corporate welfare is the concessions we give the entire hospitality industry. That is corporate welfare. And if this Tourism Authority, plus all the other things that we are going to do that that Honourable Minister of Tourism is going to bring to this House soon, when these things are successful, we will be able to reduce the corporate welfare that is hog-tying this Government right now for revenue.

An Hon. Member: Whoa!

Hon. E. T. (Bob) Richards: That corporate welfare—those concessions that we are making so you can get tourists, to get hotels built, to keep hotels and restaurants in business—that is corporate welfare, and we are doling that out all over the place. We are doling it out—the former Government was doling it out, too. So, yes, we are dealing with corporate welfare in Bermuda, but what this Tourism Authority represents is a step, a first step, to try to change that paradigm because we cannot do corporate welfare forever.

An Hon. Member: Amen!

Hon. E. T. (Bob) Richards: We cannot do that. So, you know, ultimately, we have to make a choice. We have to fix this thing so we can get rid of the corporate welfare, or we just kiss tourism goodbye and we just sort of stick with international business.

I do not want to do that, Mr. Speaker. I do not want to do that. It would not be good for Bermuda. I was talking to the Premier a little earlier and we were talking about—we were looking at the stuff that is in the paper today about tourism, and none of it is good.

You know, we brought to mind the phrase that is often used that we have an economy that rests on two pillars. Mr. Speaker, that is nonsense! We do not have an economy that is resting on two pillars. We have an economy that is resting on one pillar and one stool. You know, you have one there and one there. You can hardly call that balanced. But that is our economy. One pillar and one stool, and it is a short stool. That is the reality.

But let me end on this note, Mr. Speaker, that let us dispense with all of this political diatribe, talking about Bermudians, you know, Bermudians should get the job and all this sort of stuff. If we want this thing to run like a business, we want to get the right person in there. If we get the right person in there, we can help save the tourism industry and provide thousands of jobs for Bermudians. If you put a Bermudian in there and he is not the right guy, well, thousands more Bermudians are going to lose their jobs.

This whole concentration about whether a person is Bermudian or not is a political discussion; it is a political discussion. That is the essence of what is wrong with tourism. We have oil and water here that we have been mixing for decades. The thing to do now is, we need to separate the oil from the water—we can keep the oil in here and we can talk all this political stuff and have fun. All right? But let the business people go out and do the business and generate those jobs and take the rest of Bermuda off of corporate welfare.

Thank you.

[Desk thumping]

The Speaker: Thank you, Honourable Minister.

The Chair will now recognise the Opposition Leader, the Member from Warwick South Central, constituency 26, Honourable Marc Bean.

You have the floor.

Hon. Marc A. R. Bean: Good evening, Mr. Speaker—

The Speaker: Good evening to you.

Hon. Marc A. R. Bean: —and to Honourable Members.

I certainly would like to follow on from the last two previous speakers who have certainly set the tone for my remarks, and I would like to thank the Shadow Minister, David Burt, and the Minister of Finance, Bob Richards, for their comments.

We can and some will claim that some of us tried to use this opportunity to blame one another. We can claim that the Authority that has been presented to us today is a carbon copy of the Tourism Board. We could have spent this entire debate pointing fingers at one another. Unlike international business, I think we all will agree that IB [international business] is a trickle-down sector.

[Inaudible interjection]

Hon. Marc A. R. Bean: Well, I mean, they say we do not agree, but do not interrupt me right now.

Unlike IB, which is trickle down, in my mind, tourism represents the best sector by which Bermudians may make money and directly benefit from it. In other words, for instance a taxi driver when he turns off his key, he is paid. His cash, his payments are in his pocket. There is no trickle down associated with the taxi industry and their reliance on the tourism industry. So with the pressing redundancies and unemployment that continues to rise, tourism in my opinion is the most logical way in which the people of this country can make an honest living. It is for that reason that I do not think now is the time to play political games at all. Not at all. So there is nothing intentionally that will come from my mind that will make this issue political.

But, Mr. Speaker, we do have some structural problems. We do have some structural challenges and the TA, the Tourism Authority, is supposed to be the answer to those structural challenges. Shadow Minister Burt spoke of the history of how we lost our competitive advantage. It was backed up by the Minister of Finance. But let me just put it into perspective.

In Bermuda's context the tourism industry has always been an oligarch industry—an oligarch industry. Former Members of this House in yesteryear were also the owners of tourism-related businesses. That is the origin of Government subsidisation of this industry. It was the fact that the persons who controlled the public purse also ensured that the public purse was directed into their private purse. In modern times it is called "crony capitalism" or another term that can be used, already repeated, is corporate welfare. That is when you have business persons, or so-called business persons, who rely on favours and political connections in order to boost their business' bottom line at the expense, oftentimes, of the more efficient market participant.

In other words, because you have a political connect you have an easier way to be successful, and at the same time the person who has taken the risk, is more efficient in delivering the service, will get blocked just because of your political connection. So, yes, hotel concessions is representative of corporate welfare, but I will show in my additional discussions that the Tourism Authority is the archetype of corporate welfare and crony capitalism as presented today, and that, to me, is concerning.

Beyond anything else this is the fundamental structural challenge facing our industry today. The proposed Tourism Authority does nothing at all to change the structural challenge and in fact (in my opinion) it further entrenches these deficiencies. In my mind from what I see in here, regardless of what I have heard, the OBA are corporatists in their outlook.

They are not capitalists. Well, a corporatist is a person who practices corporate welfare.

[Inaudible interjection]

Hon. Marc A. R. Bean: That is what the Minister of Finance . . . he said, *What does that mean?* I just gave him an explanation.

[Inaudible interjections]

Hon. Marc A. R. Bean: Corporate welfare is the principal, it is the system. Corporatist is the person participating in it. I am not making it up. Wikipedia it, if you like.

Mr. Speaker, the challenge in my opinion is this . . . because Minister Richards says that oil and water do not mix. Oil and water do not mix, and I totally agree with him. But in my mind, the Tourism Authority (TA) is the oil to our industry which is the water. It surely is and the reason why comes down to one fundamental thing: taxpayer funding. If this Tourism Authority Act was solely funded by the private sector, I would not even stand up. I am on record, Mr. Speaker, when I had heard the then-Opposition speak of a Tourism Authority, I said that I am all for it *if* it is funded by the private sector. But this is not funded by the private sector. This is funded by the taxpayer and that is the fundamental challenge. That is the relic of the past. That is the oligarchic system of yesterday—taxpayer money into private sector hands. I do not care how you paint it, it is what it is.

So, Mr. Speaker, the Member of Parliament, Glen Smith, mentioned privatisation. Well . . . but this is not privatisation. So let us not confuse the public. Minister Crockwell mentioned the word "autonomy." This is not a question of autonomy. This is a question of accountability, because it is taxpayer funded. Autonomy is just a smokescreen to make it seem that you are something that you are not. It is about accountability, Minister Crockwell.

And then I heard Minister Gibbons claim that our hotels spent a lot of money on marketing. Well, let me make it clear, Mr. Speaker, when Government intervenes in the market, a hampered market destroys the incentive for players to innovate, to create, and to compete. It is hampered. So I think that the Minister spoke of the marketing budget or marketing activities of our local hotels.

Now, I am not going to dispute whether or not they actually have high marketing expenditure. But my question is, Where is it? Where is the evidence? I have cable. I get the local channels, Miami channel 10, New York channel 12—I get all the channels from the Eastern Seaboard right up to Canada. I see Breezes; I see Atlantis; I see Butch Stewart Sandals; I see Beaches—I have yet to see one property in Bermuda on any of these key mediums in our key markets. So where is the evidence of the private sector

having skin in this game? Or are they overly reliant on the taxpayer to fund a key component of any business's business model. I would like to see the evidence. I do not care if you say you spent \$2 million. I do not see it. That is the real evidence of whether you have skin in the game.

We are not competitive in this country in our industry because either we refuse or we are prevented from competing. We refuse to compete or we are prevented from competing. So, what is the way forward in my mind? Well, it is not the Tourism Authority. But what is the way forward? That is why I asked a few weeks ago for the Honourable Minister of Finance to clarify some statements, because I am trying to understand the Government's economic philosophy.

He said, he has spoken, the Minister of Finance, that the Government is interested in deregulation and I asked him to clarify it. Is it just for international business or is it for all sectors and the Minister said it is for all sectors inclusive of tourism. Then the Minister said today that, yes, maybe he was speaking for himself but he is all about the free market—I take it for face value. But, Mr. Speaker, the Tourism Authority is not aligned with free-market principles. It is not. It cannot be with taxpayer funding and a group of persons charged with planning tourism's future direction. It can be said that the Tourism Authority has more orientation to Marxist/Socialist thought than free-market thought. Do you know why, Mr. Speaker?

[Inaudible interjection]

Hon. Marc A. R. Bean: Yes, because the Board is of central planning organisation. Their responsibility is to figure it out. True? Yes, it is true. But central planning is the hallmark of that other orientation, that other relic of the past. It is a proven myth, and I do not care what degrees you have, what qualifications you have, and what you think about yourself, no group of men or women can sit in a room and do a better job than the market itself. I do not care who you are. You can get the best five people out of this Honourable House and they will not be able to do a better job in strengthening our tourism industry than the market itself.

What is the market that I am speaking of? Well, we heard *the product mix* from Shadow Minister Burt. We heard it reinforced by the Minister of Finance. But the market to me (first and foremost) is the people of Bermuda. Us. We are the market. Bermuda is the place, then you have the price, then you have the product. Yes, that is the marketing mix. But our people are our primary product. You could have the most beautiful destination on Earth, you could have the most beautiful beaches, you can have everything in terms of a place, but without people you do not have anything. When you travel, it is the interaction with people in their various locales that sets the tone of that value experience. It is us. That is the people. So the ultimate value is derived from the people.

So [in] our National Response on July 22nd, we called on the people of Bermuda, especially those who are unemployed or facing potential redundancy, to prepare, to become creative and to compete in our tourism industry. In other words, do not complain—get out and hustle. And then I used examples. I used examples so the people could relate to it of locals setting up a jerk pit, selling jerk chicken or T-shirts or braiding hair—targeting in the first instance the cruise ship passengers in the Dockyard area and hopefully one day in St. George's.

I will tell you what, many persons . . . and from the bloggers I could tell who is aligned with whom. I saw many OBA supporters and bloggers, Mr. Speaker, at their suggestion, ridicule the suggestion and erroneously and typically compare that suggestion to the vibrant competitors in the Caribbean—our vibrant competitors. In other words, *You cannot have a jerk pit; you are going to take us backwards. And, That is going to be ghetto.* And that is going to be this and that.

Well, you could go to the Bahamas, you could go to Barbados, you could go to Oistins and you will get a piece of flying fish and then you still could make it. You still could make it over to Sandy Lane. You could go to Atlantis or Paradise Island and still make it to Arawak Cay. In other words, it is not any cookie-cutter approach, *This is your place and this is what you have to accept.* You cannot tell that to any person in the Caribbean. Okay?

There are no laws in the Caribbean that can prevent Caribbean people from fully participating in the tourism industry. If there is money to be made, they are going to use their creativity to make it. That is all that we are saying in our address to the people of the country. Not ridiculing the OBA, but telling them that times have changed. Do not look to Government for handouts. Do not look to the politicians to be a salvation. The money is on Dockyard in US currency. Find a way to get it out of their pockets legally. Hustle! Whatever the people want—present it and provide it. Then maybe during the weaker, slower months in winter you have enough accumulated that could get you through—\$1 is better than no dollars at all. That is the bottom line.

Mr. Speaker, just used an example, but let me add some more examples because it speaks to the structural challenge that we face and it is not a political issue at all. But what about a tiki bar on our various beaches?

[Inaudible interjection]

Hon. Marc A. R. Bean: Well, I said “tiki” bar.

[Laughter]

Hon. Marc A. R. Bean: No, I did not say that.

[Laughter]

The Speaker: I understood you clearly, Honourable Member.

[Laughter]

Hon. Marc A. R. Bean: Oh man! But you see the response. Just—

The Speaker: You got everybody's attention!

Hon. Marc A. R. Bean: Because it is a natural human response. Right, because tourism is leisure. It is about having fun. So I cannot see why our tourists could come on our beautiful beaches and they cannot get a cold beer—or two, or three, or four.

An Hon. Member: Or 14!

Hon. Marc A. R. Bean: We are the only country in the world that prevents people from having a cold one on the beach. It is unbelievable.

How about a nightclub so we could change the laws to allow nightclubs to open to five or six in the morning? If you do not want to be at the nightclub that long, go home. If you do not like nightclubs, do not come out! But people want to have a good time. We have to expand the working hours—24/7—if we are in the business of making money. We have to be open 24/7. Are you a hustler or are you not?

We also . . . and someone says, *Why did you not do that for 14 years?* This is not a political back and forth discussion! No one cares about what happened the last 14 years or the last 30 years. We are still in the same spot. Our people, *our people*, are suffering.

The Speaker: Speak to the Chair.

Hon. Marc A. R. Bean: Our people are suffering. This is not political.

I would like to see a tiki bar. I would like to see people to be able to buy a cold one on the beach. In fact, some people—let me read the *Royal Gazette*. Okay, let me get this clear—some people would even go as far to say we need gentleman's clubs. We need gaming. We need coffee shops. That is what . . . if you go on the Facebook, that is what people are clamouring for because that is what the market desires right now.

As far as I am concerned, we need to free up. Basically when people feel free they spend money. You go [to] Vegas, you spend money. You go [to] South Beach, you spend money. Money actually runs out of your pocket when you are in an environment that is free. Okay? But in Bermuda money seems to have Velcro on it, it does not move!

[Laughter]

Hon. Marc A. R. Bean: If you have it, it does not move! We have Velcro pockets because the place is not free. It is too stuck up and stupid—not unparliamentary language, Mr. Speaker, but, you know—

The Speaker: We will let you off on that one.

Hon. Marc A. R. Bean: We are too stiff-necked in this country! This is not a political . . . I am not pointing fingers saying the OBA is stiff-necked or the PLP. We in this country are hypocritically stiff-necked. Lord knows what happens when we get on the plane. We raise the price everywhere we go.

[Laughter]

Hon. Marc A. R. Bean: It is the truth! It is the truth!

In my mind, if tourism is leisure then if you want to play, all you have to do is pay. Whatever you want, we could get that for you. That is the value proposition. If you want to play, then just pay, partner, and you are good to go.

Mr. Speaker, what are the impediments stopping this freeing up of our tourism industry? Well, first, it is us, collectively—the Government. It is us, collectively, the Government. We are the impediment. For instance, let me use an example if someone from Somerset wants to set up a jerk pit coming out of Dockyard to sell jerk chicken and probably a little roast fish, it is the Parks Department that is going to tell him no, you know. *No, you cannot do this. No, you cannot do that.* And then you might have someone who wants to erect a store or something and it would be Planning that says, *No, you cannot do this. No, you cannot do that.* And then you combine the NGO and it is like BEST, who from a tourism perspective, are the worst thing that happened to our industry.

Some Hon. Members: No!

[Inaudible interjections]

Hon. Marc A. R. Bean: Now, listen because remember we could have had a bar, a cold one down Warwick Long Bay. It was BEST that said, *No, you are going to destroy the trees and the sand—*

An Hon. Member: And the birds.

Hon. Marc A. R. Bean: —*and the birds*. But now we all understand that Belcario Thomas is an example of the entrepreneurial vision and creativity that our country needs right now.

[Desk thumping]

Hon. Marc A. R. Bean: Times have changed. So BEST and others will vociferously fight against any tourism initiative. So I will ask BEST to consider what role they play in ensuring that they are not anti-economic in outlook. Our people need to have the opportunity.

Mr. Speaker, mentioning that the biggest impediment is Government requires joined-up Government. It is going to require the Tourism Minister can insure that the Minister of Parks gets his people on board, so when they have something going through, Parks is not saying, no, on one hand and tourism is saying, yes, on the other. It requires coordination and I am sure you are working on it, but it does.

Minister Bob Richards loves to say, *Government needs to get out of the way*. Well, let us remove those impediments. Let us go a step further and remove the taxes on our customers—reduce the taxes. Let us reduce the taxes on entrepreneurs seeking to get into the industry. Give them better or greater access. Yes, we might lose some revenue but, like you said, we have given enough hotel concessions away. We might lose a little over the short term but look at the gain as a result of more productivity over the long term. We have to give in order to receive, and Government has to lead by example.

We as politicians need to lead by example. We need to remove these barriers to our customers and our entrepreneurs. We need a free market put into practise and not just in theory. We need it in practise. We need to free up and get out [of] the way. Tourism and conservatism do not work today in the modern world. Tourism and Government intervention does not work today in the modern world.

Unfortunately, the Tourism Authority as presented today, while it will not take us a step backwards—I cannot think of us going any further backwards—it would not take us forward either. In fact, what it will do is make the industry the proverbial caged guinea pig running forever but going nowhere.

Mr. Speaker, we must free up.

[Desk thumping]

The Speaker: Thank you, Honourable Member.

The Chair will now recognise the Minister—since there no other Member going to speak, the Minister will wrap up.

Minister, you are wrapping up.

Hon. Shawn G. Crockwell: Yes, thank you, Mr. Speaker.

I know this has been a long, robust debate.

The Speaker: Absolutely.

Hon. Shawn G. Crockwell: I can tell you that I had to hold back some of my Members who still wanted to

contribute to this debate because as various Members have articulated, this issue is of national importance.

As the Honourable Finance Minister stated, right now the industry is on the verge of extinction. I think that we all need to sit up and appreciate that we have to turn this around. I agree with the Finance Minister that we can. When you have world travellers, like Lisa Leslie who came here to speak at the Women's Summit on Sports—first time she has ever been to Bermuda. She came because the desired speaker (who was Laila Ali) could not make it. They are good friends, and she called and she said, *Can you pinch hit for me?* and she came down and she was blown away.

She said, *This is the best kept secret!* She said, *I am bringing my friends. We are coming back for our annual trip because I have never seen an island as beautiful as this! Magnificent!* She kept talking on and on about how wonderful it is—a woman that has travelled the world.

I can recall at the Bacardi International—I am trying to think of . . . Jacklin. Tony Jacklin came down. He was the guest golfer at the Bacardi International. This man has won major, major tournaments—I believe the British Open, and I believe he has won other matches as well. I am sure the Deputy Premier can help me on that, but he has won major championships. He was the first Ryder Cup captain of Europe to win the Ryder Cup. This man has been all over the world—won the British as well. When he came here for the first time last year (or earlier this year) he made the same comment.

In fact, the mayor wants to be a part of the promotion of Bermuda because he was shocked. He said this is the best island nation he has ever been to and enjoyed playing at the Turtle [Hill] at Fairmount Southampton. So if world travellers, Mr. Speaker, who have been all around the world can come here and say this is the best, then clearly the product that we have should be successful in tourism. We do not have to compete with Asia. We do not have to compete with these other regions, the Pacific region. The numbers that we need to keep Bermuda successful are not that much greater. We have to increase tourism by a couple hundred thousand. We are not talking millions. If we can get over 400,000 air visitors to Bermuda, the industry will do well. So we can get there and we have heard a litany of speakers today and let me say that I am grateful for the tenor.

I had dialogue with the Shadow Minister prior to the debate, because we speak and we are friends. And I said that my brief was not going to be about apportioning blame, because there is plenty to go around. I do not believe that there has been any administration or any Tourism Minister that has not tried and really wanted to turn the industry around. But as the Shadow Finance Minister said, *We need a massive change of paradigm*. We all agree with that statement. And we on this side of the House believe

that that change in paradigm starts today because we are doing something fundamentally different than how we have done the management of tourism before.

The Honourable Opposition Leader was talking about joined-up Government. I agree 100 per cent. In fact, we have presented the National Tourism Plan—the Chairman of the Board and the designate Chairman of the Tourism Authority and colleagues—presented the National Tourism Plan to the Cabinet and explained to Cabinet Ministers that it is not just about the Ministry of Tourism, that there is a role for the Ministry of Environment, there is a role for Public Works, there is a role for Public Safety—all of these Ministries and so forth . . . there is a role for Immigration. The first stop that a tourist has is when they come through the airport. First stop. There is a role for the Department of Immigration.

We all have to buy into the National Tourism Plan and everybody has to fulfil their role. Then they went on and took the same National Tourism Plan which was presented by the Honourable Wayne Furbert when he was the Minister, and as everyone said on the 29th of June of 2012 we all ratified it in this House. It was taken to the Permanent Secretaries and I understand (I was not allowed to attend because that was the Permanent Secretaries meeting) and the presenters, I was told it was a fantastic presentation.

Everyone is now coming to the realisation that we have to work together to make this thing work. I agree with the Opposition Leader. We have to free up so that our guests can have a good time. My father is a long-time Seventh Day Adventist, was head elder of Southampton Seventh Day Adventist Church all my life. He does not support gaming because of his religious conviction.

[Inaudible interjection]

Hon. Shawn G. Crockwell: Thank you.

[Laughter]

The Speaker: Isn't that great? That is the kind of collaboration we need. That is the kind of working together we need. Yes, absolutely.

[Laughter]

The Speaker: Make sure it is water now.

Hon. Shawn G. Crockwell: Hope they did not spike my water, Mr. Speaker!

[Laughter]

Hon. Shawn G. Crockwell: Be wary of gifts!

We were having a conversation a few months ago, and I was expecting his position to be as ardent as it always is with gaming. And he did present his

position from his religious conviction and did not think it was the right thing to do. I said to him, *Daddy, you are talking about creating product or creating tourism policy based on what you want. But when we are talking about creating tourism policy, we have to create policy based on what our guests want.* If you are inviting somebody into your house to eat your food, you cannot just make food that you want to eat. You have to figure out what they are going to enjoy so that they can come and enjoy the meal.

So we are inviting our guests to come to Bermuda we need to think, *What do they want?* If they want the option to game, then they should have the ability to exercise that option. If they want the option to have a cold one on the beach, then they need to have the opportunity to exercise that option. The list goes on and on.

Mr. Speaker, there were some things that were raised, some criticisms and some questions that were raised during the debate and I will try to address the ones I think require addressing. First of all, a few Members talked about half a million dollars spent on this Act. First of all, that is not the case. The monies that have been spent was not just on the production of this Act, but let me say that the work that was put into producing this Act specifically from the consultants, Ernst & Young, they provided substantial qualitative, research data on the Governance model. I believe that there were many individuals in the industry that were interviewed to find out what can best serve Bermuda's purpose.

So a lot of work was put into the governance model, comparative analysis with other jurisdictions, and what will best accommodate Bermuda, and also a great deal of those funds have gone into the very complex transitional stage. I will tell you and I believe that the Chairman—I would like to acknowledge that the Chairman, the Honourable David Dodwell, is in the Chamber and I am grateful for him being here—I agree with the Finance Minister, I believe that there were some attacks on the other side and there were not many, I believe that most speakers try to keep this constructive.

But some of the attacks on the Honourable David Dodwell were reprehensible because I can tell you right now . . . and, yes he is a personal friend of mine. And, yes, he is a political colleague of mine. I have no problem with that. Maxwell Burgess was the Chairman of the Tourism Board and we know that he is a personal friend of the former Minister Wayne Furbert. We know where his membership lies politically. So let us not get into that.

The reality, Mr. Speaker, is that I have never seen an individual—and I have no problem saying this—work as hard as the Honourable David Dodwell. I get e-mails at 11:30 at night and I wake up to e-mails and he is doing this free of charge because he loves this country. And if anyone wants to question the energy, the commitment that David Dodwell has given

this country in tourism then something is wrong. Something is wrong. The fact of the matter is the Honourable Wayne Furbert appointed David Dodwell to the Tourism Board for the very reason why I have made him the Chairman. So I find it reprehensible that someone would get up here and impugn the integrity of this Chairman.

Now, Mr. Speaker, yes, we have spent some money on this because we felt that we had to get it right. And if I am involved in something, I am going to be as thorough as I can. I have heard things like, *Oh, well, they spent \$500,000*. Mr. Speaker, with all due respect—and I do not want to get into any big fight—but there have been some major expenditures in tourism. The Honourable former Tourism Minister spent over \$200,000 for the Bermuda Magic Show and it was not successful.

[Laughter]

Hon. Wayne L. Furbert: Point of order, Mr. Speaker. Point of order.

The Speaker: Honourable Member, what is your point of order?

Hon. Wayne L. Furbert: We had a very good debate today.

[Laughter]

The Speaker: Yes, right. That is his point of order—that is has been a good debate. Let us keep it a good debate. Thank you, Honourable Member.

Hon. Shawn G. Crockwell: I am going to keep it that way, Mr. Speaker, but let me . . . we have to put these things in perspective. That Honourable Member got up and was talking about half a million dollars, others have talked about half a million dollars as if there has been some wastage—what I am saying is I know that over \$200,000 was invested in an initiative that was not successful. We know that. There was supposed to be a whole summer of shows and we only had two for over \$200,000 investment. We all know in this House that a former Tourism Minister spent \$1 million for one performer.

Now, we are going to talk about money in here when the former Tourism Minister, Dr. Brown, paid Beyoncé \$1 million for one concert? And the Honourable Members on that side will come here and talk about half a million dollars to change the paradigm of tourism!

[Desk thumping]

Hon. Shawn G. Crockwell: That is ridiculous, Mr. Speaker!

The Speaker: You have made your point, Honourable Member.

[Laughter]

Hon. Shawn G. Crockwell: Now, there have been comments about this Bill being no different than the Tourism Board Act. Mr. Speaker, I have heard some Members get up and say it is different. Some say we have given too much power. Some say it is just a name change. I am not quite sure if the Honourable Members in the Opposition appreciate the differences.

I articulated in my brief 10 major differences, and they were not all of the differences. They were the salient differences. There are significant differences with this legislation and the Tourism Board Act. What this particular legislation provides is that this entity will be managed in an independent way. Yes.

Are we taking a risk? Absolutely.

Have I had some challenges in the quietude of my time thinking about, you know, what we are becoming *laissez-faire*—we are letting go, we have no control. Yes, that is part of this transition.

We are putting a great deal of faith in the individuals who will be running the Tourism Authority. There will be risk; but we believe that it is the risk that we have to take because how we have managed tourism . . . people are talking about while we are giving this entity, the Tourism Authority, approximately \$30 million. Do you know that \$30 million . . . this is the smallest budget tourism has had in a very long time. The budget of tourism has decreased by 40 per cent in the last five years. It was in the middle—like \$45 [million] or \$48 million. So it has been reduced. It is still a large number, but we have been spending a lot of money on tourism and we have not been getting the returns.

So, yes, we are going to continue to invest in the tourism product because we know if we just said to the Tourism Authority go out there and try and fund yourselves right off the bat . . . it would fail. It would fail. They will not be able to raise sufficient revenue to be able to do what they are supposed to do, and we are not going to let the Tourism Authority start off in that precarious situation. So, yes, we will fund it.

People have asked the question, *Well how would it become self-funding?* We have some initiatives on the table to achieve that and when (at the appropriate time) we can bring it forward. But there are some opportunities for significant revenue that can be raised for the Tourism Authority. Ultimately, it is our objective that the Authority be self-financing, but as it stands today, for the prudent management of the Authority, it must be funded primarily by the Government.

We have heard a lot about the CEO and that the CEO must be a Bermudian. I have said before that we will be seeking the best person for this position. I do not have any problems with that statement. It makes no sense spending the half a million dollars. It

makes no sense going through all of what we are going through right now and then we are not going to seek the best person to drive the Authority.

In fact, I am hoping that we find someone who has turned a tourist destination around already. I would love to see a résumé where the person says, *I went to this destination and it was in trouble and under my tenure we turned it around.* I want to see that. We have been looking for the best person. And if that best person is a Bermudian, then that is even more fantastic. If it is not a Bermudian, are we going to be looking for a Bermudian to succeed? Absolutely, but the first CEO is going to be the best person for the job and the second CEO we hope to be even better than that.

But, Mr. Speaker, all this stuff about Bermudian and, you know, David Hill was not a Bermudian. And under the PLP Government he was appointed CEO of the hospital making more than \$500,000 a year.

Donald Thomas was not a Bermudian and he was Chief of Staff making a very healthy salary at the Bermuda Hospitals Board.

The BMA [Bermuda Monetary Authority] Chairman is not a Bermudian and he makes a healthy salary.

The first commissioner of the Board of Education—the first commissioner of Education under the PLP Government—was not a Bermudian, Mr. Henry Johnson.

We heard someone get up and extol the success of GlobalHue in 2008. Well, I do not think GlobalHue is Bermudian.

Mr. Speaker, the Director of Tourism, who I enjoy working with, is not Bermudian. He was employed under the PLP Government.

The Director of Overseas Operations in New York is not a Bermudian and she was employed by the PLP Government.

So what is the PLP talking about? This is ridiculous. It is hypocritical whenever we come here and we hear all these criticisms from the PLP when they did the exact same thing and more. Now all of a sudden we cannot do it.

In fact, Mr. Speaker, if they want to talk about redundancies, let us look at what happened to the New York office of the Department of Tourism. Not too long ago—talk about redundancies—they lost their jobs! We have made a pledge and we will keep the pledge that not one employee that is currently employed in the Department of Tourism will lose their job. They will not be unemployed. So, Mr. Speaker, let us just be honest in this discussion. I think with all due respect that that is a very laudable commitment of this Government. Very laudable.

And as I said earlier, there is a great deal of excellent and [there are] outstanding employees in the Department of Tourism. I am sure many of us enjoyed Cup Match down in St. George's this year. I can tell

you . . . you had employees from the Department of Tourism working tirelessly taking care of our tourists that were down at Cup Match, and then they were down at Horseshoe Beach working tirelessly all day down there to make sure that they were taking care of those that were there, and marketing Bermuda. They did it for two days on the holiday! That is commitment.

That is the type of commitment we are going to need going forward. So I believe that a great deal of the employees that are currently employed by the Department of Tourism will end up in the Tourism Authority. Why [do] I believe that? Because they are the experts, they have years of experience. They know what they are doing. We do not want to lose that. But at the same time we have to have a fair process and, what is that fair process? Everyone applies.

Everyone would apply and everyone would have an opportunity to be able to go to the Tourism Authority and those who do not—because the reality is the Tourism Authority, the staff, will be less than what we have today. I do not have the exact number because we are still working on the organisational chart and job descriptions, but it will be less because we cannot just wholesale take the operation that we have now over to the Tourism Authority and hope that it is going to function more efficiently. We have to streamline. We have to be more agile and so naturally there is going to be a reduction. But we have made a commitment that those individuals will not be unemployed and they will remain whole. They will not lose their benefits and that is a commitment that this Government will keep.

Mr. Speaker, another issue that may have been raised is the composition of the Board. I heard the Honourable and Learned Member, Kim Wilson, talk about the fact that we should have the president of the BIU [Bermuda Industrial Union] as a legislated or statutory member. And I am anticipating maybe that is going to be one of the . . . I have not seen any of the amendments that I hear may be proposed, but that may be one of them.

We certainly wrestled with this as it relates to ex officio members and mandated members within the Act. But based on our research we know that, number one, we have to reduce the size of the Board so it can function effectively. We have to. Best practice is five or six for a corporate structure. We have eight.

The Honourable Member said that the Board operated under 16. But then if you add the ex officio members, who I can tell you mostly were present at Board meetings—they show up because they have an interest to represent. They show up. Now, we respect that interest and we will . . . the Act allows for various committees to be created. We understand the value of all of the stakeholders whether it be the BIU, whether it be the Chamber of Commerce or whether it be the Bermuda Hotel Association. We will have them involved. But if we want to be more efficient and more agile, we had to streamline the size of the Board. So,

we have done that and we are not prepared to reconsider.

When people are talking about whether or not this particular idea will be the game changer or will be the first step in significant change in the industry . . . we have heard from individuals on the other side who do not necessarily agree with that. But those who we consider to be the stakeholders have been in full agreement with what we are doing today. We have heard it. The Bermuda Hotel Association came out in full support of the type of Authority we are creating. The Chamber of Commerce came out in full support. Two former PLP Tourism Ministers came out in full support.

[Inaudible interjection]

Hon. Shawn G. Crockwell: I am sorry. I heard interpolation from the Honourable Independent Member. I should say three former Tourism Ministers!

[Laughter]

Hon. Shawn G. Crockwell: And add the Honourable Wayne Furbert to that list, because he was not a part of my first two.

[Laughter]

Hon. Shawn G. Crockwell: So you are right. Thank you, Honourable Member. It is actually three. The other two are Renee Webb and Dr. Ewart Brown. Dr. Ewart Brown personally contacted me and supported what we are doing here today.

I think that . . . and look, we do not know. Today we are all prognosticators as to what is going to happen in the future as it relates to the Tourism Authority. Some say it is not going to make a difference and we say it is going to be a game changer. We do not know what the future holds but what we do know is that for 30 years, Mr. Speaker—since 1983—our tourism industry has been going the wrong way.

You know, I wear the hat of Transport and Tourism and we had a period in June where we had a plane divert to Bermuda and we could not find one hotel room to accommodate the individuals on the plane because all the hotel rooms were full. But the very next day, knowing that our hotel rooms were full, the very next day we had a plane come to this country 50 per cent occupied. How in the world can we have all of our hotels full but our airlines coming half empty? That tells me that we have a serious problem (and the Finance Minister highlighted that) of capacity in this country. If you have one hotel in the Bahamas—one hotel—with more hotel beds than we have in this entire country, how can we compete?

One of the main objectives of this Government is that we have to bring in new hotel development. I have to say, Mr. Speaker, I am very encour-

aged by some of the conversations that we are having. There are some exciting things in the pipeline and, you know, I believe last week (or earlier this week) Fairmount Hamilton broke ground on their new marina project. They bought the property less than a year ago. In a year's time—and this is something that the Economic Development Committee should be proud of, because in less than a year, or just about on a year, they have been able to start a major development. They were able to start a major development project.

Yes, the former Administration had a hand in it. Of course they did. But with the Economic Development Committee streamlining the process of approval to breaking ground, that is something that demonstrates both the former Administration and this Administration recognises the importance of hotel development, foreign investment. I believe in this first term of the OBA Government we are going to see multiple new developments in this country as it relates to hotels.

So it is not just the Tourism Authority. No, it is not. But I stand and say with great confidence that the formation, the statutory creation, of a Tourism Authority today is the right step and it is the first step in the right direction. Yes, we need more hotel development. Yes, we need to make sure that our existing hotels upgrade their product. Yes, we need to create new product and yes, we need to free up, Mr. Speaker. We need to do all those things. But today is the start, I hope, for a new chapter in our tourism development.

I would like to thank all Honourable Members for their contributions and, Mr. Speaker, I would like to now move that the Bill go into Committee.

The Speaker: Thank you, Honourable Member.

It has been moved that the Bill be now debated in Committee. Are there any objections?

There are none.

I would like to ask that the Deputy Speaker, Mrs. Roberts-Holshouser, take the Chair [of Committee].

[Pause]

House in Committee at 8:16 pm

[Mrs. Suzann Roberts-Holshouser, Chairman]

COMMITTEE ON BILL

BERMUDA TOURISM AUTHORITY ACT 2013

The Chairman: Honourable Members, we are now in Committee of the whole [House] for further consideration of the Bill entitled [Bermuda Tourism Authority Act 2013](#). I call on the Minister in charge to proceed.

Minister, you have the floor.

Hon. Shawn G. Crockwell: Yes, thank you, Madam Chairman.

I would like to move the first five clauses. My intention, Madam Chairman, is to move them in five clause tranches.

Madam Chairman, do you need approval that we move the first five?

The Chairman: No, please proceed.

Hon. Shawn G. Crockwell: Thank you.

Madam Chairman, this Bill establishes the Bermuda Tourism Authority which has the principal objective of efficiently developing the tourism industry and promoting Bermuda as a tourism destination so as to increase the contribution of the tourism industry for purposes of the economic development of Bermuda.

The Authority achieves its objectives under the Bill by formulating strategies and programmes and effectively managing outcomes necessary to enhance the travel and tourism sector's contribution to the Bermuda economy, and generally, by doing all such matters and things as may be incidental to or consequential upon the exercise of its powers or the discharge of its duties under this Bill.

Clause 1 provides a citation for the Bill.

Clause 2 provides for the definition of terms used in the Bill.

Clause 3 establishes the Bermuda Tourism Authority as a body corporate.

Clause 4 provides for the composition of the Board. The Board will comprise of eight members including the Chairman. The members of the Board, other than the Chairman, appointed immediately after the commencement of this Act shall be appointed by the Minister in consultation with the Chairman and shall be appointed for the periods set out in clause 28. A member of the Board other than a member appointed to the Board immediately after the commencement of this Act, shall be elected by the Board after the Board has consulted the Minister and be appointed for a period of four years.

Clause 5 provides for the appointment of the Chairman of the Board by the Minister. The Chairman is appointed to hold office for such period not exceeding three years as the Minister may determine and his appointment may be renewed.

Thank you, Madam Chairman.

The Chairman: Thank you.

Are there any Members who would like to speak to clauses 1 through 5?

Thank you. The Chair recognises the Shadow Minister of Tourism, Honourable Wayne Furbert.

You have the floor.

Hon. Wayne L. Furbert: Madam Chairman, I have not much to say on these particular clauses 1 through

5. Like I said, there is not much difference between the appointment of the Chairman that was in 2012 to what is here. The only real difference is that the Board is elected by the Board Members themselves in consultation with the Minister. That is a major difference. But remember that the . . . and we will get part [of it] at the very end because the initial Board is appointed by the Minister. So those same Ministers, those same Board Members who are appointed by the Minister at the very beginning have the right to elect new Board Members, but they also have the right to continue in serving, if I am right on that one.

But in clause 4, I am going to ask him one question. "[4] A Member of the Board shall have suitable qualifications and experience . . ." and I just wanted to ask the Minister how does he define suitable qualifications and experience in regard to this particular . . . in other words, would the BIU president be a suitable qualifying person?

The Chairman: Thank you.

Are there any other Members that would like to speak to clauses 1 [through] 5?

Thank you, the Chair recognises Mr. T. E. Lister, Sandys South, constituency 33.

You have the floor.

Hon. Terry E. Lister: Thank you, Madam Chairman.

I would just like the Minister to explain for me the difference between clause 4(2)(b) and [4](2)(c). In [4](2)(b)—this is where the Members are being appointed to the Board. In [4](2)(b) the person can be selected by either the Minister or the Chairman and in [4](2)(c) the person is appointed by the Minister. Yet the reasons giving rise to the need to appoint someone appear to be exactly the same.

I do not really understand why [4](2)(b) and [4](2)(c) exist, and I would appreciate it if the Minister could explain that for us.

Additionally, clause 4(7) says, "The Chairman and members of the Board shall be paid such fees and allowances as the Minister may determine." Now, we have had a lot of talk about money here today. Hopefully this is not like the million dollars for Beyoncé, but we would like to get an idea of what the Members of the Board will receive—what number the Minister has in mind for the Members of the Board and for the Chairman.

Thank you.

The Chairman: Thank you. Are there any other Members that would like to speak to clauses 1 [through] 5?

There are no other Members.
Minister?

Hon. Shawn G. Crockwell: Thank you, Madam Chairman.

To address the first speaker, the Honourable Wayne Furbert, first of all, the Members of the Board are only eligible to be reappointed once. So after that, that is it. So, if a Member is on the Board . . . and remember that there is a rotating Board. So if a Member is . . . let us just take the first two, the Member is on the Board for two years and they are reappointed once, then a maximum would be six years for that Member. After that a new Member would have to come, and then because of the rotation of the Board there will always be an influx of new Members coming in at different times and the Board will never lose all of its Members at one time.

In relation to suitable qualifications and experience, I think it is prudent to read out the entire clause "shall have suitable qualifications and experience to enable meaningful contribution for the effective and efficient realisation of the objectives of this Act." So that means that the person could . . . there might be a need for legal services, an attorney; there might be need for accounting expertise, there might be need for labour expertise, so, yes, absolutely the president of the BIU would qualify in the event that that is one of the needs for the Board.

Now the Independent Member, the Honourable Terry Lister, asked questions about 4(2)(b) and [4(2)](c). They are worded similarly, but what is most important, the difference in [4(2)](c) is anticipating the potential of the Board being inquorate. So the biggest part is to form a quorum. And you may know, Honourable Member (I was trying to find my notes), but I know that an Education Board at one point resigned *en masse*. And we do not want to have a situation where if the Board decides to just resign in its entirety then there is no one who is able to come in and replace those Members.

So this allows the Minister in that extraordinary situation to be able to come in, or if it happened by incapacity or resignation or death all at the same time and the Board ended up being inquorate, then the Minister would be able to step in and remedy that situation.

Madam Chairman, I would like to move on and now—

[Inaudible interjection]

Hon. Shawn G. Crockwell: I am sorry—yes, we, and this is the same clause that came out of the 2012 Act.

A lot of debate went on about this. We are hoping to not only . . . we would like to be able to attract Board Members potentially that are not in this jurisdiction. It would be great if we could have a Board Member from another jurisdiction that can be able to assist in the marketing and promotion and bring expertise to the Board as well.

In order for us to attract the best, I think that we need to have the ability to at least pay for costs, maybe travel costs and the like, and even consider

the payment of Board fees. That is something that is not going to happen immediately, and it is something for which we have not determined a figure, but the reason why we have drafted it this way is that we do not want the Board to be able to set that figure themselves. We feel that it is essential that the Minister is aware because we do not want this to become a situation where Board Members are receiving a significant remuneration.

The Chairman: Are there any other Members who would like to speak to 1 through 5?

Thank you,

Hon. Wayne L. Furbert: Yes, would the Minister—

The Chairman: The Chair recognises the Honourable Wayne Furbert.

You have the floor.

Hon. Wayne L. Furbert: Madam Chairman, I was trying to move ahead quicker.

Would the Minister then agree that the appointment of the Board Members is [done] the same [way] as the appointment was [done] in 2012—the appointment of the Board Members? I am not talking about numbers. That the Minister appoints the Board Members as similar to 2012.

Thank you.

Hon. Shawn G. Crockwell: Madam Chairman, I would agree that the initial appointment is . . . that the Minister will be making the initial appointment. What is drastically different is that going forward the Board will then have the power to appoint its Members—going forward. So that is the major distinction.

In relation to section 28, the initial appointment, yes, that is going to be the Minister's responsibility as is the Government setting up this entity.

The Chairman: The Chair recognises—

Hon. Wayne L. Furbert: Thank you. So, if you are picking the Board Members—I think it is two, three and four years, the initial Board Members—that is quite a long time. And those Board Members can then reappoint themselves for another two, three or four years. Correct?

The Chairman: Minister?

Hon. Shawn G. Crockwell: Yes, we are going ahead of ourselves. We are actually talking about the content of clause 28. But it is two, three and four—that is correct—and yes, the Board will be able to reappoint those Members.

Again, keep in mind that whenever a Board Member is eligible for reappointment or there is a vacancy that is coming up the Minister can nominate

someone else, and the Chairman can also nominate someone else. But that person can present themselves again.

Hon. Wayne L. Furbert: I guess the bottom line, Madam Chairman, is there is not much drastic difference between the appointment of the Board Members, and basically the Chairman and the Minister have basic control over those Board Members for at least two, four, six and now eight years.

The Chairman: Member, could you wait for me to at least recognise you before you start to speak? Thank you.

Was that a further question, Member?
Minister?

Hon. Shawn G. Crockwell: Yes, thank you, Madam Chairman.

There is the opportunity for the first appointment of the Board to be on the Board for the next six-plus years. But I do not see the appointment of the Board the same as controlling the Board. The Board would be appointed and the Board will be able to get on with its business. So if the Minister thinks appointing is controlling—I take a different view—but, yes, we thought it was important that the Minister have the authority to appoint the first Board.

The Chairman: Are there any other Members that would . . . the Chair recognises Honourable Member Furbert.

Hon. Wayne L. Furbert: Then I am sorry if I said “control” because the control part is within the function and the power of the Board, but the Minister then must agree that the appointment of the Board Members is similar to appointment of the Board Members of the 2012 Act.

[Inaudible interjection]

The Chairman: That has been agreed.

Are there any other Members that would like to speak to clauses 1 [through] 5?

For expediencies sake, we will go through the segments of the clauses but we will not pass them until we get to the conclusion, if that is agreeable to everyone.

In that particular case, Minister, you have the floor.

Hon. Shawn G. Crockwell: Madam Chairman, for expediency, I would now ask to move the next 10—some are saying they want me to do more, some are saying less.

So I will just do the next 10 clauses so we can try and expedite this.

Clause 6 provides for the appointment of the Chief Executive Officer by the Board after consultation with the Minister. The Chief Executive Officer is to be responsible to the Board for the proper administration and management of the functions and affairs of the Authority in accordance with the policy laid down by the Board.

Clause 7 provides for the appointment of agents, promoters and contractors. The Authority is empowered to employ such agents, promoters and contractors as may be necessary for the purposes of the Bill.

Clause 8 provides for declaration of interest in affairs of the Authority by persons seeking employment with the Authority. A person seeking employment as an officer or employee of the Authority who has, directly or indirectly, by himself or with his business or other partner, entered into any contract with, for or on behalf of, the Authority shall declare the contractual interest they have with the Authority in such a manner as the Board may determine in the rules. An officer or employee who fails to disclose interest of a contractual nature in the Authority is liable, in the discretion of the Board, to summary dismissal without notice.

Clause 9 provides for the appointment of committees consisting of members of the Board or other persons. The clause also provides for the delegation of powers of the Board to the Chairman, any member of the Board, the Chief Executive Officer, the committees of the Board or any officer or employee of the Board. The power of the Board to delegate its powers is not to include the delegation of the power to delegate.

Clause 10 provides for immunity from suit for any officer, employee or agent of the Board, members of the Board and the Minister, with respect to any act done *bona fide* in pursuance or execution or intended execution of their functions under this Bill or regulations made thereunder.

Clause 11 provides for the principal objectives of the Authority. The primary objective of the Authority is to develop and promote Bermuda as a tourist destination.

Clause 12 provides for the powers of the Authority. The Authority shall have power to do anything for the purpose of discharging its objectives under this Act or any other written law, or which is incidental or conducive to the discharge of those objectives.

Clause 13 requires the Minister to cause an interest register to be compiled and maintained. The Minister and each member of the Board shall file in the interest register written notices of any interest that they may have in the business conducted by the Authority as soon as it is reasonably practicable. Members of the public may inspect the register upon payment of \$5.00 or such fee as may be prescribed.

Clause 14 provides for the funds of the Authority. The funds of the Authority are to consist of

sums appropriated by the Legislature for the purposes of the Authority and all monies including dividends, royalties, interest, income received, fees, payments and commissions for services rendered, grants and moneys borrowed.

Clause 15 provides for the renaming of the *Tourism Guest Fee* as the *Tourism Authority Fee* and provides for the payment of the tourism authority fee by each proprietor of a hotel in respect of each guest accommodated in the hotel. The tourism authority fee is to be at the rate of 2.5 per cent of the rack rate charge made by a hotel in respect of any guest.

Thank you, Madam Chairman.

The Chairman: Thank you.

Are there any Members who would like to speak to clauses 6 [through] 15?

The Chair recognises the Shadow Minister of Tourism.

You have the floor.

Hon. Wayne L. Furbert: Thank you, Madam Chairman.

Let us look at clause 6. I am not sure why the CEO, suitable qualification has to be for travel and tourism sectors. It is our view that a CEO does not need to be all-knowing in this particular department. And I understand finance and management, but why does that individual have to have travel, and tourism [experience], [which] now limits the list. As I have said before, if all of a sudden Bill Gates shows up and says, *I would like to be the CEO*, I am sure we would all like to take him. But he does not have travel and tourism sector experience. He has travel—he may—but not the whole part about that particular industry.

I guess my concern is you are limiting, now, your scope on the individual who can actually be the CEO. If you look around the Island based on this you are being limited down to a very few people, if any. There are top CEOs around the Island. Why could they not be the CEO and, you know, that person has to have travel [experience]. I do not understand that. I understand it but I do not understand why it has to be there. It really does not open up the opportunity for a top Bermudian who may be overseas working for, you know, Citibank or whatever, who says, *Look, I am going to go back to Bermuda. I understand the product. I know where Shelly Bay is and Beanie's Bay and I know about Horseshoe Bay, but I may not have travel and tourism sector experience.* I do not know why that has to be there.

[Inaudible interjection]

The Chairman: Thank you, Member. Is that your question?

Hon. Wayne L. Furbert: No.

I heard the Honourable Member say that is what the job is about. But there are many individuals who . . . CEOs do not necessarily have to know it all. They will have individuals in their . . . you have the Chairman who knows it all, who is the travel and tourism sector and, as the Honourable Member, Grant Gibbons, said, he is the one that has the expertise in this. He can understand the travel and tourism aspect. So I am just saying that I do not see any need for that individual for that.

So, you want me to go through all the rest of them, correct? Other sections?

The Chairman: From 6 through 15.

Hon. Wayne L. Furbert: From 6 through 15.

The appointment of the CEO, again, is other than is appointed after consultation with the Minister. Matter of fact, the ad here is the longest ad I have ever seen for any CEO in Bermuda. So the Members . . . I hope you have time to read it, but it really limits a Bermudian. That is why I said [they should] at the very bottom put *Bermudians need not apply* because it does not meet . . . talk to—

The Chairman: So Member, your question is?

Hon. Wayne L. Furbert: There is no question. I am making a statement.

The Chairman: We are looking for questions.

Hon. Wayne L. Furbert: You are looking for questions?

The Chairman: Yes, please.

Hon. Wayne L. Furbert: I do not have to make any question.

The Chairman: Fair enough.

Hon. Wayne L. Furbert: Oh, okay.

The Chairman: I was just looking for the question. I thought you had a question on it so I just wanted clarification.

I wanted to make sure I did not miss anything.

[Inaudible interjections and laughter]

Hon. Wayne L. Furbert: Madam Chairman, I will not be deterred by that remark.

The Chairman: Please do not. Please do not.

Hon. Wayne L. Furbert: But let me just say, Madam Chairman, that is one of my biggest concerns. And basically the CEO, again, as far as its appointment, it

is no different from the appointment as on the 2012 Act. The Board shall, after consultation with the Minister, appoint this Chief Executive Officer. No difference other than the person needs travel and tourism sector [experience].

Appointment of agents—I have no problem with that.

Declaration of interests by job seekers—if any of my honourable colleagues want to speak to that they can.

Appointment of committees and delegation of powers—I have no problem with that. I am on [clause] 9.

The immunity from suits—again, this was a copy and paste from the 2012 Act.

[Clause] 11—copy and paste from the 2012 Act.

[Clause] 12—power of authority, a copy and paste other than the parts that says on 12(2)(a), (e), (f), (g), (h), and (i) in particular. These are the ones that we have grave concerns about. These particular items to acquire, take on lease—this is 12(2)(a)—to acquire, take on lease, hire, hold and enjoy movable and immovable property and to convey, on and on and on and also [12(2)(e)] to subscribe for or acquire any stock, share, bond, debenture . . . or [12(2)(f)] to invest any money of the Authority in any business within or outside Bermuda . . . [12(2)(g)] to enter into any joint venture with any person or to form . . . these particular powers will not (from my perspective) bring in tourism. But what it does do, it allows the Government because they are giving out probably [\$]29[million] and the budget may be higher—they can go up to \$30 million or even more.

[Inaudible interjection]

Hon. Wayne L. Furbert: They are giving the Board, this Authority, significant funds, and yet the Minister cannot say that we do not want the Board to invest in Starbucks™ or we do not want the Board to invest in whatever or we do not want you to mention tourism enterprise outside. Why should the taxpayer through the Ministry, through the Government, through the Minister, to the Board, give up all this funding but yet have no accountability to the people who are giving up the funding for it.

[Inaudible interjection]

Hon. Wayne L. Furbert: Because these particular items . . . and this is the only significant difference that we talk about in the Bill; the only significant difference between 2012 and 2013.

I do not care what anyone says on that side, but this is the only significant difference. And the part about the interest . . . I understand the interest part. So, you know, you can talk as much as you want about that you have created something. That is why

we are concerned about the half million dollars. You copied and pasted what was there for 2012, deleted the first part and then say it is significant. That is not significant at all.

So, my concern (speaking on behalf of the taxpayers) is why do you not at least have some control over the Board making decisions with the taxpayers' money to acquire taking on lease, hold, to subscribe or for or acquire any stock—any stock—share, bond, debenture ? I am surprised the Minister of Finance would allow this to happen. There is no control at all. So they can take that \$29 million [and] take \$15 million and invest it. They can. And then you understand why, at the end of the day you say, *Well, what happened to the money?* We just bought some shares at McDonald's®.

[Inaudible interjections]

Hon. Wayne L. Furbert: There has to be some concern. And I do not understand why, in particular. I hope the Minister can get up and explain why these particular items have to be taken out with the Minister, through the Cabinet, having no sort of controls. It is not making any particular sense as far as accountability is concerned.

[Inaudible interjection]

Hon. Wayne L. Furbert: None of these particular items . . . I understand if you told me that [this] was going to generate some tourists tomorrow, they are going to come here by the dozens, because we bought some stock in Chrysler® or whatever. If that was going to happen, you have my support. But it does not produce numbers. Bed nights are not going to go up. The airlines are not going to get full because of you buying stock.

But what it does allow, it allows the Minister through Cabinet to control what the Board is doing on that particular item. So what is the logical reason? I want the Minister to really stand up and tell the country the logical reason and do not tell me of any significant difference. Tell me the logical reason of giving up that power and authority and rights to the Board.

[Inaudible interjections]

Hon. Wayne L. Furbert: Because they do hold them to certain power under [clause] [12](b) to grant loans. But why would you allow the Board to grant loans and do whatever they want in that part? Just allow them to give it up.

[Inaudible interjection]

Hon. Wayne L. Furbert: If you allowing . . . what are you getting upset for, Attorney General? If you are allowing the Board to buy shares and stocks, why do

you not allow them to give out loans? What is the difference? You are still going to get a return, hopefully. But the Minister does hold on to them to borrow money. Just give everything up. Give it up.

[Inaudible interjection]

Hon. Wayne L. Furbert: I just, I really do not understand the logic of that, and I hope the Minister or someone can justify the logic part of it.

Interest of register—understand that. I disagree with the \$5.00. Why \$5.00?

[Inaudible interjection]

Hon. Wayne L. Furbert: I mean, anyone can look at the Register of Interests up here in Parliament of ours for free. I am surprised the Honourable Trevor Moniz supported that. I am sure he . . . just make it free.

[Inaudible interjection]

Hon. Wayne L. Furbert: Why should I pay \$5.00 to see whether or what interests they have?

[Inaudible interjections]

Hon. Wayne L. Furbert: [Clause [14], Madam Chairman, copy and paste.

[Clause] 15—copy and paste.

Do we go up to [clause] 16?

The Chairman: No, that is [clauses] 6 [through] 15.

Hon. Wayne L. Furbert: Right. So, from [clauses] 6 through 15, the majority of those parts are copy and paste, other than the parts where the Minister—and it was copy and paste too—just deleted where the Minister has control.

So we are now up to 15 [clauses] and the majority of the parts are copied and pasted from the 2012 Act.

The Chairman: Thank you.

Are there any other Members?

Thank you. The Chair recognises the Shadow Minister of Workforce Development.

You have the floor.

Mr. Rolfe Commissiong: Thank you, Madam Chairman.

I am trying to get some clarification from the Minister under the heading of Chief Executive Officer 6(3). It says here, “The Chief Executive Officer shall be responsible for the management of the staff of the Authority, and shall make determinations on hiring, promoting, disciplining and dismissing staff after consultation with the Board.”

With respect to the hiring provisions that are going to be delegated to the Chief Executive Officer, is it the intention that the Chief Executive Officer will be making those initial hires that will include individuals that have been made redundant in the department (or will shortly be made redundant)? Will it be his brief to make those hires, Minister? And, if so, what is the timeline for having the Chief Executive Officer in place?

The Chairman: Thank you.

No further questions?

The Chair recognises the Shadow Minister of Education.

You have the floor.

Mr. Walton Brown: Thank you, Madam Chairman.

Just a quick question for the Minister under [clause] 6. Can the Minister tell this House whether or not he intends to issue a directive either to the Board or to the Chief Executive Officer with regard to the establishment of performance measures to assess the effectiveness over successive years of the Tourism Authority?

The Chairman: Thank you.

The Chair recognises the Shadow Minister of Health and Seniors.

You have the floor.

Mr. Zane J. S. De Silva: Thank you Madam Chairman.

I would like [to ask] the Minister in reference to clause 6(3) with regard to the CEO, when it comes to discipline is it the intent of the Minister to have the persons that fill the new positions, will they be members of the unions? And if he is going to be responsible for the disciplining, will that be in consultation with the unions as per any of the collective bargaining agreement or any other union agreements?

The Chairman: Thank you.

Mr. Zane J. S. De Silva: I also have one other, and I mentioned this earlier when we debated. It is with reference to clause 13 and the interest register. As I said then, and I will certainly reiterate now, I hope the Minister is going to be a little bit more stringent with these declarations—certainly a little bit more stringent than what happened at the last election when they had Members on that side of the House that did not declare their interests but are sitting in here in this House tonight.

The Chairman: That was a little too—

POINT OF ORDER

[Imputing improper motives]

Dr. the Hon. E. Grant Gibbons: Yes, point of order, Madam Chairman. That Member should retract that. That was imputing improper motives and he knows it.

The Chairman: Would the Member consider sticking to the legislation and the discussions? Would you consider?

Mr. Zane J. S. De Silva: I would certainly consider that, Madam Chairman. Yes, I sure would.

The Chairman: Would we like to hear . . . I actually would like to hear a retraction of the statement pertaining to anything other than the Bill in front of us.

Mr. Zane J. S. De Silva: Madam Chairman, I will gladly retract it *if* the Members on the other side would tell me that that is not so.

[Inaudible interjections]

The Chairman: That has nothing to do with the legislation or what we are looking at.

We will proceed.

Are there any other Members that would like to speak to clauses—

[Inaudible interjections]

The Chairman: Are there any other Members that would like to speak to clauses 6 through 15?

Thank you. The Chair recognises Mr. T. E. Lister from Sandys South, constituency 33.

You have the floor.

Hon. Terry E. Lister: Thank you Madam Chairman.

Back to clause 6, it talks about the Chief Executive Officer. And I have to confess that I was a bit surprised earlier in the week when I saw the ad in the newspaper, first reaction. My second reaction was to say, *Good thing, given that we are doing what we are doing tonight and given the fact that the staff are being dismissed (if I can use that term) very soon on.* So we actually need to get this person in place fairly quickly so we can move to the next stage.

There has been a lot of talk over the last few years about family and friends programmes and this new Government inherited the same tag. So naturally we will be concerned, especially when we hear that potentially the Chief Executive Officer could be a family or friend. However, if you will allow me, in looking at the advert in the paper under minimum qualifications, number two, it says that it should be non-political and may not have a financial or operational interest in Bermuda's tourism value chain.

I am pleased to see that because the family or friend member that was being bandied about is a former Senator, former Chairman of the last party and all that sort of thing. And this I believe disqualifies the

person. So if that is the case where they have been saying they will look abroad and try and get the best person, or in Bermuda, I applaud the Government for that and the Minister, and I hope that he will not disappoint himself and us by inviting a family member who clearly does not qualify based on that advert.

I would like to move on to clause 12[(2)](f). Madam Chairman, I really do not understand the need for all of the subclauses in 12. The principal business of the Authority is to bring business to Bermuda. That is what it is for. It is to get tourists here; it is not to make a profit. Obviously, it has to pay its way, but to actually say we are going to go . . . for instance it might be very profitable to operate a minibus service. But if I were to learn a year from now that the Tourism Authority was running a minibus service I would be very disappointed. That is not bringing in tourists to Bermuda. It may be very profitable but it is cutting the throat of existing operators. It is just not something I would like to see.

Under [12(2)](f) it says that we can “invest any money of the Authority in any business within or outside Bermuda which will promote or be conducive to the tourism trade in Bermuda.” Now, here is one of the problems with doing that. Let us say there is a marketing firm and promotional firm that the Authority really liked, really had a lot of confidence in and was of a certain size and making a dollar investment in it could boost that firm and then get it to be a bigger firm, a better firm, and could do more for Bermuda. Good move in year one or year two.

But suppose by year four, two other firms have come along and are better, faster, smarter, doing good things and you say, *My gracious! I would actually like to have one of them being our people. But I own this other company.* Hmmmm, not going to want to sell out too quick and they are not going to want you to sell the shares. So now you have to scratch your head and say, *Well, maybe we will just keep our shares in Company A, but we will hire Company B to represent us because they are now better.* You see where I am going with this? It is nonsensical.

I would suggest to the Minister that this sort of clause be looked at very closely. In fact, all of 12 be looked at and the decision made as to which clauses of 12 really are necessary, because I think this is trying to create something akin to a corporate entity and saying, *Well, if you were going to run a business, duh, duh, duh, we would have all these subclauses.* Yes, you would. But that is not our objective. And moving in the way that I just gave as an example works against the Authority and the people of Bermuda rather than working for them.

Thank you.

The Chairman: Thank you.

Are there any other Members that would like to speak to clauses 6 through 15?

Thank you. The Chair recognises the Opposition Leader.

You have the floor.

Hon. Marc A. R. Bean: Thank you, Madam Chairman.

[Clause] 6, Chief Executive Officer, (2)(d). It says that this Chief Executive Office would “report to the Board and be present during such parts of each board meeting that the Chairman deems to be appropriate.” Now, from my understanding the CEO whether it is in a private sector enterprise, a public body, or a quasi-public body is always on the Board of Directors.

Now, the Honourable Member, Grant Gibbons, is saying not always. But would it not make sense. Is that not best practice to have your CEO also function as your managing director, meaning that they sit on the Board? Now, I am looking at this and it says that dependent on the Chair he would be able to call in—like technical officers are called in in the Government—he could be called in to a meeting, the CEO come in, give his explanation, *now remove yourself*. Where is the continuity?

I am raising it because I think it would be better if the CEO was actually a Member of the Board also, but function more so as a managing director. So the Chairman is on one end of the table and the CEO is on the other end of the table, very similar to the General Manager of WEDCO sitting in on all board meetings for WEDCO and all the time. The Chairman does not say, *Come in, give me a brief, and then leave*. It is about coordination. I do not understand. If the CEO has so much responsibility especially in terms of hiring, promoting, disciplining staff and other things, setting strategy, applying it, [and] implementing it, why wouldn't the CEO be a full-time Member of the Board? I think it makes much more sense from a good governance perspective, that is all. I would like for the Minister to consider that.

Also, I would like to reiterate clause 12(2)(b)—to grant loans or advances for anything that is under \$1 million without the approval of the Minister of Finance. So generally you can say that \$29 million, as an example, is set aside, and I can have 29 of the boys come around and I can divvy out a million dollars each to the boys—unaccounted for. Unaccounted for! But I can actually do that. If I want to offer a million dollars and a million and one dollars, I have to go to the Minister for approval.

An Hon. Member: That's an aggregate.

[Inaudible interjections]

Hon. Marc A. R. Bean: My apologies.

The Chairman: That is okay. It was a fair enough question.

Hon. Marc A. R. Bean: It is fair enough.

The Chairman: It can be answered when the Minister—

[Inaudible interjections]

Hon. Marc A. R. Bean: Otherwise . . . I mean, you are getting—

The Chairman: Please, continue.

Hon. Marc A. R. Bean: —all excited, but then explain to me if this is about autonomy. [Clause] 14 says the funds of the Authority shall consist of those sums appropriated by this Legislature—*this Legislature*. You want to get all excited? This Legislature is going to fund it. Right? For the purposes of the Authority—yet we look at [clause 12(2)](e), (f), (g), and (h)—it is in clause 12—and there is not accountability whatsoever for the taxpayers' funds that we in this Honourable Chamber will allocate to the Authority.

There is no accountability whatsoever, and as the Honourable MP Lister pointed out, quite frankly, this is going to be the noose, historically, around the neck of the OBA. It puts paid to whatever they say ideologically, what this or what that. This is the proof of the pudding that you are allowing this Authority to be unaccounted and actually carry on almost like a state-owned enterprise where you can invest in anything—the Board can actually go and invest in Caribbean Airlines stock, or JetBlue stock or Delta stock. The Board can invest in Atlantis in the Bahamas.

[Inaudible interjection]

Hon. Marc A. R. Bean: They can invest in anybody, it says, who is involved in tourism.

What is involvement in tourism? That is for them to define. It is such a grey area that is setting the scene or setting the tone for allegations of corruption and cronyism because there are no checks and balances. As the MP said, this is about promoting our tourism industry, not investing in stock outside of Bermuda. That is foolishness and that is something that I want on record.

I am going to keep it with the OBA until such a time the OBA comes full circle. But do not ever tell me you are all into free market this and free market that. This is the evidence of cronyism at the highest level. There is no accountability.

Then, to add salt into the wounds, we have an interest register. I guess that is supposed to compensate for the obvious conflict of interest that will arise. It says in [clause 13](1), (2) and (3): the Minister or any Board member has any interest conducted by the Authority, the Minister or member shall—the Minister or member?—file a written notice in the interest register

as soon as possible after the Minister or member becomes aware that such business is being transacted.

That still does not answer the major question about cronyism and a conflict of interest. But then, to rub it in even more, after using taxpayers' funds, when the taxpayer wants to come and say, *Well, let me make sure that my taxpayers' funds are not being divided up amongst the boys . . .* You mean to tell me I have got to pay \$5.00 to find that out? It is my funds, my money.

So you are going to make the public pay to find out whether or not you are doing some under-the-table foolishness with their money. It needs to be struck out, it needs to be amended, that clause right there. That fee, it is disrespectful to the taxpayers of this country. Okay? It is disrespectful.

We will be bringing an amendment to strike out that \$5.00 fee. Let that register be open to anyone. It is their money. At least let us have one little safeguard in this no-checks no-balance unaccounted-for piece of legislation. It is totally out of order, and I do not understand how the OBA could sit up here with a straight face and think it is cool that you can actually take taxpayers' money and give your boys the power to divvy it up. Is that their MO? Is that the way they are going to approach Government? Because it has nothing to do with accountability and transparency, nothing at all, unless those words are not English.

[Inaudible interjection]

Hon. Marc A. R. Bean: Yes, it is shameful. It is absolutely shameful. And I bet the media is not going to cover it. It is going to get a free pass, to the detriment of Bermuda.

The Chairman: Are there any other Members that would like to speak to clauses 6 through 15?

The Chair recognises the Shadow Minister of Finance.

You have the floor.

Mr. E. David Burt: Thank you very much, Madam Chairman.

Madam Chairman, I just have a quick questions on section . . . If we are in clause 8, if we are on clause 8(1), where it speaks about "Any person who seeks employment as an officer or employee of the Authority who has, directly or"—

[Inaudible interjection]

Mr. E. David Burt: [Clause] 8(1).

"Any person who seeks employment as an officer or employee of the Authority who has, directly or indirectly, by himself or with his business or other partner, entered into any contract with, for or on behalf of the Authority, shall make a declaration of such con-

tract as a matter as the Board may determine in its rules."

And then, I guess the question I have is, does this apply to anyone who may have had a contract with the Department of Tourism, seeing you are going to hire a whole bunch of people who had the existing contracts with the Department of Tourism? There, I am not sure if this section covers that. I am sure there may be persons or individuals that may have contracts that, you know, may want to apply. I do not necessarily think this covers it because it only talks about people who have contracts under the Authority.

I can understand that the transitional provisions assign contracts from the Board to the Authority. But I do not think there is anything that will assign contracts from the actual department to the Authority. So I am wondering if the Minister could clarify that.

Moving on, Madam Chairman, to [clause] 14(a). This is the one that says, "The funds of the Authority shall consist of—(a) all such sums as may be appropriated by the Legislature for the purposes of the Authority." I was hoping that, and I asked the Minister in the general debate, and I will ask the Minister now in the specifics. Surely, there must be an estimate on how much money is going to be asked of this House to allocate next year. There must be some type of estimate on the amount of funds that is . . . If we went through this whole process and the Minister was very clear in saying that, you know, we had consultants, and we laid out a plan, and this is the paradigm shift, and we have set and we have talked about the \$500,000 that was used to come to this point, well, certainly in all the money that was spent, surely they have a projection on how much money they are going to request next year.

So I am going to ask the Minister if he would share that with us. Thank you.

The Chairman: The Chair recognises the Shadow Minister of Health and Seniors.

You have the floor.

Mr. Zane J. S. De Silva: Thank you, Madam Chairman.

Madam Chairman, I ask Members to go back to clause 6(1). "The Board shall, after consultation with the Minister, appoint a Chief Executive Officer." My question to the Minister is, based on the comments made by his colleague, Mr. Cole Simons, earlier tonight, has [the decision for] this position of chief executive officer been made? Who is he? And will the Minister tell us who it is tonight?

Second question, or comment . . . question. Moving on to clause 8(2). "Any officer or employee of the Authority who has entered into or acquires any such contract and did not make a declaration in terms of subsection (1), or who subsequently enters into or acquires any such contract as provided for in subsection (1) but fails to disclose the contract entered into,

shall be liable, in the discretion of the Board, to summary dismissal without notice.”

My question to the Minister is, In addition to dismissal without notice, if an individual has signed a contract of any value, let alone if it is a significant value, is there anything in place that can take that from him because he got it in a position of authority? So in other words . . . I think the Minister understands what I am saying. Do I need to elaborate? No? Okay. Good. So that would be very good to find out.

Because, you know, if I was on the Board and said, *Well, look. I can get a contract worth \$6 million, \$7 million, \$8 million. Cool. I got a conflict of interest. The only thing that can happen to me is I get dismissed from the Board. I am going to take that risk. Go ahead. Dismiss me from the Board! I still got my \$8 million contract.* So, what other things are in place other than automatic dismissal? Okay.

And a simple, simple question, Madam Chairman, is with clause 13(3) with regard to the \$5.00. Because I cannot figure out why there would be such . . . I mean, a \$5.00 charge. What is the reason behind this \$5.00 charge? What is the logic behind it?

The Chairman: Thank you.

The Chair recognises the Shadow Minister for Home Affairs.

You now have the floor.

Mr. Walter H. Roban: Thank you very much, Madam Chairman.

The Chairman: You are welcome.

Mr. Walter H. Roban: Interested to have a question to the Minister in relation to clause 14, Funds of Authority.

[Inaudible interjection]

[Gavel]

The Chairman: Member, would you like to sit, please?

While I appreciate that there is a tendency of interpolation, I would request that, especially since the hour is getting late and we are only on the first Bill, in order for us to continue in a faster pace we control the interpolations, please. Thank you.

Member, you have the floor.

Mr. Walter H. Roban: Thank you, Madam Chairman.

As I was saying, in relation to clause 14(d)(i) and 14(d)(ii), in relation to Tourism Authority fee and also as . . . Yes, the Tourism Authority fee. This did come up as discussion in the previous part of this debate on this Bill. But the Minister did not answer.

Perhaps I can specifically address the question to the Minister on this, in that certainly there must be some projection as it relates to how much the Tourism Authority is going to raise on this fee over the next year or more since, as the Minister has already said, it is a goal for the actual Authority to be self-sufficient after a period of time.

Perhaps the Minister can reveal, having had the full day of debate, as to what is the projected revenue to be raised around that fee. And also in relation to [clause] 15, with the hotel and rate of 2.5 per cent of the rack rate charge made by each hotel in respect of guests, how much does the Minister perceive or project will be raised over the next two to three years with these fees applied? Thank you.

The Chairman: You are welcome.

Are there any other Members?

Thank you. The Chair recognises the Shadow Attorney General and Shadow Minister of Legal Affairs.

You have the floor—in red.

Mrs. Kim N. Wilson: Thank you, Madam Chairman. One moment, please, Madam Chairman.

The Chairman: Take your time.

[Pause]

Mr. Zane J. S. De Silva: Madam Chairman, when you mentioned the *lady in red*, she got all excited.

[Laughter]

The Chairman: We are discussing the Bermuda Tourism Authority Act 2013. We are in Committee.

Thank you.

Member, you have the floor.

Mrs. Kim N. Wilson: Okay. Thank you.

Madam Chairman, I note that, particularly with respect to certain inherent safeguards, the things that would perhaps—

The Chairman: Where are you?

Mrs. Kim N. Wilson: Pardon?

The Chairman: Where are you?

Mrs. Kim N. Wilson: I'm coming . . .

The Chairman: Oh, okay.

Mrs. Kim N. Wilson: I am between [clauses] 6 and 15. I will not digress from that. But I notice that there are particular safeguards, so to speak, for want of a better word, in this legislation to give the members of

the public comfort in knowing the way that the Authority will be run and managed and to provide a degree of accountability and so forth.

When we look at [clause] 8 that deals specifically, as we have heard, with the declaration of interests by job seekers, and of course it provides that the failure to make such a declaration could result in summary dismissal. So I am sure that would be comforting to members of the public. And likewise, as we have heard already, [clause] 13 deals specifically with the interest, of the register. Now we have already heard some comments about the \$5.00 fee, and I actually also think that that is somewhat unnecessary, but needless to say.

My question and my concern relate to [clause] 9 and [clause] 12. So we see in [clause] 9—

The Chairman: Clause 9.

Mrs. Kim N. Wilson: Clause 9, which talks about the appointments of committees and delegations. And I am just going to paraphrase real quickly. The Board may, in its discretion, appoint among . . . blah-blah-blah-blah-blah. And then it goes on to clause 9(2), “The Board may, subjective to subsection (3)”—and that deals specifically with the committee appointed under that clause—“delegate to—(a) the Chairman; (b) [any of its] members; (c) the Chief Executive Officer; (d) any committee . . . ; or (d) any officer or an employee . . .”

So, save for clause 9(3), that is the exclusion, “A committee appointed under this [Act] shall, in the performance of functions delegated by the Board under subsection (2), at all times be subject to such directions, conditions and restrictions as may be imposed by the Board . . .”

So in essence, what concerns me is that under clause 9, the Board, oblique Authority, has the power to delegate. They can delete some of their powers. But then yet, when we see, as was raised previously, under [clause] 12, Powers of Authority, 12(2)(a), “to acquire, take on lease, hire, hold,” shares land, *et cetera, et cetera*. And what is concerning, and I am hoping that the Honourable and Learned Minister will address this, is that we have in one [clause], in 12(2)(a) the Authority has the power to acquire land, buy stocks, surrender, charge, mortgage, everything. It does not say where the land is, so they could buy land literally in Timbuktu. No accountability, and we have heard that already.

Previously, in certain pieces of legislation . . . and I ask the Minister, the Honourable Minister, if he can identify for me what other legislation exists in Bermuda that allows for an authority to buy, acquire, take lease, convey land of any kind, of any movable kind without any oversight of the Government that is elected?

An Hon. Member: Using their money.

Mrs. Kim N. Wilson: Using their money!

So my concern is that, in addition to us not having proper checks and balances that say that the Minister, and then via the Minister, obviously, the Cabinet, must approve the acquisition of land, property, shares, *et cetera, et cetera*, using the taxpayers’ dollars, so we have no oversight, but yet—and herein lies my question—when we look at [clause] 9, the Board can delegate that.

So not only is it that the 16 or whatever member, however members are on the Authority can buy, share, acquire land without the approval of the Minister, without the approval of the Cabinet, taxpayers’ dollars, they can delegate that power under [clause] 9.

So, my concern, as I have indicated—and I am hoping the Minister can answer—is (a) what other legislation out there is so loosey-goosey, does not have any checks and balances when the money is being supplied by the taxpayers; and (b) how is it that we have legislation that allows for a Board to buy, acquire land, *et cetera*—any land, so that could be anywhere in the world—without Ministerial involvement or approval, without Cabinet approval, who has been elected by the people of this country, using the money of the people of the country? And they can delegate that power to anybody else to buy, sell, acquire land, *et cetera*, without any type of authority or accountability by the elected people?

That is my question. Thank you.

[Crosstalk]

The Chairman: Thank you, Member.

Are there any other Members that would like to speak to clauses 6 [through] 15?

Thank you. The Chair recognises the Honourable Attorney General.

Mr. Mark J. Pettingill, you have the floor.

Hon. Mark J. Pettingill: Thank you, Madam Chairman.

Sometimes, one wants to choke on the level of hypocrisy when you hear comments about potential cronyism, and so on, when what we know is the shadow that hangs over that previous Government and continues to be investigated and hangs over them.

[Inaudible interjections]

Mr. Zane J. S. De Silva: Excuse me. Point of order, point of order, Madam Chairman! Point of order. Point of order!

The Chairman: Your point of order?

POINT OF ORDER

[Imputing improper motives]

Mr. Zane J. S. De Silva: The Honourable Member needs to pull that statement back. Pull that back!

The Chairman: Thank you, Member.
Have a seat, please.

Mr. Zane J. S. De Silva: Imputing improper motives, he needs to recall that statement!

The Chairman: Member, I heard you. Thank you. Take your seat.
Member?

[Inaudible interjections and crosstalk]

Hon. Mark J. Pettingill: I can assure you I am one of the people that is looking at the activities of the previous Government. So I am not recalling any statement.

[Inaudible interjections]

The Chairman: Member, continue.

Hon. Mark J. Pettingill: We have already highlighted in this House some of those activities. There are more coming.

Hon. Wayne L. Furbert: The Honourable Member! Madam Chairman! Madam Chairman! Madam Chairman!

Hon. Mark J. Pettingill: So, let me just say this, speaking the point. There will be no withdrawal, no withdrawal.

[General uproar]

Hon. Wayne L. Furbert: Madam Chairman! Madam Chairman! Madam Chairman!

Hon. Mark J. Pettingill: No withdrawal.

Hon. Wayne L. Furbert: Madam Chairman! Madam Chairman!

Hon. Mark J. Pettingill: We will highlight—

Hon. Wayne L. Furbert: Madam Chairman! Point of order!

Hon. Mark J. Pettingill: We will highlight it.

Hon. Wayne L. Furbert: Point of order! Point of order!

The Chairman: I cannot even hear. Thank you very much.

Hon. Wayne L. Furbert: Madam Chairman, you cannot keep—

The Chairman: Thank you.

Hon. Wayne L. Furbert: You cannot allow this Member—

The Chairman: Member! Let me acknowledge you first, please.

Hon. Wayne L. Furbert: I thought you did, Madam.

The Chairman: No. Thank you. But I recognise the Honourable Member, the Shadow Minister of Tourism. You now have the floor.

POINT OF ORDER

[Imputing improper motives]

Hon. Wayne L. Furbert: Thank you.

Madam Chairman, you cannot sit there and allow this Honourable Member to impute improper motives on the Members on this side of the House. Bring facts into this House. Right?

The Chairman: Thank you, Member.

An Hon. Member: Bring it on!

Hon. Wayne L. Furbert: And as he knows, he knows that . . . Yes, we love documents, too, Madam Chairman. We love documents, too. So bring those, too.

The Chairman: Thank you, Member.
Member?

Hon. Mark J. Pettingill: Keep running the rope out. Keep running the rope out.

The Chairman: Minister.

Hon. Mark J. Pettingill: We have already seen some. But here we go.

Just to these points, because I realise how they tend to come with respect to the House, is looking at the stuff as it goes. So, these are standard corporate clauses. And I appreciate that that is why we are the Government dealing with business, because they do not necessarily get how that works. And we have seen a demonstration of that over a number of years.

But they are speaking about clauses, with regard to no checks and balances.

Mr. Derrick V. Burgess, Sr.: Point of order, Madam Chairman. Point of order.

[Inaudible interjections and crosstalk]

The Chairman: Sit. Have a seat. Do have a seat. Thank you.

The Chair recognises the Deputy Opposition Leader.

You have the floor.

It would be easier if I could even hear what he has to say.

POINT OF ORDER

Mr. Derrick V. Burgess, Sr.: Yes. Madam Chairman, you cannot continue to allow that Member to stand up here and make that argument. That is nonsense that he is talking about, about this party. He needs to stick to this Bill.

The Chairman: I agree.

Mr. Derrick V. Burgess, Sr.: He thinks he has got some superior authority over this House. He needs to cut that nonsense out.

The Chairman: Member. Member.

[Inaudible interjections]

The Chairman: I would ask that we stick to the Bill as neatly as we can.

Hon. Mark J. Pettingill: I take my friend's point.

The Chairman: Thank you.

Hon. Mark J. Pettingill: I would be upset if I was them as well.

[Laughter]

The Chairman: Ah.

Hon. Mark J. Pettingill: Let me just say this. When you look at [clause] 12, let me help you out with this. These are standard corporate clauses in any type of standard corporate structure, including authorities. Those are just like legal provisions that you will see in an authority, that you will see in corporate structures.

So, when we talk about checks and balances, if you read ahead to like [clause] 20—

The Chairman: Ah, but we are not there.

Hon. Mark J. Pettingill: No, but this is the whole point. Because so much time . . . This is the whole point. I realise we are not there. That is the problem. They are criticising sections saying, *There are no checks and balances*. And we hear the Leader of the Opposition interpolating. He loves to talk about cronyism and all this stuff. And he clearly has not read the sections to come.

Because if he was to read them, he would know that all the checks and balances are contained

in the sections that deal appropriately with the Financial Provisions. And it comes under Part 4, which follows this one.

So, for all the listening public that is out there listening to all of, with respect, the nonsense that you heard on the criticisms of these sections, if they bothered to read the next part and all of the standard provisions that anybody would be able to accept would apply to an authority, they will see things with regard to annual reports, the tabling of such reports in the House and the accounts.

[Inaudible interjections]

The Chairman: Member. Member, I appreciate your input. But the Minister will get to that when we get to that clause.

Hon. Mark J. Pettingill: But, Madam Chairman, with respect, when you hear that type of comment coming out, some people are going to go to bed because they are going to carry this nonsense on deep into the night. So it is important they do not just hear that part, and know that there is more to come. If they bothered to read ahead, they would see that, too.

The Chairman: Are there any other Members that would like to speak to clauses 6 through 15?

[Inaudible interjections and crosstalk]

The Chairman: Member. Member.

Thank you. The Chair recognises—

[Crosstalk]

[Gavel]

The Chairman: Enough! Thank you. We are to respect each other as we do the people's work. That goes on both sides! Thank you very much.

The Chair recognises the Shadow Minister of Finance. You have the floor.

PROPOSED AMENDMENT TO CLAUSE 13

Mr. E. David Burt: Thank you very much, Madam Chairman. I do believe that the Whip has submitted an amendment to the table. And I would like to officially move that amendment.

The amendment is the Amendment to the Bermuda Tourism [Authority] Act 1913, and it is moving to amend clause 13, the interest register. And the amendment reads, "to delete the words from clause 13(3) 'upon the payment of \$5.00 or such other fee as may be prescribed.'"

The Chairman: Thank you. We have in front of us . . . does everyone have their copies?

Some Hon. Members: No.

The Chairman: Then we are just going to wait for a few minutes while everyone gets their copies. We do have an amendment that has just been presented. It is an amendment to the Bermuda Tourism [Authority] Act 2013.

[Pause]

The Chairman: Does everyone have a copy of the amendment before them?

Member, you have the floor. Would you like to elaborate?

Mr. E. David Burt: Well, Madam Chairman, I think that we have heard the arguments on this side. We know that the register of interest, for instance, for the Members of the House of Assembly is published online. We know that many people publish their registers of interest online. And I just think that it does not make sense for, in a digital age, that we are going to attempt to charge people to look at something for things that could simply be put online.

Hon. Shawn G. Crockwell: Point of clarification, Madam Chairman.

The Chairman: Thank you. Minister?

POINT OF CLARIFICATION

Hon. Shawn G. Crockwell: Madam Chairman, in relation to this particular clause, and I will address all of the clauses raised by the Members in due course, this clause was inserted. It is a standard clause, particularly for corporate, statutory corporate bodies, as well as some authorities.

But I hear the concerns of the other side. And we have no challenge accepting this amendment.

The Chairman: Perfect.

At this point, then, we will have at the conclusion, once we go through, we will then include the amendment. Up until that point, we are still discussing clauses 6 through 15.

Are there any Members that would like to speak further to clauses 6 through 15?

Thank you. The Chair recognises the Shadow Minister of Tourism. You have the floor.

Hon. Wayne L. Furbert: Madam Chairman, thank you.

The Attorney General says that these are standard corporate clauses. Corporate corporations, this is not . . . This corporation is receiving funding from the Government; 95–98 per cent of the funding is coming from the Government. I can understand if it was a standard clause out there, a corporation which

is not receiving . . . Three years' time and they are fully funded by themselves, they can do whatever they want. But as far as them being held accountable for the public, you cannot have the Board giving the authority to another body to be able to go out and buy shares and everything else!

[Inaudible interjection]

Hon. Wayne L. Furbert: Yes, but . . . and I have the right to say it again. I have the right to say it again.

The Chairman: Yes, you do.

Hon. Wayne L. Furbert: Okay? I have the right to say it again. I am just saying, responding to the Attorney General. If that is the information that we are receiving from the Attorney General, then he is getting the wrong advice and needs to change the Attorney General.

The Chairman: Thank you.

Are there any other Members that would like to—

[Inaudible interjection]

The Chairman: I am actually speaking. Thank you.

Are there any other Members that would like to speak to clauses 6 through 15?

There are no other Members. Minister?

Hon. Shawn G. Crockwell: Thank you, Madam Chairman.

Madam Chairman, clause 6, I believe the Honourable Wayne Furbert raised the question that there was no difference with the CEO. And I do not know if we are going to go through this all night about the differences. Let me just say that there is no question that we did take sections from the Tourism Board Act. I said that in my brief. There was a good deal of the Tourism Board Act.

An Hon. Member: [It was] 90 per cent!

Hon. Shawn G. Crockwell: And if it is 90 per cent of it, I do not know why they are making so much noise.

[Laughter]

Hon. Shawn G. Crockwell: You know? If it is 90 per cent of the same thing, then they are criticising their own work. But, is my 10 per cent, is that controversial?

Sorry?

[Inaudible interjections]

An Hon. Member: How much did you pay MJM?

Hon. Shawn G. Crockwell: How much did you pay Trott & Duncan?

[Laughter]

Hon. Shawn G. Crockwell: Exactly. Okay.

Now, you know, it is interesting. They interpolated how much we paid MJM, Madam Chairman. This is the first time since I have been in politics that I have heard any Government being questioned on, number one, who they hire for their legal work, or how much they pay for their legal work. We heard just a few weeks ago—

Mr. Zane J. S. De Silva: No! Point of order! Point of order! Point of order, Madam Chairman!

The Chairman: The Chair recognises the Shadow Minister of Health and Seniors.

You have the floor.

POINT OF ORDER

Mr. Zane J. S. De Silva: The Honourable Member who just made that statement might need to retract it, because he was here. And the Deputy Leader of the Opposition, Derrick Burgess, will surely verify what I am about to say.

When Julian Hall was hired by the PLP Government to be a consultant almost everybody, to a man over on that side, complained about him. So, do not say that they have never questioned it, because they have! And they have a history of it!

The Chairman: Thank you, Member.

Hon. Shawn G. Crockwell: Madam Chairman, the Honourable Member did not hear what I said. That was the hiring of a *consultant*.

An Hon. Member: He is a lawyer!

Hon. Shawn G. Crockwell: Yes, he is a lawyer, but he was a consultant.

An Hon. Member: Still a lawyer!

Hon. Shawn G. Crockwell: Why don't you listen to what I am trying to say? Okay? In my experience in politics, I have never heard anyone criticise the Government, the previous Government, for choosing the lawyer of their choice.

The relationship between client and attorney is a special relationship. You want to hire an attorney that you are comfortable with. The former Government hired Trott & Duncan, hired Attride-Stirling, hired Victoria Pearman, hired Charles Richardson, hired Saul

Froomkin. I have no problems with that. And hired Conyers Dill & Pearman.

But the point is, when they hired Trott & Duncan, no one complained that they should not hire Trott & Duncan. They were comfortable with Trott & Duncan! I have no problem with them hiring Delroy Duncan because he is a very astute attorney. And no one questioned how much they paid Trott & Duncan.

And this is what the Honourable Attorney General was talking about, the hypocrisy! So they can hire the lawyers that they are comfortable with, but we cannot? If we are going to hire, we have got to put it out to tender? I never heard of putting out to tender legal advice! Have not heard of it. And I have never heard of anyone declaring how much they paid their lawyer.

Mr. Derrick V. Burgess, Sr.: Point of order. Point of order, Madam Chairman.

[Inaudible interjections]

Mr. Derrick V. Burgess, Sr.: I am sorry. I am sorry.

The Chairman: The Chair recognises the Deputy Opposition Leader. You have the floor.

POINT OF ORDER

Mr. Derrick V. Burgess, Sr.: Yes. Madam Chairman, we are talking about the drafting of Government legislation.

The Chairman: Yes, we are. And I am glad you mentioned that.

Mr. Derrick V. Burgess, Sr.: Which is normally carried out by the Attorney General's Chambers.

This was not carried out by the Attorney General's Chambers. And that is the difference. We have not hired anybody to do any drafting for us. And this is where we call it a waste of money, because we have staff paid by Government to do this drafting.

The Chairman: Thank you. Thank you, Member.

Hon. Shawn G. Crockwell: Madam Chairman, I am not going to belabour this point because it is not part of the clauses. But outsourcing legal work, especially when you have a reduced drafting department, is not unusual.

Now, Madam Chairman, the difference between—

Mrs. Kim N. Wilson: Point of clarification, Madam [Chairman].

The Chairman: The Chair recognises the Shadow Attorney General and Shadow Minister of Legal Affairs.

POINT OF CLARIFICATION

Mrs. Kim N. Wilson: Thank you, thank you.

My point of clarification relates to the comment about limited staff within the drafting section of Chambers. I can confirm that the amount of drafters that exists at Chambers is the same as when the PLP Government were formally there and when I was the Attorney General. So, for this comment to be speaking about the lack of drafters, I think is unfortunate and unfair for the hard work that the men and women do in the drafting section.

The Chairman: Thank you, Member.
Minister?

Hon. Shawn G. Crockwell: Madam Chairman, the work that the drafters do is substantial. One drafter got sick, and I was upset that she got sick. That is how hard they work. They cannot even afford to get a day off for being sick.

So, their office has been overworked. And in this instance, we outsourced the drafting. Now—

An Hon. Member: Never! Never!

[Inaudible interjections]

Hon. Shawn G. Crockwell: Madam Chairman, the debate is now deteriorating. And I think—

[Inaudible interjections]

[Pause]

Hon. Shawn G. Crockwell: Madam Chairman, the difference with the appointment of the CEO under the Tourism Authority Act, number one, is that it is compulsory. Under the Tourism Board, it was permissive. And in this instance, it is with the consultation of the Minister rather than the approval. So, those are the substantial differences.

There were quite a few Members—the Honourable Wayne Furbert, the Honourable Terry Lister, [and] the Opposition Leader—raised issues as it relates to clause 12. And, Madam Chairman, the issue is, first of all, we have not gotten to [clause] 17. But [clause] 17 is going to help to explain the importance of clause 12, particularly under [clause 12](2).

Now, our position as it relates to how this entity must operate is that it needs to operate like a corporation. We recognise that it will be receiving public funds. And this is the risk that is involved in this. But in order for the organisation to engage in commercial activities as it relates to tourism and discharging its

functions under this Act, in order for it to be able to be swift, agile, get the job done, it has to be able to do that without having to seek the approval for every transaction it wants to do with the Government.

Now, I have heard the Opposition Leader, I have heard others, the Shadow Attorney General, raise issues about the potential for cronyism and the like, and even raise the word “corruption.” There is potential. There is potential. That is the risk, Madam Chairman.

But we fundamentally believe that there are sufficient safeguards in place in terms of being able to see their accounting activities, their financial activities on an annual basis; that there is going to be inspection of the minutes. And so, my position is, I do not anticipate any malfeasance going on in the Tourism Authority at all. And that is why I want to be involved in the appointment of the Board, to ensure that the people that are appointed to the Board—and that is going to be made public to the country. They are going to know the individuals that are going to be appointed to the Board.

Now, we heard people raise—they are raising names of their own former members, Dr. Ewart Brown. I do not know if they are insinuating that Members from that side, if they had this power, would engage in corrupt practices. I do not know if that is the insinuation.

Hon. Marc A. R. Bean: Point of order. Point of order. That is what I was waiting for.

POINT OF ORDER

Hon. Marc A. R. Bean: What we are actually saying is that if Dr. Ewart Brown brought this piece of legislation you would have your people marching on Parliament and going to Whitehall and the FCO [Foreign and Commonwealth Office], claiming that we are doing something worse than TCI [Turks and Caicos Islands] or Cayman. That is what they will be doing. It is a double standard. That is the point.

The Chairman: Thank you, Member.

Hon. Shawn G. Crockwell: Well, Madam Chairman, the point I am making is that I am confident that the individuals that are going to be involved in executing the Tourism Authority will do so at a high level and with integrity.

So, if the other side is accustomed to that type of behaviour going on, then that is with them. That is with them. Okay? But my anticipation is that this Authority will operate with the highest integrity.

Now, if we look at clause 12(1), and I think many of the Members, as they refer to, we are talking about all of the various powers under [clause] 12(2). But the powers under clause 12(2) must be executed in relation to clause 12(1). And clause 12(1) says, “. . .

the Authority shall have power to do anything for the purpose of discharging its objectives under this Act . . ." So it is not just about, *Oh, we are going to go and invest in Gibbons Company. Or, We are going to just go buy land in Timbuktu.* That all of the powers are connected to the discharging of the objectives.

Some Hon. Members: Ooh!

Hon. Shawn G. Crockwell: And so, that is the connection there, Madam Chairman. So, it is not going to be just willy-nilly arbitrary investments, arbitrary buying of stocks. It has to be contiguous with the objectives under this particular Act. Now, Madam Chairman, the objectives are defined in the Act.

Now, we have just dealt with the \$5.00. I understand. It is just common practice. What the \$5.00 would have done was offset the cost of maintaining the register. But we have accepted the amendment.

Control of staff, that was raised by the Honourable Member, Mr. Commissiong, who is no longer in the House in the moment, under [clause] 6(3). So I do not know if he wants . . . He said clause 6(3), he had a question. "The Chief Executive Officer shall be responsible for the management of the staff of the Authority . . ." I do not know, Honourable Member. If you can just restate your question under clause 6(3) so I can just be clear on exactly what you wanted me to address?

Mr. Rolfe Commissiong: If I may, Madam Chairman.

Hon. Shawn G. Crockwell: Was it just whether or not the CEO would be hiring the staff? Yes.

Mr. Rolfe Commissiong: Yes, yes.

Hon. Shawn G. Crockwell: The answer is, the CEO—

Mr. Rolfe Commissiong: Yes, whether he will be hiring the initial, or dealing with the initial staffing requirements of the office. And as a follow-up to that, I mean, I stated it at the time, was, and then, are we to assume that he will be dealing with the hiring issues surrounding the existing staff? And what is the timeline for the CEO's position to be filled?

Hon. Shawn G. Crockwell: Thank you. Thank you, Honourable Member.

The timeline is the 1st of January. And he will be involved, intricately involved in the hiring of the staff. Clause 6(2)(d).

Mr. Derrick V. Burgess, Sr.: Shawn, excuse me.

The Chairman: Member!

Mr. Derrick V. Burgess, Sr.: I am sorry, Minister.

Hon. Shawn G. Crockwell: That is my cousin! That is my cousin, Derrick.

Mr. Derrick V. Burgess, Sr.: Yes, we are relatives. It is getting late, you know.

On this [clause] 6(3) about hiring a staff. You say this person will be in place by January. So, what you are saying is that the staff that will be made redundant, the positions, they will not get this job until January? What is going to happen in that period of time?

Hon. Shawn G. Crockwell: Yes. Thank you, Madam Chairman.

We have stated publicly that the transition is going to go up until March 31st next year. So, they will be employed until they are replaced within either the Authority or another Government entity. So there will be no cutting-off of employment between now when the Authority is fully functional.

[Inaudible interjection]

Hon. Shawn G. Crockwell: Yes.

So, the Honourable Member, Walton Brown, asked a question on clause 6 as well. Will we issue a directive on the performance measures? That is a matter of policy. And certainly, I do not believe that I as a Minister will be giving a directive. But certainly, policy would dictate that they produce performance measures.

The Honourable Member, Zane De Silva, asked a question about the CEO. And he asked a question about whether or not the chairman had been appointed. No. We are looking for the chairman. The independent—actually, I am sorry. CEO, CEO.

Mr. Zane J. S. De Silva: Yes, clarification, Minister. I did not ask if he had been appointed. I asked if he had been chosen.

Hon. Shawn G. Crockwell: No. the CEO has not been chosen. And so, we are in the process of trying to find the right CEO.

The Honourable Independent Member asked a question as to whether or not we will adhere to that particular line in the ad. And I am not going to name who I believe he was referring to. But I can assure him that we will adhere to the line in that ad. And so, the look, the search for the CEO is on-going right now.

The Honourable Zane De Silva asked about the interest register and whether or not a person will lose their contract. The position is that if an individual is in contravention of declaring their interest, that they are liable to summary dismissal. Whether or not any . . . I mean, if it was procured by fraud or anything of that nature . . . If it was procured in a proper way but for the declaration of interest, there is not a provision in this Act to then reclaim that particular contract.

Mr. Zane J. S. De Silva: So, for clarification on your point . . . Thank you, Madam Chairman.

So, if I am on the Board, and I am privy to information, and I receive a contract for \$10 million, what you are saying is, is that . . . If I bid on it through an RFP [request for proposal], right?

[Inaudible interjection]

Mr. Zane J. S. De Silva: Okay, \$5 million. And if I bid on it through an RFP, and I was privy to the information beforehand because I was a Board member, I received that contract for \$5 million, you are saying that I will be dismissed. But because I won it through an RFP, that is it? No other penalties whatsoever?

Hon. Shawn G. Crockwell: Yes, just to reiterate. In the legislation, the immediate consequence of that is that that member would be liable for summary dismissal. The Board has the power to create its own rules. And you flagged something that I am sure the Board can consider to be appropriate, that in the event of a major contract that you referred to, if the member or employee or whoever acquired it in such a way, then we can create rules to deal with that. So I appreciate the Honourable Member for that.

[Inaudible interjection]

Hon. Shawn G. Crockwell: Yes. Clause 8(1) allows for, the Board may determine its own rules. Yes.

The Honourable Opposition Leader did raise the issue about being a member of the Board. We considered that model. We considered both models. The points that you made are cogent points. We felt that clearly the CEO would be working very closely with the Board. In order for it to be successful, the CEO will be working very closely with the chairman.

We did not make the CEO a mandatory Board member because of the fact that we have reduced the size of the Board as such. We wanted to have the flexibility to be able to choose Board members. We do not want to have the Board with mandatory members stated in the statute. But by practice, we certainly envisage the CEO being involved with the Board, attending Board meetings and the like.

But it is not a requirement. This allows us to have the expertise of the CEO, as well as giving us the ability to appoint seven additional members to the Board. So we did not want to curtail ourselves and lose an appointment because we had reduced the number as such.

Mr. Zane J. S. De Silva: Point of—

The Chairman: Clarification?

Mr. Zane J. S. De Silva: Yes, a point, Minister, a point, Minister.

The Chairman: You have the floor.

POINT OF CLARIFICATION

Mr. Zane J. S. De Silva: Thank you very much, Madam Chairman.

Just getting back to the question and answer, which you answered very nicely; thank you, Minister.

But on clause 8, when I was talking about this dismissal without notice, clause 8(2) refers to an employee or an officer. But if you flick over to clause 13, it talks about the Board member, which does not have the dismissal without notice in it. Do you see what I am saying? Do you see?

So, to clarify, clause 8(2) is, "Any officer or employee." It relates to an officer or employee, dismissal without notice. But in clause 13, it refers to Board members, but there is no immediate dismissal, or any other penalty for that matter, or any other recourse..

The Chairman: Thank you, Member.

Hon. Shawn G. Crockwell: Yes. The summary dismissal always refers to employment. It refers to employment. The Board are not employees. The Minister retains the authority to remove a member of the Board. And we have not gotten there yet. But in circumstances, some of them are prescribed, but there is also a broad clause that allows for the Minister to remove if they consider that person not to be fit and proper. So, there are various clauses that will allow the removal of a Board member if we find that that individual has not acted appropriately.

So, number one, they have to declare their interest. And if there is a situation as you have raised, Honourable Member, the Board has the right to create its own rules to address it. And I, as the Minister, or whoever succeeds me, would have the authority to remove that Board member if it is deemed their conduct does not amount to being fit and proper.

I think we dealt with clause 12(2)(b) in terms of the amount of the loan. It is not \$1 million per loan. That is not the limit; it is aggregate. And again, we were talking about funding by the legislature and that we can go and buy stock in JetBlue and the like. Again, the Board has to conduct its affairs in accordance to clause 12(1), to discharge the objectives under this Act.

The Honourable Member David Burt, under clause 8(1), asked if that would apply to members of the department. It will. Anyone who has a contract with the Authority has to declare it. So, again, the previous Act, under the Tourism Board Act, there was an absolute proscription of individuals being part of the Tourism Board or being an employee of the Tourism Board if they had any contract. They could not be a part.

We felt that that was way too limiting, because this is a small community. People are going to have an interest in tourism, you know, whether it be a restaurant or the like, or own a taxi business. So, in this way, all we are saying is, declare it, and then it will be examined as to whether or not it would create a significant conflict. So it will apply, Honourable Member, to the existing department. If they do have a contract, they have to declare it.

Clause 14, how much will this cost? We have determined that what we are going to do, going forward, is the budget, as the budget exists right now, \$27 million plus the tourism guest fee is approximately \$30 million. That is the budget that we are going to stick with, going forward, for the Tourism Authority.

Again, this is less than the previous budget and is 40 per cent less over the last five years. It is a significant amount of money, absolutely. We are creating a \$30 million entity to try and turn around the tourism industry. Again, let me state that it is the intention, and hopefully, the Authority will be able to collect more as it relates to the tourism guest fee. One of the Members stood up and said that the tourism guest fee previously was bringing in around \$3 million. But that is what it brought in. That is not all it could bring in. In fact, the Chairman was able to raise a significant amount of the tourism guest fee after he took over. That was one of the principal objectives, and he was charged to get people to pay. And he raised a large amount of money in a very short period of time. So there is a great potential that the Tourism Authority fee can increase, going forward.

But again, in relation to [clause] 12(2), like I said, that dovetails with clause 17, Madam Chairman, in that the Authority needs to have the ability to raise funds through commercial activities so that it can eventually be self-funding. And when we go on, we will see that those monies that it raises through commercial activities must be applied to further enhance the tourism product.

So, you know, one Member said, *Well, how is it going to be self-financing?* Well, if we do not give the Authority the ability to engage in commercial activities, broad range, common commercial and corporate activities, it is not going to be able to raise sufficient funding.

The question about delegation. Again, in clause 9, I believe the Honourable Member, Ms. Wilson, "The Board may, in its discretion, appoint from among its own members . . . committees" and the like, and it can delegate. But if you look at [clause] 9(3), "A committee appointed under this section shall, in the performance of functions delegated by the Board under subsection (2), at all times be subject to such directions, conditions and restrictions as may be imposed by the Board and shall adhere to all policies of the Board."

So, those committees, whoever receives the delegated power, must—at all times will be subject to

the directions, conditions and restrictions imposed by the Board. So it is not just going to be, *I delegate this entity the authority*, and the Board walk away and let it do what it has to do. It has to do it within the conditions and directions of the Board.

And then further, under clause 9(6), it says, "The chairman of each committee appointed under this section shall ensure that the committee prepares and submits to the Chairman a report of the functions delegated to the committee, and the progress thereof, before the end of every quarter . . ." So, again, the chairman will be aware, fully aware of the activities of those committees, and those committees will be under the direct control of the Board. So, we see sufficient checks in terms of the delegation of powers there.

Madam Chairman, I believe I have covered most of the questions that were posed.

The Chairman: Are there any other Members that would like to speak to clauses 1 through 16?

Thank you. The Chair recognises the Shadow Minister of Public Safety.

You have the floor.

Hon. Michael J. Scott: Madam Chairman, thank you.

With your leave, Madam Chairman, I wonder if the Minister would field the question that I posed. It might be properly brought under [clause] 8.

Will the ending of the positions in the Department of Tourism result in the breaking of services? And has that been considered? Will those Government employees, those civil servants' redundancies result in breaking of services for the purposes of pension?

The Chairman: Thank you.

Are there any other Members that would like to speak to clauses 6 through 15?

Thank you. The Chair recognises the Shadow Minister of Health and Seniors.

You have the floor.

Mr. Zane J. S. De Silva: Thank you, Madam Chairman.

I had two questions that the Minister did not address. One was, clause 6(3) with regard to discipline. And I had asked the question—

[Inaudible interjection]

Mr. Zane J. S. De Silva: You got me, Minister? You say you got me? Okay. I will not repeat it. But of course, for the—

[Inaudible interjection]

Mr. Zane J. S. De Silva: Okay. When the positions are filled, once the redundancies have been made and the positions have been refilled, one, will the new

employees have union representation? And two, would the chief executive officer, who is responsible in [clause] 6(3) for . . . One of the things he is responsible for is discipline. So, will that happen in consultation with the unions?

And the second question I had was with regard to [clause] 12(1). And the Minister was just referring to [clause] 12(1), and he was talking about the fee, the 2.5 per cent fee. My question is, have all the fees been paid by those responsible to pay?

The Chairman: Thank you.

Are there any other Members that would like to speak to clauses 6 through 15?

Minister?

Hon. Shawn G. Crockwell: Yes, thank you, Madam Chairman.

To the question about breaking service from the Honourable and Learned Member, we are working through all of that right now. Clearly, those are some complex issues as it relates to pensions, and even complex issues as it relates to the overseas employees. But it is our intention that the employees remain whole. It is our intention that they remain whole.

To the Honourable Member, Mr. De Silva, whether or not the Authority, the staff is unionised, that would be a matter for the employees. Like every other entity, they would have an opportunity, if they have the sufficient numbers and they get together and decide they want to be unionised, and they can make that decision. And if they do choose to be unionised, then all of the necessary consultation with the union and collective bargaining agreements will apply.

So, that is entirely up to the employees. And we anticipate that that will be the case.

In terms of outstanding fees, my information, I believe was at the end of June, our last financial statement, that \$7,000 of fees are outstanding. Thank you.

The Chairman: Thank you.

Are there any other Members that would like to speak to clauses 6 through 15?

If there are no other Members that would like to speak to clauses 6 through 15, Minister?

Hon. Shawn G. Crockwell: Thank you, Madam Chairman. I think that we are all going to have breakfast together tomorrow morning. It looks like it.

So, Madam Chairman, I will pick up with clause 16. Clause 16 provides for revenue that the Authority—

The Chairman: Minister?

Hon. Shawn G. Crockwell: Yes, ma'am?

The Chairman: Are you going to go from 16 to the end? I would like to have confirmation so that everyone can . . . Are you moving clauses 16 through 29?

Hon. Shawn G. Crockwell: Madam Chairman, that last exercise was quite extensive because there were so many clauses.

The Chairman: Yes.

Hon. Shawn G. Crockwell: So I will go up unto clause 26. Oh, you want to go to clause 21? We are doing them in fives.

The Chairman: Right, clauses 16 through 21.

Hon. Shawn G. Crockwell: Okay. Hold on. What is the preference of the Opposition?

[Inaudible interjections]

Hon. Shawn G. Crockwell: Okay. They are asking me to go to the end, so we will go to the end.

The Chairman: Fine.

Hon. Shawn G. Crockwell: Madam Chairman, clause 16 provides for revenue that the Authority may collect from fees and charges authorised by the Minister. The clause further provides for the authority to retain such of the revenues collected as the Minister may determine after consultation with the Minister of Finance.

Clause 17 enables the Authority to retain profits obtained from its commercial ventures in order to fund tourism projects.

Clause 18 provides for a limitation to the liability of the Authority to such funds and assets as are held by the Authority at the time of any particular claim.

Clause 19 provides that the financial year of the Authority shall end on the 31st of December in each year.

Clause 20 provides for the accounts of the Authority and requires that the Authority maintain proper statements of its financial affairs and that it should prepare in respect of each financial year a statement of its accounts in such form as required by applicable accounting standards.

Clause 21 provides for the annual report. The Authority is required to submit to the Minister as soon as practicable after the end of each financial year an annual report on the exercise of its functions during that year.

Clause 22 provides for the annual report and statement of accounts of the Authority to be made and transmitted to the Minister. The Minister is required to lay a copy of the annual report and statement of accounts before both Houses of the legislature.

Clause 23 provides for the preservation of secrecy with respect to the affairs of the Authority by members of the Board or any person who is, or is acting as, an officer, a servant, an agent or an advisor of the Authority, and creates an offence for the contravention of the clause.

Clause 24 provides for the making of rules by the Board relating to its functions under the Bill.

Clause 25 provides for the making of regulations by the Minister for the purposes of the Bill, and in the making of such regulations, the Minister may prescribe anything that is necessary or convenient for the carrying out of the provisions of the Bill.

Clause 26 provides for the repeal of the Tourism Board Act 2012.

Clause 27 provides for transitional arrangements relating to contractual and operational matters relating to the affairs of the Board under the Tourism Board Act 2012.

Clause 28 provides that the Board appointed immediately after the commencement of the Act shall be appointed by the Minister after consultation with the chairman, and the terms of appointment shall be two years for two of the members, three years for three of the members, and four years for two of the members.

Clause 29 provides for the Minister to cause the Act to come into operation on a date or dates as the Minister may determine.

Thank you.

The Chairman: Thank you, Minister.

Are there any Members that would like to speak to clauses 16 through 29?

Thank you. The Chair recognises the Shadow Minister of Tourism.

You have the floor.

Hon. Wayne L. Furbert: Yes, thank you, Madam Chairman.

Again, you know, there is a lot of copying and pasting here, and you will hear me repeating it over and over again. But we understand that.

[Inaudible interjections]

Hon. Wayne L. Furbert: But let me just say this, Madam Chairman. The part when it comes down to Part 6, Repeal and Transitional Provisions. This is a new part.

An Hon. Member: Which part?

Hon. Wayne L. Furbert: Part 6, Repeal and Transitional Provisions.

The Chairman: Clause 26? Are we there?

Hon. Wayne L. Furbert: Clause 27, sorry. Clause 27(3), Part 6.

The Chairman: Part 6.

Hon. Wayne L. Furbert: Part 6, clause 27(3).

And I mentioned this before: "All rights, assets and property vested in or in any manner held on behalf of or for the purposes of the Board immediately before the commencement of this Act shall be vested in the Authority."

As you are aware, the Tourism Board has assets as of today. And I would have thought the Minister would report to this House, because the financial statements were due . . . Well, the end of the year was March 31st. And they were due September 30th. So I would have thought by now the audit would have been done, because basically they should report . . . This again. This is it. So there should be audit statements out there done by the Board.

So I am asking a few questions. Have there been some financial statements that have been audited by the Auditor General? Have the financials been audited? And how can we ensure that the assets that are transferred over from the Tourism Board are the correct assets?

And so we should see some financials, as the legislator who authorised the Tourism Board and who is supposed to report to the legislature what those financials are. So we should have some information, basically. So, how much cash does the Tourism Board have right now? What are their liabilities? What are their outstanding accounts receivable, or what is due by the hotel? So, basically, we need to have some answers before we transfer assets over from the Board to this new Authority.

I see the fines have gone up. And I think that is . . . we understand the point about the initial Board, so that is clear. Thank you.

The Chairman: Are there any other Members that would like to speak to clauses 16 through 29?

The Chair recognises the Opposition Leader.
You have the floor.

Hon. Marc A. R. Bean: Thank you, Madam Chairman.

A very simple question, which I will just leave for the Government to determine. It says in clause 19, "The financial year of the Authority shall end on 31st December in each year." If the majority of the funding is coming from the taxpayer, would it not be wiser if the end of the fiscal year be March 31st to coincide with Government's fiscal year? Is it something that we should change, instead of to December 31st, change it to March 31st?

Minister, do you want me to repeat my question?

[Inaudible interjection]

Hon. Marc A. R. Bean: Clause 19, the end of the financial year is December 31st. But in terms of coordination, since it is taxpayers' funds, should the end of the financial year in fact be March 31st, to coincide with Government's fiscal year?

The Chairman: Thank you.

Are there any other Members?

Thank you. The Chair recognises Mr. T. E. Lister, from Sandys South, constituency 33.

You have the floor.

Hon. Terry E. Lister: Thank you, Madam Chairman.

The first clause I want to look at is clause 20(6). This states that, "The auditor may at any other time report to the Minister through the Authority upon any matter arising out of the performance of his audit." This clause is a bit unusual, but it is actually a good clause because without it, the auditor would not have access to the Minister on his own or her own. And so, it is a good clause to add in. I have not seen it before. But I want to just say that it is a good clause and, you know, commend the Minister and the Attorney General for putting it in.

However, if you turn the page and look at [clause] 20(2), it says, "The accounts of the Authority shall be audited by the Auditor-General or by an auditor appointed annually by the Auditor-General." Well, during my career, I had the good fortune of being appointed, when I was working on my own in 1981, by Larry Dennis to do the Bermuda College audit two years in a row. In later years, in the early 1990s, at Deloitte's we subbed for Larry Dennis on a series of audits. When we did those engagements, our relationship was always with Larry Dennis. We did the work. We reported to him. And then he talked to the client. We did not do that.

Clause 20(7) says, "Where the Auditor-General has not been appointed to be the auditor, a copy of the audited financial statements and any report made by the auditor shall be forwarded to the Auditor-General at the same time they are submitted to the Authority." This is completely out of order. This is not how it works.

However, I talked with Ms. Atherden. We had a little chat about it. And here is the solution. You simply remove the words "at the same time" and replace it with "before." So, you do not have to do anything complicated. Just change those three words, "at the same time" (four words) and put in "before." Because that is what is going to happen. The sub-auditor works for the Auditor General. And your relationship is with the Auditor General at all times, having established that in clause 20(2). In clause 20(2), you say, *My auditor is the Auditor General. However, the Auditor General can appoint Deloitte and Touche.* (Or, well, it isn't Deloitte [and] Touche anymore; Deloitte.)

[Inaudible interjection]

Hon. Terry E. Lister: No, unfortunately.

And so, to make that go all the way through, you simply have to take "at the same time" out and put "before" in there. And I would encourage the Minister to do that rather than using the power to vote and voting through what is here. What is here does not work; it is not the right way. So, changing those four words will make it work.

If we look at clause 21, clause 21, under annual report, says, "The Authority shall, as soon as practicable after the close of each financial year but not later than 30 June of each year, submit to the Minister an annual report on the activities of the Authority during the preceding financial year." That all sounds quite fine. That is what we want. We want a report.

However, if we go down to clause 22, tabling of annual report, clause 22(2) says, "The Minister shall as soon as practicable after receipt of the annual report and annual statement of accounts cause a copy of each to be laid before both Houses of the Legislature." Now, the Minister has not seen anything. No one has reported anything to him unusual. On the 29th of June, he gets the statements. He looks at them, and he has questions. And he is smart enough and clever enough to ask questions that the chairman does not have direct answers to. So, there is some digging. It may even require a meeting or two with the auditor. And we work this out.

And then at that point, the Minister says, *I am perfectly happy with these statements. You do not have to change them. You do not have to change a word in them. I understand them. I found something that was unusual. It has now been explained to me. When I table them in the House and some smart aleck—maybe Terry Lister—asks me a question, I will have the answer, because I have done the work to get the answer.* Are you with me?

Now, if he gets the statements on June 29th, he is not going to get here for July 15th. That means he is going to table these in the first sitting on the first Friday in November. The year end is December 31. Please do not put us in a position where we are going to look at statements on Friday, the 5th of November, for the last year ending December 31. So, to correct that, Mr. Minister, in clause 21, where it says "30 June," let us make it "May 31st," please. And it will work fine. You will have no problem coming to this House before the 15th of July if you have a May 31st cut-off for people to report to you.

So, I am not presenting you with an amendment for us to vote on. I am giving you the solution to the problem for you to accept. I am not interested in a vote. If you are happy with that, then we can do it and I think it will all work for everybody's benefit. Thank you.

The Chairman: Are there any other Members that would like to speak to clauses 16 through 29?

The Chair recognises the Shadow Minister of Finance. You have the floor.

Mr. E. David Burt: Thank you, Madam Chairman.

Madam Chairman, I am on clause 27(8). And I am looking at [where] it says, "The annual estimates approved for purposes of the Board in respect of the financial year in which this Act comes into operation shall be deemed to be annual estimates of the Authority for the remainder of the financial year, but those estimates may be varied by the Authority in such manner as the Minister and the Minister of Finance may approve."

I might be a little bit dense at this hour. But I do not get it. Because it is talking about the Board, and I do not know where the line item to the Board and the estimate is. I know there is a line item to the Board and the department. So maybe there could be some clarity there. Is this talking about the entire budget of the Department of Tourism? Or is it just a minor grant that is given to the Board? Clause 27(8), I would love some clarity on that, please.

The Chairman: Are there any other Members that would like to speak to clauses 26 [through] 29?

The Chair recognises the Shadow Minister of Finance.

Mr. E. David Burt: And what I would say is, just as a follow-up, Madam Chairman, I would like to support the recommendations of the Independent Member and the member of the Public Accounts Committee, and hoping that the Minister will take that on board, as they seem to be minor, cosmetic changes which hopefully can make this legislation work better.

The Chairman: Perfect. Thank you.

Are there any other Members that would like to speak to clauses 16 [through] 29?

No other Members.

Minister?

Oh, the Chair recognises the Shadow Attorney General and Shadow Minister of Legal Affairs. You have the floor.

Mrs. Kim N. Wilson: Yes, just a quick question. And this is concerning [clause] 24, the power to make the rules, the Board can make rules concerning any matters relating to the functions. I wonder if the Honourable and Learned Member can just answer this question for me, because I am just wondering if . . . On one hand, you have this power for the Board to make their own rules insofar as the functions under the Act. And one of them [at clause 24(a)] includes "the manner and method of collection of the tourism authority fee and late payment fees . . . (b) collection of any travel . . ." *et cetera*.

So, under [clause] 24, they have the power to make rules. And I wonder if that is somewhat inconsistent with the fact that in [clause] 15, you have certain penalties being imposed, for example, if a person is guilty of an offence. And then likewise, in [clause] 23, the confidentiality clause, which also has prescribed penalties, including fines as well as terms of imprisonment.

My question is whether or not the making of the rules in 24 could be deemed inconsistent with some of the other statutory provisions that already exist. Thank you.

The Chairman: Thank you, Member.

Minister, you have the floor. I think that question might have to be asked again, but just in case. I do not know whether they . . .

Hon. Shawn G. Crockwell: Thank you, Madam Chairman.

I am going to try and address the various questions. If I omit a question, please just re-ask.

The first question was by the Honourable Shadow Minister in relation to the accounts. First of all, in relation to the audited accounts, the deadline for the audited accounts is September 30th. And that is fast approaching. We have already been informed by the Office of the Auditor General that they will not be ready. The audited statements will not be ready by September 30th. They are working on them. They are not making the progress that they would like. But we hope to get those accounts soon.

But I can report to the House that as of June 30th, the Tourism Board had \$1.7 million in the bank. And as I said earlier, there was \$7,000 outstanding as it relates to fees from various properties. So that is sort of a snapshot as of June 30th of this year.

Now, in relation to the financial year, this particular request came from the industry that it is better for them to manage the financial year based on the calendar year, because it is more prudent and effective for them to be able to set out, because although they get the monies from Government 1st of April, their budget is already committed. And so they want to be able to generate their budget as it relates to the calendar year. So they are going to have to be able to manage those funds in a way that is spread out, especially after they get their first allocation.

But it was the industry; after consultation with the industry, they said it would be better to manage their finances on a calendar-year basis rather than the Government financial year.

I am going to just try to do this from memory now. I know there was a question as it related to clause 27(8). I believe it was from the Shadow Minister of Finance. And he was talking about the annual estimates approved for the purposes of the Board, and he was querying what the Board was. The Board

is defined in [clause] 27(1). So we are talking about the Board, meaning the Board established under the Tourism Board Act. So any allocation for the Board under the Tourism Board Act will be the allocation, going forward, for the Tourism Authority, in addition to all of the other means of funding.

[Inaudible interjection]

Hon. Shawn G. Crockwell: I just answered that. But you were reading your BlackBerry. Okay.

I am sorry. I believe there was a question on clause 20(7). I just jotted down that clause. Oh, yes. The suggestions by the Honourable Member, the Independent Member. Both suggestions, I have consulted . . . the financial margin aside deemed to be reasonable. So we will do that. Thank you. Thank you very much.

The Chairman: Thank you.

The Chair recognises the Shadow Minister of Finance. You have the floor.

Mr. E. David Burt: Thank you, Madam Chairman.

I thank the Minister for his answer. I was not in the Chamber, but I did hear him from the Gallery.

If the Minister could please clarify his answer for clause 27(8). I just want to be absolutely and crystal clear. Because, of course, it says “the Board” in this clause, means the Board established under the Tourism Board Act. I understand that. He has his technical officers here. So, first question is, can he please tell me how much money was in the estimates that were given to the Tourism Board? And in the second instance, does the money that is approved for the entire Department of Tourism, as I am saying that you are estimating it to happen in the future years, does this cover that? Because it does not speak to the Department of Tourism. So I am guessing that there is a transitional date, *et cetera*.

Hon. Shawn G. Crockwell: If I can understand, yes, it does not cover the budget allocated to the Department of Tourism. But we did not want to constrain the Government to provide the exact same estimates from previous years from the department. We are making a commitment, and we have made a commitment, as I said earlier, that we will provide a commensurate amount as it relates to what was given to the Department of Tourism.

As it relates to the Board, I believe that the only revenue that the Board was raising was [from] the tourism guest fee. I believe that was it.

The Chairman: Member?

Mr. E. David Burt: However, the clause that we are speaking to speaks of “the annual estimates approved for the purposes of the Board in respect of the finan-

cial year in which this Act comes into operation . . .” And I am just asking if the Minister can confirm how much that was. He does say that does not belong to the Department of Tourism. How much was that? I guess I am just confused. I remember the budget session. I do not remember an allocation to the Board.

The Chairman: Minister?

Hon. Shawn G. Crockwell: And I think the Honourable Member may be correct. I do not know the figure. I believe that the only revenue that the Tourism Board was able to collect was from the tourism guest fee. I know you are referring to the estimates. So you may be correct that there was no estimate allocation to the Board. But this was just to provide the Authority with the same financial opportunities that the Board had previously. And as I said earlier, we intend to provide a commensurate amount—it may go down, but a commensurate amount that was given to the Department of Tourism.

The Chairman: Thank you.
Member?

Mr. E. David Burt: Just real quick, Madam Chairman.

So, would it be safe to assume that the Minister, that his date for transition is going most likely to be in coming into operation of the Tourism Authority a date that will be April 1st? The reason why I pick that is because, clearly, the money for the Department of Tourism is still allocated to the Department of Tourism. If there is no assignment of that money, clearly the Tourism Authority will not have money to operate.

Hon. Shawn G. Crockwell: Yes, it is correct. We have stated publicly that that is the date that we expect to be operating. Thank you.

The Chairman: Thank you.

The Chair recognises the Shadow Minister of Tourism.

Hon. Wayne L. Furbert: I just want to ask one question of the Minister. As far as the amount that is going to be given to the Board, the Tourism Authority, do you expect to get that money on a quarterly basis? Or will the funding be given up front? What is the expectation on that?

And I just want to clarify. I cannot remember. But the funding in the Tourism Department included the regulatory part, or was it under the Ministry? I cannot remember that.

The Chairman: Minister?

Hon. Shawn G. Crockwell: Yes, thank you, Honourable Member.

And I am glad you asked that question because that question was asked earlier (I think it was the Honourable Shadow Finance Minister), whether or not we were going to be dissolving the Department of Tourism? Are we going to be making 47 positions redundant, and the like?

We are dissolving the Department of Tourism. And the function of licensing and regulating the hotel properties will remain with the Government. And so whether or not it remains in the Ministry of Tourism Development and Transport or whether or not the Government deems it appropriate to put it in another Ministry, that it may fit better, that is to be determined.

But the regulatory function that is now currently executed within the Department of Tourism will not go to the Authority, because then it would be regulating itself. So we thought it would be prudent to retain that. And it is not a large office. And the individuals will continue to do the work that they have been doing all this time.

We anticipate that it will be, all the monies will be allocated in terms of the funds coming from the legislature at one time when all the other budget allocations are made. However, as you know, the Tourism Authority fee is collected over a period of time. And then there was an interpolation by my cousin, the Honourable Member, Mr. Burgess, who asked, *Do we have any money left as it relates to the Department of Tourism?*

And I am glad he asked that, because I want to make it abundantly clear that every cent that has been paid, that has been spent so far in relation to the Tourism Authority Act, the transition, the Governor's model has all come from the Tourism Board fund. Not one dollar has come from the Consolidated Fund, not one. Okay? So the Department of Tourism's budget has not been impacted at all by this whole process. Everything has been spent from the Tourism Board. Yes. Thank you.

The Chairman: Thank you, Member.

Mr. E. David Burt: Madam Chairman, just as a clarification, and I thank the Minister for answering the question, because I do not believe in his spirited response in the general debate he addressed that particular issue. And that particular issue is that he is abolishing the Department of Tourism.

However, there are the six positions in hotel administration. Is he also abolishing those? And when it gets transferred to a department . . . I guess I am asking, are all the 47 positions being made redundant? Or is it just the 41 positions and the six in hotel administration might be transferred? Or are all the positions being made redundant, and those individuals that are working in hotel administration do not have to re-apply to the Authority; they have to re-apply to Government for their positions?

The Chairman: Thank you, Member.
Minister?

Hon. Shawn G. Crockwell: Yes, thank you.

I apologise. I thought I was clear on that.

Not all . . . And now, the Office of Licensing and Regulations has individuals in that particular area that do not actually . . . Like, one individual is in research. He does research. But he is classified under that section. But the employees that do the specific licensing and regulating of the hotel properties, they do not have to apply. They will be transferred. They will remain within the Ministry, or we will transfer them to another department that is more appropriate. So, those positions will not be made redundant.

The Chairman: Thank you.

The Chair recognises the Shadow Minister of Tourism. You have the floor.

Hon. Wayne L. Furbert: Yes. I do not recall if the Minister mentioned the costs for redundancy.

The Chairman: Thank you.
Minister?

Hon. Shawn G. Crockwell: No, no. We have not mentioned that. Because we do not know who is going to opt for redundancy. So—

[Inaudible interjection]

Hon. Shawn G. Crockwell: So, we have looked at it, and we are anticipating that there is going to be a cost. But we cannot say what it is going to be. We are hoping that every individual is either going to be placed in the Authority or is going to be placed elsewhere. But as Members have raised, somebody may say . . . And let me just make this clear. Let me make this clear. There is going to be no redundancy payment unless there is a loss of employment.

So, although the positions are going to be made redundant, that will not trigger a redundancy payment. So, employees can say, *I neither want to go to the Authority, nor do I want to go to another Government department. My position has been made redundant. I would like my redundancy pay.* And we would honour that.

But we do not think that most employees are going to take that option, because I am sure they would rather be employed than seek redundancy. But I do not, Honourable Member, have an estimate, because we just do not know who is going to choose that option.

The Chairman: Thank you.

Are there any other Members that would like to speak to clauses [16] to 29?

There are no other Members.

Minister?

[Pause]

The Chairman: What I would like to propose is that we actually officially approve the amendments.

Hon. Shawn G. Crockwell: Yes, Madam Chairman. If you would allow me, if someone has actually written them down, I will try and go from memory.

I believe we are looking at clause . . . And if the Honourable Independent Member can . . . oh, if he can find his seat, because he may be able to help me. But I believe clause 20(7), we are taking out the words “at the same time,” omitting the words “at the same time,” and we are inserting “before.”

The Chairman: That is correct.

Hon. Shawn G. Crockwell: And that is it for that particular clause, clause 20(7).

And then, in clause 21, we are changing the date from the 30th of June to the 31st of May.

The Chairman: And the amendment?

Hon. Shawn G. Crockwell: And we are accepting that, yes.

The Chairman: And the amendment to clause 13(3)?

Hon. Shawn G. Crockwell: Yes. (If someone can hand me the amendment.) We are agreeing to amend section 13 with the rubric interest register. It will now read, clause 13(3), delete the words “upon the payment of \$5.00 or such other fee as may be prescribed.”

AMENDMENTS TO CLAUSES 13(3), 20(7) AND 21

The Chairman: It has been moved that the proposed amendments, that would be to clause 21 of the Bermuda Tourism Authority Act 2013, the words “30th of June” be removed and replaced with “May 31st”; and clause 20(7), the words “at the same time” be removed and replaced with the word “before”; and amendment to the Bermuda Tourism [Authority] Act 2013, clause 13(3), delete the words “upon the payment of \$5.00 or such fee as may be prescribed.”

It has been proposed that these amendments be approved. Are there any objections to that motion?

No objection.

Agreed to.

[Gavel]

[Motion carried: Amendments to clause 13(3), 20(7), and 21 passed.]

Hon. Shawn G. Crockwell: Thank you, Madam Chairman.

I now move clauses 1 [through] 29 as printed.

An Hon. Member: As amended.

Hon. Shawn G. Crockwell: As amended.

The Chairman: Thank you.

It has been moved that clauses 1 [through] 29 be approved as amended.

Are there any objections to that motion?

No objections.

Agreed to.

[Gavel]

[Motion carried: Clauses 1 through 29, as amended, passed.]

Hon. Shawn G. Crockwell: Madam Chairman, I would like to move the Preamble.

The Chairman: It has been moved that the Preamble be approved.

Is there any objection to that motion?

Mr. E. David Burt: Madam Chairman, just a point of order, a question. Do you not have to go through the Schedules?

The Chairman: Thank you very much.

Mr. E. David Burt: No problem.

Hon. Shawn G. Crockwell: Madam Chairman, I move the Schedules.

The Chairman: It has been moved that the Schedules be approved.

Are there any objections to that motion?

Hon. Shawn G. Crockwell: The Honourable Member is raising that we have not discussed the Schedules.

The Chairman: Oh. Thank you.

Minister, you have the floor.

Hon. Shawn G. Crockwell: Madam Chairman, the Schedules. Part 1 deals with the Resignation and Removal from Office. Madam Chairman, these are standard clauses and are similar to the existing Tourism Board Act.

Part 2 deals with the Procedure for Meetings of the Board. Again, relatively standard clauses, so I would take my seat and entertain any questions that the Honourable Members may have.

The Chairman: Thank you.

Are there any Members that would like to speak to the Schedule Part 1 and Part 2?

The Chair recognises the Opposition Leader; you have the floor.

Hon. Marc A. R. Bean: Thank you, Madam Chairman.

Madam Chairman, Part 1, clause 2, "The Minister, acting after consultation with the Board, may remove a person from office as Chairman or member of the Board if he is satisfied that such person . . ." and I will move down to (b) "has been convicted (whether before or after his appointment) of a criminal offence."

Madam Chairman, I will mention it to the Minister. The Minister, with this clause as is, and this is not a personal thing, but I want us to look at it clearly, because we on our side follow the principle of redemption. Okay? Let us make that clear.

So, the Minister right now, based on this Schedule, can disqualify or remove a person from a position that he himself is not qualified for, and some of us on our side. So, going forward, I think that has to be changed in the spirit of redemption. Because you might have some people who might have gone through something way back when, but as time has gone on, have been able to what they call *rehabilitate themselves* and are now functional members of society.

So, I think that we should really look closely at that clause about removing people based on prior convictions. You know, it does not really square with our attempt to help people, or restorative justice. I am sure that the Minister can relate and understand our point.

The Chairman: Thank you.

Are there any other Members that would like to speak to Schedules, Parts 1 and 2?

Minister, you have the floor.

Hon. Shawn G. Crockwell: Yes, thank you, Madam Chairman.

I actually anticipated that [question] being raised, and I appreciate the manner in which the Honourable Member raised it.

I believe . . . I am not comparing it right now. I believe that that is in the Tourism Board Act. And I think that the part that is crucial is the fact that it is discretionary. It is "may remove." It is not mandatory. So keeping in mind that I believe that there are Honourable Members in this Chamber who have demonstrated that you can make a mistake at that level and redeem yourself and be a very constructive member and be deemed worthy to serve in an entity such as this, and that is why it is not mandatory; it is discretionary.

The Chairman: Thank you.

Are there any other Members that would like to speak to Schedules, Part 1 and Part 2?

There are no other Members. Minister?

Hon. Shawn G. Crockwell: Thank you, Madam Chairman.

I would like to now move the Schedules.

The Chairman: It has been moved that Schedules Part 1 and Part 2 be approved.

Are there any objections to that motion?

There are no objections.

Agreed to.

[Gavel]

[Motion carried: Schedules Part 1 and Part 2 of the Bermuda Tourism Authority Act 2013 passed.]

Hon. Shawn G. Crockwell: I move the Preamble.

The Chairman: It has been moved that the Preamble be approved.

Are there any objections to that motion?

No objections.

Agreed to.

[Gavel]

Hon. Shawn G. Crockwell: And now I very happily move that the Bill be reported to the House, as amended.

[Laughter]

The Chairman: It has been moved that the Bill be reported to the House, as amended.

Are there any objections to that motion?

No objections.

Agreed to.

[Gavel]

[Motion carried: The Bermuda Tourism Authority Act 2013 was considered by a Committee of the whole House, and passed with amendments.]

House resumed at 10:32 pm

[Hon. K. H. Randolph Horton, Speaker, in the Chair]

REPORT OF COMMITTEE

BERMUDA TOURISM AUTHORITY ACT 2013

The Speaker: Is everybody awake?

[Inaudible interjections and laughter]

The Speaker: Thank you, Members. We have had the Second Reading of the Bermuda Tourism Authority Act 2013 approved with amendments.

And we will now move on to Order No. 2.

Order No. 2. Yes, you guys can go home now.

[Laughter]

The Speaker: Order No. 2 is the Incentives for Job Makers Act 2013, in the name of the Minister of Economic Development.

The Honourable Dr. Grant Gibbons, the Minister for Economic Development, you have the floor.

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

Mr. Speaker, I move that the Bill entitled the Incentives for Job Makers Act 2013 be now read the second time and committed.

Mr. Speaker, this Bill—

The Speaker: Sorry, sorry, Minister.

Are there any objections to that?

There are none.

I am sorry, Minister. Please, excuse me.

Dr. the Hon. E. Grant Gibbons: It is getting late, Mr. Speaker. I will try and move through it as quickly as I can.

BILL



SECOND READING

INCENTIVES FOR JOB MAKERS ACT 2013

Dr. the Hon. E. Grant Gibbons: Mr. Speaker, this Bill amends the Economic Development Act 1968 and the Bermuda Immigration and Protection Act 1956 and modifies the incentives which were introduced by the original Incentives for Job Makers Act 2011.

The primary purpose of this Bill is to encourage companies to retain existing Bermudian jobs in Bermuda and create a more welcoming environment for new companies that may be considering Bermuda as a place to do business. It does so by providing a direct incentive to key job makers within these companies by exempting them from work permit requirements and offering the ability to attain permanent residence in Bermuda.

The Bill is designed to send a clear message that those who create jobs in Bermuda for Bermudians are valued members of our social and economic fabric.

Mr. Speaker, while the original Incentives for Job Makers Act 2011 was arguably well intentioned and provided incentives that had included a waiver of work permits and the grant of permanent residency for

job makers, it was not attractive enough to be effective. Despite a long period of consultation with industry stakeholders during the drafting of the 2011 legislation, the final Bill that was tabled in the past in 2011 was considered by many industry stakeholders to be inadequate and a disappointment.

Direct feedback from the stakeholder groups indicated that, in their interpretation, the 2011 legislation created a higher risk of harming economic growth and long-term opportunities for Bermudians rather than moving them forward.

Mr. Speaker, Honourable Members will be aware that in the five-year period from 2008 to 2013, the workforce in Bermuda declined from approximately 40,000 down to 35,000 workers, resulting in more than 3,000 unemployed Bermudians and almost 2,000 non-Bermudian jobs leaving the Island and not being replaced. According to figures released in April by the Department of Statistics, the Island lost nearly 2,000 jobs between 2011 and 2012 alone. This loss of spending power and opportunity has had a massive negative financial impact on Bermudian families, Bermudian businesses and its Government revenue. In fact, the recent release of GDP data by the Department of Statistics shows that a progressive decline in 2010 and 2011, culminating in an even larger negative 4.9 per cent real GDP decline in 2012.

In a May 2012 press release, the Association of Bermudian Insurers and Reinsurers (that is, ABIR) reported that 2012 was the fourth year in a row that the number of employees in their member companies declined. ABIR commented (and I quote), "Most worrisome is that the five ABIR members with historically the largest number of employees in Bermuda have reduced their employment during that time by an average of 23%."

The release continued with (and I quote), "Accelerated action by the Government to encourage ABIR members to locate senior executives here in Bermuda would be helpful." And they noted that there is a direct correlation between these senior executives being in Bermuda and employment opportunities for Bermudians.

Mr. Speaker, Bermuda needs more jobs. The previous administration was asked for accelerated action. This administration is delivering that action. These amendments, as well as other policy and legislative changes, are laying the foundation for economic renewal and job creation.

Mr. Speaker, at this point, I would like to discuss some of the difficulties with the 2011 Act and the changes in this 2013 Bill designed to address them. A significant sticking point has been the delay in the job makers' ability to be eligible to apply for permanent residency. Under the existing Act, the earliest opportunity afforded is January 1st, 2015. This means that any job maker has to wait a minimum of three years from the time the 2011 act was gazetted until they can

apply for PRC status, a source of significant frustration by industry stakeholders.

When you look back at the insurance and re-insurance company incorporations and the ways in which they set up in Bermuda, you can see that there are senior executives who have been helping companies flourish and creating jobs for Bermudians for well over 10 years—that was the class of 2001—and in some cases, for as many as 20 years, the class of 1993 being a good example. So, to insist on making many of these senior executives wait until a minimum of January 1st, 2015, to apply for permanent residency negates the actual purpose of the Act—which is to encourage key executives to remain in Bermuda now.

With every departure of a senior position, Bermudian jobs are lost or put at higher risk for a future loss, and less money flows to the economy. If the boss leaves, then jobs go with him or her. It is the way that business works.

Those in decision-making seats are far more inclined to make the long-term commitment to Bermuda when they feel they are welcomed, appreciated and valued. Then the decision of where they want to be based becomes more than just a numbers game. It becomes an emotional decision. Individuals in companies that truly feel they are valued and welcome in Bermuda are far more likely to contribute their financial and human support to charitable causes in our community.

Mr. Speaker, the proposed amendments in this Bill are also important for attracting new businesses. Companies who are considering a move to Bermuda look for a barometer. That barometer is the group of existing companies and job makers who are already in Bermuda. If existing stakeholders are not happy and do not believe they are welcome, it is more difficult to attract new business.

Mr. Speaker, I will now discuss some of the specific provisions that this Bill addresses. As mentioned earlier, the existing Incentives for Job Makers Act 2011 provides for the earliest eligibility date to be January 1st, 2005. This means that people currently cannot apply for a PRC before January 1st, 2015. This Bill now proposes to bring this date forward. Job makers can now apply immediately on commencement, provided they are eligible to do so. Therefore, if a person's company first met the conditions of section 3B of the Economic Development Act on or before January 1st, 2002, and the individual is deemed to have met the requirements for exemption from a work permit on or before that date, then, provided that the individual has been ordinarily resident in Bermuda for at least 10 years, they can apply for a permanent residency certificate.

Mr. Speaker, this Bill will allow a person to apply for the exemption from a work permit and permanent residence certificate at the same time. As the Act currently stands, in order to be eligible for the PRC, they must first apply for the exemption. This

proposed amendment would allow them to apply for both simultaneously.

Mr. Speaker, I would now like to address the issue of fees. The existing fee for the exemption from the requirement of a work permit will remain at \$20,000. However, this Bill proposes to reduce the application fee for a PRC application from \$120,000 to \$25,000. Feedback from industry indicated that the high fee is discouraging eligible applicants from applying. The current fee of \$120,000 has been deemed tantamount to selling Bermuda. This perception is reinforced by the fact that this fee is more than 100 times greater than the fee normally charged for a PRC application, which is currently \$1,100.

There is also a perception that the current fee does not recognise the significant contribution that these companies and individuals have made and continue to make to the economy and in the employment and development of Bermudians. The vast chasm that exists between the two fees has not been well received, given the enormous contribution made to Bermuda over the past years.

This is an appropriate time to address this significant contribution. Mr. Speaker, at the end of 2012, international business activity alone was directly responsible for 3,867 jobs, direct jobs. Of those jobs, 65 per cent were occupied by Bermudians, spouses of and PRC holders. In fact, less than 3 per cent of the international business workforce is comprised of PRC holders. In a recent submission, ABIR advised the Government that their 22 members annually generate nearly a billion dollar economic impact to Bermuda. This money gets spent on Bermudian salaries, rents, housing, construction, Government taxes, restaurants, taxis, hotels, retail outlets, sporting events, charities and, in fact, a multitude of other local businesses, organisations and individuals.

Other sectors of the international business industry also make a significant contribution. The economic benefit is real, and we cannot afford to lose it. Mr. Speaker, following consultation with stakeholders, a fee of \$25,000 is considered to be reasonable and reflect the importance and desirability of residency, while acknowledging the contribution of the company and the individual.

Mr. Speaker, another provision of this Bill is that it transfers the responsibility for the review and approval of the incentives for job makers' applications from the Minister of Finance to the Minister of Economic Development. As the Bill is intrinsically linked to the Economic Development Act 1968, and its intention is exactly to stimulate economic development and the creation of jobs, it makes sense to put this under the remit of this Ministry. The Minister of Home Affairs, who is responsible for immigration, will continue to be consulted.

Mr. Speaker, given the different types, sizes and contributions of businesses that create jobs, it is clear that a one-size-fits-all approach is not going to

work. What may work for a reinsurer may not work for an asset manager or a hedge fund. Under the current Act, 25 is the minimum number of employees with Bermudian status that a company must employ in order to be eligible for exemption status. While the Minister is currently given discretion to consider companies that have fewer Bermudian employees, the message has been sent that this will only be for exceptional circumstances.

This Bill proposes to reduce that minimum number from 25 to 10. The primary motivation for this reduction is to motivate new companies—that is new companies—to move to Bermuda, bringing their executive-level staff, thereby providing jobs to Bermudians and spending money in the economy.

Mr. Speaker, to be clear, the Bill proposes to maintain vigilance with regard to protecting the interests of Bermudians and sets a realistic standard by adding a caveat to the requirement for the company to employ Bermudians at all levels. This caveat indicates “subject to the availability of suitably qualified Bermudians.” It has been noted that the existing Act imposes an unrealistically high bar on companies, where there are simply no Bermudians available that are qualified to be employed at all levels of the company.

Currently, the Economic Development Act requires that to be eligible for an exemption from Part V of the Bermuda Immigration and Protection Act 1956, the continued presence of the company must be dependent on the applicant remaining in Bermuda. Now, in practical terms this does not encourage those who may not be directly responsible for the domiciliation of the company, but are responsible for the location of jobs. This includes executives who are responsible for the continued presence in Bermuda of a department or business unit, rather than the entire company.

For example, a senior vice president of claims may have oversight and responsibility for where she places her 20-person claims team. For example, she could have them in Connecticut, Dublin or Bermuda. However, she may not have a say in the actual location of the company. That notwithstanding, because she is a job maker, creating jobs for Bermudians in Bermuda, she should be eligible for exemption. The object of the Act is to create new jobs and to retain existing ones. This Bill reinforces that goal and clarifies its eligibility by changing the wording from “continued presence of the company in Bermuda” to the continued presence of jobs for Bermudians in Bermuda.

Mr. Speaker, we want to ensure that those executives responsible for a significant number of Bermudian jobs remain in Bermuda, creating and maintaining jobs over the long term.

Mr. Speaker, I would like to address a final point on the changes in the Bill. This Bill will be removing the stipulation of the maximum number of five persons that can be exempted from Part V of the Bermuda Immigration and Protection Act 1956 at any

one time. Under the current Act, companies that employ a large number of Bermudians, for example, 100 or more, can only have as many exemptions, a maximum five, as a company that employs 25 Bermudians. This does not provide an incentive to hire as many Bermudians as possible. This maximum number will be proportionate and dependent upon the total number of Bermudians employed, and addressed, as it is under the existing Act, in a set of guidelines.

In determining maximum numbers, the Minister will also take into consideration a new section setting out various factors, including, among others, the significance of the company to the economy of Bermuda and the protection of local interests.

Mr. Speaker, I think I should be clear about the companies and individuals we are referring to in the context of this Bill. These important businesses are critical to our economy. And a common thread through all the companies that have successfully applied for concessions to date is the commitment they have made to recruiting, developing and promoting their Bermudian staff. Each of the successful companies also has a global presence. However, each has stated in their application that they are committed to remain in Bermuda for the long haul. Some even intend to increase their presence in Bermuda. So far, the companies that have successfully applied have demonstrated their commitment:

1. to employ Bermudians;
2. to develop and promote Bermudians; and
3. to support Bermudian students.

The individuals from these companies who may become eligible for PRC should not be made to wait until January 1st, 2015. We need to make sure that they and the Bermudians jobs they are responsible for have a good reason for staying here now. Our demonstration of our commitment toward encouraging these companies and their job-making executives will serve as a beacon for other companies seeking a favourable, comfortable and welcoming jurisdiction.

In conclusion, Mr. Speaker, I would like to extend my thanks to the Ministry of Home Affairs, that did a lot of work in putting together the sections and the legislation that we are debating tonight. And particularly, the Minister did a lot of work with the consultation involved with many of the international companies.

I would also like to thank Bermuda First, ABIC (which is the Association of Bermuda International Companies) and ABIR (the Association of Bermuda Insurers and Reinsurers) for their time and input that they put forward to improving this legislation. Thank you, Mr. Speaker.

With those introductory remarks, I move that the Bill entitled the Incentives for Job Makers Act be read for the second time.

The Speaker: Thank you, Minister Gibbons.

The Chair now recognises the Honourable Member Walter Roban. You have the floor.

Mr. Walter H. Roban: Thank you very much, Mr. Speaker.

Of course, I am happy to give the first response to this amendment Bill, the Incentives for Job Makers Act 2013. Just to let you know, Mr. Speaker, although this is obviously being led by the Minister of Economic Development, I am leading first, but [then] there will be certainly substantive comments made by the Shadow Minister of Economic Development, Mr. Glenn Blakeney, as well, on this. So, just to let you know that he will follow at some point to other substantive comments because—

The Speaker: Yes. There is no problem with that.

Mr. Walter H. Roban: Okay. Also, I wish to thank the Minister for providing his brief for this debate, which has been helpful in following, and to even further crystallise comments that I would like to make.

Firstly, as we have already stated as a party, and as our Leader stated, we welcome the bringing of this Bill for a number of reasons. One, we have called repeatedly for this particular Incentives for Job Makers Act, the original Act in particular, to be used by this Government as an effective tool to address issues that they have already stated publicly are priorities—jobs, job investment, and re-igniting the economy. It was one of the main pillars of the Opposition Leader's statement to the nation, among other measures that we felt would be extremely helpful in what the Government seeks to do in this area.

Because the irony is, Mr. Speaker, that certainly for the past year, and this Act, as the Honourable Member has already stated, has been on the books since January 2012, but they have not mentioned for most of this year anything about it. It has been there as a toolkit, obviously part of the Economic Development Act and as a part of the immigration framework for them to apply and to effectively use with whatever tools they felt were necessary to go to the marketplace.

And I am not just talking about the Bermuda marketplace, but the international marketplace, to talk about what Bermuda was doing differently and was prepared to provide as an incentive to bring business of the calibre of which the Act was designed to attract into Bermuda, a calibre of business that will bring substantial policy investment, a calibre of business that will bring personnel and teams who are like additions to our environment, would clearly create jobs, jobs that are sustainable, jobs that are substantive and jobs that have a lasting impact on our economic environment.

Yes, this Bill has a threshold set in a number of ways. And that was because it was set to attract a certain tier of business, a certain tier of business per-

sonnel, not only here in Bermuda, but also internationally. Because certainly, when this Act was set up, there were already persons here. But the goal was to attract more and to go into the marketplace and attract more. And we appreciate that there were persons locally who were clearly interested in what was done by the Incentives for Job Makers Act 2011. And applications were made under its framework.

Certainly, the former Finance Minister gave a press conference, I believe, in August of last year where an announcement was made (or late in 2012), announcing that there were applicants who had taken up the opportunity that the Act provided.

So clearly, there was interest. We also can certainly state that this Act was certainly inspired by recommendations from the Bermuda First report and other recommendations that had been provided publicly about ways to ignite the economy and to make Bermuda much more suitable for business investments, which is why I am slightly puzzled by the Minister's implication that nothing was being done or that, as he says on page 2, because I am wondering what that means, in that the Minister—

The Speaker: Page 2 of what? What are you reading?

Mr. Walter H. Roban: Of his statement, of his brief.

The Speaker: Oh, his brief. Oh, all right. I do not have that.

Mr. Walter H. Roban: Well, the Minister was kind enough to provide it to us. So I am referring to it.

The Speaker: Okay. You are privileged.

[Laughter]

Mr. Walter H. Roban: Yes. The Minister spoke about the action that the Government was taking. I am sorry. It is on page 3, the actions that the Government was taking, i.e., that Bermuda needs jobs. The previous administration was asked for accelerated action.

This particular Act was a part of the accelerated action that business had asked for. There were other things done, but they are not the subject of this particular legislation. So I am not going to speak about—

Dr. the Hon. E. Grant Gibbons: Point of clarification, if the Honourable Member will allow.

The Speaker: Yes. He is allowing.

POINT OF CLARIFICATION

Dr. the Hon. E. Grant Gibbons: Yes. Thank you.

The accelerated action was asked in 2012 after the Act had been passed in 2011. The accelerated action was from ABIR, asking the Government of the day to do something in addition to what was already there. In other words, they were unhappy about the Job Makers Act that you had passed. They wanted accelerated action in changing it. Thank you.

The Speaker: All right. Thank you.
Carry on.

Mr. Walter H. Roban: Thank you, Mr. Speaker, for that. And I hear the point. But I am arguing another point.

The Speaker: All right. Carry on.

Mr. Walter H. Roban: That accelerated action was taken, and this was a part of the accelerated action that the Government was taking.

There were other things that were done, but they are not the subject of this Bill, so I am not going to raise them. I want to stay strictly to what we are dealing with. And I was not [involved] in whatever discussions [took place between Government and ABIR]. So I cannot attest to that or whatever they said.

But I can certainly attest that this Bill and other measures taken were a part of the action that business asked for, and the Government was responsive. It may have not been satisfactory to a few, and they asked for more to be done, and that is fine. But this was a part of the accelerated action. It was certainly different from where we were prior to January when this Bill was passed in 2012. And it created an environment where certainly members of ABIR in particular, because there are other business groups who clearly are in the country.

As I recall, Bermuda First actually made an endorsement of the original Bill. And they are somewhat the authors of the ideas around this sort of response, as did other business groups speak to the positive presence of the Incentives for Job Makers Act, the principal Act.

Unfortunately, for about the past year, Mr. Speaker, this Government has not said much about it. But it has been there. It has been there since January 2012 and was there post-December of 2012 for them to use as a tool, amongst the many things that they have done.

Now, I have heard the Honourable Minister say and he certainly stated in his brief that not many, there was not interest. Well, we know that companies did apply to be subject of the incentives. I think there were about eight to 10, perhaps, was the initial announcement. I do not know what the higher number is; certainly, perhaps the Minister can give us more information about that, because the Minister did not say anything specifically about that in his brief. It is just a reference to lack of interest. But there was a number,

and there must be a number that he can give as to how many took it up. Ten? Twenty? I know at least eight to 10 did apply prior to December 17th. Perhaps since then, more have applied; maybe not. But certainly the Minister, I hope, can give us more clarification on that.

So, we have not heard much for the past year. But we are comforted because we have asked, as a party, for the Government to deploy the Incentives for Job Makers Act for the purposes upon which it was designed. Now, they have come with amendments, which are reflected in the [Incentives for Job Makers Act] 2013, of which we are discussing today. And I think I have given some reference to what the authors of the Act desired from it. Might I also say that there were also, for the aid of understanding the Act, there were guidance notes created, which I believe were very helpful to those applicants, and perhaps we can reference those guidance notes during this discussion, because it does give some clarity to the legalese, and I believe was very helpful, certainly it was helpful to myself to understand some of the purposes around the Act.

But, Mr. Speaker, I am now going to talk a little bit more about the changes that the Government has proposed. It is very late. I suspect there are a few people who might want to speak about it. But I am going to make sure that efficiently as possible I will discuss some of the issues that we are concerned with.

There is the issue of the eligibility of persons being moved from the qualifying date of January 2005 to January 2002, which is the actual alliance with the 2012 date of which the Act was actually assented to. So that, essentially, those persons who now are interested in making an application under this legislation do not have to wait for the following two years that are left, or so, but they can actually take up an opportunity right now. Certainly, the Government must have had discussions with persons and did feel that that was an appropriate adjustment.

I can say I have also had some discussions with industry persons around these issues. And I understand about the adjustment of the date so that persons can take it up now. And, as the Government has argued, if they feel that making that adjustment actually affords a greater opportunity to retain or to attract some of the job makers that they say will take it up, fine. I would be interested to know how many persons have expressed interest in taking up this particular legislation and its framework, now that the adjustment has been made, because that, again, was not reflected in the Minister's brief as to, if this was such an urgent, urgent step to take to move the dates or just move the 10-year qualification back so that it aligns with the assent date, how many . . . What is the actual demand out there that they got from ABIC or ABIR or whomever? Can they anticipate how many applications are going to be made once this Bill is passed?

I would be interested to know, because certainly that would give credence to their argument, if they have one, that we are going to see an immediate impact by those persons making the applications, potentially getting the qualifications, the PRC qualification, and that whatever feeling they get from being successful will ensure a certain level of job protection.

And I would be interested to know how many potential—well, I think the Minister made reference to the amount of jobs generally for the industry, but perhaps the Minister, if he generally knows how many might possibly take it up, he can align that with how many Bermudian jobs will actually be protected and perhaps potentially gained by the movement in that direction of this qualifying date.

One of the other changes that is here, which perhaps is the most—perhaps the most concerning is clause 3, which is the certificate, adjusting the certificate price from the \$120[,000] down to the \$25[,000]. I do believe, Mr. Speaker, that a part of this process was also to raise some money. I mean, let us face it. Why do these things if it is not going to raise some real hard currency? It is one thing to have the spillover effect that might be quantifiable in a sort of indirect way. But what about the direct impact on the coffers of the country that seemingly have been depleted because of the economic challenges, as well as the exodus that the Minister eloquently referred to in his statement? And the Minister referred to quite a few figures about the amount of persons who have estimated job reductions that have exited the country and how that obviously needs to be mitigated.

But certainly, with a fee of \$120,000, and let us say, you know, there are 10 or 20 chief executives or company CEOs or owners or directors of the most highest-earning and largest companies that are in Bermuda that decide to take up this particular Incentives Act, Mr. Speaker, I mean, that is at least some monies that are going to come in to the country. And if that is up to 20 . . . Because I am assuming, Mr. Speaker, that we are not going to have thousands, unless the Government can prove, we are not going to have necessarily thousands immediately that are going to stand in line to take advantage of this Act.

Or perhaps, again, we would like to hear what the Government knows about the level of interest in applying for the Act, which merited them proposing this change in the date.

But \$120,000 to a top-level executive, Mr. Speaker? Why is that such a difficult fee? I am not a chief executive of a multinational company, so I do not know. But I am asking the question. I have difficulty, frankly, believing that that fee is a difficult number to handle if you are within the class of persons that we were seeking to attract to Bermuda and to keep in Bermuda under this framework. It is the person that makes the decisions as to where a company locates on the globe, makes the decision as to the level of investment that the company will make, and ultimately

influences how many people will be employed by that company.

And in most cases, Mr. Speaker, that is someone who is making six figures or more. And if you look at the list of compensation with some of the top persons within the reinsurance industry alone, they are making a lot more than the \$120,000. In some cases, that is what their bonuses are on an annual basis. And if, Mr. Speaker, after 10 years, having been in Bermuda . . . Now, let us consider it. Based on the argument of the Honourable Minister that somehow the fee was prohibitive, well, I had to think about that when I heard this argument, Mr. Speaker. Because you are talking about someone who is likely making a million dollars just in salary. Let us not talk about bonuses and other compensation that might be attached to their package, for a company that might be actually making hundreds of millions of dollars.

The \$120,000 might be actually what they pay just in rent over the past 10 years. Because I do not believe, Mr. Speaker, that that individual, who might qualify under the Act, has come to Bermuda with the belief, whenever they came, that they might ultimately get status . . . I am sorry, not status. I am sorry; Freudian slip, Mr. Speaker. PRC. All right? PRC status in 10 years. That is not why they came to Bermuda. And I have not, in my own discussions with members of the industry, because despite what the other side might think, you know, we do know people in this country who work in insurance and reinsurance and other captive investment or investment funds or whatever. We do know people like that around. Not saying . . . Although I am not one of them, I do know people like that. So I can at least understand the perspective upon which they are here.

They have come here because of the environment that Bermuda has provided as a centre of business, whether it be in insurance, financial service and the likes. I doubt and . . . Well, whatever advantages, they could be tax related. They could be industry related. They could be regulatory related. They have come for a number of other reasons.

I doubt that anyone set up their company here, whenever they did, whether it be in 2002, 2001, 1993, with the belief that they were going to get whatever was available to them to stay here permanently. Their existence was linked to their company being here, with the attributes that Bermuda provided them when they came here. Clearly, they were attracted to coming here, and if they have been here since 1993 and 2002, it is clear that Bermuda has already provided them with success. And that success will continue.

I doubt . . . Now, perhaps, it is a subjective view of the Government or some of the people they spoke with. But I am not convinced that that is the rationale for them staying here. If they came here with the business, they are here, if the business remained successful and viable from the standpoint of its competitiveness, and if Bermuda provides that environ-

ment, certainly other reports that we have actually had over the years, that is actually why they stay here. The issue of them getting permanent residency or some form of permanence on that level is not the incentive of why they stay here.

Now, I accept that perhaps that is what they have been told, Mr. Speaker, by those whom they have spoken to. But I am not convinced, because in addition, most of the incentives under the Job Makers Act have little to do with that. The PRC awarding or the entitlement is a by-product of having actually had successive years of activity and success in Bermuda. So, if all the other things do not actually work, Mr. Speaker, the PRC is meaningless, because they will not stay here for 10 years. They will not stay here for 10 years if the business is [not] profitable. They will not stay here if they cannot access talent. They cannot stay here; they are not going to stay here for all the other reasons other than the PRC. The PRC is something that is not directly related to the success of the business. The business stays in Bermuda because Bermuda is a successful environment for them doing their business.

Now, I am not saying this to deny that these job makers deserve the opportunity to openly make those applications, because it is in the original Act. The framework is there. And I understand why the Government might have made this adjustment. In my own conversations with certain business persons, they have said that, you know, it was felt at the time that requiring the additional years was not appropriate. And that is fine. But for whatever reason, the Government of the day made that decision and put it in the Act. And I think I understand. I think from a Bermudian's perspective, I understand why.

Because let us just say maybe we put a certain value on acquiring that particular status for anyone. And we think that perhaps, *Well, listen. We are not just going to give it to you.* You know? This is something of value, and this is the ultimate—this is the ultimate component of having already made a commitment, and we respect the commitment. We honour the commitment. We acknowledge the commitment. That is why this Act was set up in the first place, because it acknowledges, Mr. Speaker, that there is a constituency of individuals already here that has contributed greatly to Bermuda's economic success of this particular era. That is why the Act exists. That is why the Government responded in this way, and with other measures, to ensure that there was something in place to keep this class of people associated with Bermuda, connected with Bermuda.

Clearly, if they were prepared to bring their families here and facilitate a level of investment that has created jobs for Bermudians, at every aspect of their company, from top to bottom, and that business has been sustainable and successful, then, *Hey. We create a package of incentives to actually benefit you with hopes that you will stay here and continue to stay*

here and continue the activities that you have already done.

So, perhaps within the 2015 component, that is part of what it was. Because we as Bermudians value certain things. It was not to slight these persons. It was not to make it more difficult for them to attain the ultimate status of PRC. It was just to, you know, you know, *Yes, you will get it, you know, ultimately, as a part of the process that this Act provides.*

So, I perhaps understand why subjectively some of the executives might have felt, *Well, why are you making us wait? We have already done good for Bermuda.* And the Government is responding to that request by adjusting the date.

But I go back, Mr. Speaker, to the \$120,000 to \$25,000 reduction. I think that, as I have already stated, there are some real problems with that. Because I happen to think, as I have already said, that the \$120,000 is not a difficult figure for this particular class of individuals. I would argue, Mr. Speaker, that the \$25,000 fee that has been proposed . . . and it was very interesting what the Honourable Minister said in his statement. And I will read it (on page 5), Mr. Speaker: "The current fee of \$120,000 has been deemed tantamount to selling Bermuda. This perception is reinforced by the fact that the fee is more than 100 times greater than the fee normally charged for a PRC application, which is currently \$1,100."

Well, Mr. Speaker, how many percentage [points] do you believe [make up] the difference between the salaries of those executives who might apply and the Bermudian chambermaids? Or to the Bermudian construction workers, some who are not working, Mr. Speaker? There is a big difference from the salary that most Bermudians make and the salaries that we know that persons in this industry make. We know that. And as I have said, this \$120,000 is equal to some of the regular bonuses that some of their members make in the millions, plus salaries. This is equal to perhaps the school fees per year that they may pay for one child, if that is all they have, the \$120,000. It is equal to perhaps the rent, the average rent that many of them are paying for accommodation a month, Mr. Speaker! I think we can probably easily verify that, right? Some are paying \$11,000, \$12,000 a month in rent for a home for their families, Mr. Speaker. And in some cases, this is a drop in the bucket.

Now, as I said, over a 10-year period, and in anticipation of having to pick up, you know, to get this application, I would think that a person of that calibre can save the money pretty easily and afford it. And I would say this also, Mr. Speaker, just to be frank, \$25,000 is belittling. And if the Minister is going to say here that it is tantamount to selling Bermuda, what is \$25,000? It is giving away Bermuda. That is what it is doing. It is giving away Bermuda. It is underselling Bermuda. Bermuda is worth a lot more, and the opportunity, Mr. Speaker, to exist in Bermuda for a life-

time at a comparative advantage to most Bermudians, making a lucrative salary with a successful multinational company, to me, to some, that is a priceless opportunity.

And paying \$120,000 to have that opportunity for a lifetime, to some is demeaning, just the 120 grand, Mr. Speaker. There are some countries, Mr. Speaker, that are offering opportunities to have a permanent residence in their country, in whatever form they are proposing, at half a million. And there are some classifications, there are work permits, Mr. Speaker, in Cayman, that cost you \$30 grand, just Cayman alone! So, even a permit to get into Cayman to work is more than the \$25 grand. That is just to have a work permit.

Places like Dominica, St. Kitts, Antigua are [proposing that for] half a million dollars or so you can get a passport so that you can live there, and perhaps you will buy property and you will be able to buy property and invest and so on—for half a million dollars. And I love my Caribbean brothers and sisters. But I do think that Bermuda has a lot more to offer than they do. And they are offering whatever they have for a lot more money than we are offering here.

This \$25,000 fee is demeaning, Mr. Speaker. It is like an insult. It is offering Bermuda—it is like giving away Bermuda. That is what it is doing. I do not see, and I do not accept the argument of the Minister, and I had this discussion with some industry people. And I do not accept the argument from them. In fact, some industry people almost plead their poverty to me, that somehow that this fee was prohibitive. Really? Tell that to a construction worker, who cannot even afford to migrate to another country where they might be able to get a job. Tell that to a chambermaid. Tell that to some of our other low income persons who are trying to make ends meet.

So, for me, the executive, \$120,000, working for a top-20 reinsurer or captive management firm, that the fee to stay in your country at \$120,000 after 10 years is prohibitive . . . I do not think . . . And frankly, those Bermudians who have become aware of this, Mr. Speaker, are not buying it. But I can understand why the industry body would be running this game. And this is a game. And, Mr. Speaker, I can appreciate that there are some, because there seems to be this cultivation, Mr. Speaker, of creating panic in Bermuda about our economic situation.

[Laughter]

Mr. Walter H. Roban: Right? We have headlines saying, *Bermuda at the brink*, and these are an effort to almost scare some people. Now, Mr. Speaker—

[Inaudible interjections]

Mr. Walter H. Roban: Mr. Speaker . . . and I am speaking to you, Mr. Speaker. I am not listening to the chirping on the other side, the irrelevant chirping.

What I am saying is this, Mr. Speaker. There seems to be an effort to cultivate a certain panic amongst the citizenry, even to the point where we have certain executives and key people in business actually wanting to go further than this! To say that we have got to do more than just the PRCs, Mr. Speaker. There are people who want to go further than that. Right? But that is not the topic of discussion for this. Well, maybe it is, but I am going to be focused. And I want to stick to the PRC issue and to the Incentives for Job Makers Act 2013. Right?

An Hon. Member: Phase one.

Mr. Walter H. Roban: Somebody murmured, *Phase one*. Well, we will see. We will see.

You know something, Mr. Speaker? I will divert just a bit because of something I remember. I have a pretty good memory about most things. When it comes to politics, my memory is pretty good. Most of my Members would attest to that. I remember a lot of stuff. And I also remember when a certain party that no longer exists put out a platform in 2007, what they were proposing, Mr. Speaker, around PRCs. And guess what, Mr. Speaker? Most of the Cabinet were a part of that election team in 2007.

So, when I see things like this, and I am speaking more now, Mr. Speaker, about what I am getting from the public and what my Members are getting from the public. People get suspicious about when we see things. We see the discounting of the Bermudian birth right. Because this is a discounting! I do not accept and I do not believe my members on this side have said that the reduction from \$120,000 to \$25,000 is reasonable. Some of the other amendments, I frankly understand. Because I understand, as the Premier eloquently says repeatedly about the *urgency of now*. That maybe now, by adjusting the date, the qualifying date, some people who are right now making applications, they are really a job maker and they are going to actually . . . And this will help to keep them here and keep Bermudian jobs. I can accept that.

But the fee? Mr. Speaker, no. Uh-uh. What price Bermuda, Mr. Speaker? That is what I want to know. It just seems as if there are some in this community . . . And I am not accusing directly the OBA of this. But this speaks to a climate that is being created in this country, Mr. Speaker, of panic and fear. And thus, what is the response to that? Desperation! And instead of certain key people in the country, Mr. Speaker, actually seeking to reassure and lead the people out of the fear, they stoke it. And I am not saying that we should not be acting with urgency. I am not saying that we should not be using all of our brain

power and ability and resources to tackle the country's economic situation. I am not saying that.

What I am saying is that creating this sort of puzzle that creates this fear bomb for some people is not realistic. And responding to the calls of whether it be John Charman or Mr. Barnett or the Chamber of Commerce about what we have to do to keep business here, when none of those suggestions actually benefit working people of this country, is not in our interest! I am sorry. And that is how I feel. That is how my party feels on this issue. That \$120,000 reduction to \$25,000 is unrealistic. I do not understand why the Government is going there.

Why not \$80,000? What was the metric or what was the hypothesis that you built to bring it down to \$25,000 to almost wither away any fee? Shoot! At this rate, it is almost like you should give it away for free, because that is what you are doing. You are giving away Bermuda for free, with a \$25,000 fee. Why not \$80,000? Why not reduce it by 20 per cent, 30 per cent? Why? I would be interested in the rationale for it.

So, my objective question, after all I said, is, Why \$25,000? Why not 20 per cent? Why not \$80,000? Why not \$90,000, Mr. Speaker? So, perhaps they can answer that question before the other questions that I have presented.

Mr. Speaker, I will move on, because I do know that the hour is late. But I felt it important to make those points that we must move away . . . You know, we must all value Bermuda in some way. Because I can see other countries value their country a lot more, irrespective of their desire and need to encourage investment. Even the United States of America, our greatest partner, to actually be able to make an economic migration there, one of the categories requires you to invest \$1 million in a business and acquire property, and you can get a Green Card. So let us understand. There are some categories worth \$1 million. There may be 500 for some, but there are some worth \$1 million, Mr. Speaker. I am not saying it is not 500 in some categories, but there are different categories of visa entry to the United States; it is not just one.

And this investment does not bring citizenship. It gives you the Green Card, whatever it is. If it is \$500,000, it does not matter whether it is . . . And even at \$500,000, it is a lot more than what we are putting here as the price tag for a piece of the rock and to be a part of the rock, to have a destiny related to the rock, to people who already have a comparative advantage in the rock!

And I say all this not to belittle their presence, Mr. Speaker. I tell everybody else, I am a product of the international business history of Bermuda. My mother was a VP at Marsh & McLennan, started at Inter-Ocean Management, Johnson & Higgins [J&H], where a lot of Bermudians worked. So I understand

the Bermudian involvement with international business.

My life history has been associated with that industry, my development as a person. I understand the value of it. It has been in my life since I was a child. So there is no one over there who can tell me about international business. It has been a part of my life. So I know it. I know some of the people who were the heads in the 1980s and the 1970s when I was a young boy, packing bags to shred paper, people like Patty Stevenson at J&H [Johnson & Higgins], Wayne Morgan, others. I know them. As a boy, I was around them. So I know what the business is about. I have known those people, and others.

But I also know a lot of Bermudians who also came out of the industry and are still in there, because of my own family connection with some of these companies. So I appreciate it. I do not say this as somebody who is trying to demonise international business. I appreciate its value to Bermuda. I appreciate the contribution it has made and the contribution it has yet to make to our country. And I do believe they will play a role with its recovery; I believe that.

But I also believe that the relationship has got to be respectful. And we as Bermudians and what we desire must be respected. And unfortunately, Mr. Speaker, part of the history of Bermudians within the economy, within business, has been one that has not been quite equal all the time, so some of our hesitation to accept changes like this is built around having had that history, and of still being denied opportunity, still seeing non-Bermudians push forward when we want an opportunity and a chance to compete. That is still part of the history. So that is why many Bermudians are hesitant to accept amendments like this.

Just going to the next one, Mr. Speaker, clause 5 of the Bill speaks to the 25 to 10. Now, this is a very interesting proposal. And I will not spend too much on it—

The Speaker: Honourable Member, you know we go into Committee. So when we get into Committee, we deal specifically with those.

Mr. Walter H. Roban: Yes. Okay. But I am talking generally of the Bill and what the Bill is going to do. I am not going to get there.

But there is the issue of the movement of the figure from 25 down to 10. Again, Mr. Speaker, the original Act spoke to, a core component of that Act was about creating opportunities for Bermudians, that Bermudians will be a part of every strata of their company. And the number 25 was the number set as a benchmark. Now, the Minister made an argument about that number being prohibitive. But, Mr. Speaker, the Act clearly states in the original Act that the Minister . . . There is a specific provision on how that works.

Now, the Minister said that the 25 number was prohibitive. But I disagree with that because,

clearly, if you look at the original Act, Mr. Speaker, the original [Economic Development Act 1968] [section] 3B(3), having talked about the 25 persons having Bermudian status as staff, it says, "The Minister may take into consideration— [(a)] the size of the company; [(b)] the significance of the company to the economy; [(c)] the existing or likely economic situation in Bermuda; [(d)] the protection of local interests and; [(e)] generally, the interests of the community as a whole, lowering the minimum number of persons with Bermudian status a company should have on its staff for the purposes of subsection (2).

The Minister said that is only done under—

The Speaker: Where are you reading that from?

Mr. Walter H. Roban: I was reading the original Act—

The Speaker: The original Act, okay.

Mr. Walter H. Roban: —what it states.

So where the Minister said "only under exceptional circumstances," I disagree. That is not the proper interpretation of that clause. Actually, and I think it is fine that the Minister had that discretion that if a company, just for example, Mr. Speaker, a company, not one that is already here. I am going to deal with one, because we are really—I think this is really about getting people to come to Bermuda, Mr. Speaker. Let us just say a company— but certainly those who are here should take advantage.

But let us just say that we have a company here or a company coming from overseas. Let us just say they are from some exotic area of international finance, or whatever. But they want to come to Bermuda. They want to set up. They make an application under the Incentives for Job Makers Act. He has got . . . Let us say that the gentleman has six executives and intends to have 15 staff, or start with 15 staff, not including executives, of which, let us just say 10 of them are going to be Bermudian. And that is just a start.

And he comes to the Government and says, *I do not meet the 25 requirement. I am going to be bringing \$500 million of investment into Bermuda. I can guarantee you that I want to be here, and I know that there are Bermudians already here, because I have met some of them in the industry who I am going to be recruiting. And I am going to have a Bermudian secretary. I am going to have a Bermudian IT specialist. I am going to have a Bermudian analyst. I am bringing my family here. We are going to, you know, have a Bermudian landscaper—whatever!*

But essentially core for their company, he is telling us, *This is what is my plan. And I am also going to have a training programme to train young people to actually be investment advisors. And I am going to have other training programmes, as a part, because I*

want to develop this as a Bermudian company. Because I love Bermudians. Right?

If he comes with that, yes, the Minister should knock down every door around the country to make sure that person comes here! Because he has the power to vary the 25 number based on all those things. And it is not a special circumstance. If a special circumstance means that the company does not fit the exact benchmark, then the Minister has got the discretionarily power to vary. And it is stated strictly in the Act. That is why moving from 25 to 10, Mr. Speaker, is unnecessary.

Now, my conversations with industry people says that, you know, for some of the—for many of the companies in Bermuda now, the 25 number is higher, that the average Bermudian company actually has a lower number of standard Bermudians which are in the international business sphere, particularly the captive management company. The CAT 4 companies can probably meet that 25 number pretty easily, most of them. But the smaller captive management firms and others, they have less personnel. That is understood.

But with the Minister's power there to vary, based on all the qualitative indicators there is no problem. I think that the 25 number says something about what we would like to achieve, Mr. Speaker, and that this Act has as a high priority, creating Bermudian jobs. By the reduction that the Government proposed, in my view, and our view on this side, it moves away [from that]. It is one of the key things that are being reduced by the Government. That does not send the right message. Keeping the 25, the Minister has already the power to vary. This is not a cookie-cutter piece of legislation, as the Minister argued. It is not. It is designed to specifically appeal to each company based on their own profile. That is in the Act.

So, the Minister has got the power. Keep it at 25, accept applications, have a policy that allows you to subjectively deal, and exercise that policy strongly. In fact, the Government can come here at some point and say, *We have seen a group of companies either stay here, or this here, and this is there, and they have invested this amount of money over a period of time.* No matter how many people are in the company, that is going to be a feather in their cap. But moving that number, frankly, Mr. Speaker, sends the wrong message. *Oh, well creating jobs for Bermudians is not the priority. It is more important . . . the flip side of this is to attract the business.*

We on this side do not accept the trickle-down philosophy of economics. That may be the theory that this Government is in bed with. But it is not the one that we ascribe to. Just as with the Bill in the Tourism Authority of which we talked about in the previous debate, where about that is an industry that directly creates jobs for Bermudians. So, the efforts to accelerate that process, we welcome. It is the same with international business or with any other business that might

qualify under this Act. So we have difficulty, Mr. Speaker, with the varying of that figure from 25 to 10. We do not believe it sends the [right] message to Bermudians.

Let us forget about just the international partners who might be attracted to it. Because again, going back to the figure about the \$120,000 reduction down to \$25,000, what message are we sending our Bermudians about the value that we put to them in this country? Where the Minister says in his statement that the \$120,000 . . . I will go back to it again, *It is selling Bermuda*. Well, \$25,000 is giving Bermuda away! I would have thought that, as Bermudians, they would have seen that Bermuda is a lot more valuable than that. But perhaps I am mistaken.

Anyway, Mr. Speaker, I am going to move on because time is moving on. Mr. Speaker, I know that, again, there is . . . And I would like to also make another point. When you look at the guidance notes, Mr. Speaker, I have a copy of them here, and I am happy to give them to you as a reference point. But even in the guidance notes, Mr. Speaker, it is very clear what it says about how this provision of the 25 persons works to the number of executives. And I will read it if you will give me permission.

The Speaker: Yes.

Mr. Walter H. Roban: Because it does not gel with the arguments that the Minister has put for this.

It says—

[Inaudible interjections]

Mr. Walter H. Roban: Ah, the interpreting is so wonderful, like Angry Birds.

[Laughter]

Mr. Walter H. Roban: For those companies, Mr. Speaker, with less than 25 staff, the number will be reduced proportionately. Please note for indicative purposes only—that is key. This is in the guidance notes, which is associated with the actual original Act, of which I assume that the Minister will update and modify if these amendments pass. Please note, but this is what is in the original Act. Please note for indicative purposes only, the total maximum number of exemptions of senior executives in relation to the number of Bermudian staff could be—could be something along these lines, and it gives you a formula of how it works.

It is indicative. That means it can be varied. It is not the law. It can be varied. And I would hope that the two Ministers who have to deal with this do work together when these qualitative issues arise about companies coming to Bermuda. Yes, vary it! But leave the number as a benchmark. Because it sends the wrong message to reduce it. It says that Bermudians

are less than important to this legislation. That is what it says! That keeping the Bermudian threshold high is not as important as discounting the rights to Bermuda to senior executives. That is what it says! It says that. And that is what people are telling us on the doorstep, who have gotten wind of this.

I am just asking for some reasonableness in the Government, looking at this. The Minister has the power for all of these issues to vary and have a qualitative approach. The law does not force the Minister to do anything around these standards and benchmarks.

The other thing . . . I will move on, coming closer to the end, Mr. Speaker, is you know, this is turning almost from a Job Makers Act to a Job Takers Act, for Bermudians, in particular, by these changes. And it is the same thing, Mr. Speaker, with the five executives. There is a provision in here, Mr. Speaker, where the five executive work permits [provision] for a company is being removed. And the Minister is being given some sort of discretion. Again, the Minister has a discretion based on the quality of the application, as I outlined in one scenario. Let us just say a company does have . . . Fine. They get there, they do everything else. Dot the i's and cross the t's in the application. They get the five.

But this business plan says, *Minister, or Chief Immigration Officer, or whomever he is talking to or she is talking to here in Bermuda, I have another executive who is really talented person. They are central to my team. I really need them here. But they would add six to my company. And this is why.* There is a latitude for that person to make the case. You know, I understand why the Government wants to be so accommodating to make these changes. But materially, in the current legislative framework, the Government can vary those on the specific applications if qualitative issues show that this is a good decision.

Some of these benchmarks in there, they just send the right message to Bermudians. And that is what I am concerned about around this. Because, you know, I am not likely to be one of these C3 people in my lifetime. Maybe in another lifetime I might become one. But perhaps my daughter will be one at some point, or some of the children of some of the Members on the other side. Right? And perhaps they will understand these issues more than I have articulated around them.

But I do understand the Bermudian component of this and the feelings that Bermudians have about where we are and where they want to go. But I also understand that, listen, these persons who come here have a comparative advantage. They come here with housing. They come here with jobs. They come here with salaries. They come here with opportunity already strapped to them when they arrive at L. F. Wade International Airport. Most of our Bermudians have to work through those issues just to get in the door of some opportunities that they are pursuing right now.

And with the economic situation, Mr. Speaker, it is tougher. So they see these issues arise. And they say, *Well, why is the Government going this way? Why does it appear that they are giving preference to that person, and I do not see what they are doing for me by changing these benchmarks?*

So I would implore the Government to leave the five number in place. In fact, some discussions that I have had say that that is not really a hard issue for some international business people. They understand. But I understand why they might want these things moved out of the way. Because, frankly, if I were ABIC and ABIR, I would lobby you all, too, to get this stuff changed. Because that is what—that is their job. That is what they do. That is their job. I am not going to blame them. They are doing what they are paid to do by their members. It is to move the dial in their direction.

But it is your job to think about others in the process. And that is the Bermudian factor. That is your job. And that is my job, too, to remind you of that and to think about that, too. And I am asking you and imploring you to think about those Bermudian factors here and the impression you give with the changes that you are proposing. And frankly, those numbers say something. Those benchmarks say something.

The Minister has power to work with these things already in the legislation, in the Immigration Act, in the Economic Development Act. And we understand if the Minister will create a policy where he is going to do certain things to attract business. We understand that. That is your job. But by making the changes you are making tonight with this legislation, you are sending the wrong message. And Honourable Members, I implore you, because not only will you be giving up revenue by the changes with the fee, I think you are giving up some of the confidence that the Bermudian public has employed in you to represent their interests as well as expand opportunity that they all desire, along with our international business partners, who deserve the opportunity to be successful in Bermuda, because their success ultimately is our success. We understand that.

But these changes send the wrong message. And I would ask the Government to reconsider. Thank you, Mr. Speaker.

The Speaker: All right. Thank you, Honourable Member Roban.

The Chair now recognises the Honourable Member from Devonshire North Central, constituency 13, the Shadow Minister of Economic and Social Development.

MP Glenn Blakeney, you have the floor.

Mr. Glenn A. Blakeney: Thank you very much. I am glad I have the floor before falling on the floor. It is late. It has been a long day, Mr. Speaker.

The Speaker: Yes, yes.

Mr. Glenn A. Blakeney: You look like you could use a recliner.

The Speaker: No. I am fine, actually. Do not think . . . Looks are deceiving.

[Laughter]

Mr. Glenn A. Blakeney: Oh, I do know that. I do know that, you know. And it is quite entertaining at times, the colourful comments and the body language we see. The Honourable Minister over there running his fingers through his hair, and Shawn Crockwell, the Honourable Member, and also the Honourable Member Mark Pettingill would do the same thing, but they do not have the follicles. So they have settled for just shining their crowns—the crowns of their heads, that is.

But, you know, this is a pretty serious piece of legislation, Mr. Speaker. And it is interesting to see how far the Government is willing to go to try and stimulate a sector of the economy that has, relatively, served the country well. But, you know, it would be remiss of me not to remind whomever is up at this hour listening, including the honourable colleagues in this House, that Governments over the course of time have been extremely flexible and receptive to consultative processes, especially with regard to international business and the lobbying groups, ABIR and ABIC and the like.

They have co-joined them on a joint venture initiative, year over year, going to RIMS. They have held summits here on-Island. So it cannot be stated or inferred that former Governments, and particularly the most recent former Government, was not open to engaging the international business community. This is indeed where this Incentives for Job Makers [Act] all started. It is the attempt now of a Government just to tweak it in a way that they feel is going to better serve the country.

And sometimes, we need to be just a little bit careful and reflective, which I suppose is why there is an old adage: *Make haste slowly*.

Now, the Government is looking to, on the one hand, grandfather in the criteria in shifting the eligibility requirement for certain key executives who have been operating in Bermuda to immediately become eligible for PRC. Then you have those that would see there is the opportunity in 10 years to become eligible and decide to move to the country, bring their key employees. There are a number of questions. Who is going to be considered a key employee? A claims manager? I would think not. I would think not. So it is all relative.

So, what is the real motive behind this piece of legislation, is my real concern. I hear what is being

said. And I see what is being written. But what is the motivating factor behind this piece of legislation?

The former Government continued to shift as the goalposts shifted with the requests from the international business community surrounding work permits versus term limits. The Government, I would not say capitulated, but through a consultative process, agreed there was a merit to the argument to extend one time, to extend again. It went from three to six to nine. And some of the applications for the supposed key employees were not always in line with the thinking of the Government, as far as those individuals being necessarily key to the operation.

But you cannot argue with a corporation that identifies an employee as key. The gardener could be identified as key. A nanny could be identified as key. And with a key executive coming to the Island and now enjoying PRC status, where does it go next? That person is a family of four or five—

Dr. the Hon. E. Grant Gibbons: Mr. Speaker, just a point of clarification, if I may.

The Speaker: Yes. Honourable Member. Yes.

POINT OF CLARIFICATION

Dr. the Hon. E. Grant Gibbons: Yes. Just because people will be listening to this.

The Speaker: Sure.

Dr. the Hon. E. Grant Gibbons: There is no way that a gardener would be considered somebody to be exempted from this. It is senior executives. Thanks.

The Speaker: All right. Thank you.

Mr. Glenn A. Blakeney: I understand that. But my premise was, where is it going to go? Where is it going to go? Because you know what? We are between a rock and a hard place. And right now, the international business community understands that they have the leverage to put the pressure on the Government. They understand that. It is almost like they can dictate terms of engagement unless we hold fast to some principles, especially with Bermudians in mind.

Mr. Speaker, when we look at the key executives that would be interested in coming to Bermuda and bringing their companies, you know, the interesting thing is that we do not have, in my opinion, based on this legislation, stop-gap measures. Executives could change. After they have gotten their PRC, the corporate philosophy could change. There could be acquisition. And the new company that takes over could have a whole different view about things and decide they are going to move out of Bermuda.

So that key employee who has now got permanent residence status has got the best of both

worlds, for \$25,000, which for most of the key executive-types that we are talking about is but a pittance of what they can really afford for enjoying the kind of status that permanent residency would give them, particularly senior executives.

So, where is the love shown for a country, which everybody understands has the same global challenges with regard to the economy and the current climate that we now experience? That, to me, as a key senior executive, earning seven figures and more, would be really the least of my worries, because I would feel, notwithstanding maybe the wrong perception by the average Bermudian, that it would be incumbent upon me to show a commitment that has some worth in contributing toward the bottom line of the country as a small token of appreciation for the consideration and for the approval of enjoying permanent resident status.

So these are some of the things that make me start to think more political. And whether there is going to be an opening of the floodgates, where there is going to be a hugely significant influx of people that qualify for permanent residency, and then there's this slippery slope toward full status after they are here for a while, which gives them the right to become a part of the equation at the polls. That is a major consideration. Because I think the Government, and any government of this country, would be sensitive to the degree to ensure the security of tenure for key senior executives.

As much as has been said about an exodus of corporations and business and the international business sector, there has not been much mentioned as to some of that cause and effect coming as a result of the global impact of a downturn in the economy. Some of the decisions made with regard to domiciles of choice were not solely based on immigration policies here in Bermuda, not at all. So there is a level of disingenuousness to a degree with regard to the cause of what we have experienced with some of the exodus of companies, and thus the downsizing of the workforce in the international business sector.

Even with this being in the pipeline, there continues to be redundancies and downsizing and outsourcing. So I do not see, with what is being proposed here, that it will make any significant impact in the short term. I do not see it, unless there is a significant turnaround globally, particularly with the kind of clientele we are looking to attract, with the business that they operate to domicile in Bermuda. I do not think it is going to be an overnight thing.

This is mainly for the companies that are here who have said, *You know what? If we do not get this, there is the possibility we are going to look at other places. Because, remember, we have entities that are subsidiaries in Singapore, maybe in Nassau, maybe in Guernsey, maybe in the Isle of Man. So, we have choices, and we choose to be here. But it is becoming more difficult for us to commit to that choice, because,*

you know, we are not comfortable. We do not have, in our opinion, the kind of stable confidence that makes us want to commit fully to Bermuda. But, you know what? If we can give you \$25,000 as a token of appreciation (as opposed to \$120,000) and you give us permanent residency, the whole game could change—just like that.

I just do not feel comfortable with that kind of ultimatum. I really do not. I really do not. I always use the coined phrase of “honest brokering, honest brokers” and the principle of that around a table of diplomatic protocols where there is mutual respect across the table in engaging dialogue through a negotiated process that will try to get you somewhere close to where you want to be as a result of fair compromise.

But with the caveats, after this country has served the world so well in every single measure—global catastrophe! Bermuda has played a significant role in settling its commitments based on insurance and asset protection contracts. And now it is almost akin to being nicked and dimed, to leverage because of the conditions globally that they know have impacted our economy, so that they are now pushing the envelope.

These Bermudians don't have no backbone! We can get what we want, and now's the time! But what about Bermudianisation? What about providing a commitment for the employment of Bermudians? Training? The whole nine yards? There is no real focus there. And that is what gets the backs up of Bermudians. Because if it is not well articulated and there is ambiguity as a result of some premature decisions that had to be rescinded, causing that mistrust, we might not be having this conversation.

I refer to the attempt to get agreement allowing students who were children of guest workers to come back and prospect for summer jobs, in competition with our university students who have had heck to find summer employment for a number of years! And some of the biggest complaints you will get from graduating students returning to their home is that they cannot find employment. And that did not just start yesterday, last week or last year. We know! Because our families and our relatives are dealing with these concerns from the children they have sent to be educated and then come back, not now with bachelor's degrees, but with master's degrees! And now having to expend even more in tuition to try to achieve PhDs so they can always be assured when trying to get a job!

So, this is what makes a population very apprehensive. This is what makes a population look with suspicion, these kinds of things. And they cannot be denied. They cannot be laughed at. They cannot be ignored. Because these are the same people that you are asking to entrust you at the polls when you, based promises in your platform, that you will do thus, such and so.

And you know, one thing that the Government of the day seems to dismiss in probably the deeper recesses of their minds, is the fact that they won by a very slim majority. And a huge and significant part of their success resulted from a number of eligible voters who were either being disenchanted, frustrated or just hurting so much that they did not partake in the process. And there were some, in my constituency, that were told, *You don't need to vote against Mr. Blakeney. Just don't vote for him!* Well, how do we do that? *Don't turn up at the poll.* And it is nothing that is far-fetched, because you remember one of your former leaders was very successful in having a huge, significant part of the community that supported the Progressive Labour Party abstain from voting for Independents, in, I believe, 1995, or somewhere about that. It was a very successful campaign.

So, those that could remember said, *Hey, you know? I'm hurting right now. I don't care about what this Government has done with regard to infrastructure, with regard to all kinds of other initiatives that we've named time and again and as a manifestation of the work that was done by the former Government.* It cannot be denied. They may want to disacknowledge it. They may want to throw those curveballs about the cost of this and the cost of that and all kinds of things. But the achievements are there. The manifestations are there.

But at the same time, when people lose their jobs, a part of which resulted from the downturn in the global economy (not just in Bermuda), they become very disenchanted, as we all know. And the Government played on that very, very successfully in their campaign. And as soon as they put the shoulders to the wheel and started introducing some of the initiatives that they had to rescind, such as the one I just mentioned, as well as the one that impacted or was proposed to impact senior citizens regarding their vehicle class licences, had to be rescinded, this is where the trust element in the minds of the people subjects the Government to being suspect.

So, when they bring this type of legislation in, tweaking what the Progressive Labour Party introduced, I go, *Okay. Well, let's peel the layers.* What is really being attempted here? We hear it is in the interests of the country as a result of what international business executives, senior executives would like. Okay. No problem. But it is \$120,000 for that. *Hey, well, that's reasonable.* But now, you know, you reduce it to \$25,000? Like, well, what is the rationale for that? That \$120,000 for someone making seven figures is too much? Really? When the Finance Minister has gone out and secured \$300-plus million, \$700-plus million, as a safety net?

I mean, the debt ceiling, he has increased that. That is a safety net. So, if it gets sticky, if it gets tough, he says, *You know what? Don't worry about it. They may have forgotten about that increase, that limit, but now we can go and borrow some more mon-*

ey and give some short-term stimulus to the economy and make people feel good! So, that insulation, that safety valve, prudent as far as the Finance Minister is concerned because he says the interest rate now is something that he feels comfortable with, because we do not know what could happen in the future and it could be a lot higher if we delayed accessing the kind of capital that he wanted for insulation.

So, these are the kinds of things that some of the people in Bermuda are really thinking about. Not everybody is out of their depth with regard to the politics and the implications, once they get a handle and their minds wrapped around what some of the consequences might be, whether they be intended or unintended. And that is why there is still a level of discomfort in the country. There is nobody in this country walking around with, you know, stretched smiles on their faces because of the OBA and its policies, because it is not hitting the people where the rubber meets the road in most instances. So, we on the doorsteps are getting questions, the queries, the comments.

Mr. Speaker, you know, we understand that we have challenges in the country. We know that there has to be collaborative effort to address those challenges, all stakeholders on board, all stakeholders included. We certainly support international business. There is no two ways about that. I think the track record of the Government would support that. And this is evidence of it because it is a Bill that we initially passed.

I think I have covered most of what I wanted to cover, Mr. Speaker. And with the hour being late, I am going to end there and allow others to contribute to this debate. Thank you.

The Speaker: Thank you, Honourable Member.

Is there somebody else who would like to speak?

Oh, really?

[Laughter]

The Speaker: The Honourable Member from Pembroke Central, constituency 17.

MP Walton Brown, Shadow Minister of Education, you have the floor.

Mr. Walton Brown: Good morning, Mr. Speaker.

The Speaker: Good morning.

Mr. Walton Brown: A very cheerful morning.

The Speaker: Absolutely.

Mr. Walton Brown: Outside, at least. Inside, perhaps not so cheerful.

Mr. Speaker, I would like to begin with a quote from Shakespeare, the Bard.

The Speaker: Oh, Shakespeare! Oh, yes. Go ahead. It is twelve o'clock in the night, you know.

Mr. Walton Brown: And, you know, I am actually going to quote from *The Tempest*.

The Speaker: Ah. Yes?

Mr. Walton Brown: *The Tempest*, which is actually, in part, about Bermuda.

The Speaker: Okay.

Mr. Walton Brown: Those vexed Bermoothes.

But the quote I am going to make from Shakespeare in *The Tempest* is that, "What's past is prologue." "What's past is prologue."

The past is a dress rehearsal for the present. And, Mr. Speaker, when we look at this particular piece of legislation, this immigration legislation, we know there is connectivity between the past and today. Immigration policy has always been mired in politics. It has always been contested terrain. And it remains so today.

If I can go back to the recent past and not the distant past, I will show you this connectivity, Mr. Speaker. In the 1960s, when we were going through our period of democratic transition as the result of people rising up to demand greater rights, we saw an interesting adjustment to the immigration policy. That is right. It was 50 years ago, as the Finance Minister interpolates, Mr. Speaker, 50 years ago. And it resonates today! Because 50 years ago, when we were entering the age of democracy, the old oligarchy who ran Bermuda, the *40 Thieves*, devised a policy. They knew that in the age of democracy, where everyone was finally given the right to vote, they needed to address that issue by amending immigration policy.

And so, they made two changes that were very relevant, Mr. Speaker. One, they allowed for any British subject resident in Bermuda for three years or more to get the right to vote. Three years' resident and they got the right to vote. Mr. Speaker, in addition to this, the Government of the day, which has a direct connection to the current Government, launched a very aggressive immigration policy. If you look at the net immigration figures from 1950 to 1960, it was about 700. I don't have the exact figures in front of me, but it was about 700. If you look at the net immigration figures from 1960 to 1970, it was about 8,000. Over 50 per cent of these people who came in the 1960s came from the British Commonwealth. And therefore, every last one of these people who had been here for three years or more was allowed to vote.

They had a pertinent impact on elections from the 1960s right up until recently, Mr. Speaker. The right to vote for those nationals ended in 1978, because no further people were allowed to go on the voting register. But all of those who had the vote up to 1978 were allowed to retain that vote.

Mr. Speaker, what we see before us today is somewhat more sophisticated than what we saw in the 1960s. But the effect is not dissimilar; nor is the intent. Mr. Speaker, I believe that with this particular piece of legislation the Government has lost its moral compass. I will give greater specificity to that shortly. This legislation, if adopted, will lead to thousands of people being granted PRC status. And while the Minister, the Honourable Dr. Gibbons, spoke only about those captains of industry, if you will, when he made his presentation, who would be eligible for PRC status, what he did not do is articulate [about] those additional persons connected to that senior executive who also will be entitled to PRC status—the spouse and the children.

So, you can safely say, Mr. Speaker, there is likely, whatever number you have in mind for those who will benefit immediately and in each successive year under this adopted law, you can multiple that by three, minimally, minimally. So, Mr. Speaker, I think that represents a dramatic impact on our country. And I want the backbenchers of the OBA Government, which I would now call the *One Business Alliance*, because nothing that I have seen this year from the Government has been directed at the people to benefit the people. Everything is about business. I recognise the importance of business. But a government needs to strike a balance. And what we see with this legislation is no balance, no balance. Everything is business focused.

For those who sit on the Government backbenches, I would ask you to think and reflect very deeply on what you are likely to be supporting tonight. I would ask the Premier to give greater reflection. They may not be here, but I certainly hope they are listening.

We already have a situation, Mr. Speaker, where you have Bermudians looking for work, cannot find work. We are going to grant PRC status to these thousands. So what you are going to have is a far more competitive environment, a far more competitive landscape for us to have to deal with.

Another consequence, Mr. Speaker, is that you are going to see, because of the rights that are rightly granted to PRC holders . . . If you are a PRC holder, in my view, you should have all the rights of a citizen of this country. Even though, technically, you are not really citizens of this country, you should have all the rights of someone who holds Bermuda status without the right to vote. So, I have no issue with PRC holders being able to buy property at any and all levels. But by increasing the number by thousands, what you are going to do is increase the price of homes.

Now, real estate owners, real estate developers, they are happy. And the Minister used some words just now to express his enthusiastic support for that. I am sure he would not want to repeat the exact words he used.

[Laughter]

Mr. Walton Brown: But, clearly, the Minister of Finance is quite happy. He has the prospect that the prices of property will go up.

But guess who will not be happy, Mr. Speaker. The people who are working hard, working men and women who want to buy homes. The Government needs to have balance. The Government needs to have balance. There is no balance reflected in this proposed legislation, Mr. Speaker.

So, Mr. Speaker, we have been told that these changes have been the result of consultation with the international business community. They clearly say this is all true. They clearly say one thing to PLP Government officials and something altogether different to OBA officials.

[Inaudible interjection]

Mr. Walton Brown: Yes. Yes, that may well be true.

So, first the demand was for elimination of term limits. That was yesterday. Today the demand is for permanent residency. What, then, does tomorrow hold, Mr. Speaker? I am grateful, at least I should be . . . we should be grateful that these international business executives did not make a demand to have five wives because we might be considering legislation for that today.

[Laughter]

Mr. Walton Brown: Mr. Speaker, simply because someone is making a demand for something, it does not mean you just give in to it. You need to assess that insistence. You need to assess that demand based on competing interests. Governments are supposed to multitask. You do not just sit there with zero, singular focus and say, *Well, this is what the international business needs. They will leave if we do not give them A, B, C or D. So let's give it to them. And let's forget about Mr. and Mrs. Bermuda struggling to find work, affordable homes.* There is no balance, Mr. Speaker. There is no balance.

[Inaudible interjections]

Mr. Walton Brown: Do you hear that, Mr. Speaker, the chirping from the other side? Here we are discussing an issue of profound significance that is going to alter the shape of this country. And we hear petulant posturing on the other side. *Didn't they build affordable homes? Didn't they do this?* This Government—

this Government—does not have the focus that it should have, that its Honourable Premier said it would have, to address the issues and concerns of Bermudians, not just the *One Business Alliance*, not just the *One Business Alliance*, Mr. Speaker.

[Inaudible interjections and crosstalk]

[Gavel]

Mr. Walton Brown: So, Mr. Speaker, I fully recognise that governments need to have an environment that is attractive to the growth and development of international business. I do not want to be painted as someone who stands against the growth of international business. Every government needs to have an immigration policy that addresses a wide range of needs.

But what we see here, Mr. Speaker, is piecemeal. I do not know who did the research for your legislation, Mr. Speaker, the Government's legislation. But most governments in the world—

[Inaudible interjection]

Mr. Walton Brown: Oh, let me just respond to that for one second—"It is my Act."

It is not *my* Act, Mr. Speaker. It is not *my* Act. I was not part of the PLP Government when it was passed. And I stood in this House a few months ago and told this House I was opposed to that Act then as I am opposed to it now. Let us be clear. Let us be very clear.

Now, Mr. Speaker, what most governments do is create an immigration policy which says they are going to award a certain number of resident certificates, or the equivalent, on an annual basis. It is far less than 0.5 of 1 per cent. This Government is not concerned about that. It is concerned about giving the international business community what they tell us, they have said. I do not know that for a fact.

[Inaudible interjection]

Mr. Walton Brown: I understand that. You need to listen to my words very carefully, what they tell us the international business community have said.

Now, they want to interpret that to mean anything? That is up to them, Mr. Speaker. But they have come to us, the Government, and told us what the collective voice of international business is. If they were giving testimony in court, that is all they could say. And that is what we would have to listen to.

So, why not have a coherent policy, a comprehensive policy that talks about immigration, how many PRC grants we want to issue on an annual basis, and what categories . . . Make it a little bit more democratic and open. That is what most countries do. They do not just give it to the privileged few. They create a framework that is based on some sense of

giving dignity and equality of opportunity. But not this Government; they are giving it to one group.

Mr. Speaker, the problem that I have with this legislation is the implications. There are profound implications in this piece of legislation. In my view, Mr. Speaker, this is social engineering masquerading as economic policy, masquerading as economic strategy. And it can be dismissed. It can be dismissed by the Government. They have the votes to pass any legislation they want to in this House. But I am speaking on behalf of those who do not have a voice, who want to be able to buy houses, who are looking for jobs, but do not want to have an additional layer of competition.

Now, Mr. Speaker, there was something also very disturbing about this legislation. This legislation will provide benefits to a very select group, demographically, because 95 per cent of the beneficiaries of this legislation will be white and male—95 per cent. Now, it is not for Members of this House to decide whether this is something that was known and understood by the Government when the legislation was fashioned or whether it was merely an unintended consequence. That is for Members to decide. But, Mr. Speaker, we have to remember what Shakespeare said: "What's past is prologue." And notions of immigration, politics, and race have been interconnected since the days of Emancipation in 1834. It is a long history. And it has been a continuous history.

Now, I raise that not merely to be provocative, but that is a fact I doubt anyone can discount. I do not raise it merely to be provocative, Mr. Speaker. I raise it because of the potential challenge to this Bill. Let the Government have the courage to pass this Bill, Mr. Speaker. Passing this Bill, though, will raise a very interesting constitutional question. Because if you look at section 12 of the Bermuda Constitution, one could argue that this Bill stands in violation of section 12 of the Bermuda Constitution. Yes, get it out and have a look at it. But let me read it, let me read it, for simplicity.

Mr. Speaker, if you will allow me to read the relevant section of the Constitution?

The Speaker: Yes.

Mr. Walton Brown: The Constitution of this country.

The Speaker: Where are you? Where are you?

Mr. Walton Brown: Section 12. The Bermuda Constitution Order, Mr. Speaker, says as follows, section 12. And I have left out a few of the sections, just for brevity's sake.

The Speaker: Chapter 1, section 12 of the Constitution?

Mr. Walton Brown: Section 12.

The Speaker: Go ahead.

Mr. Walton Brown: “. . . no law shall make any provision . . .”

Some Hon. Members: What part?

Mr. Walton Brown: Section 12.

An Hon. Member: What part of section 12?

An Hon. Member: Which subsection?

[Inaudible interjections]

The Speaker: Where are you reading from? [Bermuda Constitution Order 1968] section 12(1)?

Mr. Walton Brown: Right.

The Speaker: [Bermuda Constitution Order 1968] section 12(1).

An Hon. Member: He is in the middle of the provision.

An Hon. Member: You have got to read the whole sentence from the beginning.

Mr. Walton Brown: Mr. Speaker, I do not need to be educated on the Constitution Order by the Honourable Attorney General.

The Speaker: Carry on.

Mr. Walton Brown: I am going to give my presentation.

The Speaker: Yes. Give your presentation. We found out where you are. You are in [Bermuda Constitution Order 1968] section 12(1), second line.

Mr. Walton Brown: “. . . no law shall make any provision which is discriminatory either of itself or in its effect.”

The effect of this legislation, Mr. Speaker, is to give preferential treatment to a select demographic group based on race and gender. So, pass the legislation! And we will see what happens with the constitutional challenge.

Our Bermuda Constitution Order [at section 12(3)] says, “discriminatory means affording different treatment to different persons . . . whereby persons of one such description are subjected to . . . restrictions . . . or are accorded privileges”—“or are accorded privileges . . . which are not accorded to persons of another such description.”

Hon. Mark J. Pettingill: Point of order, Mr. Speaker. Point of order.

The Speaker: Yes, yes.

POINT OF ORDER

[Misleading]

Hon. Mark J. Pettingill: It is an important point.

The Honourable Member, with respect, is misleading the House and the country. And the reason that I interpolated and said you have to read it from the beginning is that the section he is reading from, with great respect he divided in the middle of it.

It is common, known law. But he has to read the Preamble to that, which begins [at section 12(1)], “Subject to the provisions of subsections (4), (5) and (8) . . .” which are quite extensive. And when you read those, it will say, “where the law in question is already passed.”

So there is no constitutional issue with this. This law is already in play, [has] been in play for some time. The provisions of (4), (5) and (8), as you will see, Mr. Speaker, are quite extensive and deal entirely with the issue that he is trying, with respect, to say would be unconstitutional.

The Speaker: I understand. Thank you. Thank you, Minister.

Honourable Member, just continue and conclude that point. Conclude that point.

Mr. Walton Brown: I will conclude, Mr. Speaker, surely, Mr. Speaker. Because as much as the Honourable Attorney General is a learned Member of this legislature, Mr. Speaker, it will be a matter for the courts to interpret and not for the Attorney General to do so. So, we can have that discussion later.

But, Mr. Speaker, I raise this issue because the Honourable Premier, in his opening statement to this House, mentioned that institutional racism was one of the fundamental problems that this country had to address. He was eloquent. He was sincere in his delivery.

And yet, what we have before us today is a piece of legislation that will give preferential treatment to a select demographic group. It treats them unfairly, other people unfairly. I think it needs to be challenged. With respect, Mr. Speaker, I would encourage this Government to rise and report progress, because this piece of legislation is an attack on Bermudians, on our children and our grandchildren.

Thank you, Mr. Speaker.

The Speaker: All right. Thank you, Honourable Member.

The Chair now recognises the Honourable Member of Finance.

Minister Bob Richards, you have the floor.

Hon. E. T. (Bob) Richards: Thank you, Mr. Speaker.

Mr. Speaker, I will start off with a reminder, and I will read something from the paper. The first thing I want to say is that this is an amendment to the Incentives to Job Makers Act. Right? It is about job “makers.” Okay?

Secondly, I would like to say that this is an amendment to an Act that the former PLP Government promulgated and passed in this Honourable House last year.

I find it very interesting that Members, at least one of the Members over there, when I said to him across the floor that, you know, he passed this Act, he is distancing himself from the work of his own party. But we will leave that up to him.

Now, if you will allow me, Mr. Speaker, there was an article in today's *Royal Gazette* about the ratings for the banks. And I would just like to read the first paragraph. It is relevant to this.

The Speaker: Yes. Go ahead.

Hon. E. T. (Bob) Richards: It says, “HSBC Bermuda and Butterfield Bank responded yesterday to a ratings cut by Standard & Poor's, which was concerned about high unemployment, a prolonged real estate downturn and thousands of expatriates leaving the Island.”

Mr. Speaker, we have had a lot of political talk here, but not too much reference to economic realities. One of the biggest problems that we have in Bermuda is a reduction in the population, a very significant reduction in the population. The basic law of economics, Mr. Speaker, what I call the “delta law,” (delta, meaning change)—the change in GDP equals the change in population plus the change in productivity. If you have a negative change in population, you have to have some sort of huge once-in-100-years increase in productivity to overcome a negative change in population to get a positive GDP growth.

That is what this is about. This is about the change in GDP and how it relates to the change in population.

[Inaudible interjections]

The Speaker: Just one second.

You need to say something like that. You need to say, “Point of order.”

Do you have a point of order or something? You have a point of order?

Hon. E. T. (Bob) Richards: You have got to say so, Honourable Member.

Mr. Walton Brown: I could be forgiven at this hour, I would hope, Mr. Speaker.

The Speaker: Yes. What is your point of order?

POINT OF ORDER

[Misleading]

Mr. Walton Brown: The point of order is that the Honourable Minister is misleading the House. The only valid number on the Bermuda population comes out of the Bermuda census. And if you compare the 2000 census to the 2010 census, there is no real difference in the residential population at all.

The Speaker: All right.

Carry on, Minister.

Hon. E. T. (Bob) Richards: Mr. Speaker, I do not know what world or island that Honourable Member is living in.

[Laughter]

Hon. E. T. (Bob) Richards: I mean, that is the most absurd thing! There are a lot of absurdities that have been said today. But that is the most absurd thing I have heard today.

Now, like I said, Standard & Poor's, you know, they are not exactly political in Bermuda. It is an international rating agency. They are talking about the thousands of expatriates leaving the Island. This somehow has escaped the Honourable Member. Somehow it has escaped him. So I do not know where he is coming from on that. And I am going to move on from that because that is an absurdity.

The Speaker: Carry on.

Yes?

Mr. Walton Brown: Just for clarification. Because, you know, I take my research very seriously. But [what] this Minister is not saying, Mr. Speaker, is that there was a massive increase in 2006, 2007, 2008, which was abnormal. And then it went back down to levels that were previously the norm. So, you cannot take the abnormal figures as the new norm!

The Speaker: All right.

Minister, please carry on.

Hon. E. T. (Bob) Richards: Mr. Speaker, what is abnormal is that Honourable Member's judgment of the population changes in Bermuda. That is what is abnormal.

Now, let me say this.

[Inaudible interjections]

Hon. E. T. (Bob) Richards: Mr. Speaker, this legislation is . . . I think one of the Honourable Members who spoke earlier said that this legislation (I think it was the Honourable Member, Mr. Blakeney) is about companies that are already here. And that is true. It is. But

let us look at, before I go into something else, let us bring things . . . to use an anecdote that everybody is familiar with. Because I think it is important to paint the picture of why we are here with this amendment.

And the picture is this: We all know that there is a very large building on Bermudiana Road where the Bermudiana used to be. And there is one that is on Bermudiana Road that is now called O'Hara House. And the one next to it is the ACE Building.

Mr. Speaker, the CEOs of those two companies used to be resident in Bermuda. And I remember very clearly when it was announced, firstly, when the CEO of ACE said that he was leaving. And then the CEO of XL said that he was leaving. And everybody, including the Government of the day, swore up and down that it was not going to make any difference to the companies' presence here and to the Bermuda economy.

Mr. Speaker, that was all fronting. That was misinformation. The fact is when the CEOs of those companies left Bermuda they took a whole lot of jobs with them. Because the CEO of a company is the centre of gravity of a company, and when the centre of gravity moves, a lot of other stuff moves with him. One CEO officially went to Switzerland, but he is really somewhere in New York. And the other one is in Connecticut. And a whole lot of Bermudians lost their jobs because the CEOs of those companies left. And they took jobs with them. They took Bermudian jobs with them.

Mr. Walter H. Roban: Point of order, Mr. Speaker.

The Speaker: What is the point of order?

POINT OF ORDER

[Misleading]

Mr. Walter H. Roban: Because he is misleading the House.

The Speaker: How is he misleading?

Mr. Walter H. Roban: He is giving information that suggests that their leaving had something to do with what the Government did. Those companies changed because—

The Speaker: I do not think so. I think he just said that they are leaving. He did not say that they had anything to do with—he did not say the Government.

Carry on. Carry on, Minister.

Hon. E. T. (Bob) Richards: I am saying that, Mr. Speaker, to say that there is a connection with people like that to Bermudians and Bermudian jobs. There is a direct, immediate and critical connection between people like that and Bermudians having jobs. That is why the former Government thought it would be very

useful to try to do something to, if you like, connect those job makers—this is a job makers Act!—to connect those job makers with this Island. So that if they were connected here, the jobs connected to him would also be connected here. That was the intent.

Now, the fact is that we, as an Island and as an economy, have been unsuccessful in connecting many of those jobs to Bermuda. We have not been successful in doing that. And I say that intentionally—

[Inaudible interjections and crosstalk]

The Speaker: Just a minute. I cannot hear.

It is late at night. So, if it is too much disturbance, it is difficult for me to hear.

Hon. E. T. (Bob) Richards: Yes.

The Speaker: So, Honourable Members.

Hon. E. T. (Bob) Richards: Thank you, Mr. Speaker.

We have not been successful in keeping many of those job makers here. And therefore, jobs have left.

And I want to make it clear, because the Honourable Member, Mr. Blakeney, said something that was not correct. It is a refrain. I know it is habit-forming. When you say something over and over again, you convince yourself it is true after a while. But this has got nothing to do with global recession. Nothing! The reinsurance industry in Bermuda has remained very resilient and in a growth mode—not a fast growth mode, but in a growth mode all during the global recession. All the economic statistics show that, all of it.

Now, the fact is that in spite of the fact that the industry has been solid Bermuda has lost employees in that sector. I mean, this comes back to the arguments I was making during the election. Particularly, my colleagues will say, *That sounds familiar*. Because those are the arguments we were making during the election that this problem is a Bermuda problem. So, let us not go down that road like before. Bermudians did not buy it in December, and it is not true now.

This is a Bermuda problem. And in spite of the fact that the one sector that we have in Bermuda, the foreign exchange earning sector, that is solid . . . We talked about tourism earlier, and I said that it is flirting with extinction. But that is not so with international business. International business is pretty solid. In spite of the fact that it is solid, losses in jobs keep occurring. That is the conundrum that we are faced with here, Mr. Speaker. And this is what—this problem is what this Act was supposed to address, originally, when the former Finance Minister approached the industry on this matter. It was treated with great enthusiasm.

However, the version of it that came to the floor of this House was very different from what was

discussed at the initial stages. It was watered down. And the industry actually was very, very disappointed, deeply disappointed with the actual Act that was passed here. And one of the reasons we are here now is to try to fix some of those things.

POINT OF CLARIFICATION

Mr. Walter H. Roban: Point of clarification, Mr. Speaker, if I can ask. Which industry is the Honourable Member referring to, specifically? Thank you.

The Speaker: Would you like to—

Hon. E. T. (Bob) Richards: I thought that it was understood. International business is what I am talking about.

The Speaker: That is what I thought you were talking about.

[Inaudible interjections]

Hon. E. T. (Bob) Richards: As opposed to coal mining, yes.

Mr. Speaker, much reference has been made to the change of the fee from [\$120,000] to \$25,000. Let us consider what the intention of this Act was supposed to be. The intention of the Act was supposed to be to help further connect job makers to Bermuda so that they would stay here, and the jobs that they create through a multiplier effect would also stay here.

How is that connection going to be made? Well, granting of PRC status was part of it. But there is much more to it than that, Mr. Speaker. This Act was supposed to be a tangible symbol of Bermuda's welcome-ness to job makers. It was supposed to be an acknowledgement that Bermuda appreciated and valued the contribution that these people made to the Bermuda economy and the society. That is what it was supposed to be, not just PRC status. It was a symbol of appreciation. That is what it is supposed to be.

Because I have talked to a lot of these guys around town. Right? And, you know, they want to be a part of us. They want to feel appreciated. They spend a lot of money here. They make a lot of money. Everybody has said that a hundred times; it is true. They make a lot of money. But they spent a heck of a lot of money in this country, spent it, given it away, what have you. Right? And they do not mind doing that. But they want to feel appreciated! Just because somebody is wealthy does not mean they do not want to feel appreciated. They want to feel appreciated.

This Act was supposed to be a symbol of that appreciation. When they saw that, in order to get that appreciation, they had to spend \$120 grand, it all went. It became, instead of appreciation, it became a

transaction. It became a transaction. And the whole [beneficial] feeling of the whole thing disappeared.

As a matter of fact, most of the people that I talked to were offended by this fee. Not because they could not afford it. I mean, let us face it. They can afford it. They can afford it. Just because people can afford something, it does not mean they do not get offended if you make them pay for something that they think is too much. And that is a human quality, whether you are rich or poor. You do not want to feel that you are being ripped off, even if you can afford to be ripped off. Right?

[Inaudible interjections]

Hon. E. T. (Bob) Richards: I am hearing this thing about Bermudians are being ripped off. Thank you very much for that comment, Honourable Member. It brings me to my next point.

The folks on that side do not understand even the most basic thing about economics, not even the most basic thing! Now, if this \$120,000 fee prevents people from staying here, job makers from staying here—

[Inaudible interjections]

An Hon. Member: You are as dumb as my head is bald!

Hon. E. T. (Bob) Richards: *You are as dumb as my head is bald?* Okay. I will go for that.

The Speaker: That is going to stop! And somebody might want to go home early! Somebody might want to go home before one o'clock in the morning. It is ten to one now.

Hon. E. T. (Bob) Richards: You got volunteers?

[Laughter]

The Speaker: Somebody might want to! They are volunteering to go home! Yes.

[Laughter]

Hon. E. T. (Bob) Richards: Mr. Speaker, if you have a bunch of job makers who get offended by a \$120,000 fee, and they take off to some other country, and the Bermudian jobs that are connected to them disappear from Bermuda, the Government of Bermuda does not get the payroll tax from those Bermudians. It also does not get the payroll tax from the foreigners, who may not be job makers, but still connected to those job makers; it does not get that either.

When you have the fee too high, that is when you are selling Bermuda short! When you have the fee low, that means you are creating value in Bermu-

da! What we are doing here by lowering that fee is to create value in Bermuda! It is just common sense! But, you know, the folks on the other side, Mr. Speaker, are so caught up in some kind of class thing that they cannot even see their noses on this one! Right? They cannot even see their noses on this one.

When you lower this fee, it enables these people to stay. The jobs stay. There is more money in Bermuda. There is more money in the Government. Everybody is happier. Except those folks who, for some reason, think that rich folks did not get nailed for \$120 grand.

An Hon. Member: That is because the fee is too low!

Hon. E. T. (Bob) Richards: I tell you. That fee could be \$100 and I would still vote for it because it would keep jobs in Bermuda. And the same Bermuda that you all say you represent, our measure is going to give them jobs, and your measure is not! So I do not care if the fee is \$100 or zero. Because I know that, insofar as the Government is concerned, we are going to get more revenue in it by a lower fee, because it is going to help maintain jobs in this country!

So, if the Honourable Members on the other side would stop being politicians and just start thinking about what is good for Bermudians and what is good for the Bermudian economy, maybe they can come up with the right answer! But what I have heard so far is just all politics. You know, we got a history lesson from the Honourable Member, Mr. Brown. And that is fine. But, you know, it is not relevant to this. It is not relevant to this at all.

So, Mr. Speaker, what we want to do here is, as somebody said earlier, to tweak what was started and to make it more effective. We need to provide incentives for job makers so that we can keep them here. We have a strong international business sector, but we are still losing jobs. Bermuda cannot grow if we lose jobs. The Honourable Member, Mr. Walton Brown, talked about 8,000 jobs coming to Bermuda over a particular decade. Mr. Speaker, I wish we could have 8,000 more people in Bermuda right now. Bermuda would not be in a recession if we had 8,000 more people! We just would not be in a recession if we had more people! We need more people in this country to grow the economy.

You know, we are going to have traffic jams and all kinds of other problems. But that goes with success. A shrinking population is going to pretty much guarantee economic decline, pretty much going to guarantee that. We need more people in Bermuda. And whether it is politically inconvenient for a particular party, quite frankly, I do not care where these people come from. I know that we cannot produce them, as Bermudians, fast enough. We just cannot do it. It is physically impossible, or should I say, biologically impossible. All right? In order to grow the population in Bermuda, we are going to have to bring people in

from outside. It is a simple fact! Just face it! We cannot grow this economy and keep kicking people out! Cannot do it.

So, let us stop the political posturing and start thinking about what is for the welfare of this economy, what is for the welfare of Bermudians, what is going to put Bermudians back to work. The other side has got to just admit this. We have to bring in more expatriates to provide more jobs for Bermudians. And that is the fact! And you just have to get used to it. You cannot create more jobs for Bermudians without bringing in more expatriates! You cannot do it! You cannot do it.

[Inaudible interjection]

Hon. E. T. (Bob) Richards: Well, I hope you are learning the lesson.

[Laughter]

Hon. E. T. (Bob) Richards: You cannot do it.

So, let us stop this nonsense of saying how, somehow, this particular legislation is going to somehow replace Bermudians! It just is not realistic.

It is all about numbers, Mr. Speaker. And we need more warm bodies in this Island to make the economy grow. Seeing that we are not going to be able to do it in time biologically, the only way we are going to do it is to bring in people from outside. I do not care where they come from, whether they come from the United States, whether they come from Europe, whether they come from the Caribbean, whether they come from Africa, I do not care! But I know one thing, right? We have got to have them.

This particular amendment is going to help at least stop the rot, because the rot is still on, Mr. Speaker. The rot is still on. The exodus is still on! We have to stop the exodus before we can bring new people in. Stop the exodus. All right?

[Inaudible interjections]

Hon. E. T. (Bob) Richards: Well, this is something else we have to do to do that.

Mr. Speaker!

The Speaker: Minister, you are doing a good job. Just continue to speak to the Speaker.

Hon. E. T. (Bob) Richards: Okay. Mr. Speaker, we have to do whatever it takes. This is the philosophy of this group on this side. You know? We are not hung up on these political paradigms that they are hung up on. We are pragmatic over on this side. We have to do whatever it takes to turn this thing around. This is one of those things that it takes. The term limit thing was one of those other things that it took. And we will keep doing whatever it takes to get the job done.

So, the other side need to get over this and let us try to produce some more jobs for Bermudians.

Thank you.

[Desk thumping]

The Speaker: Thank you, Honourable Minister.

The Chair now will recognise the Honourable Minister without Portfolio, from Southampton East Central, constituency 30.

Minister Leah Scott, you have the floor.

Hon. Leah K. Scott: Good morning, Mr. Speaker. Thank you.

The Speaker: Good morning.

Hon. Leah K. Scott: Mr. Speaker, I am not going to be long because I know that it is late. I just want to say a few things. At the risk of also repeating what my colleagues on this side have said, international business actually provides the majority of external revenue into Bermuda. There has been a steady decline in international business. There has also been a reduction in the recruitment of both Bermudians and expatriates.

This Act provides an incentive for the people that create jobs to remain here in Bermuda. It says that we are open for business, we welcome your business, we want you to be here. We want you to keep your business here. And by keeping your business here, you will continue to employ Bermudians. It provides continuity of life for expatriates by providing them the opportunity to have a PRC. And a PRC provides certain benefits. People get nervous when people have certain benefits in Bermuda that are not Bermudian, but it does not give them status. But it gives them security and the ability to be able to stay here and to want to continue to keep their businesses here.

So, therefore, it provides increased security. It provides residence. It is not a means to acquire status, and it is not a means to acquire citizenship.

We have to stop looking at international business as the big bad wolf and the enemy of this country, because it is not. And we have all done well under international business. We need to stop viewing it as an unwelcome intruder. Our economy is not one that can be sustained solely by our local businesses, and that has been proven. It takes a US dollar to create a Bermuda dollar.

Twenty-two members of ABIC generate \$1 billion a year to this economy. Should not ABIC and ABIR, the 22 members of ABIC [which] generate annually a \$1 billion economic impact to Bermuda . . . (Okay, ABIC, ABIR, he says ABIR.) Should not those that are making this contribution to our economy have some sort of security of tenure and ability to stay here

and incentive to continue to want to create jobs for Bermudians, Mr. Speaker?

International business helps Bermuda in both its competitiveness and its development. Our competitiveness depends in a large part on the competitiveness of business that chooses to stay here in Bermuda. As my colleague has said, not only do we need more jobs, but we need more people. We cannot create 3,000 people naturally by birth, so we are going to have to import labour. It is just a fact. We cannot get away from it.

[Inaudible interjections]

Hon. Leah K. Scott: Even if our economy stood still, Mr. Speaker, we would still have to bring in people. If there was no further decline in our economy, we would still have to import labour in order to keep this country going. We have to rely on imported labour. This Government is endeavouring to develop policies that will assist and create an environment for job makers to want to be here, to facilitate the employment of Bermudians on an on-going basis, and to address the labour market needs that we have.

The decisions that we make can either positively or negatively impact our economy and the decisions of businesses to remain here. This Act is evidence that the Government is willing to be a true partner with private business, is willing to take the necessary steps to do what it can to stimulate the growth of the economy and to retain Bermudians to be employed.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

The Chair now recognises the Shadow Minister of Finance, the Honourable Member from Pembroke West Central, constituency 18, E. D. G. Burt.

You have the floor.

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

Mr. Speaker, allow me to start by saying that I do not believe that I, or anyone on this side of the House, considers international business as the big bad wolf. I hope that no one on that side of the House [does]. And I sincerely hope that nobody in Bermuda considers international business a big bad wolf. As we heard in our last debate, we understand that it is basically the one game in town that provides our income. So we understand that. I think that all Members of this House understand that, or else we would not be here. I think that we can dispense with that.

The question of what we are deciding is whether or not this Bill is going to speak to and address the problem, and in some way is this Bill or some measures inside this Bill, necessary? Now, Mr. Speaker, we are going to speak on the objects and I

am not going to go too much into detail as the hour is late—

The Speaker: Please, please don't.

Mr. E. David Burt: —because they are specific issues on Committee.

The Speaker: Yes.

Mr. E. David Burt: But I do want to say this: I think it was very telling when the Minister of Finance said that the rot is still going on. When we have heard that their election, their change of policies will stop the rot, [they] will bring the country back. We are hearing [about the] turnaround. We are hearing the things . . . we hear lots of things about things turning around, we are seeing positive signs, incorporations are up, et cetera. And then he says that the rot is still going on.

What that implies, Mr. Speaker, is that it is not just about Government policy; it is not just about who is in charge of Government. Term limits are not going to stop this rot (as we hear). We have to also acknowledge that some part of this is about the changing global dynamics and where growth is and where Bermuda is positioned. We have to bring in new business, and it is not so much that the mature industries are going to be able to sustain us. I think that that is clear.

We cannot say that the complete (I guess you could say) exodus of jobs that has taken place is solely due to Government policy. We also have to acknowledge that there is a measure of it there that deals with changing global dynamics, that deals with outsourcing, that deals with the fishing season, that deals with responding to the markets that deliver a value for shareholders, costs of living in various locations, et cetera. It is not just about whether or not we set a value at five people maximum or \$120,000 versus \$25,000. There are lots of things that fall into place.

So I'm happy that the Minister of Finance says that the rot is still going on, because he also will now understand, and he has made it clear, that there is a lot of work that remains to be done, and saying that term limits this, or job makers that, is not going to fix the problem. It is a lot deeper than the One Bermuda Alliance becoming the Government, because, as we have heard tonight, the rot is still going on.

An Hon. Member: They have not led us to the promised land yet.

Mr. E. David Burt: Now, Mr. Speaker, I have a few questions, right at the top, for the Minister, and I hope that he can answer them when he gives his response.

The Speaker: I hope he is going to be able to give it after you finish speaking.

Mr. E. David Burt: I am not so sure about that, Mr. Speaker.

The first thing is: Insofar as the companies that have applied for the exemptions, or to be classified or ready for the exemptions, could he tell me how many companies have applied, first of all? How many companies that have applied have been denied or rejected? How many companies have been approved? Those are the three questions. I would like to get some understanding of that because I think that that will help us when we move to our next stage of debate.

So, again, that is: How many companies have applied? How many companies have been rejected? And how many companies have been approved?

Next is that the Minister spoke about ABIR [Association of Bermuda Insurers and Reinsurers]. And we also heard the other Minister speak about ABIR, Minister Scott. There are 21 companies in ABIR and this Act was largely targeted toward that group. [I would like to ask him] if he could possibly supply to me . . . I know it is asking a lot of specific questions and I know it is late, so I am asking a lot of, I guess I could say, the civil servants who have been working a very long, hard day on the day of their furlough paycheques. Can he, please, get the information as to how many of those companies are part of the current list that currently enjoy those exemptions?

We understand that the original Incentives for Job Makers [Act] was targeted particularly toward the ABIR-class companies, the Class 4 and Class 3 reinsurers, the big ones. We would like to know how many of those companies, you know, the big group, are qualified under the exemptions which have been granted thus far. We know that there are a significant number of companies that have applied under the Incentives for Job Makers that are currently receiving work permit exemptions for their staff, and have gone through the process and received that information.

And then, finally, because I think this is key for the debate, is, How does the Minister define "senior executives"? Because I understand when we put forth this Bill, we referred to senior executives as "C" level—chief risk officer, chief financial officer, chief operating officer, chief executive officer—C-suite. That is what we thought. But we have heard different definitions of senior executives today. We have heard senior vice president of claims, et cetera. So, I mean, there is a big definition, and the law in no place specifies what a "senior executive" is. That is up to the discretion of the Minister. So I think that it [needs to be] very clear. I do not think it is helpful to describe, but I think that the people should know what the Minister is going to use [to make that determination]. There are guidelines. However, Mr. Speaker, there are no regulations. So these things are not published so we cannot actually say, *Well, the Minister will consider this. The Minister will consider that.*

And that moves to the next thing. Will the Minister, when he makes his new guidelines, publish those guidelines? And that is an increased level of transparency and that, I will say, probably was not there before. But it will be a question. Will he publish those guidelines? I think that that will be it.

Now, just to move on to one final issue as the Shadow Minister of Finance, and I think that my MP Walton Brown said it best, when we were talking about housing. I do believe that the only people in this country, Mr. Speaker, who think that the price of housing is too low, are the Members on the other side. Because I know that there are many members in my constituency that are still saving to purchase property. And there are lots of people that have challenges that purchase property.

So when we hear that property values may go up and some people on the other side are excited about that, we also have to remember that there are a lot of people who are still looking to get on the first rung of the property ladder. And there are a lot of people, with the declining housing prices over the last few years that have been able to enter the housing ladder. I think that this is a good thing, so we have to look at the balance and remember who it is that we are looking out for.

Now, Mr. Speaker, there are a few things that the Bill covers, and going from the Minister's brief, you know, there is the implementation date (I think that my honourable colleague covered that so I do not need to go any further), the reduction of fee (I do not want to basically elaborate on the arguments that have been made because I do think that the Shadow Minister for Home Affairs covered it very well). But I do have this challenge in that the Minister said that they are going to add something in that is going to talk about needing to qualify the restrictions on companies by saying it is subject to the availability of suitably qualified Bermudians.

Now, I want to say again, Mr. Speaker, and this is why I asked the Minister if he could tell us how many companies have been denied under the current guidelines, because he is adding things in, or he is proposing to add in things which are going to weaken the current guidelines, or add qualifiers to the current guidelines. In my view, Mr. Speaker, I do not think it is a far [stretch to] ask, when you are going to start exempting companies from work permit requirements for their staff, and especially now that the Minister is basically saying that we are going to take off the statutory limit of a maximum of five, and say that many people can be exempt from Part V [of the Immigration Act], as the Minister decides, I do not think it is that far of a stretch, Mr. Speaker, to ask, to expect, those companies to have Bermudians at all levels of their company.

I do not think that is too far of a stretch because I do believe that demonstrates that that company is committed to Bermudians. And those are the

types of companies, Mr. Speaker, [about which] we should say, *You know what? You are committed. We have no issue because you are the type of corporate citizen that we want doing this.* But then we are going to add in qualifiers? Well, they can say, *Oh, we didn't find any Bermudians.* We know how that one goes, Mr. Speaker. We know how that one goes! I know that you have sat in the chair of Home Affairs before, Mr. Speaker, so you have seen all those.

[Inaudible interjection]

Mr. E. David Burt: That is it.

So I think that that, Mr. Speaker, is definitely a challenge. I do not understand why the Minister feels the need to add that in. So I am hoping that he can elaborate on that, because it does not make any sense. We have already had a number of companies that have qualified for this, and I think that a company demonstrates its commitment to Bermuda by this. So I do not understand the reason to water down the requirements.

I do not believe that that is going to be the determination for a company saying, *You know what? We do not want to stay here.* I do not think that that is it. So I do not believe that we should water down the requirements because I believe that we want companies in Bermuda that are good corporate citizens, good corporate citizens.

Now, Mr. Speaker, moving on to the next topic, which the Minister covered in his brief: He spoke about the relaxation or the reduction of numbers from 25 to 10. Once again, it is another relaxation of the items or the thresholds that were in the original Bill. Now, Mr. Speaker, I have a big problem with this. I want to refer, because the Minister did state, he did admit, and we have heard from other speakers on this side, that the Minister has discretion to lower that number.

Now here is the thing, Mr. Speaker. What I find interesting is that the Minister in his brief said, and I quote, "the message has been sent that this will only be for exceptional circumstances." Now, as the Shadow Minister of Home Affairs said, and I too will say right now, Mr. Speaker, I take issue with that statement. The reason why I take issue with that statement is, number one, the Act makes it very clear; and number two, I am certain that this has been waived in some of the applications. And number three, it is my understanding that the guidelines that were produced, that basically stated what you had to do and how many Bermudians you have to have qualify in order to apply for exemptions, were sent out to all the companies.

So I do not understand how the Minister can get up and say that this message has been sent, that this will be only for exceptional circumstances, when we had guidelines that were sent out to companies that basically said, *If you have between one and five*

Bermudians, you can get one exemption. [Between] six and ten, two exemptions, et cetera. So I am trying to figure out, Mr. Speaker, why the Minister said that. And I hope that he can give some clarity because I think that the guidelines were sent to everyone and everyone could see what they are.

Now—

[Inaudible interjection]

Mr. E. David Burt: Yes, exactly. Sorry.

Now, the Minister has the power to vary this number, as we see in the guidelines that are currently in existence. So what is the reason for lowering the threshold? I do believe, as the Shadow Minister of Home Affairs said, it sends the wrong message. We want companies that are committed to Bermudians. We want them and we need to make sure . . . if we are looking for them to increase their headcount, then we need to make sure that we provide a scale for them to go ahead and increase their headcount to apply and be eligible for more exemptions.

But that, Mr. Speaker, moves me to the next issue and that is this whole removal of the statutory limit. Now, under the existing Incentives for Job Makers Bill, we have a maximum of five people that can be exempt from Part V of the Immigration Act. Now, Part V of the Immigration Act covers work permits and the permission to reside if you are working in the Island. To be exempt from that means that there is no advertising for the position, that that person is exempt, they are here as long as the company wishes to keep them here. We put that in place; we are fine with that, Mr. Speaker. At least I am fine with that.

The challenge, Mr. Speaker, [is] that we are now removing this limit from [Part] V and saying it could be as many as the Minister wants.

Now, I am going to say this, Mr. Speaker, because we heard a lot about ABIC [Association of Bermuda International Companies] and we heard about ABIR, and we heard about Bermuda First, and different things like that, and the Minister said that the companies may need more. This goes back to my question that I had before, Mr. Speaker. How many senior executives does a company have? What is the number? What is the cap? Because, clearly, we are going past “C” level. How many senior executives does a company have?

When we are talking about exemption from work permits, the Minister gave an example of vice president for claims. Now, I do not happen to believe that the vice president for claims is a senior executive, but if he feels he is a senior executive, that is okay. I can understand how he would like to say, you know, maybe that is for a position to be in Bermuda, to keep there, I can understand that, Mr. Speaker. But I will argue that the outsourcing and other things, there are positions, such as claims, that may move to lower cost jurisdictions.

But here is the thing, Mr. Speaker. If that vice president of claims decides to move to another company, and that company feels that they want to bring someone else in, they do not have to apply for that position. They do not have to advertise for it. They can say, *You know what? We are going to use that thing because we have an unlimited number now—because it is not just five; we can have up to 20 or 25. We are going to say that this person that we are bringing in is exempt from work permits.* And there could be a Bermudian in another company who is absolutely qualified, who may want to change from the thing, but will not have that opportunity to move because that position will not be advertised. These are things that could happen, Mr. Speaker, and that is why I have a challenge with removing the limit of five persons.

I will go further into that because we have also had discussions with alphabet soup groups, and I am trying to figure out where the question of that threshold came from, so I am going to ask the Minister. Did it come from ABIR? Did ABIR say they wanted more? Because ABIC seems to be fine with the limit. Because ABIC are like, you know, *We have smaller companies. We don't think we will need more than five, et cetera.* Have you had issues with ABIR companies saying that they want more?

I think that we should have that type of clarity, because it is also my understanding that ABIR companies have lots of different companies and they can, I don't want to say play around with the numbers, but they can get a lot, because, you know, different things, you know, ACE Tempest Re, ACE Re, different things like that. All right.

So I would like to find out what are his guidelines for this? What is he going to issue for this? If this Bill passes this evening, and this amendment passes this evening, what guidelines is he going to put in place? Because he seemed to indicate that he is going to remove the threshold of five and the Act makes it unlimited. I mean, not even a maximum of 10 to try and put it . . . No! Just completely unlimited and at the discretion of the Minister with no regulations whatsoever, so it can be done by guidelines that are in existence and they can go through. I think that that is an unacceptable level of . . . I do not want to say risk, but I think that that is an unacceptable level of discretion, something that does not come to this House, and I think that we should actually try to find out what guidelines the Minister will be going by when he does that.

Now, Mr. Speaker, I will move on to the elephant in the room, because we are all discussing this. So I am going to ask the Minister, I do not necessarily want to go to a hypothetical question, so I am not going to call it that, but—

The Speaker: That will not be allowed anyway.

Mr. E. David Burt: What happens, Mr. Speaker, when ABIR says their members do not feel welcome with

the PRC and they are going to leave and go to another company because we will not give them citizenship? What happens then?

[Inaudible interjection]

Mr. E. David Burt: What happens then? And I think that this was the point that the Honourable Member from constituency 17 was making.

It is the thing about we can continue to give and continue to give and continue to give. And I have this challenge, Mr. Speaker, because we know that there have been some people that have said that PRCs are second-class residents, or second-class citizens, and we have heard of people like Kevin Comeau, who said he voted with his feet and he left because a PRC was not good enough for him. What happens when the PRC is not good enough for the ABIR representatives? When is it going to be time when they are saying, *You know what? We are not feeling welcome yet.*

Now, Mr. Speaker, we know where the individuals on that side, the Honourable Members on that side of the House, are because 13 of the 19 of them who sit over there ran under the United Bermuda party in 2007 and they ran under a platform that said that they, you know, [were] looking to grant status to permanent residents. So we know where they are. We know when the Honourable Shadow Minister of Home Affairs slipped up and said “status,” we heard interpolation from the other side saying, *We can add that in if you like.*

We know what their ultimate goal is. I guess the question is, Mr. Speaker, if the Minister for Economic Development, who was one of those 13 candidates, would state under what conditions would he consider bringing to this House the ability to give senior executives status should they ask for it? I think that that is important, Mr. Speaker, because in the exact same way that we got ourselves into the long-term residents issue, and what brought on term limits, was the fact that there was this large amount of people who were uncomfortable with their status, and we are creating another potential large amount of people who may be uncomfortable with their status. So we need to be very careful, Mr. Speaker, and I hope that the Minister will answer that question when he responds.

I am going to echo my MP, Walton Brown, one more time and say that it is my belief that the backbenchers on that side of the House—especially the ones in marginal seats—need to think long and hard about their vote on this tonight, Mr. Speaker. I understand the arguments that have been made, and I can agree with the Minister of Finance that we have to make sure that we take action to maintain companies here. But I think that this . . . and there are some things in this Bill that I can support, and, as we have said before, our leader has called on the Government to use the tools which are inside the Incentives for Job

Makers. But we do not believe that the watering down of the protections that were put inside this Bill are the best thing for Bermuda and the best thing for Bermudians.

We would hope that the Members on this side would understand our concerns and would take some of them on board and at least, at the very minimum, inside of the guidelines which they publish, understand the concerns which we have expressed, make them public, and make it clear for Bermudians who may be fearful of what this may bring, that it is not going to lead to that result.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

The Chair now recognises the Deputy Speaker, from constituency 4.

Mrs. Suzann Roberts-Holshouser: Thank you, Mr. Speaker, and good morning.

And not only am I from constituency 4, I also represent a “marginal.” I also represent one of the 13.

The Speaker: You represent my constituency.

Mrs. Suzann Roberts-Holshouser: I certainly do—

The Speaker: You are my MP. Tell them that.

Mrs. Suzann Roberts-Holshouser: —and it is a marginal. And it is one that we have to work for the people.

The Speaker: Make sure they know that you are my MP. Okay?

[Laughter]

Mrs. Suzann Roberts-Holshouser: And [from] working with the people, Mr. Speaker, we understand that we have to go door to door. We also have to handle issues with individuals within our constituencies, and for most of us, [from] across the Island. And I think it is fair to say that I can certainly say that I am standing to my feet today in support of this job-making incentive because there are many people in my “marginal” constituency that do not have a job. And, as a result, it is imperative that we actually do something and not just say something. We . . . this incentive, and that is exactly what it is called, Incentives for Job Makers, is exactly what it is.

Mr. Speaker, as a mother I will do whatever I can in my power and in my ability to protect my child and my children. And it is almost a [maternal] instinct to want to be able to improve the lives of my fellow Bermudians, all of us. So I have to take away any selfish interests that I might consider this legislation might have. You know, What will it do? Are we going to be giving away more for non-Bermudians by giving them

PRCs? But the reality of it is, and I heard the sentence, *This is a trickle-down*. But I want to say to that Member who made that statement, this is not about trickle-down. This is about multiplying. It is about adding the dots.

Let me tell you that the dots, in my mind and in my constituents' minds would be. If we do not do something about an incentive, if we do not step forward and do something that other countries may not be offering, because we know that we have to offer an incentive to get that business here, then we have got to do that. But what it means if we do not do something, it means, dot, no business. It means no jobs. It means no ability to pay your rent. It means no ability to pay your mortgage. It means no ability to live like a human being in your own country.

It is important to understand that this job-making incentive is just that. It is the ability to encourage companies to relocate or companies to stay, as an incentive. So, therefore, we have got this multiplying effect where they hire staff that are Bermudian. That individual may go to a restaurant. That means that restaurant may keep their doors open. It means a print firm who prints their menus keeps an individual in that profession. It means that we start looking at this increase in jobs that we have asked for, that we actually have a potential to do something to help.

Mr. Speaker, if you do not mind, I took the initiative, because I was not sitting in the House when the initial Incentives for Job Makers was brought, so I took a quick look at the introduction. Do you mind if I read just a small portion of it, which I thought was really, really interesting?

[Inaudible interjections]

Mrs. Suzann Roberts-Holshouser: Of the original . . . it is not even . . . it is the presentation. It is not even of the original Bill.

The Speaker: So what are you, what is—

Mrs. Suzann Roberts-Holshouser: It was Incentives for Job Makers and it was a—

The Speaker: By whom?

Mrs. Suzann Roberts-Holshouser: —a statement.

The Speaker: From whom?

Mrs. Suzann Roberts-Holshouser: From the Honourable Paula A. Cox.

The Speaker: Oh. All right.—

[Inaudible interjection]

Mrs. Suzann Roberts-Holshouser: It is from the ²Hansard, yes, it is.

The Speaker: All right. Go ahead.

Mrs. Suzann Roberts-Holshouser: Thank you.

It was said, and again, I will just read two small portions in here, if you do not mind, Mr. Speaker.

“Honourable Members will remember that in my National Budget Statement I made the statement that (and I quote), Honourable Members will remember that in my National Budget Statement I made the statement that (and I quote), ‘To meet the labour challenge, the Government is exploring incentives to benefit the “job makers”—individuals who are proposing or already demonstrating a significant presence in Bermuda, are employing Bermudians, and creating entry-level employment opportunities for young Bermudians.”

Here we see clearly what the intention of the Incentives for Job Makers was. We, as a Government, acknowledged that we have to go one step further and, indeed, we are trying to do that. And before I close, I would like to read the closing portion of this statement.

“Mr. Deputy Speaker,” (and I do believe you were the Deputy Speaker at the time) “a number of island nations of comparable size to us have offered permanent residence, and even passports, for a very high price. We do not intend to follow this strategy.”

There was a question—“we do not intend to follow this strategy.” So the point is that it was understood at that point that we are going to have to—we, as lawmakers, we as Bermudians, are going to have to—do what we feel is right to encourage through incentives, to be one step ahead of our competitors. And our competitors are real. They are there. They are taking away the possibility of our Island getting bigger and healthier, stronger with individuals having jobs.

So, Mr. Speaker, with that I say, I am very pleased to have had the opportunity to stand to my feet . . . disappointed when I heard statements such as, *Ninety-five per cent of the beneficiaries will be white and male*. I do take offence to that statement because we are failing to acknowledge the beneficiaries of those individuals who have jobs or will get a job, who have not been employed for two years. They are going to be the benefactors, Mr. Speaker.

And, with that, I take my seat.

The Speaker: Thank you, Honourable Member.

The Honourable Minister of Health and Seniors, Minister Patricia Gordon-Pamplin, has the floor.

² [Official Hansard Report](#), 8 July 2011, page 2162

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

Mr. Speaker, I intend to be very brief on this.

Let me just say, that the approach and attitude that I have heard tonight coming from the Opposition benches reminds me very clearly of two days ago when I listened to the television and I saw Senator Cruz, the Republican tea party senator, who stood for 23-plus hours on the floor of the Senate with noise because he is anti-Obama.

He did not care what he said. He actually sat and read *Green Eggs and Ham*, as a bedtime story to his children, at some point in time during his presentation. And this is kind of the feeling that I get here. That is almost the Members of the Opposition who seem to want us as the Government to fail. They do not want for us to be able to create jobs for people. Why? Because it puts a spanner in the works of the rhetoric that they have espoused on their side of the aisle to try to stir the emotions of our Bermudian people that the OBA Government has no interest in them, and our only concern is for those white people, those business people, those rich guys.

We heard the Honourable Member Walton Brown when he gave his presentation indicate—

[Inaudible interjection]

Hon. Patricia J. Gordon-Pamplin: —the Honourable Member—that, as my honourable colleague just alluded to again, the beneficiaries of this particular legislation will be all white and male, that those are the ones who will be able to get these exemptions under the Job Makers Act.

Now, let me just say that as a parent, when the money spent to educate my children comes to hundreds, certainly tens of thousands, and in [some] instances, hundreds of thousands of dollars, I do not care if the person who is in the position to give my child, or our children, a job is white and male. I do not care if he is green with polka dots. If our people can be put to work because these job makers . . . *job makers* have entrenched themselves within our community to the extent that they feel comfortable, they feel like they belong and they want to be able to contribute to our economy, and ensure that our people are put to work, do I care what colour they are? No, I do not. And I do not apologise for that.

The other thing, the common thread (as I heard on the other side), *All you people in these marginal constituencies* . . . One of these days, Mr. Speaker, I only hope that we stand in this Honourable House and recognise that our responsibility is not to do things that are going to get us the next vote. It is to create policies that are going to benefit the public at large. And to hell with whether or not we get elected next time. Because if—

The Speaker: Honourable Member, now, please—

Hon. Patricia J. Gordon-Pamplin: Oh, I am sorry. I am sorry.

The Speaker: The language.

Hon. Patricia J. Gordon-Pamplin: I was getting a little . . . I was getting a little—

The Speaker: The language. Yes.

Hon. Patricia J. Gordon-Pamplin: I apologise. I was a little passionate about that.

The Speaker: Yes.

Hon. Patricia J. Gordon-Pamplin: I do apologise. I withdraw that statement.

An Hon. Member: You are doing the same thing now.

Hon. Patricia J. Gordon-Pamplin: Forget about whether we get elected next time or not.

Let's look at if this motion that we are having on the floor, as we speak will generate jobs, knowing that we cannot create the numbers of bodies that we need to be able to create a more robust economy, to be able to put money in the Government coffers through the levying of taxes, in whichever way they come. We cannot create the 3,000 or 4,000 people that we need right now. We have to be able to ensure that we have these jobs here.

So along with the people who we have who are unemployed, that we want to be employed, and along with those others who will come in, because the Job Makers who are the ones who will have these exemptions . . . not every person works for exempt companies, so let us not get caught up in that rhetoric. Let's ensure that we recognise who this is intended to target. It is those people, the senior executives who will be able to get this benefit and by their presence they will be able to create jobs for those Bermudians who do not have them, for some of those other mid-level people who may also have to come in.

But once they come into the country, as my honourable colleague, Suzann Roberts-Holshouser indicated, the Deputy Speaker, about the multiplier effect, that is exactly what we get. Because when people are here and we are able to have people employed, there is money in the coffers. There is money coming in for taxation. There is money going to people who rent houses. These are the kinds of things.

I understand the frustrations, and I certainly understand when Members stand and protect because we all want to protect Bermudians, and to protect the positions in which we find ourselves. But if we have no jobs, if there are no jobs to offer, and if this Government has not created the conducive environment for jobs to be created, then we will have failed.

And we have to look past whether or not our actions are going to get us elected the next time around.

Now, what happened with the original Incentives for Job Makers Act? Because when the PLP Government brought that Act into creation, Mr. Speaker, it was done in recognition of some of the drain that was happening and the attempt to stop that drain of people leaving the country because they felt uncomfortable. So there was a consultation process. And during that consultation process, the to and fro, and the negotiations that occurred were such that the senior executives went away with a certain level of expectation and understanding of what they believed to be the agreement between them and the then-Government.

And what happened? The Bill came to this House. It was so watered down that those who were on the opposite end or in the mix with respect to the negotiations did not recognise that what the legislation showed was in fact what they thought they had negotiated. So they were like . . . they felt betrayed. And that was the word that was used by executives at that point in time. They felt betrayed.

Now, we as a Government have a responsibility to be honest brokers when it comes to our negotiations with our partners. And with that partnership that we are expecting for them to fulfil their part [of], we have to fulfil our part by ensuring that our people are educated to be able to eligible for the jobs that are being advertised. We get that.

And Lord knows, many of us, as parents, have spent hundreds of thousands of dollars on our children. I know many of us probably look at our bank accounts and think, *Maybe somewhere, when I look at what is not there, maybe there is a certificate coming to say that my child is now a brain surgeon*, when you think of how much money you have spent. But with that said, we put great effort and sacrifice into the education of our children. And for them to come back to our country and we hear them with one of two options. One says, *I don't want to be here because I can't find work*. The other says, *I am here but I can't help, so I am frustrated. And then as a result I make choices that cause me to become anti-social*.

That is a failure on us as legislators, if we cannot produce an environment and create an environment that assists in alleviating that level of frustration for our college students who have come home from school; for our young people who are coming into the job market; for our people who have worked their entire lives and find themselves on the out.

And certainly when they do not have jobs, the challenge of the Ministry with which I have responsibility is that we start to see people who do not have health care, cannot afford it. And what happens then? They waltz into the hospital, the emergency department, when there are issues because they do not have money and they cannot be turned away. And before you know it, we end up with accounts receiva-

ble. We end up with a rising cost of health care because somebody has got to find the balancing act in order to be able to know that there is money coming in to pay for bad debts, when people do not have the basic necessities of life.

So if I have to sit here and say that I am prepared to allow 10 or 15 senior executives (whatever the number is), and the Minister has the discretion . . . and the lead Minister representing this Bill tonight will give the wrap and give a little more detail to, and answer some of the questions (it is not my intent to do that at this point in time). But if I have to stand and support an Act that says that as a result of what we do, we are going to put our people back to work, and if that movement that I make, if that action that I take results in the fact that nobody wants to vote for me for the next election, so be it! So be it!

Because our focus needs not to be on this seat in which we seat. It does not belong to us. These seats on which we sit belong to the people of this country. We owe them a debt to ensure that we enhance the quality of their lives, and we want to make sure that we fulfil that obligation from this side of the aisle, in our country; [that] we do not have a parent looking a child in the eye and saying, *I don't have food to put on the table because I have not been able to work, and as a result we do not know how we are going to eat*.

While that may seem to be extreme, those are the situations that we are finding. I know that as Members are canvassing, I will guarantee that somewhere along the way during their canvassing experiences they have found somebody who does not have the Mr. Speaker, to ensure that we do not have people going hungry in our country; [that] we do not have the frustrations money to put food on the table in this society.

As I said, Mr. Speaker (and I will end on this note), if by taking this action we create jobs because we brought people into this country, and if I have to look in the eyes of the next person who passes me on the street as I did, probably about three weeks ago . . . I was walking past the post office. This lady [was] driving by in the car. [I] did not know who she was. I said hello, because I just say hello to everybody. And all I heard coming out of that car was a voice saying, *Where's all de jobs?* That was exactly the question that I was asked.

That said to me that there is somebody who is frustrated, that they have yet to be able to find employment.

We have to be able to go down those paths and try whatever we will. Not to satisfy some white male, rich guy, whether he can afford \$120,000 or \$25,000. That is not our aim. Our aim is that once satisfied, those people will feel a connection, a sense of belonging, and an obligation to carry their load within our community to make sure they put our people back to work.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member . . . the chair recognises the Honourable Premier.

Premier Cannonier, you have the floor.

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

The Honourable Member, Minister Crockwell, wanted to close his session down early so I did not get the opportunity, I obliged him. But I will not let this one pass, this Job Makers Act, without speaking to it.

There was a question that was asked, Mr. Speaker, earlier by an Honourable Member and it says, *What is the motivation of this Act?* I want to set a picture of reality of where we are today. And I know that Members did not want to hear this urgency of now—

[Laughter]

Hon. L. Craig Cannonier: But, you know what? Let's set the picture of the reality of where we are today: No hotels being built; unemployment continuing to rise; departure of expatriates by the thousands; Bermudians emigrating. So what is the motivation? When I open up the paper³ and I look at it, the very first article says, "Citing the departure of thousands of expatriates, unemployment as high as 12 per cent, and a sharp and extended slowdown in the property market," [the standing] of banks in Bermuda has been lowered.

I heard Members in this House, Mr. Speaker, talk to the fact that this is going to affect property values, that they are going to go up. I think we need a reality check here. For most of us, Bermuda has experienced one of the healthiest middle classes in the world because of property values, and has allowed us as a country to prosper. And when we look at articles that say thousands of expatriates have left the Island, let me put some more reality to this here.

Let's just say 2,000 expatriates have left. We know it is more than that. And let's just say, Mr. Speaker, that they have spent on an average, on a weekly basis, about \$1,500 a week. That is rent, electricity, groceries—we know it is way more than that, but I am using a very low figure here. Two thousand expatriates at \$1,500 a week is \$3 million that has gone out of the economy in a week—every single week. Multiply that by 52! That is \$156 million annually out of this economy—gone! Because we do not know how to be competitive! Simple! Just do not know how to be competitive.

Now, I am not going to go and blame anyone else—UBP, PLP—I am not blaming anyone as to why they left. The fact is that that have gone. And the

question is, What are we going to do about it as a country?

And this Government knows that it needs to lay fertile ground for businesses to grow to get our people back to work. Our young people are getting educated and they are looking at Bermuda and saying, *Why should I come back?* The investor is looking at Bermuda and saying, *Why should I invest in Bermuda?* And we sit in this House going back and forth, and over and over, extending and missing the windows of opportunity to get our people back to work and have millions of dollars circulating in this economy.

Seniors are growing the population. And the birth-rate is low. In fact, we are dying faster than we are being born. We do not have enough people here to sustain our standard of living. And we are going to get up here and say some of the things that I am hearing? Let's get competitive! We are in a global economy fighting . . . we are not fighting the Caribbean. We sail with the big boys and we are competing against that. So let's start competing. Do what we need to do to compete. And if that means some things we need to reconsider, then we need to reconsider them, because what we have been doing in the past has not been working.

This is change knocking at the door and we are saying, *I don't want to open the door!* There are no promises. But guess what? Unless you take the chance, the chance will not be yours. All of this going back and forth is wasting time. This Job Makers Act is going through because we need to lay fertile ground to get our people back to work.

The property values are something that all of us have benefited from. Visitors come to this country and look at us and say, *Wow! Wow!* And let's be more frank, Mr. Speaker, when blacks came to this country back in the mid-'60s, when things were getting politically hot, when they got here they were amazed at the affluence in the 1960s of blacks. And look at us today. We have prospered, but we need to do better. This is about empowering everyone—everyone! We have a black middle class in this country, second to none. And I am not going to let that go down.

Yes, I said it. A black middle class, second to none in the world, and we will not allow that to go down.

This is about putting our people back to work. And when our young people come back here and cannot find a job . . . they have gotten an education, done what we told them to do, because this is how it works. We are sitting here, fiddly winking, about conspiracy; that this is about getting white people in here and this kind of stuff. I think we are over analysing things here.

There is a paradigm shift taking place. And do you want to know what it is, Mr. Speaker? Our young people are saying, *Enough is enough! We don't want to hear all of this stuff. Just get on to getting the job*

³ [The Royal Gazette](#), 27 September 2013.

done. Just do it! We heard earlier, an Honourable Member on the Opposition, say, *Just get the job done.* That was what the problem was with, you know, the Tourism Authority in Bermuda. We were just not getting it done. In the other places they are just getting it done. Well, let's get it done! What are we waiting for?

Are we waiting for another family to fall into poverty? Are we waiting for another father . . . and someone said, someone had the nerve to say that this Bill here, this piece of legislation, is like the OBA has lost its moral compass. Well, let me tell you about moral compass. We have good people in this country who are considering immoral things to do because we have not acted. And after 10 months I hear the Opposition saying, *Nothing has changed. Nothing has changed.* Well, I will tell you some things have changed because when we became Government and we did away with term limits, there was a march out here, and we stood up for what we knew was right.

Even the Opposition knew it was right to do away with it because it isn't about politics. It is about doing what is right. So they can chirp all they want about the next election. *Oh, you won't be around.* That is all right. We are going to do what is right by the people. And nobody ever said it was going to happen overnight and in 10 months. But history will show that many of these things that we have done in just 10 months—and we are going to go through them—a lot has been done in just 10 months. And more is going to get done.

So we need to stop doing all of this foolishness up here in this House and consider the fact that we have young people who are suffering—our future! What is a future? When I had my young daughter, the eldest one came to me and went to the bank and wants to buy a house, but cannot because the husband cannot find a job. Some of your cousins and sisters cannot find a job right now. Suffering! And this is all about laying fertile ground.

There is no conspiracy here. This is about laying fertile ground. And for that matter, Mr. Speaker, if truth be told, we should have been . . . owned a . . . you know, I consider back when we bailed out the Bank of Butterfield. We complained, you know. The Opposition bailed out the Bank of Butterfield, but yet it was the same shareholders they bailed out that they complain about. Why didn't we open up . . . take that same money, that we backed them, and open up a bank? There was enough money to do it.

[Inaudible interjections]

Hon. L. Craig Cannonier: Double standards here. Double standards!

So when you had the opportunity to get something done to make some real change, it did not happen. The fact is we are where we are today—in trouble! We are in trouble, and I take exception to the fact that we have Honourable Members that will get up

here and say, *We're using scare tactics.* Well, you go tell that to the father who cannot feed his family, that we are talking about scare tactics. You talk about a GDP in the negative figures. Come on! We are at stake. Our standard of living, our status is at stake. How many more people do we have to lose before we get it right?

So, collaboratively, we need to be saying, *Listen, this is about laying fertile ground to get things going.* And everyone is listening right now because we are in trouble. That is the reality. If you do not want to believe the numbers, then that is your problem, because the numbers are not lying. They are not lying.

So, Mr. Speaker, we heard about angry birds. We heard about lost moral compass. And my kids are always telling me, *Dad, I don't want to hear about yesterday. Let's talk about the here and now.* The reality is, we need to compete. And this is about competing, Mr. Speaker. And so we are going to get some jobs back going here because we got to. We have no other choice.

And this, plus many of the other initiatives that we have already put in place, is all a part of making sure that the fertile ground here—the ground here is fertile. And that's why the Incentives for Job Makers Act is going through.

Thank you, Mr. Speaker.

[Desk thumping]

The Speaker: All right. Thank you, Mr. Premier.

And now we will recognise the leader of the debate, Dr. Grant Gibbons.

Dr. Gibbons, you have the floor.

[Inaudible interjections]

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

Mr. Speaker, I am certainly obliged to some of my colleagues who have made my wrap-up a lot easier. And I am also obliged too for the comments on the other side because I think that helps to flesh out what we are doing here.

I do not think I need to go into a lot of detail, but I think it is very simple. The amendments to this legislation are simply trying to retain the jobs we have by providing incentives to the job makers, that are those job creators, and the ones that make decisions about where those jobs are placed. It is also to basically allow us to have something to talk about to attract new business to Bermuda as well.

I would like to move through some of the comments, or the questions that were asked. I think the Honourable Member, Mr. Roban, has helped me here because he said, *Why haven't you been talking about the existing legislation?* And I think the answer is very simple. We haven't been talking about the existing legislation out there in terms of trying to attract

new business because the existing legislation was not very attractive in the form it was in.

The Honourable Member kept saying, You are sending the wrong message to Bermudians. And I think, if we have heard anything tonight, the fundamental difference between perhaps the other side of the House, the Opposition, and Government is that the message we are trying to send is not to Bermudians. The message we are trying to send is to the job makers, the job creators here. They are the ones we are trying to send a message to. They are the ones that we have got to get that message to right. And that is a very fundamental difference here.

And it is important that message be sent because, as we have said over and over again, the individuals here have choices. They do not have to be in Bermuda. They can move these jobs. They can move these companies to a lot of other places, whether they be Ireland, Cayman, Canada, Switzerland, the list goes on, Mr. Speaker. So what we are trying to do here is, this job is all about Bermudians. The Opposition is trying to make it about non-Bermudians, about exclusive C-suite people. It is, but the net result here is about retaining and creating new Bermudian jobs.

Unless we send a message to those who are responsible, who have the power and the ability to be able to do that, and unless it is an attractive message, it is simply not going to work for us. We do not have to see this legislation necessarily from the perspective of Bermudians; we have to see it from the perspective of the non-Bermudians who are the job creators (in most cases) and the job makers here. And that is the entire point.

There are a couple of other things that I think are in the same category, and I am going to get to some of the questions on the number of companies and that sort of thing as well. But let me tackle this issue very quickly, because my honourable colleague, Mr. Richards, did fairly well. It is this issue of why are you reducing the fee from \$120,000 down to \$25,000? These people can afford to pay \$120,000. And the answer is, Yes, they can, Mr. Speaker. But just because you can afford to pay something, doesn't mean you feel good about it or you want to pay it.

I will give you a very quick example. I have some done some travel recently, and I had to pay for a visa for my wife and I. It was \$200 for each of us to go through a country for two days. That was \$400. I can afford to pay that \$400, Mr. Speaker, but it annoyed me that I had to pay \$400 to go through a country for two days. I said to my wife, "Why don't we see if we can find another way as opposed to paying that \$400?" The same principle applies here. They can afford to pay \$120,000, but you will see it reflected in the applications so far. A lot of them simply have chosen not to pay that \$120,000, or are not prepared to pay it, for the simple reason that it is irritating. It is considered to be too high. It is a hundred times the normal level.

So let me tackle a couple of the issues on the questions on the number of applications because I have got that question asked by a number of speakers on the other side. There were 20 applications for companies that have been received so far. Fifteen of those were approved; eight in 2012 and seven in 2013. Three applications are pending or are on hold. Two applications have just been received in the last week or so. When you move from the companies to the actual number of individuals that we are talking about here, 27 applications requesting exemption from work permits have been received. Twenty-one have been approved; ten in 2012 and eleven in 2013. Four applications are pending. Two applications have just been received the week of the 23rd of September.

One Honourable Member asked me how many have been rejected. The answer is one.

So we have not had an extraordinary number of applications, and I think part of that gets back to this broader issue, that the companies and the individuals that were affected here did not find the legislation in its current form, the 2011 Act, terribly attractive.

A couple of other points. One of the Honourable Members, I think it was the Honourable Member, Mr. Brown, talked about thousands of people that were going to be granted PRC status. Mr. Speaker, there are only thousands of people in this whole industry. I think there are about 3,000 jobs in the entire international business sector here.

What we are finding is that, given the small number of applications we have had so far, it is very unlikely that we are going to have anywhere near thousands of PRCs. Maybe we will have 100 or so, and we will have to see how that works out. But generally, the multiplier has not been three, so for every executive, it is usually one more PRC. It is usually a spouse. So, of the seven that are going to be eligible to apply when this Act goes through (and there are only seven that are eligible to apply), basically, of those, they probably have the potential, if they wish to, of eight dependents. So, it is a factor of two, basically, in terms of the number of employees, or senior executives here.

Let us see. I think I have dealt with some of the questions there. I got a question, of the ABIR companies, how many have actually applied? It is roughly nine or 10 companies have applied in terms of the number of companies that have applied of the 15. So it is about nine or 10 of those. The question of senior executives, I got a question about the definition of "senior executive." The definition under the current guidelines, which probably will not change, is, *The applicant must be a person in a senior executive position in that company and will continue to be employed in the company for the duration of the exemption.* That is the definition that has occurred so far. We probably will not change the definition of senior executive, Mr. Speaker.

Let us see. Other issues. There were a number of questions about the statutory limit of five. I think I answered that question. There are three.

Mr. E. David Burt: Mr. Speaker. Point of clarification, if the Member would yield. I was listening—

The Speaker: Honourable Member, please, please.

POINT OF CLARIFICATION

Mr. E. David Burt: I was listening. I was just wondering if he could just repeat that definition of senior executive again, because he was reading kind of fast. I was listening.

The Speaker: You were asleep, you mean.

Mr. E. David Burt: No, no, no. I was awake, Mr. Speaker.

The Speaker: Would you, please, read it again?

Dr. the Hon. E. Grant Gibbons: Yes. I am happy to, Mr. Speaker.

In the [guidelines](#) that are out there right now, and I think there were also questions as to whether the new guidelines will be released. The answer is: Of course. They will be sent out to companies probably in October at some point.

But it says, “ [6.] What are the criteria that an employee must meet to be eligible for exemption from Part V of the Bermuda Immigration and Protection Act 1956 . . . ” That is, an exemption from requiring a work permit.

And the definition for senior executive is, [6.(b)] “the applicant must be a person in a senior executive position in that company and will continue to be employed in the company for the duration of the exemption. That is the guideline that the former Government had; that is the guideline that we will probably maintain, Mr. Speaker. Okay?”

As far as the PRC situation goes, when people apply, the amendments that we are putting through now do not change the spouse and child situation. It is the same policy that has been in place already. So that will remain the same as the current legislation in place.

Let us see. As far as the issue of the limit of five per company, I think I explained, Mr. Speaker, when I went through my brief that, basically, as the current legislation stands right now, a company that has 25 employees can get five exemptions. A company that has 150 employees can get five exemptions. We feel that is not fair. And what we will do, we are taking away that limit of five. There will be guidelines which will set out how many exemptions you can get depending on the size of the company and perhaps

the type of company as well. But we will have to work through those.

But what we are saying is that it is unfair and inequitable that a company of 25 employees should get five, and a company of 150 should get five as well. So that is why we are changing that particular limit. Okay.

I have got a note here which probably should be added to that definition. “A senior executive has to be responsible for creating and locating jobs as well, or maintaining jobs.” So, I think that is part of the criteria here.

I think, Mr. Speaker, those were the main questions that I got in the course of the debate. I think at this point I would like to move that the Bill be committed. Thank you.

The Speaker: Thank you, Dr. Gibbons.

It has been moved that the Bill be committed. And I would like to ask if the Deputy Speaker, Mrs. Roberts-Holshouser, would take the Chair [of Committee].

[Pause]

House in Committee at 2:06 am

[Mrs. Suzann Roberts-Holshouser, Chairman]

COMMITTEE ON BILL

INCENTIVES FOR JOB MAKERS ACT 2013

The Chairman: Honourable Members, we are now in Committee of the whole [House] for further consideration of the Bill entitled [Incentives for Job Makers Act 2013](#).

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

Dr. the Hon. E. Grant Gibbons: Thank you, Madam Chairman.

Madam Chairman, I would like to move all seven clauses.

The Chairman: Please proceed.

Dr. the Hon. E. Grant Gibbons: Thank you.

Clause 1 is the citation.

Clause 2(1) provides for an application for a permanent resident’s certification (that is, a PRC) under section 31A of the Bermuda Immigration and Protection Act [BIPA] to be made after or at the same time as an application under section 5 of the Economic Development Act for exemption from Part V of the Bermuda Immigration and Protection Act.

Clause 2(2) and the effect of clause 2(2) is that persons who have fallen within section 31A for at least 10 years, since 2002, will be able to apply under

this [clause] for PRC status without waiting until 2015, as provided by the 2011 Act.

Clause 3 reduces the fee payable under section 31AB of the Bermuda Immigration and Protection Act for application for a permanent resident's certificate from \$120,000 down to \$25,000.

Clause 4 amends the definition of "Minister" in section 1 of the Economic Development Act [EDA], to clarify that it means the Minister responsible for the Bermuda Economic Development Corporation and makes consequential amendments to the Economic Development Act.

Clause 5(a) amends section 3B(2)(a) of the Economic Development Act so that applications can be made under that section by companies employing at least 10 Bermudians. The 2011 Act required a minimum of 25 Bermudian employees.

Clause 5(b) clarifies that the requirement in section 3B(2)(b) to employ Bermudians "at all levels" is subject to the availability of suitably qualified Bermudians. Clause 5(c) corrects an outdated reference to the Ministry of Labour and Industrial Relations.

Clause 6(a) replaces section 5(2) of the Economic Development Act to provide that an application under that section will be determined by the Minister after consultation with the Minister responsible for Immigration.

Clause 6(b) replaces section 5(3)(a)(iv) to clarify that it is the retention of jobs with the company in Bermuda for Bermudians and not necessarily the company itself, as provided by the 2011 Act, which is critical for an application.

Clauses 6(c) and 6(d) remove the limit of five exempt employees of a company at any one time, which was in section 5(4) [of the principal Act] and provide flexibility as to the maximum committed number of employees, by way of guidance issued by the Minister, including the option to set a different maximum for different categories of company, depending on the matters set out in new subsection (4A), and those are criteria the Minister has to consider when setting the maximum number of exemptions.

Finally, clause 7 provides for commencement.

The Chairman: Thank you.

Are there any Members that would like to speak to clauses 1 through 7?

The Chair recognises the Shadow Minister for Home Affairs, Mr. Walter H. Roban. You have the floor.

Mr. Walter H. Roban: Thank you, Madam Chairman.

I would just like to speak to a few clauses, and obviously segueing in from the other part of the debate. I understand why the Government is doing the change in clause 2(1)(2) in relation to the removal, the adjusting of the date of the qualifying date. Your argument has clearly been that you desire to see action and opportunity come immediately as a result of the

Act. It is clear that that is what you are doing that for. I understand, and it is clearly what those lobbying for the change have requested, and you are obliging them.

Amendment on clause 3, I would just like to raise again the issue of the declining of the fee from the \$120,000 to \$25,000. We have made very clear on this side that we find this decrease sort of not in the spirit of what the original Act was intending. But Members on the other side have attempted to make a case for why they felt that decreasing it to the \$25,000 was necessary.

But I would ask, again, other than the rationale of the lobbying of the alphabet groups, was there any other rationale for feeling that way down to \$25,000 was more reasonable than reducing it to \$80,000? The \$120,000 clearly has some revenue-raising benefits. And the Government is giving up some of that opportunity with doing so. So, is there anything else that the Government can give us on why they are decreasing this so substantially for a group that, on this side, we generally feel can afford it?

And when you compare this fee to what is out in the marketplace, it is still, even at \$120,000, substantially lower than other jurisdictions that are offering similar opportunities to re-domicile, set up a company and do the same thing that we perhaps desire to do with the Act? So, if the Government has any other rationale, we would like to know, on the reducing of the fee, and why just halving it was not seen as being reasonable. Why was it \$25,000? Was it just a number they picked out of the sky? Or was there a rationale behind the \$25,000 number?

I will sit down now.

The Chairman: Thank you.

Are there any other Members that would like to speak to clauses 1 through 7?

Thank you. The Chair recognises the Shadow Minister of Finance. You have the floor.

Mr. E. David Burt: Thank you very much, Madam Chairman.

Madam Chairman, the question is in clause 5(a), "in paragraph (a), delete '25' and substitute '10.'" This is the reduction of the number. I would ask if the Minister would please give clarification as to the need to reduce this number, seeing that the law already allows a Minister the discretion to reduce that number to any amount?

The next thing is, Madam Chairman, I will move to clause 6, which amends section 5 of the Economic Development Act. And the Minister no longer . . . if we look at, I guess, under 6(a), where it deletes section 5(2) and substitutes it so that the Minister no longer goes to Cabinet; the Minister just makes the determination after a discussion with the Minister for Immigration.

I would then ask the question again, which I do not believe was adequately explained in the general debate, What standard will the Minister apply to consider someone as a senior executive? What he just read out just said, *A senior executive of a company*. It does not say what a senior executive is. As we said, the thought was that it was C-Suite individuals. Is the Minister broadening that category? What will he apply?

And we are staying with clause 6 as well, because it then goes on to say, in [new] section 5 (4A) that the Minister is specifying guidelines issued for the purpose of this section. The question that I ask, and I do not believe the Minister answered clearly is, yes, I understand that the guidelines will clearly go out to the companies that we are targeting, which was done previously. The question is, Will the guidelines be made public so everyone can understand what the guidelines are? That was the question. Since the companies are not, there was a question of, will they be made public as a measure of transparency?

So, I hope that the Minister could answer those questions, and I reserve the right to probe further. Thank you.

The Chairman: Thank you.

Are there any other Members?

Thank you. The Chair recognises the Shadow Minister of Home Affairs. You have the floor.

Mr. Walter H. Roban: Yes. I would also like to go back to clause 5, as my honourable colleague has just referenced, to the 25 down to the 10 figure. Again, I am interested in knowing something about the rationale behind why the Government felt that the reduction to 10 was appropriate. We still argue the case that the reduction in this number sends a message to Bermudians. And irrespective of what the Honourable Minister has said, Bermudians are an essential part of what this Act is about.

Yes, we accept they are incentives for job makers, incentives for job makers to create jobs for Bermudians. By definition, “job makers” means that they are creating jobs for somebody, and our priority is Bermudians. So, this figure that they are reducing—again, this Act and the changes that they are making, from the 25 to the 10 does reflect a lack of priority of the job-making incentives. That is one of the arguments that we make.

So, fine. If the Government is going to go this way, perhaps the Minister can give, outside of the fact that ABIC and ABIR perhaps have argued for that reduction, particularly ABIR, because, as was expressed to myself, about 70 per cent of the companies that are in ABIR, their sizes are perhaps less than the 25 number. I understand that. But as my honourable colleague referenced and as I have referenced, in the original Act, the Minister has discretion, frankly, around all these benchmarks to vary, even when it

comes to with the term as it relates to the five executives.

The original Act says “may.” It does not require the Minister to follow the five. The guideline says that the number, that the formula upon which it works, is indicative. It is not required. And as I said in an earlier part of the debate, we understand that the Minister—the Minister should have, in our view, some ability, which the Act provides for, to make a subjective, qualitative or quantitative decision about the profile of that company that is applying.

But keep the benchmarks. These benchmarks were set in an appropriate way. Now, one might argue, yes, some of the groups may have had some issues with some of what we said, although the Honourable Member, I do not know what . . . I cannot give authority . . . I cannot say that I fully agree or that what he said is valid, from our standpoint, because I was not [involved] in those conversations even when in Government. But certainly, we do know that Bermuda First and ABIC, when the original Act was presented, endorsed it publicly and approved of what the Act was seeking to achieve. And so, these benchmarks were there.

So I would like to hear more from the Minister as to, one, the rationale on why 10 is such . . . Other than what I have said, why does the Government think that 10 is the right number? Is it just because that is what they have been told? Or do they have other quantitative or qualitative ideas around that? Why the amendment in clause 6 is necessary, in light of the fact that the Minister has power within the legislation to work around the five number? Why do they feel it is so necessary to make that change? So I would like to have some answers around that.

I do echo the question of my honourable colleague that the guidelines, when they are amended, will be made public. Because one thing we do know, Madam Chairman, is that the previous Government was very interested in this working. And even some of the numbers that the Minister spoke about show that there was an update. If 50 per cent of the ABIC/ABIR members have actually applied, I would say that is pretty good. And there clearly is no timeline in them taking up these opportunities. They may still get success at 100 per cent.

There clearly was interest in this, as interest has already been taken up. So, the argument that there was not a great take-up, the Minister has not quite answered. And also, the Minister has not also quite answered the very point about, How does the Minister evaluate those numbers being low when he has not told us how many people out there are likely to apply? Certainly, ABIC and ABIR could have told him, if they did, how many of their members are likely to have applied. So those are some of the questions. I will sit down now. Perhaps others have other questions. And I hope that the Minister can give some clarity to those few issues that we have raised.

Thank you.

The Chairman: Thank you.

Are there any other Members that would like to speak to clauses 1 through 7?

The Chair recognises Mr. T. E. Lister, from Sandys South, constituency 33.

You have the floor.

Hon. Terry E. Lister: Thank you very much, Madam Chairman.

With regard to clause 5, which was just discussed, the question I had really did not go with why 10 and not 25, but in fact, how many companies qualify now with 25? I think you said it; I did not quite hear it. And then, how many do you anticipate now that you are down to 10? What would the numbers look like in terms of companies qualifying under this situation?

With regard to clause 6(b)(iv), the substitute, under (b), I was a little concerned when the Minister gave his explanation or his definition of someone who was in the position to influence jobs when he mentioned the VP of claims person.

An Hon. Member: Senior.

Hon. Terry E. Lister: Senior? Senior VP, okay. I will put the “senior” in front of it.

I am not convinced that the Senior VP moves anybody anywhere. I think there are people above that make those sorts of decisions. I would be very surprised if the senior claims person could walk in one day and say, *Listen. I am moving everybody out. Mr. President, you can stay here if you like. But I'm taking my claims people and we're going to Switzerland because there's a good operation there.*

[Laughter]

Hon. Terry E. Lister: That does not convince me. So I understand there are guidelines. I understand they are consistent with the past. But maybe I was just led astray by the illustration given.

With regard to clause 6(c), there presently is a maximum of five employees. Can you give the House an indication of the number of companies that have actually been held back by that maximum of five? You know, it is fine to say, *Five isn't enough*. But if we are talking about some 70 companies that are eligible, and only three have exceeded the five, then the five is not a barrier. So I would like to understand how the five is a barrier.

I have to say, Madam Chairman, that this whole clause, 6(c) and 6(d), makes me very uncomfortable. Clause 6(c) is very clear in the present form. There are five people. In the new clause, there are a whole pile of things you consider, but there is a catch-all in the end. [New section (4A)(e) says in “the interest of the community as a whole.” You can cover any-

thing in that. You know, you can do anything and say, *Well, this is in the best interests of Bermuda*. You know, you have heard the speeches tonight. Speeches from the Opposition, speeches from the Government, and everybody that has stood up said, *This is in the best interests of Bermuda*.

It reminds me of sporting events where both teams pray for God to deliver them the victory. Who is He supposed to let win? I do not know.

[Inaudible interjection]

Hon. Terry E. Lister: Sorry?

[Inaudible interjection]

Hon. Terry E. Lister: Yes, somebody is going to be disappointed. So the same thing will happen here tonight.

I also, Madam Chairman, am uncomfortable with [clause] 3. Clause 3 is changing the requirement to pay \$120,000 down to a new requirement of \$25,000. If you go past any parking lot during the course of the day, you will see some beautiful Jeeps. Jeeps are the car of the moment. I was going to say *car of the year*, but it is more than a year. And it seems like everyone that wants a sporty car now drives a Jeep. And the Jeep is \$60,000.

Many times, if you are in the traffic in the morning and the schoolchildren are going through, and we are talking about now the private school children, you will see the mother carrying the children off to school. And these may well be the spouses of the persons that we are talking about qualifying under this Act. And they are driving a Jeep. And their Jeep is a \$60,000 Jeep.

Now, Madam Chairman, I cannot really get this one in my head, that it is okay for that family to buy a Jeep for \$60,000. It is okay for the average Bermudian to buy a Jeep for \$60,000. But when the Government looks at the \$120,000 and says it is too much, they cannot even equate it to a Jeep. They are going to go right down to \$25,000.

So, what I am going to suggest is that we make our birth right worth a Jeep. And I would like to propose an amendment to this clause to move the—to delete the \$25,000 and to substitute \$60,000. It is a lot less than \$120,000, but it is a lot more than \$25,000. And I think it would at least go some way towards raising a few more dollars, but also it would go some ways to saying, *This thing is of value*.

My mother always told me, *You get what you pay for. And you value how much you put into it*. And so if we go ahead and we allow this to go through at \$25,000, it makes it worth a lot less than if we move it up to a \$60,000 price. So, that is the recommendation that I would like to make, and I am passing this amendment out for the consideration of this House.

PROPOSED AMENDMENT TO CLAUSE 3

The Chairman: Thank you, Member.

We have in front of us the [amendment]. I will just wait for everyone else to have it in their possession first. What we will do on it is we will discuss it, and then we will have a vote on it before we proceed.

So, the [amendment] that we have reads, "Incentives for Job Makers Bill 2013," from the Honourable T. E. Lister, to move, "Amends Clause 3 as follows: After the word 'substitute' delete '\$25,000' and substitute '\$60,000.'"

Does everyone have their copies?

Is there an objection to the motion that has been put before us?

Thank you. The Chair recognises the Honourable Member, Dr. E. G. (Grant) Gibbons, Minister of Economic Development. You have the floor.

Dr. the Hon. E. Grant Gibbons: It is getting late, Madam Chairman. Thank you, Madam Chairman.

I have not had an opportunity, I think, to talk about this in the current context. But the simple fact of the matter is, we have been saying this is not about affordability, whether they can afford a Jeep or whether they can afford \$120,000; we know they can. This is about a discussion that took place with many, with different organisations, ABIC, ABIR, Bermuda First and all the rest of it. It is basically about sending a message that we value their contribution. And there was a very clear indication that came back from the very beginning of the year when we were Government that \$120,000 was considered to be much too high.

I understand where the Honourable Member is coming from; he is looking for a compromise. But, quite frankly, the same way that \$120,000 was an arbitrary number and \$60,000 is an arbitrary number, we are going to stick with the \$25,000.

[Inaudible interjections and laughter]

The Chairman: We are going to vote on it. Do you want to speak to it first?

Mr. Walter H. Roban: I will speak to this, yes.

The Chairman: Yes, thank you. The Chair recognises the Shadow Minister of Home Affairs. You have the floor.

Mr. Walter H. Roban: Yes, Madam Chairman. We have articulated our view on this. And the Independent Member has clearly put forth a proposal around it. We have found that the number \$25[,000] was exorbitantly low. The Minister has not actually given any rationale as to why \$25[,000] was chosen, any more than why \$120[,000] is so prohibitive.

So, the Honourable Member has not actually even given a rationale yet as to why the number

\$25,000 was prohibitive. And I raise the question again that I raised before: What price Bermuda? What price for the opportunity and privilege to have a permanent position in this country that would allow one to have a stable family life that we all covet and desire? Is \$25,000 really how much it is worth? Because that is what we are proposing to offer to those who wish to take it up. Do we have such a low value of ourselves?

So, the Member has not rationalised why the \$25,000 was the ideal number, other than the effective lobbying of certain groups. But why the Government thought it was the appropriate number. So, in speaking to the proposal of the Honourable Independent Member, it seems to be a compromise number of sorts. We did ask, ourselves, *Why not \$80,000?* Why not? But the Honourable Member who speaks for this Bill has yet to answer that question.

Thank you.

The Chairman: Thank you.

Are there any other Members?

There are no other Members. We will call . . .

Sorry.

The Chair recognises the Honourable Patricia J. Gordon-Pamplin, Minister of Health and Seniors.

You have the floor.

Hon. Patricia J. Gordon-Pamplin: Thank you, Madam Chairman.

Madam Chairman, maybe I can approach this from a slightly different slant and maybe assist the Honourable Member who just had his question. And that is, *Why \$25,000?* And sometimes, we may be just too close to the forest to see the trees.

Because, look in the context of the building that we are putting up in Point Finger Road, where some of these very people have cut cheques for significant amounts of money, million-dollar cheques to help to defray the cost of us building a hospital.

These are the kinds of benefits that will inure to the people of Bermuda when somebody feels as though they belong and that we are giving them that embracing approach. And while I am not suggesting for a second that we sell Bermuda, every million helps. And if we are going to say, *Oh, we're going to charge you \$120,000*—and they do not feel that they are getting value for their \$120,000—and they leave and take with them the jobs and the million dollars that could end up helping to pay for my hospital I think we have to start to look at the total value added. And I hope that it sheds a slightly different light on it, but certainly a perspective which we have to appreciate has value for the community. Thank you.

The Chairman: Thank you.

Are there any other Members?

The Chair recognises Mr. Rolfe P. Commissiong, Shadow Minister of Workforce Development. You have the floor.

Mr. Rolfe Commissiong: Thank you, Madam [Chairman].

Madam Chairman, you know, we on this side appreciate the contributions of international business to Bermuda's welfare. Although, like I said earlier in an earlier debate, I do not believe we would be unalloyed cheerleaders, I think we have to view it more soberly.

But nonetheless, with respect to the Honourable Minister's comments just now, I also think we need to be careful of going down the road, or what I would term the "Masters of the Universe syndrome" that, somehow, individuals who have derived great benefit from Bermuda, not the least of which has been the ability to work here and not pay any personal income tax on their considerable earnings, or for their companies to pay any corporate income taxes, should be something that they should appreciate as being one of the chief values that Bermuda brings to the table.

The fact that they, in lieu of that, do charitable work and make charitable contributions is not something that we should not appreciate. But certainly, that should not in and of itself make us feel that we are somehow massively indebted. Bermuda does provide great value to them.

Just getting back to this clause here, this amendment that my colleague, Mr. Lister, the Independent colleague, has put forward here, I just think it would be a good-faith compromise that will bring us back together in a unified way in terms of moving forward on this issue. I think it would send a great signal to the Bermudian public that, despite the, at times, acrimonious debate that took place here over the last hour or so, that in the end we could come together with a good-faith compromise, which I certainly would endorse. Thank you.

The Chairman: Thank you.

Are there any other Members that would like to speak to the amendment that has been presented?

If there are no other individuals, we will call a vote on the amendment. Again, this is an amendment that reads, "Amends Clause 3 as follows: After the word 'substitute'. delete '\$25,000'. and substitute '\$60,000'."

All those Members in favour of the motion, please, say Aye.

All those opposed, please, say Nay.

AYES AND NAYS.

The Chairman: I believe the Nays have it.

[Gavel]

[Motion defeated: Proposed amendment to clause 3 of the Incentives for Job Makers Act 2013, not passed.]

The Chairman: The Minister will continue.

Dr. the Hon. E. Grant Gibbons: Thank you, Madam Chairman.

Let me try and tackle a couple of these other questions. There has been quite a discussion about the need to move from 25 down to 10 employees, when in fact Honourable Members are quite correct: There is discretion under the existing Act for the Minister to consider companies below 25.

The answer is very simple. This is more about a marketing approach than it is really about the actual number. Because what we are looking to do here is to try and attract companies that may start with a smaller number of Bermudian employees, but have the potential for great growth later on. And if you have a number out there at 25, there may be a number of people who may not be as familiar with this legislation as people who are already here, who may feel somehow that that is the limit and that there seems to be sort of an implication that 25 is the cut-off point, when in fact the discretion is there.

So, we are simply, from almost a marketing perspective, for us to try and attract new business, taking it down to 10. There is still a discretion to look at companies under 10, as there has been before. But it is as much optics as it is anything else. And I will be quite transparent about that.

Let us see. The issue of removing the limit of five employees, I think I have been around that a couple of times. And I think what people should understand is, it is an "up to" or it is "more." It is a discretionary issue. The new section [5](4A) allows the Minister, working with the Minister of Immigration, to consider different factors to bring to bear here. And I think it is, as I said, an issue simply of fairness and equitableness, that particularly as there may be cases where you have much larger companies that may in the future at some point [require this]. So far, we have not seen the need for it, but it is simply providing flexibility, I guess would be a way to put it.

In terms of the standard, again, I guess the question was asked on clause 6(a) . . . I think the question was, What standard will be applied or what guidelines will be applied to the definition of "senior executive?" What I would refer the Honourable Member to is the definitions which already exist under the Economic Development Act from the previous piece of legislation, which is, the applicant has to meet certain criteria. And I will just read a couple of those off that are already there.

I think the most important ones are [at section 5(3)(a)]:

"(ii) the applicant must be a person in a senior executive position in that company;

"(iii) the applicant must be responsible for making decisions that are critical to the continuity of the company in Bermuda;"

And this is the amended version: "(iv) the continued presence of jobs in Bermuda with the company for persons with Bermudian status must be dependent on the applicant remaining in Bermuda; and"

"(v) the applicant's continued employment in the company designated under 3B(2) for the duration of the exemption . . ."

So, basically what we are talking about is, they have to be responsible for the presence of the company in Bermuda, they must be responsible for the jobs. And I think that rules out a lot of what I will call more junior- or middle-level people. The guidelines will probably be amended slightly, but in essence, they are probably not going to change very much from where they are now.

Let us see what else. Okay. I think those . . . I think that is pretty much it, Madam Chairman.

The Chairman: Thank you.

The Chair recognises the Shadow Minister of Finance.

Mr. E. David Burt: I just have a follow-up question for the Minister, because he said that is it, and I do not believe so. And maybe I did not hear, as the hour is late. But will he commit to publicly releasing or even tabling in this House for Members to see the guidelines that will be sent to the companies?

The Chairman: Thank you.
Minister?

Dr. the Hon. E. Grant Gibbons: Yes. Thank you, Madam Chairman.

I did say that they would be released in October. They will be sent out to companies, and I will certainly provide the Honourable Member with a copy of it.

The Chairman: Thank you, Minister.

The Chair recognises the Shadow Minister of Workforce Development. You have the floor.

Mr. Rolfe Commissiong: Thank you, Madam Chairman.

Minister, is there any indication of the size of the potential pool of applicants that may exist at this time that would be eligible for the incentives for job makers?

The Chairman: Thank you.
Minister?

Dr. the Hon. E. Grant Gibbons: I have not been told, and I do not think the companies have canvassed across the board, how many may yet apply.

What I can tell you is that, in terms of those that are eligible immediately to apply for PRC status, that number has been worked out at seven. They will

have been here 10 years. They would have been exempted 10 years ago, because 10 years ago the company they are working for now would have been exempted under the criteria in the Economic Development Act.

So, I think a lot of people sense that there may be an immediate flood of people that will have PRC status. You have to essentially have crossed two criteria. One is, the company has to be exempted. And then they have to be here for 10 years. So, it is going to be quite a ways in the future before some of these chickens come home to roost, as they say. Sorry. That is probably a bad turn of phrase.

An Hon. Member: Yes. It is not a good comparison. But we get the picture.

[Laughter]

Dr. the Hon. E. Grant Gibbons: Before some of these people will be eligible for PRC status.

The Chairman: Thank you.

The Chair recognises the Government Whip and the Government House Leader. You have the floor.

Mr. N. H. Cole Simons: Just a question, based on what the Minister has just said.

He said the company has to be exempted. Does this here apply to non-international business businesses? And I am thinking of large restaurants that may have 20, 30, 40 people? Does it apply to law firms? Does it apply to accounting firms that have been around for awhile? Their owners may not be Bermudian, but they have 20–30 people that are Bermudian.

The Chairman: Minister?

Dr. the Hon. E. Grant Gibbons: I think the simple answer, Madam Chairman, is that there is no criterion in the legislation which says it has to be an exempt company or international business. There have been some applications from an accounting firm, or two accountings firms. But obviously, they are in a slightly different position, and it is a higher bar. Those applications are pending right now to see whether sufficient justification can be provided.

The Chairman: Thank you.

Are there any other Members that would like to speak to clauses 1 [through] 7?

Thank you. The Chair recognises the Shadow Minister of Health and Seniors. You have the floor.

Mr. Zane J. S. De Silva: Thank you, Madam Chairman.

I just have a question for the Minister. Minister, the successful applicants, will they be listed as they are successful, whether it be weekly, monthly, semi-annually?

The Chairman: Are there any other Members while he is gathering that? Are there any other Members?
Are you ready?

Dr. the Hon. E. Grant Gibbons: Thanks, Madam Chairman.

To the best of my knowledge, those applicants have not been made public at this point under the previous Government, and they have not been made public under this one.

The Chairman: Thank you.

Are there any other Members that would like to speak to clauses 1 [through] 7 on the Bill, Incentives for Job Makers Act 2013?

If there are no other Members . . .
Minister?

Dr. the Hon. E. Grant Gibbons: Thanks, Madam Chairman.

I would like to move the Preamble.

The Chairman: How about the clauses?

Dr. the Hon. E. Grant Gibbons: Oh, sorry. I would like to move clauses 1 [through] 7, first.

The Chairman: It has been moved that clauses 1 through 7 be approved.

Are there any objections to that motion?
There are no objections.

[Gavel]

[Motion carried: Clauses 1 to 7 passed.]

Dr. the Hon. E. Grant Gibbons: I move the Preamble.

The Chairman: It has been moved that the Preamble be approved.

Are there any objections to that motion?
Agreed to.

[Gavel]

Dr. the Hon. E. Grant Gibbons: I move that the Bill be reported to the House.

The Chairman: It has been moved that the Bill be reported to the House as printed.

Is there any objection to that motion?
No objection.
Agreed to.

The Bill will be reported to the House, as printed.

[Motion carried: The Incentives for Job Makers Act 2013 was considered by a Committee of the whole House and passed without amendment,]

House resumed at 2:45 am

[28 September 2013]

[Pause]

[Hon. K. H. Randolph Horton, Speaker, in the Chair]

REPORT OF COMMITTEE

INCENTIVES FOR JOB MAKERS ACT 2013

The Speaker: Yes, Members, the Second Reading of the Incentives for Job Makers Act 2013 has been approved.

And we move now to the next Order. And the next Order is the Bermuda Immigration and Protection Amendment (No. 2) Act 2013, in the name of the Minister for Public Safety, Minister Dunkley.

Minister Dunkley, you have the floor.

Hon. Michael H. Dunkley: Thank you, Mr. Speaker.

I move that the Bill entitled the Bermuda Immigration and Protection Amendment (No. 2) Act 2013 be now read the second time and committed.

The Speaker: Are there any objections to that?

Minister, please, carry on.

BILL

SECOND READING

BERMUDA IMMIGRATION AND PROTECTION AMENDMENT (NO. 2) ACT 2013

Hon. Michael H. Dunkley: Thank you, Mr. Speaker.

Mr. Speaker and Honourable Members of this House, I am pleased to rise this morning to introduce the Bill entitled Bermuda Immigration and Protection Amendment (No. 2) Act on behalf of the Substantive Minister of Home Affairs, who sits in another place, but he is sitting in this place this morning with the Permanent Secretary and the Chief Immigration Officer.

The Bill addresses eight specific matters and incorporates a few consequential amendments.

The first related to the work permit application, making the prospective employer responsible for the accuracy of the application.

The second addressing language in the Act, ensuring that the definition of “exceptional person,” already contained in the Act, applies to work permits.

The third clarifies that the most recent employer is responsible for the costs associated with the repatriation of a person and their qualifying dependents when a work permit has ended.

While the fourth, Mr. Speaker, provides powers to the Chief Immigration Officer to impose civil penalties of \$5,000 for the first offence or \$10,000 for a second or subsequent offence on a person who violates the Act.

The fifth, Mr. Speaker, sets out procedures for natural justice before a civil penalty is imposed.

And the sixth provides persons aggrieved by the Chief Immigration Officer’s decision to impose a civil penalty the right to appeal to the Supreme Court.

The seventh provides that a person’s former employer shall be responsible for deportation expenses of the employee and any qualifying dependents if warranted.

And finally, the eighth, Mr. Speaker, increases the criminal penalties in section 141 of the principal Act from \$5,000 to \$10,000 for the first offence, and from \$10,000 to \$25,000 for the second or subsequent offences.

Mr. Speaker, honourable colleagues will know that Bermuda enjoys a relatively well-regulated business environment, making it an attractive place to do business. Notwithstanding the global economy, historically, local and international businesses have thrived in Bermuda. Our economy has traditionally had more jobs than we have had people to fill them.

On the one hand, given the nature of the economy, there are some job categories where we simply have not had the benefit of providing sufficient human resources in order to satisfy the demand. On the other hand, in a thriving economic environment, our people had many choices and chose to not avail themselves of certain jobs in certain job categories. In both cases, Mr. Speaker, there was an influx of non-Bermudian workers to fill the demand.

Mr. Speaker, failed economic policies contributed to the decline in the local economy that has negatively affected the job market. The 2013 employment brief indicates that in 2012, aggregate employment dipped sharply. Accordingly, Mr. Speaker, there were 1,956 fewer filled jobs in Bermuda between 2011 and 2012. Total filled jobs dropped from 37,399 in 2011 to 35,443 in 2012, which equates to a 5.2 per cent decrease year over year. This marked the fourth consecutive year that the job market has declined. The level of jobs filled at 35,443 is the lowest on record since 1998, when there was a reported 35,323 filled jobs in the economy.

Mr. Speaker, Bermudians accounted for just over half—54 per cent, or 1,055—of the job losses in 2012. Guest workers accounted for 873, while non-Bermudian spouses of Bermudians lost 41 jobs.

Mr. Speaker, as the economy weakened and Bermudians experienced job losses, many argued that a weak work permit violations regime and a failure to effectively manage non-Bermudian workflow into the Island has disadvantaged Bermudian workers. Others have argued that a weak work permit violation regime puts Bermuda out of step with competitive jurisdictions.

In considering this matter and in accordance with our election platform, Mr. Speaker, the Government determined that a holistic approach was necessary, one that involved growing the economy, creating jobs, sustaining existing jobs and strengthening our regulatory environment in an effort to maintain our attractiveness as a first-class business jurisdiction.

Therefore, Mr. Speaker, in February of 2013, the Government eliminated the term limit policy, a policy that has been identified as a barrier to Bermuda’s attractiveness as a business-friendly jurisdiction. You will recall, Mr. Speaker, that this policy was set aside with a commitment to strengthen the work permit compliance regime. In April 2013, the Government implemented phase one of the reform work permit policies, involving the jobs currently in the closed and restricted categories, listing two open job categories for Bermudians seeking to re-establish careers in these areas. Categories like masons, carpenters, administrative assistants, room attendants, kitchen porters, dish pot washers and landscape gardeners were all added to the restricted categories listed under this administration.

Simultaneously, Mr. Speaker, the Government modified the work permit application process to include a Recruitment Disclosure Form. This new form, that now forms part of the work permit application, requires that the employer discloses all Bermudian applicants interviewed, together with contact information and a detailed assessment of each Bermudian applicant, including details as to why the Bermudian applicant was deemed unsuitable.

While a letter attesting to some of the aforementioned has been required in the past, the difference now, Mr. Speaker, is the employer is required to sign a declaration swearing the content is truthful, with the full knowledge that any false statement is subject to penalty. The introduction of the Recruitment Disclosure Form was a first step towards a strengthened work permit violations compliance regime.

Mr. Speaker, the Bill this morning advances the tightening of compliance efforts with a view to bringing Bermuda’s work permit violation compliance regime in line with competitive jurisdictions. For instance, the Cayman Islands immigration law provides for any immigration officer at or above the rank of deputy chief immigration officer to impose a fine of up to \$5,000 for work permit violations. Also in the Cayman Islands, the chief immigration officer shall keep and maintain a register of all administrative fines and levies imposed under their law in consequence of the

breach of any of its provisions. This register, akin to a name and shame register, contains the names and addresses of persons in the breach; the nature, location and the date of the breach; any measures taken by the chief immigration officer in the consequence of the breach; and the amount of fine or levy imposed and the date on which it was paid.

Mr. Speaker, in the United Kingdom immigration rules, it is unlawful to employ a person who is not entitled to work in the UK. Any employer who employs a worker who cannot legally work in the UK may face a civil penalty of up to £10,000 for each illegal worker. And if the employer knowingly employs an illegal worker, they may face a criminal penalty of up to two years imprisonment for employing them.

In addition to the civil penalty, an employer may also be liable for additional costs, such as unpaid taxes, Social Security payments and/or the cost of repatriating the illegal worker. The UK Border Agency also has the authority to serve, on the spot, penalty notices if an employer is found to be less than diligent in their recruitment and employment practices.

Mr. Speaker, the proposed legislation borrows some from our competitors, and consideration has been given to include several of the tools that other jurisdictions use, such as the name and shame register used in the Cayman Islands, or on-the-spot ticketing and penalty notices in the UK. However, these items were dropped during the consultation phase of the policy development as they were deemed to be draconian measures.

Mr. Speaker, with the introduction of the amendments proposed this morning, Bermuda is taking the necessary steps to strike the right balance that brings our work permit violation compliance regime in line with competitive jurisdictions, while remaining business friendly, and simultaneously, Mr. Speaker, permitting fair employment practices that serve to protect the interests of Bermudian workers seeking employment opportunities in Bermuda.

While there are several housekeeping matters that have been addressed in the proposed amendments, such as clarifying the definition of a work permit, clarifying that the employer has certain responsibilities such as accountability for the accuracy and validity of the work permit application, as well as clarifying that the employer has specific obligations, inclusive of repatriation, the most progressive provision is that which establishes powers to impose civil penalties for work permit violations. Mr. Speaker, this provision allows the Chief Immigration Officer to impose a civil penalty on a person who contravenes the Act—that is, one who:

- engages in gainful occupation without a work permit;
- engages in gainful occupation which is outside the scope of his or her work permit;

- employs a person to engage in gainful occupation when that person does not have a work permit;
- employs a person to engage in gainful occupation which is outside the scope of that person's work permit; and
- with the written notice, fails to submit requested documents within a 24-hour period without reasonable excuse to do so.

Mr. Speaker, the violations are set out in such a manner that the Chief Immigration Officer may impose penalties on both the employer and the work permit holder, or either one or the other, depending on the circumstances of the specific matter.

A first offence carries a fine of \$5,000, and a second or subsequent offence, if committed within seven years of the first offence, carries a \$10,000 fine. The seven-year provision is borrowed from the [Rehabilitation] of Offenders Act, wherein convictions of certain offences can be considered spent after a seven-year period.

Mr. Speaker, the natural justice process will apply in every case, which means that all parties will have the opportunity to provide evidence to compliance officers as part of the investigative process. Wherein it is deemed that a violation has occurred, the Act provides for specific procedures for imposing civil penalties, which will include the method by which the Chief Immigration Officer will notify a person by warning notice of a violation committed, stating the amount of the penalty, the reason for imposing the penalty and their right to make representation within seven days in their defence of why a penalty should not be imposed.

Mr. Speaker, the Chief Immigration Officer has seven days after the period has ended to decide whether to impose a penalty. Further, the Chief Immigration Officer will be required to provide the person with a decision notice with respect to the imposition of a penalty. If the decision is to impose a penalty, the decision notice will specify the amount of the penalty, the reason for the decision and the person's right to appeal the decision to the Supreme Court within 21 days of the date of the decision notice.

An appeal to the Supreme Court, as opposed to the Immigration Appeals Tribunal, signifies the severity of the matter and separates violations of the Act from the review of the Ministerial decisions. Mr. Speaker, the Chief Immigration Officer will have no discretion with respect to the amount of the fine.

The person may opt out after 21 days of the decision notice to pay the penalty in full, or apply to the Chief Immigration Officer for a payment schedule after paying a portion of the fine. All civil penalties will go into the Consolidated Fund.

Mr. Speaker, the introduction of this regime gives the compliance team and the Chief Immigration Officer some teeth so that they might become far

more effective in enforcing compliance of work permit legislation. These teeth complement the Minister's ability to revoke work permits as the situation may require, a provision already enshrined in the Act that, unlike the civil penalty, can be applied to the Immigration Appeals Tribunal.

Mr. Speaker, for the most part, under the existing provisions, those who fail to comply with work permit provisions of the Act generally get away with a warning letter, and historically, more extreme cases that have been advanced to the courts have resulted in insignificant fines. As a result of the increased focus that the current administration has directed towards the issue of work permit compliance, however, the most recent matter before the courts resulted in a more appropriate fine. Also, a total of 19 warning letters for compliance matters have been issued since January of 2013.

Mr. Speaker, during the consultation phase of the policy development that preceded the proposed amendments, stakeholders, including the Bermuda Human Resources Association, Bermuda Employers Council, Bermuda Hotel Association and all others represented on the work permit stakeholder group were consulted, and most expressed support for the amendments that are designed to create an environment of accountability for employers and employees, particularly those who deliberately violate existing immigration policy and legislation.

Notwithstanding the support, industry has expressed some concerns, stressing that employee functions during times of acts of God or emergencies such as fires, industrial action, floods, *et cetera*, need to be exempt from penalties and that employers and employees who work for central services and central industries need to be generally in a special category. Also, Mr. Speaker, that staff shortages, where managers are assisting staff to undertake their duties and those taking action to ensure excellent customer service, need to be given special consideration.

To this end, Mr. Speaker, the work permit stakeholder group will work with the Department of Immigration in a collaborative manner in advance of the publishing of the commencement date order that will bring these amendments into force to produce:

1. a code of practice and ethical standards;
2. an investigation methods, preparation and control, or case files, manual, for immigration offences; and finally, Mr. Speaker,
3. a code of practice method, a schedule of determining penalties for work permit violations.

Further, Mr. Speaker, compliance officers will undergo intensive training to strengthen their investigative skills.

Mr. Speaker, it is important to note that complaints regarding work permit violations come from many different sources. However, there are often times when those working for an employer that is committing a suspected offence feel intimidated and

fear reprisal by the employer, should they file a complaint. To this end, the proposed amendments include a consequential amendment to the Employment Act 2000, section 29A, (whistle-blowers), and the Good Governance Act 2012, section 3, Offence of terminating contract with, or withholding payment from, a whistle-blower, by adding the Chief Immigration Officer as a listed person or a person making a protected disclosure for offences against this Act.

This amendment therefore makes it an offence for an employer to terminate or penalise an employee who has filed a work permit violation complaint with the Chief Immigration Officer.

Mr. Speaker, there is a minor correction to be made on this provision, and I will make it during the Committee stage.

Mr. Speaker, anecdotal evidence suggests that there are only 10 [per cent] to 15 per cent of employers who historically violate work permit provisions of the Act. These offences can no longer be tolerated. Such violations are not in the best interests of the people of Bermuda. Bermuda's immigration infrastructure is starting to move in the right direction. It is our expectation that the proposed civil penalties regime, in accordance with the amendments to the Act, will serve to deter employers and employees from knowingly committing work permit violations and to foster a greater respect for Bermuda's immigration laws.

Mr. Speaker, this concludes my presentation on the Bermuda Immigration and Protection Amendment (No. 2) Act 2013, and I trust that it is clear that this legislation is yet another promise made and another promise delivered.

Thank you, Mr. Speaker. And I now invite Honourable Members to participate in this debate this morning.

The Speaker: Thank you, Honourable Minister.

The Chair will recognise the Shadow Minister, MP Roban. MP Roban, from constituency 15, Pembroke East, Shadow Minister of Home Affairs.

You have the floor.

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

My presentation will not be as long as the Minister's on this. We have no objection to the amendments that the Government is bringing here. As the Minister has made it clear, the Government has made certain promises that they would increase penalties around the immigration framework. This is clearly what they have proposed here. We see these as being appropriate.

In fact, to some degree (I am perhaps just slightly jesting here, Mr. Speaker), the Minister was almost trying to pick a bit of a fight in his brief, but I will resist the temptation—

The Speaker: Very good. At this hour in the morning, I appreciate it.

Mr. Walter H. Roban: —to say anything on those points.

But what I will suggest is that it is very interesting that these amendments are coming, because we have had some indication by questions previously answered in this House that there have been some, that on the permit side that there is not as much strength and perhaps discipline for the Government, particularly in some categories that the Minister mentioned, namely, masons, carpenters and plumbers, that there has been an increase in permit issuances in those areas since January. But I will not make that a big issue today. But I would perhaps compare it a bit to a tub full of water. And that we are told that the tub is full of water and will stay full. But as you look more closely, there is a tap on the side and the tap is dripping, and it is dripping quite quickly in that, despite the fact that the Government is bringing these strong provisions, civil and criminal, that in other areas things are happening a little bit more fluidly.

But we will have a watching eye on this, because, ultimately, Mr. Speaker, when it comes to enforcement and penalties, the proof is in the pudding. And if we begin to see actions in the community, because certainly constituents and others who come to us say they are still seeing things happening that should not be happening in reference to immigration.

Now, let us make it clear, Mr. Speaker. This is not just about Bermudian workers. And obviously, that is the duty of the Government to ensure Bermudian workers are protected under law. But we are also concerned that within that 10 per cent [mentioned] that infractions [take place] against our migrant workers, those who come here to work, who are invited, so they should also be treated well and should feel that they can come to the department when they are being abused or not treated well under a contractual arrangement, of which they should be treated fairly, paid well, benefits properly provided and that their work environments are healthy and suitable for them to be productive.

So it is not just about the protections for our Bermudians. And we understand that that is certainly a part of the main picture. But those who come here to work in whatever capacity there is, as long as they have come here properly, should be protected under the law. And if these penalties go toward effective enforcement of infractions by any employer, then irrespective of whom they are abusing, they should be effectively applied.

Also, we hope that the Government, in its efforts to ensure that these particular penalties are widely understood will also appreciate that they should not only communicate with, presumably, the stakeholders that the Honourable Minister has mentioned, but also reach out to the associations of the different ethnic groups that are here, because we find often that their citizens who are members of their

groups do find themselves in compromising positions with local employers. So, communicating to them about the whistle-blower amendment and what avenues are available to them to be protected, and the enforcement measures that the Government has put in, I think is also a good outreach for the Government to do, other than with the traditional stakeholders they might have spoken to. The Minister did mention them, but I think it is good to widen that outreach so that all associations, commercial associations as well as ethnic associations, in the Island understand what these new penalty regimes are providing.

With that, I will conclude my statement. We have no objections to the amendment that the Government is providing, and ultimately, the proof will be in the pudding. And we will see results as time goes on, perhaps. Thank you.

The Speaker: Thank you, Honourable Member.

The Chair will now recognise the Government Whip.

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

Mr. Speaker, I rise. I will not be very long. I rise on this topic because it is very, very near and dear to my heart. First of all, I would like to commend the Minister for bringing this legislation to the House of Assembly, in that it is . . .

The Speaker: Got away with it.

[Laughter]

The Speaker: Got away with it. You should have just kept going.

[Inaudible interjections and laughter]

Mr. N. H. Cole Simons: As I said, Mr. Speaker, I would like to commend the Minister for bringing this legislation to Bermuda, because it is near and dear to my heart.

Mr. Speaker, we are talking about employment in Bermuda, and we are talking about protecting the interests of Bermudians, PRCs and migrant workers. And to me, it just demonstrates that we are not only concerned about the international business sector; we are also concerned about local businesses, local employees.

I remember when I served on the Immigration Board. And I am just going to give you a little scenario of what actually happened. I sat on the board for a number of years before I became a Member of Parliament. And I was vetting a number of applications. And one reinsurance company came to me, came to the board with an application to hire an accountant. There were 15 accountants that applied for the job. And these were top-notch accountants that have gone

on to become partners at accounting firms, reinsurance companies, banking and other industries.

But yet, the application hired a newly minted expatriate worker. And they did not list the names of experienced CAs that had applied for the job. And from that moment on, I vowed that I would do something, and even more to protect the interests of Bermudians when it comes to immigration and my influence over the Immigration Department as an MP, because it is not right to have qualified Bermudians out there looking for a job, and these 10 per cent of the companies who are not abiding by the laws are abusing them.

So, Mr. Speaker, this is a well-crafted piece of legislation. And I also want to commend Government on the introduction of the Recruitment Disclosure Form, because this really is where the rubber meets the road and holds the companies accountable, that they are companies of integrity. By signing this disclosure form, not only the HR departments, but the CEOs become accountable for the performance of their companies. So, I think this is well, well-crafted.

There was one other issue that I think could be added. And the Minister's presentation said . . . And I have a copy of it here. If you will allow me a second?

The Speaker: What are you reading?

Mr. N. H. Cole Simons: The Minister's brief.

The Speaker: Oh, you are reading the Minister's brief.

Mr. N. H. Cole Simons: I have a copy of it.

The Speaker: He already read his brief.

[Laughter]

Mr. N. H. Cole Simons: I know, but I wanted—I accept that. I accept that.

The Speaker: So, we had that.

Mr. N. H. Cole Simons: But I would like to speak to an issue that he raised.

The Speaker: Okay. Do not waste our time at this hour in the morning, you know.

Mr. N. H. Cole Simons: I am not wasting your time.

The Speaker: All right. Carry on, Member.

Mr. N. H. Cole Simons: It says, "Simultaneously, . . . the Government modified the work permit application process to include a Recruitment Disclosure Form. This new form, that now forms part of the work permit

application, requires that the employer discloses all Bermudian applicants interviewed."

I would also suggest that the Minister consider extending that to "all applicants applying for the job and/or interviewed. Because my concern is, a lot of Bermudians are discouraged in going forward to an interview, even though they are qualified. And I have seen that happen. I have seen that happen. And so, I would recommend that the recruitment disclosure form ensure that all qualified Bermudians who have applied for it be included.

I know that a number of—

Hon. Michael H. Dunkley: Point of clarification.

[Laughter]

The Speaker: All right. Yes? We need a point of clarification.

POINT OF CLARIFICATION

Hon. Michael H. Dunkley: No, it does . . . To clarify, it does do exactly what he implies it does. So, it is all straight.

The Speaker: Oh. Okay.

Mr. N. H. Cole Simons: What you are saying, Mr. Minister, is that it will list all applicants that have applied for the job and not necessarily interviewed? Thank you.

[Inaudible interjection]

Mr. N. H. Cole Simons: I know, but I am just saying this because, again, the public is listening and we need to have clarity for the public. And, in addition, we are looking out for our Bermudians. We are looking out for our qualified people who are looking for jobs, who are looking for opportunities, and there are people out there, companies out there that have historically abused our system.

So, we are now correcting that and letting those know, those who are malfeasant in abusing the immigration laws, that we are coming after them. And we are coming after them with the fullness of the law and that we will be unmerciful if they are abusing the law and abusing our professional Bermudians.

Thank you, Mr. Speaker.

The Speaker: Thank you, thank you, Honourable Member.

The Chair will now recognise the Honourable Member, the Shadow Minister of Education, Walton Brown. MP Brown.

Mr. Walton Brown: Thank you, Mr. Speaker.

Mr. Speaker, I would like to commend the Government on this legislation.

[Inaudible interjections and laughter]

Mr. Walton Brown: It is sound. It is very thoughtful. And it addresses a lot of the issues that have plagued a number of people in this country. And so I am happy to see that there is a modicum of a moral compass being exhibited, Mr. Speaker.

The only issue that I have, Mr. Speaker, is that one of the areas of tremendous abuse relates to the domestic workers. And the domestic workers often do not have a voice. They work as individuals, and they are reluctant to come to any authority to make any complaint. So I would like to encourage or ask the Ministry if they will begin a series of just checks, random checks, to see if the contracts that the domestic workers have signed are being honoured by the employer, if all the deductions are being made and so forth. Because I have heard too many stories of domestic workers who worked here for years, have been badly treated by the employer and then had to leave the Island.

So, this legislation I support. It is very good. The issue I would like to see addressed relates to domestic workers. And I would be happy to hear words of encouragement in this regard from the Ministry as opposed to seeing anything being formally legalised.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

The Chair now recognises the Shadow Minister of Finance. MP David Burt, you have the floor.

Mr. E. David Burt: Mr. Speaker, good morning.

The Speaker: Good morning.

Mr. E. David Burt: I am very tired right now.

The Speaker: Well, why are you speaking?

[Laughter]

Mr. E. David Burt: Well, because I have to! Because I represent a lot of people in Pembroke West Central, Mr. Speaker. And they are paying me to be here this morning.

The Speaker: Very good. Very good. Good answer.

Mr. E. David Burt: And I want to make sure that I am on record on this piece of legislation, because I believe it is very important.

Now, just like my MP, I will stand up and I will commend the Government on bringing this legislation. Anyone who knows me and knows me in my history of

time with the Progressive Labour Party from when I first came back in 2003, one of the things that I always spoke about was immigration policy and how I did not believe that we did a good enough job on immigration policy.

And I remember in public forums, I made it clear and I said that if we did a better job, we may not be on this side of the benches. And it is something that we hear on the doorstep often; it is something that I heard on the doorstep often. So I commend the Government for bringing this legislation, and I hope that they will go further. Immigration abuse is certainly a problem. Work permit abuse is certainly a problem that we have that exists, and it is something that we must crack down on.

This is a start. I would like to see more. And I would like to also ask the Minister just a quick question as to why he felt that it was too draconian, as he said, to have on-the-spot ticketing and a name and shame list? I think that if you are going to go forward, you might want to push there. And I guess I was surprised to hear that it was too draconian. So I will wait to hear that *[answer]*.

But also what I will say, Mr. Speaker, is that it is all good to pass laws. But the proof will be in the execution. And I look forward to hearing about people that are actually getting civil penalties, and making sure that this new legislation that we are amending tonight will be enforced. But I hope that the Minister will answer that question. And I would like to commend the Government again.

Thank you.

The Speaker: Thank you, Honourable Member.

Are there any other Members who would care to speak?

Minister, you would like to reply?

Hon. Michael H. Dunkley: Thank you, Mr. Speaker. I do not know if it is the legislation or it is the early time in the morning that we are all singing Kumbaya here today. But certainly—

An Hon. Member: It is always the legislation. You know that. It is always the legislation. Quit while you are ahead.

[Laughter]

Hon. Michael H. Dunkley: Mr. Speaker, I think the congratulations should go out to the Minister who has been under some pressure for some of the initiatives he has made. And I think time has proven that he has made the right decisions. So, thank you to the Minister and the Chief Immigration Officer for the work they have done. You know, this is a real strong piece of legislation, and I think the measures that we have in here are strong enough to start the foundation of what we have to do.

I just will remark for a brief moment, Mr. Speaker, that I think this piece of legislation will allow people to shed some of the fear they have about speaking out. Quite frequently, when people call me and complain about immigration matters, I say, *Have you called the department?* And they say, *No, no, no! I wouldn't do that.* But I think, now that they see that there is a framework around for allowing them to have a voice and to have some protection, I think they will feel comfortable speaking out, Mr. Speaker. And that is up to us to help that, moving forward.

But certainly, with the two pieces of legislation we have seen, the one preceding this and this one here, Mr. Speaker, I now think that our moral compass is readily back in full flight. So I would like to thank Honourable Members for contributing to this debate today, Mr. Speaker. And I move that the Bill be committed.

The Speaker: Thank you, Minister.

Are there any objections to the Bill being committed?

There are none.

I would like to ask that the Deputy Speaker please take the Chair [of Committee].

[Pause]

House in Committee at 3:23 am

[28 September 2013]

[Mrs. Suzann Roberts-Holshouser, Chairman]

COMMITTEE ON BILL

BERMUDA IMMIGRATION AND PROTECTION AMENDMENT (NO. 2) ACT 2013

The Chairman: Honourable Members, we are now in Committee of the whole [House] for further consideration of the Bill entitled the [Bermuda Immigration and Protection Amendment \(No. 2\) Act 2013](#).

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

Hon. Michael H. Dunkley: Thank you, Madam Chairman.

I would like to move all clauses.

[Pause]

Hon. Michael H. Dunkley: Okay. I will move clauses 1 [through] 7.

[Inaudible interjections]

Hon. Michael H. Dunkley: Thank you, Madam Chairman.

Clause 1 is self-explanatory.

Clause 2 amends section 57 of the principal Act to insert a definition of "work permit." Work permit was previously not defined in the principal Act, and for clarity it has now been added to definitions.

Clause 3 amends section 61 of the principal Act to clarify that the employer must make work permit application on behalf of the prospective employee and is responsible for ensuring that the application is complete and accurate in accordance with guidelines issued by the Minister for the purposes of this section.

Madam Chairman, work permit applications are at times completed on behalf of the company by an agency. The amendment makes it clear that the employer is accountable for the application's accuracy. Guidelines that assist employers in assuming responsibility for the accuracy of their submissions, to include the level of the document, checks that must be undertaken to ensure accuracy and completeness, will be produced to support this provision.

Madam Chairman, section 61(7) is set out in full, for clarity, so readers will no longer need to look back at section 34(2)-(4), which was previously applied by the two provisos to section 61(7). The redraft of section 61(7) is a housekeeping matter for the ease of reference. Subsection (7E) clarifies that when the employment comes to an end as a result of a work permit expiring, or is revoked due to early termination by either the employer or the employee, there is no appeal to the Immigration Appeals Tribunal.

Clause 4(1) inserts new section 61AA and 61AB into the principal Act. Section 61AA provides that a work permit will not be granted to an exceptional person. Madam Chairman, an "exceptional person" is defined in section 31(7) of the principal Act. Section 31(7) defines exceptional person as, amongst other things, a person suffering from a mental disorder, communicable disease or is destitute, previously removed or repatriated without reimbursing Government, arrived in Bermuda for immoral purposes, was convicted of an offence punishable in Bermuda with imprisonment with a term of two years or more, one who is on the stop list, or remains or resides in Bermuda after being a *bona fide* visitor wherein the term has expired.

Section 61AB provides that the most recent employer of a person whose work permit has ended is responsible for any costs associated with repatriation of the person and his or her qualifying dependents.

The Act includes a provision that, wherein a pre-existing contract between the employer exists, the employer is relieved of the repatriation responsibilities. Notwithstanding wherein the employer cannot bear the expense, however, the repatriation costs remain the responsibility of the employer. The Government will not be liable for the associated costs. The employer, however, is not responsible for the repatriation of non-qualifying dependents. These are persons wherein the dependents were not listed on the ap-

proved work permit application. Examples would be births, adoptions, marriages or legal guardians.

The guidelines and the work permit applications will make it perfectly clear to the employee that if their dependent situation changes for whatever reason, the employee must inform the Department of Immigration. In accordance with section 30(2) and section 30E *[sic]*, the department can apply safeguards to ensure adequate funds are maintained for repatriation or deportation of non-qualifying dependents.

Subsection 2 makes a related minor amendment to section 31(7) of the principal Act, exceptional persons, to remove unnecessary and discriminatory words from [section 31(7)](e).

Clause 5 inserts the new civil penalty scheme, in section 71A to 71C. [New] section 71A provides, The Chief Immigration Officer may impose a civil penalty of \$5,000 (or \$10,000 for a second or subsequent violation) on a person who works without or outside the scope of his permit, or employs a person to do that, and on a person who is being investigated for suspected contravention and fails to submit specified documentation. Where a civil penalty is imposed on a person under section 71A, he shall not also be prosecuted for a criminal offence under section 64, 65, 133 or 134 of the principal Act relating to that same contravention.

During the past two years, Madam Chairman, there have been four cases wherein persons have appeared before the courts related to work permit violations. The Chief Immigration Officer will maintain the ability to seek direction for criminal proceedings via the Director of Public Prosecutions. In addition, the Chief Immigration Officer also maintains the ability to issue warnings, where appropriate, as opposed to a fine.

[New] section 71B sets out the procedure to be followed before a civil penalty is imposed. The creation of civil penalties is meant to serve as a deterrent in the first instance. Individuals and employers who commit offences against the Act will be treated fairly and with due diligence when determining if there is a violation.

[New] section 71C provides for an appeal to the Supreme Court against a decision to impose a penalty. Notwithstanding the Immigration Appeals Tribunal, that hears appeals relative to the decisions of the Minister specific to outcomes of various applications, appeals decisions relative to the contravention of the Act will be referred directly to the courts. This sets and/or maintains a clear line of demarcation between the roles of the two bodies. The Department of Immigration currently has the resources, reporting lines and established protocol for investigation and determining work permit violation. The civil penalties regime is based on the application of the natural justice process that allows a person to make a representation before a violation and a penalty decision is

made. Subject to a decision by the Chief Immigration Officer, an aggrieved party may then appeal to the Supreme Court.

Clause 6, Madam Chairman, amends section 111 of the principal Act by inserting new subsection (3A), which provides that a person's former employer shall be responsible for the deportation expenses of the employee and any qualifying dependents not covered by the monies referred to in [section 111](3). The deportation provision is similar to the repatriation provision, wherein the employer bears responsibility. Over the past two years, nine persons have been deported from Bermuda. This provision ensures that deportation expenses for a person on a work permit and their qualifying dependents can be recovered from employers.

Clause 7, Madam Chairman, amends section 141 of the principal Act to increase the criminal penalties for offences under the Act from \$5,000 to \$10,000 for a summary conviction, and \$10,000 to \$25,000 for a second conviction.

Madam Chairman, I might want to just say here that we need to correct the Explanatory Memorandum at the back, because it mistakenly refers to *summary and indictable offences* rather than *first and second offences*. Section 136 clarifies that these offences are all summary offences. So I think what we can do, without an amendment, we can just correct that before we send it down to the Senate.

Those are the first seven clauses, Madam Chairman.

[Inaudible interjection]

Hon. Michael H. Dunkley: It is not part of the Bill, but we should correct it for the record. If you go to the Explanatory Memorandum under clause 7.

The Chairman: Correct, yes.

Hon. Michael H. Dunkley: It says, "Amends section 141 of the principal Act to increase the penalties for offences under the Act, from \$5,000 to \$10,000." That should read, for a first conviction, and from \$10,000 to \$25,000 for the second offence.

The Chairman: Correct. Thank you.

[Crosstalk]

The Chairman: Are there any Members that would like to speak to clauses 1 through 7 of the Bermuda Immigration and Protection Amendment (No. 2) Act?

Mr. Walton Brown: Yes.

The Chairman: Thank you. The Chair recognises Mr. C. Walton Brown, Shadow Minister of Education.

You have the floor.

Mr. Walton Brown: Thank you, Madam Chairman.

Just a quick question. What happens in the situation—I believe it is clause 6—on the issue of repatriation if the company has gone out of business?

The Chairman: Are there any other Members that would like to speak to the Bill?

Thank you. The Chair recognises the Shadow Minister of Finance.

David G. Burt, you have the floor.

Mr. E. David Burt: Thank you. Madam Chairman.

Just to ask the Minister, because I did not hear the answer during his general debate, he had mentioned two things that were considered in the Bill. I am just wondering why they were not there. And I can just specifically refer to clause 5, where it talks about the power to impose civil penalties for work permit violations, why there was the decision to exclude ticketing, even though it was recommended, and why the decision to also not have name and shame? Thank you.

The Chairman: Thank you.

Are there any other Members that would like to speak to the Bill?

The Chair recognises Mr. Walter H. Roban, Shadow Minister of Home Affairs. You have the floor.

Mr. Walter H. Roban: Just for the record, irrespective of the questions that the Honourable Members are posing, I do not have any real substantive questions. I am just waiting for the amendment to be dealt with.

The Chairman: That will be the next.

Mr. Walter H. Roban: As the next provision. Thank you.

The Chairman: Thank you.
Minister?

Hon. Michael H. Dunkley: Thank you, Madam Chairman.

In regards to the question from the Honourable Member, MP Walton Brown, it is a good question. It does not happen in very many cases at all. And if the company has gone out of business, typically what would happen is the employees have gone before that. So, they would be taken care of. However, in a circumstance where the employees might be seeking alternate employment and the company that they last worked for goes out of business, then there would be a challenge. And in that case, Government would have to pay for the deportation.

In regards to ever-persistent MP, the Honourable Shadow Finance Minister Burt, in connection with the name and shame register, this did present some

constitutional issues. And so, the Chief Immigration Officers will keep a list internally on that. In regard to your spot ticketing, I think you also asked, it did not allow for the natural justice process to take place.

The Chairman: Thank you.

Are there any other Members that would like to speak to clauses 1 through 7?

There are no other Members.
Minister?

PROPOSED AMENDMENT TO CLAUSE 8

Hon. Michael H. Dunkley: Thank you, Madam Chairman.

At this stage, I would like to move the amendment. And I believe I did give a copy to the Shadow. The Sergeant-at-Arms will be giving it out.

The Chairman: You will be moving just clause 8?

Hon. Michael H. Dunkley: Just clause 8, correct.

The Chairman: You can address it now.

Hon. Michael H. Dunkley: Thank you. I move that the Bermuda Immigration and Protection Amendment (No. 2) Act 2013 be amended as follows:

Delete clause 8 and substitute, "Whistle-blowers"

1. In section 29A(2) of the Employment Act 2000 (whistle-blowers), at the end, insert— "(n) the Chief Immigration Officer of the Department of Immigration."; and
2. In section 3(3) of the Good Governance Act 2012 (offence of terminating contract with, or withholding payment from, a whistle-blower), at the end, insert— "(m) the Chief Immigration Officer of the Department of Immigration."

This simply adds the Chief Immigration Officer as a whistle-blower to the Good Governance Act [2012], Madam Chairman.

The Chairman: Thank you.

Are there any Members that would like to speak to the amendment?

Thank you. The Chair recognises the Shadow Minister of Home Affairs. You have the floor.

Mr. Walter H. Roban: Yes, we just wish to certainly give our approval to this. It is obviously a more comprehensive measure and includes all of the legislation that would give the whole opportunity of effective whistle-blowing and governance around the provisions to be more complete. So I just wish to give our approval, and have no objections to it at all.

The Chairman: Thank you.

Are there any other Members that would like to speak to the amendment?

All those Members in favour of the motion, please, say Aye. All those opposed, please, say Nay.

AYES.

The Chairman: The Ayes have it.

[Gavel]

[Motion carried: Amendment to clause 8 passed.]

The Chairman: Minister, please proceed.

Hon. Michael H. Dunkley: Thank you, Madam Chairman.

Clause 9 provides for the commencement and application of the new provisions. The new provisions will come into effect on a date to be determined by the Minister of Home Affairs by notice in the official *Gazette*.

During the interim period, the department will work collaboratively with the industry to establish codes and guidelines, and engage in training.

The Chairman: Thank you.

Are there any Members that would like to speak to clause 9?

There are no Members that would like to speak to clause 9.

Minister?

Hon. Michael H. Dunkley: I move the Preamble, with that correction in the Explanatory Memorandum.

The Chairman: You have to move the clauses.

Hon. Michael H. Dunkley: I move all clauses, 1 [through] 9.

The Chairman: It has been moved that clauses 1 [through] 9 be approved.

Are there any objections to that motion?

An Hon. Member: As amended.

The Chairman: As amended.

Hon. Michael H. Dunkley: As amended, yes.

And I move the Preamble. And just as a reminder for that correction in the—

The Chairman: We are going to get there—first.

No objections?

Agreed to.

[Gavel]

[Motion carried: Clauses 1 through 9 passed, as amended.]

The Chairman: It has been moved that the proposed amendment to clause 8—

Hon. Michael H. Dunkley: Corrections. The proposed corrections. No, the correction in the Explanatory Memorandum.

The Chairman: That is not part of the Bill.

Hon. Michael H. Dunkley: Okay.

The Chairman: Be approved.

Is there any objection to that motion?

No objection. Agreed to.

[Gavel]

Hon. Michael H. Dunkley: I move the Bill be reported to the House.

The Chairman: Preamble?

Hon. Michael H. Dunkley: I already did that. I move the Preamble.

The Chairman: It has been moved that the Preamble be approved.

Is there any objection to that motion?

No objection. Agreed to.

[Gavel]

Hon. Michael H. Dunkley: I move the Bill be reported to the House.

The Chairman: It has been moved that the Bill be reported to the House, as amended.

Are there any objections to that motion?

No objections. The Bill will be reported to the House with amendment.

[Gavel]

[Motion carried: The Bermuda Immigration and Protection Amendment (No. 2) Act 2013 was considered by a Committee of the whole House, and passed as amended in clause 8.]

[Pause]

House resumed at 3:40 am

[28 September 2013]

[Hon. K. H. Randolph Horton, Speaker, in the Chair]

REPORT OF COMMITTEE

BERMUDA IMMIGRATION AND PROTECTION AMENDMENT (NO. 2) ACT 2013

The Speaker: The Second Reading of the Bermuda Immigration and Protection Amendment (No. 2) Act has been approved, with amendment.

We now move to the next Order of the day, which is the Second Reading of the Insurance Amendment Act 2013, in the name of the Minister of Finance.

Minister Bob Richards, you have the floor.

Hon. E. T. (Bob) Richards: Thank you, Mr. Speaker.

Mr. Speaker, I move that the Bill entitled the Insurance Amendment Act 2013 be now read the second time and committed.

The Speaker: Thank you, Minister.

Are there any objections?

There are none.

Carry on, Minister.

BILL

SECOND READING

INSURANCE AMENDMENT ACT 2013

Hon. E. T. (Bob) Richards: Mr. Speaker, it gives me pleasure this evening (or this morning) to present the Bill, the Insurance Amendment Act 2013. This Bill is intended to streamline the provisions that allow a member of a group to make material changes and those changes being approved by the Bermuda Monetary Authority as group supervisor.

Mr. Speaker, effective group supervision is increasingly critical to the continuous success of Bermuda's risk industry, and a significant part of the Authority's duties as regulator and as part of its role, the Authority must be informed of changes. For these purposes, material changes include:

- amalgamation with another firm;
- engaging in unrelated retail business;
- acquisition of a controlling interest in a business that is not insurance;
- outsourcing all or a material part of actuarial risk management compliance or internal audit functions; and
- outsourcing all or a material part of an insurer's underwriting activity.

This regulatory requirement was introduced three years ago with the aim of enabling the Authority to gauge the impact of material change and how they will be managed by a group. Mr. Speaker, under the Insurance Act 1978, a group is required to ensure that

any change to be effected by a member of a group be approved by the Authority, except where the member is regulated by a competent authority in another jurisdiction, a competent authority of equal equivalency. Under those circumstances, the process is different, with only a notification required.

Developed after consultation with the insurance industry, this Bill to amend the Insurance Act 1978 removes the requirement for a group to seek the Authority's approval for a material change. Instead, the amending legislation requires that the group notifies the Authority in writing the changes that have been effected by a group member. Seeking approval does take time and does have an impact on the group's overall operation and efficiencies.

To ensure that the proposed streamlining does not compromise regulatory efficiency or undermine supervisory intent, the Authority has reviewed international requirements and determined that the key factor to maintaining our high-quality risk-adjusted supervisory regime is to have timely information and ready access to other regulators in order to assess the impact of any change. However, access is discretionary, and Bermuda's strong international relations with insurance supervisors around the world will be critical to the success of this process.

Mr. Speaker, Bermuda has been recognised as being compliant with international standards set down by the International Association of Insurance Supervisors (commonly known as IAIS) and is continuously involved in the development of such standards. In recent years, standards have been devised dealing with the oversight of groups. This step has been taken to better oversee how groups themselves are governed and has been of particular importance since the financial crisis in order to determine the effect of groups on financial stability. Bermuda has been diligent in our efforts to implement a regulatory regime of groups, and there are now 22 groups for which Bermuda has been recognised internationally as group supervisor.

Mr. Speaker, the regime for dealing with material changes by members of groups has been under review. It has been determined that other approaches may be taken to ensure that the Authority, as group supervisor, is informed about material changes and makes its regulatory assessments without requiring the member to seek approval. Furthermore assessing whether a jurisdiction is equivalent because it has laws similar to those in Bermuda is not easily determined, as the group regime is new and other jurisdictions have not developed, or are in the process of putting in place, the necessary laws.

For these reasons, the Authority seeks to modify the regime. It is proposed the same process will apply to all groups, and the designated insurer of a group should inform the Authority of material changes within 14 days, and to remove the requirement for a "no objection" statement. By taking a uniform ap-

proach for all groups to report changes in 14 days, the Authority will have the information in a sufficiently timely manner to make any further inquiries and follow up with a group member and its own country regulator about any concerns.

With this approach, the Authority remains informed about significant changes and is able to take appropriate actions, if any, as required, and comply with the international standards and exceptions.

Mr. Speaker, Bermuda is well aware that effective insurance regulation and supervision is vital to the success of its international insurance industry. But we are also aware that international regulation is often duplicative and that the cost of maintaining this regime is borne by the industry. The Insurance Amendment Act 2013 reflects in part an effort to take full advantage of the work being carried out by international supervisors in jurisdictions that share our commitment to quality risk-based supervision.

Mr. Speaker, Bermuda is ranked in the top 10 per cent of regulators, according to the World Bank's Governance Indicator report. If Bermuda is to remain attractive to new business, it must remain diligent in tackling redundant supervisory practices, lowering supervisory costs wherever possible and removing unnecessary hurdles that could undermine our advantage as a jurisdiction favoured for its ability to provide exceptional speed to market.

Mr. Speaker, Bermuda remains well positioned for our global recognition of its insurance framework, including Solvency II equivalence, while pragmatically building in appropriate provisions and time for firms to transition to key regime enhancements.

Mr. Speaker, the Authority has registered 51 new insurers for the period ending August 31st, 2013. There are currently 1,223 insurers registered in Bermuda, as compared to 1,209 insurers registered as at December 2012. Mr. Speaker, while special-purpose insurers continue to dominate new registrations, the total number of captives and Class 4 reinsurers and insurers remains steady.

Mr. Speaker, one of the Government's key objectives is to position Bermuda as the partner and investment destination of choice for financial services. Members are advised that insurance financial activities between Bermuda and Europe grew from \$140 billion in the year 2000 to \$438 billion in 2011. In 2010, Bermuda was ranked as the most important export market for insurance services and the most important foreign supplier of insurance and reinsurance to the United States, averaging \$30 billion annually in payments or as much as \$35 billion annually in recovered losses, according to the 2012 *Bermuda & World Economy Report*. For Bermuda to win the future, how we position ourselves in other markets will also be key.

Mr. Speaker, I would like to acknowledge the efforts of the Bermuda Monetary Authority, the Attor-

ney General's Chambers and the Association of Bermuda Insurers and Reinsurers (ABIR) for their contributions to this Bill.

Mr. Speaker, I recommend that this Bill be referred to Committee at this time.

The Speaker: All right. Thank you, Honourable Minister.

The Chair now recognises the . . . I will recognise you when your colleague gets out of the way. Yes. I recognise the Honourable Shadow Minister of Finance.

I gave you time to get out of the way.

Mr. E. David Burt: Mister—mister—

The Speaker: It is *Speaker. Mr. Speaker.*

[Laughter]

Mr. E. David Burt: Good morning, Mr. Speaker. I do not even know what time it is now.

Anyhow, Mr. Speaker, as much as I would like to wax eloquently about this amendment and the wonderful work of the Bermuda Monetary Authority and the different things which they do to make sure that we preserve our leadership position in the insurance industry, I would just say that I concur with the Minister's comments on his brief, and he has the full support of this side of the House. Thank you.

The Speaker: Thank you, Honourable Member. Does any other Member care to speak? The Chair recognises the Minister.

Hon. E. T. (Bob) Richards: Thank you, Mr. Speaker. I appreciate the Honourable Member's remarks, and I move that the House now go into Committee.

The Speaker: Thank you. Are there any objections to that? I would like to ask the Deputy Speaker . . .

[Pause]

House in Committee at 3:53 am

[Mrs. Suzann Roberts-Holshouser, Chairman]

COMMITTEE ON BILL

INSURANCE AMENDMENT ACT 2013

The Chairman: Honourable Members, we are now in Committee of the whole [House] for further consideration of the Bill entitled [Insurance Amendment Act 2013](#).

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

Hon. E. T. (Bob) Richards: Thank you, Madam Chairman.

Madam Chairman, I would like to move all clauses, clauses 1 through 4, at this point.

Clause 1 is the citation, provides the citation for the Bill.

Clause 2 amends section 27A of the principal Act in the definition of “competent authority” so as to provide that the term applies to any regulatory authority rather than just to a national authority, as currently provided in the principal Act. The objective of this amendment is to substitute the current, limited definition of “competent authority” with a definition that incorporates all regulatory authorities, including state authorities.

Madam Chairman, clause 3 amends section 30JB of the principal Act to remove the requirement for a designated insurer to notify the Authority of a material change to be effected by a member of the group before the member may undertake the change, unless the member is regulated by a competent authority in an equivalent jurisdiction, and replaces it with a uniform requirement for a designated insurer to notify the Authority of a material change made by a member of the group. The clause further repeals section 30JB(3) and repeals and replaces 30JB(4) to now only require the insurer, other than a member of a designated insurer, to seek approval by the Authority of material change.

Madam Chairman, clause 4 amends section 30JC of the principal Act, in the first instance so as to exclude the insurance group from persons who may be threatened by a material change made under section 30JB, a circumstance that would require the Authority to object to the material change proposed. The clause further amends the section to exclude the insurance group from persons to whom the material change is not to affect their compliance with the provisions of the Act.

Those are all the clauses, Madam Chairman.

The Chairman: Thank you.

Are there any Members that would like to speak to clauses 1 through 4?

The Chair recognizes Mr. E. David G. Burt, Shadow Minister of Finance. You have the floor.

Mr. E. David Burt: Madam Chairman, as much as I would like to move an amendment, this side of the House supports the clauses as read by the Minister.

The Chairman: Thank you, Member. Minister? Minister?

Hon. E. T. (Bob) Richards: Madam Chairman, so I now move that clauses 1 through 4 be approved.

The Chairman: It has been moved that clauses 1 through 4 be approved.

Are there any objections to that motion?

[A Member sneezed loudly.]

The Chairman: Was that an objection?

[Laughter]

The Chairman: No objections. Agreed to.

[Gavel]

Hon. E. T. (Bob) Richards: Madam Chairman, I move the Preamble.

The Chairman: It has been moved that the Preamble be approved.

Are there any objections to that motion?

No objections. Agreed to.

[Gavel]

Hon. E. T. (Bob) Richards: Madam Chairman, I move that the Bill be reported to the House.

The Chairman: It has been moved that the Bill be reported to the House, as printed.

Are there any objections to that motion?

No objections. Agreed to.

[Gavel]

Hon. E. T. (Bob) Richards: Thank you, Madam Chairman.

[Motion carried: The Insurance Amendment Act 2013 was considered by a Committee of the whole House and passed without amendment.]

House resumed at 3:57 am

[28 September 2013]

[Hon. K. H. Randolph Horton, Speaker, in the Chair]

[Pause]

REPORT OF COMMITTEE

INSURANCE AMENDMENT ACT 2013

The Speaker: Members, the Bill, the Insurance Amendment Act 2013, Second Reading, has been approved.

The next Order is the Customs Tariff Act, which is carried over.

The Second Reading of the Cruise Ship Casino Act is carried over.

The Second Reading of the Municipalities Amendment Act is carried over. The Second Reading of the Corporation of St. George's Act is carried over.

The next matter is a motion to be moved by Minister Dunkley.

MOTION

ADOPTION OF A MANDATORY RANDOM DRUG TESTING POLICY FOR MEMBERS OF THE LEGISLATURE

Hon. Michael H. Dunkley: Mr. Speaker, I move the following motion, which notice was given on the 13th of September 2013:

"In an effort to ensure that Bermuda's Legislature meets the highest standards of governance for democratic legislatures and in order to lead by example; be it resolved that this Honourable House approves and adopts a mandatory random drug testing policy for Members of the Legislature and that a Joint Select Committee be appointed to consider and determine the specifics, implementation and monitoring of the said Policy."

The Speaker: All right. Thank you, Honourable Member.

Any Members objecting to that motion?

An Hon. Member: Yes!

The Speaker: Too late. It is not a good enough objection.

[Laughter]

The Speaker: Minister, carry on, please.

Hon. Michael H. Dunkley: Thank you, Mr. Speaker.

Mr. Speaker, the motion before this Honourable House this morning seeks approval of Honourable Members for mandatory random drug testing of the Legislature, and further that a Joint Select Committee be set up to appoint and devise all aspects of this policy.

Mr. Speaker, the motion has a potential to put Bermuda on the democratic map as a leader in the area of zero tolerance for drug use in positions of trust and authority. Mr. Speaker, you are well aware that most private sector companies in several sensitive areas in the public sector already do drug testing of employees.

It is therefore logical that we as public servants first and foremost should be glad to lead by example.

Mr. Speaker, we believe this motion is devoid of politics and should not divide us along partisan political lines. It proposes a measure of good governance that is the natural progression of things, like the

Register of Members' Interest and of the oaths that we all took before serving in this Honourable Chamber.

Mr. Speaker, to introduce this motion it may be useful for Honourable Members and the public for me to trace the short history which has led us to this point. Honourable Members will recall that in the Government's first Throne Speech of February this year we made the following commitment and promise: "The use of illicit drugs in Bermuda is a problem that could benefit from some leadership by example. The Government will, therefore, implement a policy whereby all Government Members of the Legislature will be subject to random, mandatory drug testing. A paper outlining the policy details will be released shortly. Members of the Opposition will be invited to participate."

Well, Mr. Speaker, in the six months since that promise to Bermuda the Ministry of Public Safety through the Department of National Drug Control has researched and considered best practice methodology to apply to this proposal. I am pleased to advise Honourable Members that pending the approval and the appointment of the Joint Select Committee, I intend to supply the Committee with the research conducted, which should prove helpful in the work on this policy.

Mr. Speaker, Honourable Members will also recall that in my statement to this Honourable House on the 26th of July, I indicated that a policy had been approved by Cabinet and Government's Parliamentary caucus and that we would shortly be posting on the One Bermuda Alliance website.

Mr. Speaker, we deferred on implementing this aspect of the matters after fuller consultation with your office—the Office of the Speaker.

Let me recognise the helpful advice, Mr. Speaker, that your office has provided which commended to the Government the importance of extending the policy to all Members of the Legislature. To further ensure bi-partisan application in the management of this policy, the appointment of a Joint Select Committee will serve to strengthen the confidence of the public in our ability to represent them.

Mr. Speaker, the jurisdictional review conducted as part of our research into this area indicated that several legislatures have talked about drug testing their members. In fact, Mr. Speaker, it may surprise some Honourable Members to know that this Honourable House considered this very issue in June 2000. At that time, Mr. Speaker, the then-Leader of the Opposition, the former Honourable Member Dame Pamela Gordon, introduced a motion that sought to have Members submit to random drug testing no less than twice per year. Mr. Speaker, the motion was eventually amended by the then-Premier the Honourable Member Dame Jennifer Smith to include the appointment of the Committee to implement the policy.

Mr. Speaker, the Journals of the House of Assembly indicate that the amendment was made at 2:33 am on 11 August 2000. As is often the case with things said and done at that hour, it does not appear

that any committee was struck, and no progress was made on the implementation of this policy in spite of an effort from the former Honourable Member, John Barritt, in December 2000 to have a committee appointed within 30 days. Mr. Speaker, I am sure that with the support of the Members of the Legislature early this morning—even with the early hours of this morning, and working through all of yesterday and this morning—this will not be the case this time.

Mr. Speaker, in the United States the issue in recent times has been connected to the suggestion that drug testing be implemented for those who would seek to qualify for benefits and assistance under Government programmes. Honourable Members will not be surprised to learn that attempts to make such a proposal law have actually failed in those states that attempted it. In one well-publicised instance a measure to make welfare recipients subject to mandatory drug testing failed because a provision was added to include members of the state legislature in question. It would seem, Mr. Speaker, that what was good for the goose was eventually not so good for the gander.

Mr. Speaker, I use this example as an indication of this Government's core belief that there is power in the symbolism and that we must be prepared to surrender ourselves in service to the people. There is no suggestion, Mr. Speaker, of any extension to the drug testing regime beyond what we are discussing today. High risk and safety sensitive areas within the public service already conduct drug testing and there exists well-oiled machinery in place to help those who test positive and to ensure the safety of those for whom they are responsible in their work.

Mr. Speaker, Honourable Members may be interested to know that the issue of drug testing politicians has made its way to the United States Supreme Court. In 1997, a candidate for Lieutenant Governor in Georgia successfully sued to strike down a Georgia law that required all politicians to be tested for drugs before being allowed on the ballot. That [case](#), Mr. Speaker, was based on the Fourth Amendment—a constitutional point against unreasonable searches and the plaintiff's belief that there should be some limit to suspicion-less drug testing. The candidate prevailed in this point, but the case's application to what is proposed by this motion is limited.

Our proposal, Mr. Speaker, is that this applies to those already elected or appointed to serve and we are not passing any statute which affects the ability of an individual Member to continue in service to his or her constituents. This is a symbolic measure directed at strengthening our good governance on behalf of the people that we represent.

Mr. Speaker, whilst not covered specifically by this motion I think it is necessary to acknowledge the public debate in Bermuda and overseas that surrounds the use of marijuana. Without going into too much detail in this matter, I do feel it is important to signal to this Honourable House that we are prepared

to begin a meaningful discussion on the decriminalisation of marijuana in Bermuda. Likewise, Mr. Speaker, we do not support legislation for the legalisation of this drug as we are not convinced that such a course is fit and proper for the Island. We take notice of the effect that a conviction for the youthful indiscretion of marijuana possession can have on our citizens and with that in mind a wider discussion on decriminalisation must take place.

Additionally, Mr. Speaker, there is some momentum surrounding the medical uses of marijuana and the relief that proponents say it brings to the sufferers of various diseases. This discussion cannot be discounted either and must also form part of a sensible, mature, public discussion on these issues.

Mr. Speaker, one only needs to read the newspapers, watch the news, or go on the Internet to see that in CARICOM, the UK, the United States, and throughout much of the world they are considering their positions on marijuana. We have nothing to fear. Such a discussion locally would be healthy and I wish to ensure the people of Bermuda that our decisions will be research-driven and made in the best interests of the Island as a whole.

Mr. Speaker, in an era where we speak about personal responsibility and at every turn encourage young people in particular to make positive life-style choices, the implementation of a drug testing regime for Members of this Legislature makes Bermuda a trailblazing parliamentary democracy. We are not just talking the talk, but we can show that we are prepared to walk the walk.

Mr. Speaker, I am pleased to commend this motion to the Honourable House for debate amongst Members.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

The Chair now recognises the Honourable Member MP Walton Brown, the Shadow Minister for Education.

You have the floor.

Mr. Walton Brown: Good morning once again, Mr. Speaker.

The Speaker: Good morning.

Mr. Walton Brown: I am happy to see that all of us are very much alert—

The Speaker: Wide awake . . . yes—

Mr. Walton Brown: —to debate such an important issue—

The Speaker: It is the beginning of the day, what are you talking about?

Mr. Walton Brown: It is the beginning of the day.

The Speaker: It is the beginning of the day, four.

Mr. Walton Brown: Mr. Speaker, I received my pupillage, if you will, on drug policy from Dr. David Archibald.

The Speaker: That was a good man.

Mr. Walton Brown: A very good man.

Dr. Archibald was invited by the Government in 1990 to develop the National Drug Strategy for Bermuda. I was the principal research officer for the National Drug Strategy, Mr. Speaker, and then I went on to become the research officer for the National Drug Commission. So I do not speak on this matter as someone who is new to the issue of drugs and the harm that it does to society.

One of the principles under which Dr. Archibald developed the National Drug Strategy was based on the notion of harm reduction, that the philosophical underpinning to the development of the National Strategy for the Island was focused around harm reduction. So you tried to minimise the harm that the use of drugs—both licit and illicit—caused to the society. And we saw policy develop from that.

We have seen drug testing policies in place for certain sensitive areas of business and governance, where safety is involved, for example, hospitals and airlines. And it makes perfect sense to do so, Mr. Speaker, because you are putting the lives of people at stake if they are working under the influence of any drug, whether it be licit or illicit. And so it makes sense.

When it comes to other areas where the issue of safety is not involved, then you have to pose the question, what is the purpose of having a drug policy in place? Is it designed to identify and to dismiss those who are using certain drugs? Is it designed to provide assistance to those who are using certain drugs? Or is it designed for some other purpose? So one has to be clear about what the purpose is when one develops a drug policy.

Mr. Speaker, on this issue in Bermuda we know that the drug that is abused more than any other drug is alcohol. It causes more harm to society than any other drug. So if we are looking at creating something comprehensive, the first question would be, will you look at the use of alcohol? There is a structural bias I guess in any drug testing programme because alcohol tends not to stay in the system for very long periods of time—12 hours or so—and it is out of your system. So you could be an alcoholic, have recurring issues of performance and productivity, but if you just can wait the 12 hours or so it will not be found in your system at all.

When it comes to a drug like marijuana it can stay in your system for sometimes months, depending

on the testing modality. If you are testing the hair follicles it can be there for months.

Now I am not sure what the objective is by the Government bringing forth this motion—I am not sure. If it has to do with ensuring good governance, then I would have thought there would have been a much broader scope of things for us to look at than simply the drugs, Mr. Speaker. If they are concerned with the legality of drugs then we need to be clear also about what the Government is attempting to do because I could go to Amsterdam tomorrow, Mr. Speaker, as you know, I could go into Amsterdam for 30 years and I can go to a coffee shop—

[Inaudible interjection]

Mr. Walton Brown: —the Honourable Minister asks why . . . because I happened to have been married to someone who spent half her life in Amsterdam. I have very close friends and family in Amsterdam and I go there on a regular basis. There are other attractions, as well, Mr. Speaker, but let us not have the discussion—

The Speaker: Do not take me to those other attractions.

Mr. Walton Brown: —extend to a level we do not want it to be at.

But Mr. Speaker, I could legitimately go to a coffee shop, have a joint—smoke a joint—come back and test positive and prove what? I would have committed no crime in Bermuda. I would have committed no crime in Bermuda, but depending on the type of policy that is put in place, I would either be named or shamed or be asked to go into treatment.

So I am just trying to get clarity on this. The vast majority of people who use marijuana, which seems to be the illegal drug of choice in Bermuda, the vast majority of people who use marijuana in this country do so on a casual basis, that is what . . . recreational. That is what my research shows. So are you saying that people who do use this for recreational purposes need to go into treatment? Of course not. That cannot be sensible policy. No one needs to go into treatment for that purpose. There is a small minority who do become overly . . . who become physically dependent and will necessarily require treatment.

So I just need to get clarity on what the purpose is of this particular motion. Is it to coerce people to go into treatment? Is it to name and shame? What then, is the purpose?

I go back to the report of Dr. Archibald because he wrote a report in 1991, and out of that developed the National Drug Strategy. And then two years later we had Justice Stephen Tumin who put out the report . . . my honourable colleague can tell me. Stephen Tumin did a report on . . .

The Speaker: Prisons.

Mr. Walton Brown: Prisons, yes. And in that report he made the point that Bermuda is far too punitive a society.

[Inaudible interjection]

Mr. Walton Brown: And that we needed to find ways to become less punitive—
[Inaudible interjection]

Mr. Walton Brown: A penal colony.

And so all I simply say to the Government is, can you provide us with a rationale for bringing forward this [motion] other than something which says that it has to do with good governance?

Thank you, Mr. Speaker.

The Speaker: All right. Thank you, Honourable Member.

The Chair now recognises the Honourable and Learned Attorney General, Mark Pettingill.

You have the floor.

Hon. Mark J. Pettingill: Thank you, Mr. Speaker. And good morning to my honourable colleagues and to all of the listening public out there that have stayed up late to hear this speech and the others that are going on.

I say that somewhat tongue-in-cheek, Mr. Speaker, because it is late, but this is an important topic and I would be remiss if I did not rise on it because anybody that knows me, and certainly Members on the other side do and my honourable colleagues on this side know that I am a pretty liberal guy. And you know I am the one that has been, you know, was about equal rights, two words and a comma—I advocated that. It is funny because I have kind of said, *You know, I am the Attorney General that has advocated equal rights for all people, gay rights. I have advocated, if you will, like in the liberalising of marijuana laws and I am an advocate for gaming, and I do not really do any of those things or any of them at all, per se.*

The point is this, that I have wrestled with this issue about drugs and from a liberal standpoint I have looked at many, many models in doing my research. In Portugal, they legalised drugs and their crime rate went down. That is something to look at. You hear that and you go, *Wow, they legalised all drugs—effectively—and then their crime rate dropped exponentially.* And we know in this society that the use of marijuana particularly is a common drug of choice, commonly used by many, many people. And we would have our heads in the sand if we said that it was not. So everybody will start talking about legalised marijuana.

But this is the problem when we make a comparative analysis with alcohol. Alcohol is very strictly regulated in the way that it is produced, in the way that it is sold, in the way that it is imported, in the way that it is served, and in the way that it is regulated. And it took a long time to get to that, Mr. Speaker. Now you could look at that and say, *Back in the days of Prohibition it was a nonsense because alcohol was illegal, but everybody was still drinking. It caused all of these problems.* And anybody that watches Boardwalk Empire (I love that show) can see how much violence went on around alcohol.

And then some people will pitch the same argument with regard to marijuana and other drugs today. Some people would even say it is part of the issues we have had in this country with regard to gang violence that ties in with marijuana. And people will say, *Well, if you legalise it, you wouldn't have that problem.* But this is the problem. It is not just that easy to do because when people start talking about legalising it you have to say, *Well, where do you get it from? How do you quality control it? How do you regulate it?* And maybe there are answers to all of those questions because some places have that.

The Honourable Member talks about Amsterdam and I have been to Amsterdam before and I know there are coffee shops in Amsterdam. I have seen those. I am not ashamed to say I have been in a coffee shop in Amsterdam. I know what . . . and how they have done it. But it is not quite as simple as it seems. And the regulation is not just weed is not just legal in Amsterdam—that is not how it works. There are rules and laws that relate to that, and even they are changing it. You know, they decriminalised in England, and in certain boroughs they decriminalised it and they found out it was a mistake and they went back to the other way.

So we wrestle backwards and forwards because of the degree of criminal element—

[Inaudible interjections]

Hon. Mark J. Pettingill: —and things that are involved in this.

You want to hear what I have to say.

[Laughter]

Hon. Mark J. Pettingill: So that is a struggle that we have when we talk about where we are when we get into that debate, and I am just responding since the Honourable Member raised this—the Honourable Member, Mr. Brown. And that is a type of struggle.

But here is the issue as it relates to this particular thing here. As long as we have laws in place we must, whether we are liberal like myself or whether we enjoy going to Amsterdam and partaking in places where certain things are legal—and I am all for that if that is what you want to do, knock yourself out—but

we have to adhere to the laws that we have in place as long as they are in place. And that is where I have arrived at. And the fact . . . we may think that certain things are archaic and we have issues with certain things and we feel liberal about them. As Honourable Members of *this* place, until we choose to come here and change those laws, then we better not think that we can hold ourselves above them because we are somebody special here. And we really have to be . . . and nobody is perfect, I appreciate that, but we need to focus in this place, Mr. Speaker, on what the law is and how it should be applied.

As it stands right now illicit drugs—and when I say “illicit” I mean the unlawful use of drugs—is on the books and it is illegal. And if we want to, as we have done, as has been advocated by Members on the other side, hold ourselves up to good governance, then I do not agree with the concept of you have a law in the workplace that says you cannot be high because you are operating heavy machinery and all the rest of it. We are operating some pretty heavy machinery up here—some heavy intellectual machinery. And whilst I think it is totally dangerous for your forklift operator down at the airport or on the docks to be high, that he cannot be doing that, so we have a law to prevent that and to ensure that there are strict policies in place in the workplace. Should we really be coming to this place high? I certainly know sometimes I . . . you know, I get in here . . . I certainly sometimes think Honourable Members feel like having a drink.

Mr. Rolfe Commissiing: Mr. Speaker, will the Member yield to a point of clarification?

The Speaker: What are you going to clarify there?

Mr. Rolfe Commissiing: Well, Mr. Speaker, only that—

Hon. Mark J. Pettingill: He is going to clarify he is not high.

Mr. Rolfe Commissiing: —only that a Member who has been drinking alcohol under that logic—

The Speaker: No, that is not really a point of order.

Mr. Rolfe Commissiing: —would be under the same impairment. If he came to the House—

The Speaker: Honourable Member, please, please.

Hon. Mark J. Pettingill: Well, but to that point as well, the logic is that unfortunately alcohol—and I am not advocating that, I do not think anybody should come here if they are tipsy either, of course not. But the point is that they may legally have gone down the road and had a pint and come back. They cannot legally go down the road and have a joint or smoke

some crack and come back up in here. They cannot do that. They cannot do that legally.

[Inaudible interjections]

The Speaker: Honourable Member, you will have a chance to speak. You will have a chance to speak and if the Honourable Member is saying something you do not agree with, you will have a chance to stand up and speak and make your point. So let’s let people have their point and then you will have an opportunity to debate it.

[Inaudible interjection]

Hon. Mark J. Pettingill: They cannot do that legally. And we have to be about . . . and it is not a fascist argument, with respect, because as I said, you are dealing with one of the most liberal guys that you can when it comes to these things.

But the fact of the matter is that we have to, if we are going to hold ourselves to certain standards, they have to be across the board. And we hold ourselves up, we want to have a Good Governance Act (it took too long to come into play), we have Standing Orders, we have all of the rules. And when people . . . hey, if there has been a slight infringement of the rules and anybody looks—with the Government—we are going to hear great fanfare about, *You broke the rules! You are breaking the rules! You are supposed to be this and that . . . you are supposed to be beyond reproach!* Well, the rules are the rules, Mr. Speaker, across the board. And as Honourable Members on the other side have said, and I have heard them say it, *No one can waive the law.* Well, we are not in a position to waive the law.

So as I fundamentally think we need to address this issue, particularly when it comes to marijuana—and I really do—I think we need to address it and we need to look at it and we need to have a good conversation on it. And I advocate it should be decriminalised. Even legalised in certain respects, perhaps with regard to cultivation—that is my personal view, my personal view. Medicinal marijuana, I think should be legalised. And I think that is the debate that we need to have and it is an important one. But for what the position is—

[Inaudible interjection]

[Gavel]

The Speaker: It is four o’clock in the morning, and so let us let one person speak. Let us listen. If you want to speak you get up and speak and then we can get out of here.

Let us . . . let us . . . you know.

Hon. Mark J. Pettingill: So, Mr. Speaker, you know the point is this. We cannot play fast. I know Members on the other side do not like it. I know they do not like it. I do not particularly like it either. I do not like . . . you know, having morals . . . another rule you have to follow. So if I decide to troop off to Amsterdam and I am standing outside a coffee shop, and have to worry about that smoke wafting over me and coming back here and getting tested, and be in trouble in the House explaining it. Sure, I do not like all that stuff. I do not like too many rules, never have done.

But that does not mean I am not one who is an individual that will follow the rules, especially the letter of the law. And I believe wholeheartedly in that, whether I like them or not, I have to follow them.

So what is this about? This is not about a name and shame. This is about establishing a Joint Select Committee—

An Hon. Member: Yes.

Hon. Mark J. Pettingill: A Joint Select Committee where the Members, the Members of the Joint Select Committee consider and determine the specific implementation and monitoring of the said policy. So it is not about suddenly, Mr. Speaker, you say, *MP Mr. Gibbons, you have got to be tested*. And you get dragged out the back here and Mr. Fox is standing there with the kit and waiting for you to go into men's room and come out and be tested and, you know, Dr. Gibbons tested positive and he is named and shamed and that in the public. That to my mind is not what this is about or should be about.

What I think it is about, and what it should be about is requiring a certain degree of accountability and discipline for what we do. Let me ask . . . and say how this would work, too. So we have got a Joint Select Committee that will establish how this will go. And by the way if somebody happens to go off to Amsterdam, comes back and gets randomly tested, you know, it might be in Vermont. I go to Vermont a lot. It is legal there, nobody cares there. If somebody comes back here and they are tested like that, they have to go before the Joint Select Committee who says, *You tested positive*. And you say, *Well, yeah, I was in Amsterdam visiting my family. I had a joint because it is legal there. I have not been smoking up here*. And that is the position. And then it will be up to the Joint Select Committee to say, *Okay, we are going to accept that. You are going to come back, Honourable Member, in two weeks and be tested again just so we can clarify that position*.

These are all the types of things that a sensible Joint Select Committee can consider. But I think the trend, you know, worldwide, people want to have confidence in their legislators, in their law makers. They want to know, actually, they do not want to know, they demand (it might be hypocritical, but they demand) that we follow the law. They might want to

go drive around, Mr. Speaker, at 60 kilometres an hour but you know full well if you saw a Member of the House doing it in a car it would be all over the paper. So people want to know that we are following the letter of the law.

So I see this just as another check and balance to say, *Hey, we are going to be beyond reproach. We are going to adhere to the laws of the land, and we are going to be prepared because we are doing that to be subject to this type of provision with regard to the rules in the House*. And I think it is important we just understand what it is about, in the application of the Joint Select Committee, and the way we can apply it, it is a good thing and we should get on and do it.

[Inaudible interjection]

Hon. Mark J. Pettingill: It is a *Joint* Committee about joints.

The Speaker: Joint Select Committee.

Hon. Mark J. Pettingill: A Joint Committee.
Thank you, Mr. Speaker.

The Speaker: Yes. Yes. That is an ominous name for the Committee.

Is there any other Honourable Member who would care to speak?

The Chair will recognise the Minister of the Environment.

Hon. Sylvan D. Richards, Jr.: Good morning, good morning, Mr. Speaker.

The Speaker: Minister Richards, you have the floor.

Hon. Sylvan D. Richards, Jr.: Yes, thank you, Mr. Speaker.

This motion that has been put forward I support. And years ago I used to race jet skis in Bermuda for fun and it was organised, it was under the Bermuda Powerboat Association, and it was just fun, just grudge racing. We go down to Ferry Reach, put our jet skis in the water, and race around a few pylons. I did it for about two years. And then one day I got a phone call (I was at work) saying that I had to get drug tested. And I said, *Okay, what is this for?* Well, apparently all of the sports clubs in Bermuda . . . and I cannot remember what organisation it was, Mr. Speaker—

[Inaudible interjection]

Hon. Sylvan D. Richards, Jr.: Okay. So basically they passed a mandate or a law that said if you participate in any sport, any sport in Bermuda you had to go get drug tested. And that was regardless of whether

you represented Bermuda overseas. This was just to race on Sundays. And it is well known that if you participate in any sport—whether it be ping-pong or pool or snooker—you have to get drug tested.

[Inaudible interjection]

Hon. Sylvan D. Richards, Jr.: Snooker. It is late.

You have to get drug tested. Any Bermuda sports person who represents Bermuda on the national stage, they get drug tested.

[Inaudible interjection]

Hon. Sylvan D. Richards, Jr.: Regardless, they get drug tested.

An Hon. Member: No, no.

The Speaker: All drugs, all drugs. Yes.

Hon. Sylvan D. Richards, Jr.: All drugs. So here we are passing legislation. We are making a law. We travel abroad. We represent Bermuda on the international stage—

[Inaudible interjection]

Hon. Sylvan D. Richards, Jr.: I stopped racing.

[Laughter]

Hon. Sylvan D. Richards, Jr.: I am not going to lie. It is on the record—I stopped racing.

[Laughter]

Hon. Sylvan D. Richards, Jr.: I stopped racing. I was still in my rebellious stage. But my point is this—

[Inaudible interjection]

Hon. Sylvan D. Richards, Jr.: —Mr. Speaker, my point is this: We are legislators. We are setting law. We have to abide by the law of the land whether we like it or not. This is not a moral issue. This is not, *Oh, my rights*. It is the law of the land. And if we make law we should abide by the law. And that is it. It is not a philosophical thing for me.

We make law. We abide by the law. If you object to the law, change the law.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

The Chair now recognises the Deputy Speaker, Mrs. Suzann Roberts-Holshouser.

You have the floor.

Mrs. Suzann Roberts-Holshouser: Thank you, thank you very much. I will be brief. It is time for me to get up not—

The Speaker: Yes, right.

Mrs. Suzann Roberts-Holshouser: I wanted to stand to say a few things. One of the things I found really fascinating. I do not know if Members here are registered on Facebook, but when I was doing some research the other day and of course I came up with some of the stories about what they have done in the United States and in Georgia, and how Bills were fiddled and changed when they were thinking they were trying to pass Bills for those going on welfare, [but when] they discovered that they had been changed and all of a sudden law makers were up for the gamut of being random drug tested, they did a quick turnabout. So it was always like, *Well, it is better them than me*. Or, *Look, we are the law. We create the law, so we must be able to look down and say, You must do this but we don't have to*.

But there is a Facebook page and it is titled (if anyone wants to do any searches) there is not a lot of activity like the 187 members. But it is called "Mandatory drug testing for Politicians." One of the things I noticed that was fascinating, there was just one line on the side, on the top of the header that said, *They are employed by us*. And I went, *You know, that is the point*. We as [legislators] do what we feel is best. In fact, in a lot of cases, and I believe in the case of the sports body, they were driven, their decision was driven by the international body, that international sports. If you were going to participate in international sports, the participants were going to be drug tested. And as a result they had to fall in under that remit.

But it cannot be a situation where it is good for the goose but not good for the gander. And again, it is about the law. And while I truly, truly understand the concept of alcohol and alcohol being a drug, we have seen what this legal drug can do. What it does to our children, what it does to lives, what it does to families. At the same time, I want to bring it back home here to say that this is the remit that we have before us today, about creating a Joint Select Committee. And that Joint Select Committee would look at the very issues that we are talking about that have the ability to bring in those with the expertise. And we heard from the Honourable Member Brown who mentioned that, and he probably has more knowledge—

[Laughter]

Mrs. Suzann Roberts-Holshouser: Coffee? He probably has more knowledge about the subject.

[Laughter and crosstalk]

Mrs. Suzann Roberts-Holshouser: So I just wanted to say that we have in front of us a suggestion of looking at a Joint Select Committee. And it is that recommendation that I would suggest we . . . which will enable us to move forward rather than just not addressing the issue which a lot of Bermuda would like to see addressed.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Would any other Honourable Member care to speak?

Then I will ask the Minister if he will respond and then make the motion.

Hon. Michael H. Dunkley: Mr. Speaker, I think we have seen overwhelming support in this House. Due to the early morning hours, I am sure some Members were not inclined to speak up, but I appreciate the comments. And I just think to reiterate the point that my colleagues have made that this is a Committee that is going to be governed by Members of the Upper and Lower House to implement and have the policy implemented and monitored as we go forward. So it is us who are going to decide it and it is us who are going to police it and I think that is an appropriate way to do it. And I appreciate colleagues' support on this and attention going forward.

Mr. Speaker, having said that and with the long day that we have had here I would ask that this House approve this motion.

The Speaker: All right. So the motion has been put and the motion is (and I will read the motion):

"In an effort to ensure that Bermuda's Legislature meets the highest standards of governance for democratic legislatures and in order to lead by example; be it resolved that this Honourable House approves and adopts a mandatory random drug testing policy for Members of the Legislature and that a Joint Select Committee be appointed to consider and determine the specifics, implementation and monitoring of the said Policy."

All those in favour, say Aye. Those against, say Nay.

AYES.

The Speaker: The Ayes have it.

It has been approved.

[The Motion to adopt a mandatory drug testing policy for Members of the Legislature and to appoint a Joint Select Committee to consider and determine the specifics, implementation and monitoring of the said Policy was passed.]

The Speaker: I now recognise . . . that completes our

. . .

Order [No.] 10 is carried over Dr. Gibbons; correct?

[Inaudible interjection]

The Speaker: Thank you, I appreciate that.

Order [No.] 11 is also carried over.

So I will go first to Minister Crockwell.

SUSPENSION OF STANDING ORDER 21

Hon. Shawn G. Crockwell: Yes, Mr. Speaker, I move that Standing Order 21 be suspended to enable me to move that the Bill entitled the Bermuda Tourism Authority Act 2013 be now read the third time by its title only.

The Speaker: Are there any objections?

Carry on, Minister.

[Motion carried: Standing Order 21 suspended.]

THIRD READING

BERMUDA TOURISM AUTHORITY ACT 2013

Hon. Shawn G. Crockwell: Mr. Speaker, I move that the Bermuda Tourism Authority Act 2013 now do pass.

The Speaker: All right. Thank you.

Are there any objections to that?

The Bill, the Bermuda Tourism Authority Act 2013 is passed.

[Motion carried: The Bermuda Tourism Authority Act 2013 was read a third time and passed.]

The Speaker: The Chair now recognises Minister, Dr. Grant Gibbons.

SUSPENSION OF STANDING ORDER 21

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

I move that Standing Order 21 be suspended to enable me to move that the Bill entitled the Incentives for Job Makers Act 2013 be now read the third time by its title only.

The Speaker: Are there any objections?

Dr. Gibbons, carry on, please.

[Motion carried: Standing Order 21 suspended.]

THIRD READING

INCENTIVES FOR JOB MAKERS ACT 2013

Dr. the Hon. E. Grant Gibbons: I move that the Bill do now pass.

The Speaker: Thank you, the Bill is passed.

All those in favour, say Aye. Those against, Nay?

AYES and one audible Nay.

The Speaker: The Bill is passed.

The Speaker: The Ayes have it.

[Laughter]

[Motion carried: The Incentives for Job Makers Act 2013 was read a third time and passed.]

The Speaker: The Bermuda Immigration and Protection Act . . . Minister of Public Safety, Minister Dunkley.

SUSPENSION OF STANDING ORDER 21

Hon. Michael H. Dunkley: Thank you, Mr. Speaker, I move that Standing Order 21 be suspended to enable me to move that Bill entitled the Bermuda Immigration and Protection Amendment (No. 2) Act 2013 be now read the third time by its title only.

The Speaker: Thank you.
Are there any objections?
Carry on, Minister.

[Motion carried: Standing Order 21 suspended.]

THIRD READING

BERMUDA IMMIGRATION AND PROTECTION AMENDMENT (NO. 2) ACT 2013

Hon. Michael H. Dunkley: Mr. Speaker, the Bermuda Immigration and Protection Amendment (No. 2) Act 2013.

I move that the Bill do now pass.

The Speaker: Thank you, Minister.

Are there any objections to that?

There are no objections. The Bermuda Immigration and Protection Amendment (No. 2) Act 2013 is passed.

[Motion carried: The Bermuda Immigration and Protection Amendment (No. 2) Act 2013, read a third time and passed.]

The Speaker: I now recognise the Minister of Finance, Minister Bob Richards.

You have the floor.

SUSPENSION OF STANDING ORDER 21

Hon. E. T. (Bob) Richards: Thank you, Mr. Speaker. Mr. Speaker, I move that Standing Order 21 be suspended to enable me to move that the Bill entitled the Insurance Amendment Act 2013 be now read a third time by its title only.

The Speaker: Are there any objections?
There are none.
Minister, carry on.

[Motion carried: Standing Order 21 suspended.]

THIRD READING

INSURANCE AMENDMENT ACT 2013

Hon. E. T. (Bob) Richards: Mr. Speaker, I move that the Bill do now pass.

The Speaker: All right. Thank you, Minister.
Are there any objections to that?
There are none. The Bill the Insurance Amendment Act 2013 is passed.

[Motion carried: The Insurance Amendment Act 2013 was read a third time and passed.]

The Speaker: Mr. Premier?

ADJOURNMENT

Hon. L. Craig Cannonier: Thank you, Mr. Speaker. I move that we adjourn until October 2, Wednesday, at 10:00 am.

The Speaker: All right.
The Chair recognises the Member Zane De Silva.
You have the floor.

HOSPITAL CONSTRUCTION SITE

Mr. Zane J. S. De Silva: Thank you, Mr. Speaker. Mr. Speaker, actually I will tell you where I would like to start tonight, or this morning, or this afternoon, Mr. Speaker, is . . . we just finished talking about drugs and forming a Joint Select Committee to deal with and discuss and make plans for good governance with regard to drugs.

Mr. Speaker, I was off the Island last week as you know, and upon arriving back on the Island, to my dismay, I received several calls, one to do with drugs. The drugs, Mr. Speaker, the concern about drugs happened to be at the hospital site. Mr. Speaker, the information has been given to me—

The Speaker: When you say “drugs,” explain yourself.

Mr. Zane J. S. De Silva: Drugs, I mean, the use of drugs—

An Hon. Member: Illicit drugs?

Mr. Zane J. S. De Silva: Yes.

The Speaker: The use of illicit drugs?

Mr. Zane J. S. De Silva: Yes.

The Speaker: At the hospital?

Mr. Zane J. S. De Silva: Yes, during . . . on the construction site.

The Speaker: Oh, I see, on the construction site.

Mr. Zane J. S. De Silva: On the construction site, Mr. Speaker—

The Speaker: All right. Okay, now I understand what you are talking about.

Mr. Zane J. S. De Silva: So Mr. Speaker, I bring that up because the concern is quite large as to what is happening there. And I say, I bring that up because it was brought to my attention, but I ask that the Minister of Health and Seniors certainly look into this and report back to this House. Because you will know that we have been here for 10 months now under an OBA Government and I do not think we have had an update on the new hospital as of yet.

Mr. Speaker, you will know that when I was Minister I brought reports here quite often and gave updates as to the progress at the hospital, and I would strongly suggest that the Minister do the same. It is Bermuda’s largest construction project ever and I think that the people of Bermuda certainly deserve to receive updates on a regular basis.

ROYAL GAZETTE ARTICLE: “MP’S COMMENTS NOT EXACTLY HONOURABLE

Mr. Zane J. S. De Silva: Mr. Speaker, another shock to me (as I am sure it was to you) [occurred when] I opened up the paper on Wednesday—that is the [Royal Gazette](#) paper—and I saw a headline “MP’s comments not exactly honourable.” And Mr. Speaker, the Honourable Minister, Mr. Sylvan Richards, apparently made some comments in the House last week that really offended two of the workers down at the St. George’s property, on the golf course down there. In fact, a letter was written by one of those gentlemen, Mr. Speaker, Mr. Jeremy Smith and I was . . . I was

shocked to hear. Now, I know *Royal Gazette* does not get it right a lot, I know that. So I figured I would bring it to this House and ask the Honourable Minister Richards if in fact what was written is true.

Did the Honourable Minister say that these two gentlemen were doing a poor job? That is what it says right here in the paper. A Minister of this Government crying down two workers. And as he outlined in his letter, [he spoke of] how hard they worked, some of the challenges they have. Mr. Speaker, I think that that Minister would certainly want to apologise to these two workers.

Not only did that shock me, Mr. Speaker, but the fact that they were called to a meeting and they were asked to sign a new contract, which was almost 50 per cent less than what they made before. And they said if you do not like that you can hit the road. This is the same Government that constantly . . . I have heard for 10 months and prior to the election, *Jobs, jobs—let’s put jobs on the table.*

Now if that were not enough, Mr. Speaker, Mr. Kenny Bascome who is the representative for St. George’s—

The Speaker: The Honourable Member.

[Inaudible interjection]

Mr. Zane J. S. De Silva: —the Honourable Member, very Honourable Member, indeed, Kenneth Bascome.

Mr. Speaker, he spoke to former workers down at the St. George’s club and he told them they were doing a good job. So I thank him for that. Certainly he is an area MP and he had his eye on the ball. So thank Kenny for giving him, giving the guys their due. They felt a little better.

But what was more shocking to me, Mr. Speaker, was that when I read that these gentlemen reached out to the Premier—

[Inaudible interjection]

Mr. Zane J. S. De Silva: yes, they reached out to the Premier. “I made contact by e-mail with Premier Craig Cannonier, who also felt something was amiss and promised to look into it, and possibly put them in touch with the Minister Sylvan Richards.”

[Inaudible interjections]

Mr. Zane J. S. De Silva: I am reading from the *Gazette*, yes, I am.

[Inaudible interjection]

Mr. Zane J. S. De Silva: I said that from the beginning. I am reading from the *Gazette* a letter to the editor . . . signed—

[Inaudible interjection]

Mr. Zane J. S. De Silva:—signed by Jeremy Smith.

So Mr. Speaker, I ask . . . and one of the things he finishes off in his letter is that “To this day (4 months later), I have yet to receive a response.” Now this is a Government and a Premier that constantly talks about creating jobs and looking out for the people of Bermuda.

Mr. Speaker, I would like some explanation to this letter, which I will keep with me here for some time. And I think the Honourable Minister, Mr. Richards, needs to reach out to these two gentlemen, give them a humble apology for making a statement like that in this House. And, Mr. Moniz, the Honourable Member, is making fun of that. I do not think it is a funny matter, Mr. Speaker. I do not think it is a funny matter.

Now Mr. Speaker, let me finish on this note. I received a call last night from a very concerned—

[Inaudible interjection]

HOSPITAL EMPLOYEES GIVEN ULTIMATUM

Mr. Zane J. S. De Silva: Oh, yes, that is right.

—a very concerned individual, Mr. Speaker, very concerned.

Mr. Speaker, employees at the hospital are being given ultimatums. Now, listen to this one. Now this is from a Government that talks about jobs, jobs, transparency, looking after the people. I got a very distressed call last night. The person has been given an ultimatum—you take this redundancy package or you take almost a 20 per cent—that is right—20 per cent cut in pay. This person is not 65, they are not 55, they are not 45.

Mr. Speaker, several people at the hospital have been given this ultimatum.

[Inaudible interjection]

Mr. Zane J. S. De Silva: I will leave it to the Minister to do her work and report back to this House. Because you all were laughing. you all are laughing, but I got a call from a very stressed person, crying, wondering about what they are going to do. given an ultimatum—you take this redundancy package or you take an almost 20 per cent drop in pay—outrageous! Outrageous, Mr. Speaker.

So all I am saying to you is if this is the new mantra . . . is this the new mantra of a Government that says they are going to create jobs? We spent all day today . . . all day today, Mr. Speaker, in this House talking about jobs, the Tourism Authority, how we are going to protect jobs. The Premier gave a very passionate speech about looking after our people and creating jobs and getting our people back to work. But I received this news on my return, Mr. Speaker? I

would like the OBA Government to respond to that in good time.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

The Chair now recognises the Honourable Minister for Public Health and Seniors, Minister Patricia Gordon-Pamplin.

You have the floor.

HOSPITAL CONSTRUCTION SITE

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

Mr. Speaker, in response to the comments made by the Shadow Minister let me first of all say I am appreciative of him highlighting some of those things that have been brought to his attention.

With respect to the use of illicit drugs on the hospital construction site, the police were actually on that site, did a raid, did a check based on information that they have been told about. But this is certainly an issue that is for the Police Department to deal with. I do not believe that it is something that the Minister of Health should deal with. It is something that the Minister of . . . and . . . you know . . . but anyway I am appreciative of this issue. I was made aware of it, not directly, I was made aware of it indirectly. I was made aware of it indirectly, but it is a matter for the police and not a matter for the Minister of Health.

With respect to the updates on the construction project, I am happy to bring updates. The Minister says it has been 10 months and he has heard nothing. Well, the Budget was in March and I think I stood here for about four hours reading the Budget brief on every aspect . . . every aspect of the hospital. And so that was six months ago. And I am quite happy to bring additional updates. There have been challenges and I will be willing to give that statement as soon as it is practicable. I do not have a problem with that. And thank you, Minister, for continuing to show interest therein.

HOSPITAL EMPLOYEES GIVEN ULTIMATUM

Hon. Patricia J. Gordon-Pamplin: Now, I will not speak to the other issue with respect to the golf courses, but I will speak to the issue with respect to the Minister's last concern respecting employees at the hospital being given ultimatums. Let me say that the Shadow Minister will know, as I do, that the hospital is run by the Bermuda Hospitals Board albeit the Board is appointed by the Minister. I do get monthly updates in terms of things that are happening at the hospital, but at no time has this particular matter been brought to my attention by the Board.

You can be assured that this Government has a tremendous sensitivity towards our workers, and I will make a telephone call tomorrow so I will have the

opportunity to speak with the Chairman of the Board so I can get, today, I will not leave it until tomorrow. I will call him today, later on Saturday, so that I can get an update with respect to the particular matter of which the Minister spoke.

But let me for clarity . . . and as a way of an open invitation to any member of staff, if they find that they are having challenges and they do not know what to do, do not wait until the Minister comes home from a two-week holiday, do not wait . . . do not wait until the Shadow Minister comes home from a two-week holiday, they can call me at any time—day or night—I do not have an issue.

Mr. Zane J. S. De Silva: Point of order.

Hon. Patricia J. Gordon-Pamplin: Or you may not have been on holiday.

The Speaker: Minister, there cannot be a point of order on that, she said they—

Hon. Patricia J. Gordon-Pamplin: I may have said—

The Speaker: Please sit down. Honourable Member, please, sit down.

Mr. Zane J. S. De Silva: Mr. Speaker, she said I took a two-week vacation and I did not.

Hon. Patricia J. Gordon-Pamplin: —I may have—

The Speaker: Honourable Member—

Mr. Zane J. S. De Silva: No sir.

Hon. Patricia J. Gordon-Pamplin: Okay.

The Speaker: Honourable Member, please—

Mr. Zane J. S. De Silva: I am sorry, Mr. Speaker, that is out of order.

The Speaker: Please, sit down. Please sit down.

Hon. Patricia J. Gordon-Pamplin: I apologise—

The Speaker: Honourable Member, please, sit down!

Mr. Zane J. S. De Silva: Okay.

Hon. Patricia J. Gordon-Pamplin: I do apologise. I just made the assumption that the Minister was on vacation and that was the wrong thing to do. I do apologise. I withdraw the comment. The Minister was not in the House for two weeks for whatever his purposes were, and these things happen. There are times that we have to be out of the House of Assembly and I do apologise if I misrepresented it.

But let me say that I am open at all times to speak with people with any challenges relating to the Health Ministry. I get phone calls all day, all night, any day irrespective of the fact that the former Minister would say that I am a part-time Minister.

Mr. Zane J. S. De Silva: You are part time.

Hon. Patricia J. Gordon-Pamplin: Clients of our Ministry are no respecters of time and the clock and I welcome concerns that are expressed because it gives me the opportunity to know where their concerns are, and I will understand. I go out and visit people all the time. I am at the hospital all the time. I am at the hospital all the time.

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: I have been up to Hermitage Road. Yes, I have been to Hermitage Road—

[Inaudible interjection]

Hon. Patricia J. Gordon-Pamplin: Well, that is not my problem. That is not my problem that they were not there when I have been there.

The Speaker: Honourable Member, if you would speak to the Chair you might better get through your . . . finish your conversation.

Hon. Patricia J. Gordon-Pamplin: Yes. Thanks, Mr. Speaker.

You know, there are some things that you just should never dignify with a response. And when Honourable Members come with those types of ridiculous comments, those are the things which you just do not dignify with a response. So I am not going to allow him to take me down that road.

But what I will say is that as the Minister of Health there is a plethora of areas that require attention. I give that attention to the best of my ability every possible chance. So if the Minister believes that there is something deficient, I am quite happy to accept criticism. I do not have a problem with criticism because I know that I can deal with only the matters with which I can deal at any given point in time. And whether I am dealing with . . . you know . . . problems with grease balls on the South Shore (which is an environmental health issue), whether I am dealing with Jump 2b Fit and Wellness Bermuda, down at Victoria Park, or whether I am dealing with many other issues that exist in every aspect of the Ministry, whether I am dealing with challenges in the hospital in terms of the good treatment or lack thereof that exists in the hospital—there are many areas. So if I cannot have the opportunity to speak with the 1,800-odd people who are included in the Health Ministry and the various parts of

the Health Ministry then I, all I can say is, I leave myself open to their phone calls.

But I do honestly appreciate the Shadow Minister bringing issues to my attention. And know that I will have those issues dealt with. If appropriate, I will make Ministerial Statements and bring them to this House. If it is not appropriate, I will deal with the issues or make sure that they are dealt with.

But I can say finally, Mr. Speaker, that there are so many challenges and problems, there are so many legacy issues that I have to deal with, that I think that the Honourable Shadow Minister should perhaps try once and a while to be perhaps a little bit more humble and not just to stand and criticise, but to recognise that many of the challenges with which I have to deal are ones of *his* making under *his* administration. And you can be absolutely sure that we will do our very best to continue to clean up the mess and the shambles that we were left with.

Thank you, Mr. Speaker.

[Laughter and crosstalk]

The Speaker: The House is adjourned to Wednesday, October 2 at 10:00 am.

[Gavel]

The Speaker: Drive home safely.

Honourable Members, slow down. Slow down. Slow down, Honourable Members.

[Gavel]

[At 4:59 am [Saturday, September 28, 2013] the House stood adjourned until 10:00 am, Wednesday, 2 October 2013.]

BERMUDA HOUSE OF ASSEMBLY**OFFICIAL HANSARD REPORT****2 OCTOBER 2013****10:02 AM***Sitting Number 25 of the 2013 Session**[Hon. K. H. Randolph Horton, Speaker, in the Chair]***PRAYERS***[Prayers read by Hon. K. H. Randolph Horton, Speaker]***CONFIRMATION OF MINUTES****20 SEPTEMBER 2013****The Speaker:** Good morning, Members.

We have confirmation of the Minutes of the 20th of September. All Members should have received those Minutes.

Any objection to those Minutes?

There are none. Those Minutes are confirmed.

*[Minutes of 20 September 2013 confirmed]***The Speaker:** The Minutes of the 27th of September have been deferred.**MESSAGES FROM THE GOVERNOR****The Speaker:** There are no messages from the Governor.**ANNOUNCEMENTS BY THE SPEAKER
OR MEMBER PRESIDING****APOLOGIES****The Speaker:** Announcements from the Speaker. Announcements from the Speaker. Announcements from the Speaker.*[Crosstalk]***The Speaker:** Announcements from the Speaker.

Therefore, Honourable Member, if you would take your seat. Honourable Minister, if you would take your seat as well.

*[Pause]***MAKING HUNGER HISTORY WEEK****The Speaker:** We have absent today Dr. the Honourable Grant Gibbons, the Minister of Economic Development.

Also, Members, I would like to remind you that this is Making Hunger History Week—making hunger history; in other words trying to remove hunger—September 29th to October the 5th. And we are asking if you would please drop non-perishable food items into the big brown box located in the atrium. Thank you very much.

*[Inaudible interjection]***The Speaker:** Yes. But it is non-perishable food items.**MESSAGES FROM THE SENATE****The Speaker:** There are no messages from the Senate.**PAPERS AND OTHER
COMMUNICATIONS TO THE HOUSE****SAGE COMMISSION (EXTENSION OF EXISTENCE
AND OPERATIONS) ORDER 2013****The Speaker:** The Chair will recognise, for Papers and Other Communications, Honourable Minister E. T. Richards.

Minister Richards, the Minister of Finance, you have the floor.

Hon. E. T. (Bob) Richards: Thank you, Mr. Speaker.

Mr. Speaker, I have the honour to attach and submit for the information of the Honourable House of Assembly the SAGE Commission (Extension of Existence and Operations) Order 2013, made by the Minister of Finance under the provisions of section 3(4) of the SAGE Commission Act 2013.

The Speaker: Right. Thank you, Honourable Minister. That is an Order which is by negative resolution. And so, we would ask that . . . and Members, that should be sent to you immediately. If you check your BlackBerry, you will receive that.

The Chair will now recognise someone in place of Dr. Gibbons.

Yes, the Learned Attorney General, Minister Pettingill, you have the floor.

BERMUDA COLLEGE ANNUAL REPORT FOR 2012/13

Hon. Mark J. Pettingill: Thank you, Mr. Speaker.

Mr. Speaker, I have the honour to attach and submit for the information of the Honourable House of Assembly the Bermuda College Annual Report for 2012/13 on behalf of Dr. E. G. Gibbons, who is the spokesperson for the Minister of Education.

The Speaker: Thank you. Thank you, Minister.

Any objections to that?

That will be laid.

PETITIONS

The Speaker: There are no petitions.

STATEMENTS BY MINISTERS

The Speaker: We now move to Statements. And I recognise first the Honourable and Learned Member, the Minister for Tourism.

Minister Shawn Crockwell, you have the floor.

TAXI INDUSTRY UPDATE

Hon. Shawn G. Crockwell: Yes, good morning, Mr. Speaker.

Mr. Speaker, during the first six months of the year I had the privilege to participate in a series of meetings with key stakeholders of the taxi industry. The main purpose of the meetings was to gain feedback on the state of the industry and to determine the way forward. Stakeholders included dispatching company; the Bermuda Taxi Association; B.I.U. Taxi Co-op Transportation; Island Taxi Service; and the Bermuda Taxi Operators Association, which comprises owners and operators.

The meetings were extremely productive and resulted in the Ministry receiving invaluable information, as well as feedback that will be used in policy development. It is well known that for several years the taxi industry has been plagued with its own share of challenges ranging from GPS to increased competition with the introduction of limousines and increased minibuses. It was apparent that the general content of discussions was not new. In fact, most of the information had already been submitted to the Ministry for consideration or at least discussed in various forums over the last few years.

Therefore, at times, stakeholder representatives expressed frustration for what they considered the lack of attention to factors they deem critical for their survival during the economic downturn. Some of the recommendations which are under consideration

from the industry include changing the current Rate 1 to Rate 3 throughout, which is equivalent to a 25 per cent increase; increasing the allowable maximum number of passengers from six to seven; enforcing the dress code; advertising inside of taxis; and introducing a Taxi Commission or Statutory Authority. One of the key topics discussed was GPS, and there are varying views amongst key stakeholders on this technology.

Mr. Speaker, the Ministry is cognisant of the value of GPS technology and its impact on service delivery. There is no doubt that the dispatchers that use GPS are able to provide an effective dispatching system, which is why we are not looking to do away with GPS, but to simply make it optional. All taxis are required to be registered with a taxi dispatching service. With a change from mandatory to optional, dispatching companies will have to sell the benefits of their systems to drivers in order to stimulate interest and encourage membership. The Ministry is also looking to work with stakeholders to determine an attractive incentive programme for drivers to use GPS.

Mr. Speaker, an effective transportation system is one of the key necessities for economic growth and development. As we strengthen our tourism and business sectors, we can no longer afford a fragmented transportation industry. The Ministry of Tourism Development and Transport is committed to working with all segments of the transportation industry to develop an improved transportation network that better services both visitors and residents alike.

This project will be a vast undertaking that will not happen overnight. It may also include drastic reform. It definitely will force taxi owners, drivers, dispatchers and other industry stakeholders to rethink the way they do business and understand that, in order to succeed, there must be cooperation and one plan! In the meanwhile, over the next few months, the Ministry will be bringing forth amendments to the Motor Car Act 1951 to address recommendations raised during the recent stakeholder consultation.

Thank you, Mr. Speaker.

The Speaker: All right. Thank you, Honourable Minister.

The Chair now recognises the Minister for Finance, Minister E. G. Bob Richards.

Minister Richards.

SAGE COMMISSION—EXTENSION OF OPERATIONS

Hon. E. T. (Bob) Richards: Thank you, Mr. Speaker.

Mr. Speaker, I rise today to advise the Honourable Members of the extension of the existence and operation of the SAGE Commission, in accordance with section 3(4) of the SAGE Commission Act 2013. Honourable Members are aware that the Spending and Government Efficiency Commission

(aka the SAGE Commission) was established by way of [section] 3 of the SAGE Commission Act 2013.

As you may recall, the Commission's primary objective was to advise Government on the most efficient and cost-effective Government organisational structure in order to improve delivery of services, introduce cost-saving measures and [provide] greater transparency and accountability. The Commission was charged with conducting this work and delivering their recommendations to the Minister of Finance within a six-month period.

The SAGE Commission commenced its work as soon as they were officially appointed on April 15th of this year and, based on the provisions in the legislation, were due to submit their recommendations and final report on October 15th.

Mr. Speaker, the SAGE has asked for an additional two weeks in order to complete its final report; therefore, in order to accommodate that request, I have used my powers under section 3(4) of the Act and extended the existence and operation of the SAGE until October 31st, 2013, so that they can complete their immensely important work. Honourable Members are advised that the SAGE Commission (Extension of Existence and Operations) Order 2013 was gazetted yesterday, October 1st, 2013.

Mr. Speaker, I look forward to receiving the SAGE Commission's final report and recommendations and the implementation of those recommendations, which will make Government more efficient and cost-effective, with the ultimate aim to reduce overall Government expenditure.

Thank you, Mr. Speaker.

The Speaker: All right. Thank you very much, Minister.

REPORTS OF COMMITTEES

The Speaker: There are no reports of committees.

QUESTION PERIOD

The Speaker: So, we go to the period question.

And I will recognise first the Honourable Member from Warwick, the Honourable Member W. L. A. Scott, the Shadow Minister of Transport.

You have the floor.

Mr. W. Lawrence Scott: Good morning, Mr. Speaker.

The Speaker: Good morning.

QUESTION 1: TAXI INDUSTRY UPDATE

Mr. W. Lawrence Scott: My first question for the Minister is, In making GPS optional, would that not fragment the industry, even though he is saying that he is trying not to fragment it?

The Speaker: Minister?

Hon. Shawn G. Crockwell: Thank you, Mr. Speaker.

The industry is fragmented. It has been fragmented for some time. And they are fragmented on this issue of GPS.

The Government has always . . . our position has always been to make it optional. Let the industry drive whether or not individuals see the benefits of GPS. But as I said in the Statement, first and foremost, [for] those who have been compliant we will provide incentives to them going forward. And we believe in the technology. We believe that it helps. So, we want to create incentives for those individuals to want to use the GPS. But we do not think forcing them to use the GPS is the right way to go.

The Speaker: Thank you.

Mr. W. Lawrence Scott: I have a supplementary to that.

The Speaker: Member Scott, yes?

SUPPLEMENTARIES

Mr. W. Lawrence Scott: With the Government making GPS optional to eliminate fragmentation in the industry, is Government now considering to compensate the taxi drivers for the out-of-pocket expenses for those taxi drivers that opt out of the GPS system?

The Speaker: Minister?

Hon. Shawn G. Crockwell: First of all, I did not say in the Statement that making GPS optional would remove the fragmentation. We have to have a comprehensive plan with the taxi industry, and it is going to involve a plethora of the recommendations that were put forward. But we are looking at initiatives to incentivise, if you will, or to show our appreciation to those who have been compliant with the GPS all this time.

The Speaker: Honourable Member Scott?

Mr. W. Lawrence Scott: My second supplementary on that one.

The Speaker: Second supplementary.

Mr. W. Lawrence Scott: What about the impact of making the GPS optional on the companies that provide the GPS service?

The Speaker: Minister?

Hon. Shawn G. Crockwell: Again, all of that is going to be included. We have been in conversations. I appreciate that there has been significant investment by

certain companies, and certain companies have been compliant. And so, moving forward, we do not want this to be a punitive initiative. So we will come up with a balance.

But we know that if subscribers do not want to utilise GPS, it could be detrimental to those companies. But at the end of the day, it has been, I think, about seven years since GPS has been introduced. By now, the users of GPS should appreciate its value to their business.

The Speaker: All right. Thank you.
Yes, second question?

Mr. W. Lawrence Scott: Second question.

The Speaker: Okay.

QUESTION 2: TAXI INDUSTRY UPDATE

Mr. W. Lawrence Scott: In my talks with taxi drivers, they have raised concerns about not having health benefits. Are you looking at providing health benefits for taxi drivers if injured or unable to work due to illness?

Hon. Shawn G. Crockwell: I appreciate the Honourable Member raising that issue. That issue has not come to me from the industry. So I would explore it, but it is the first I am hearing that being a concern. I believe that independent contractors, their responsibility is to provide those benefits.

The Speaker: Yes?

Mr. W. Lawrence Scott: And then my third question.

The Speaker: Yes?

QUESTION 3: TAXI INDUSTRY UPDATE

Mr. W. Lawrence Scott: How does the Government plan on having or creating what is called a level playing field between public buses and the competition they provide against taxis?

The Speaker: Minister?

Hon. Shawn G. Crockwell: I think the only place where there is the competition is in the Dockyard area. And we now appreciate that we had to bring those buses on line because of what was happening last year and the fact that we were unable to provide sufficient transportation for our guests.

We have had conversations with the taxi industry, and we have said that if they are able to come up to the plate and ensure that it is sufficient transportation provided by the taxi industry during that peak time, then we can take some of the public buses off

line. But again, our first priority is to make sure that our guests are not stranded.

So, we are in those discussions, because historically, there has been a gap in reliability in terms of that transportation.

The Speaker: Thank you, Minister.

Mr. W. Lawrence Scott: Supplementary.

The Speaker: Yes.

SUPPLEMENTARIES

Mr. W. Lawrence Scott: What about the competition when it comes to Island tours, with the public buses doing Island tours as well as taxi drivers trying to do Island tours?

The Speaker: Minister?

Hon. Shawn G. Crockwell: We are going to look at how the public transportation is impeding on the private transportation's business. The reason why we augmented the public transportation option was because there was this deficiency previously. All of that is under consideration, even looking at the minibus situation as well. We want to make sure that the taxi drivers have an equal shot.

But there has been a deficiency, and Government had to step up to the plate to fulfil that deficiency. And we think we did it quite well over this past summer.

The Speaker: Thank you, Minister.

Mr. W. Lawrence Scott: Supplemental?

The Speaker: Yes.

Mr. W. Lawrence Scott: Speaking of the minibuses, does this mean that the Government is going to increase the barrier of entry for minibuses and decrease that for taxi drivers? Or are they not going to do anything when it comes to minibuses versus taxis?

Hon. Shawn G. Crockwell: We are looking at that. The reason why the taxi licences are so expensive is because there is a moratorium on them. We wanted to, when the minibus . . . And I and saying we, Government, collectively, continuously. When minibuses were introduced, in order to get their business going, you know, because there is not a plethora of minibuses out there; there are only a few. But I understand that they are competing with the taxi industry.

But the only reason why their licence is much cheaper is because there is not, at present, a moratorium because you want to incentivise people to get into that business. There is a moratorium on additional

licences provided for taxis, as well as for truck drivers. And that is why those licences are so expensive.

At this time, there is no intention to either increase the cost of getting a minibus licence or decrease the cost . . . Well, right now, we do not issue licences for taxis. We understand the issue. We are trying to find other ways to help support the taxi industry. But Government has to support that particular segment of the business. And because there are only a few, right now we are not looking to increase the fees for minibuses.

The Speaker: Thank you.

All right. The Chair recognises a supplementary from MP Bean, Leader of the Opposition.

MP Bean, you have the floor.

SUPPLEMENTARY

Hon. Marc A. R. Bean: Thank you, Mr. Speaker.

To the Honourable Minister, are you intending to increase the issuance of permits for the minibus?

The Speaker: Minister?

Hon. Shawn G. Crockwell: That is not our intention. Whether or not there are going to be any applications, any additional applications, we will look at it on an application-by-application basis. But in terms of the public buses, yes. We are committed to reducing their proliferation, as long as we have cooperation that the taxi industry is going to provide the service for tourists going to beaches, picking them up from beaches.

You cannot have a fear of picking up tourists from a beach because you do not want sand in your vehicle and leaving the tourists there stranded. We have to make sure we get our tourists to and fro in an efficient manner.

The Speaker: Thank you.

You have another supplementary?

Hon. Marc A. R. Bean: No. My first question.

The Speaker: Question. Okay.

Hon. Marc A. R. Bean: Thank you, Mr. Speaker. And good morning to you, Mr. Speaker.

The Speaker: Good morning to you.

QUESTION 1: TAXI INDUSTRY UPDATE

Hon. Marc A. R. Bean: Minister, you mentioned the GPS becoming optional. Are you aware that the voice option for those who opt out of using the data option can also be provided by the taxi dispatching companies?

The Speaker: Minister?

Hon. Shawn G. Crockwell: I believe I can confirm what he is saying. Yes. Maybe we can discuss it off-line for more clarity. But I believe I can confirm that you are correct in that statement.

The Speaker: Yes.

QUESTION 2: TAXI INDUSTRY UPDATE

Hon. Marc A. R. Bean: Yes, something to look into.

I should have started by saying that this issue is one of the most difficult for any Minister, Mr. Speaker.

Mr. Speaker, I ask the Minister a second question. All the recommendations that were mentioned at the beginning of your Statement, you say that you will be bringing forth amendments to the Motor Car Act to address those recommendations. Is that all the recommendations that you mentioned, or some?

The Speaker: Minister?

Hon. Shawn G. Crockwell: Yes, thank you, Opposition Leader.

The recommendations I highlighted in this Statement are just a portion of the ones that we have taken on from the taxi industry. There were quite a few more that the taxi industry is looking for. But the ones that we mentioned are the ones that the Government feels that we can probably embrace in an expeditious way and that we are palatable to it at this time.

Still, I want to make abundantly clear that the Cabinet has to wrap its mind around these recommendations as well. But these are the ones that we believe we can move forward. All of them that I mentioned in my Statement, we can move forward as it relates to amendments to the Motor Car Act.

The Speaker: Okay. Thank you.

MP Burt, did you have questions?

MP David Burt, you have the floor for your first question.

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

The Speaker: Good morning.

Mr. E. David Burt: Mr. Speaker, before I start, I would like to declare my interests, as my wife and I are taxi owners.

The Speaker: Thank you.

QUESTION 1: TAXI INDUSTRY UPDATE

Mr. E. David Burt: Just a question for the Minister. The Minister stated in the very beginning of his Statement that “the taxi industry has been plagued with its own share of challenges ranging from GPS to increased competition with the introduction of limousines . . .” Can the Minister confirm if there has been an increase in the amount of limousines during his tenure?

The Speaker: Minister?

Hon. Shawn G. Crockwell: There has not been, no.

Mr. E. David Burt: Second question, Mr. Speaker.

The Speaker: Yes.

QUESTION 2: TAXI INDUSTRY UPDATE

Mr. E. David Burt: Mr. Speaker, the Minister spoke about GPS being optional, or him looking to make GPS optional and bring legislation to that effect.

However, at this point in time, under the law, GPS remains mandatory. Can the Minister please advise this House how he is instructing his department to enforce that policy?

The Speaker: Minister?

Hon. Shawn G. Crockwell: My instruction to the department is to enforce the law.

SUPPLEMENTARY

Mr. E. David Burt: So, can the Minister please confirm that TCD [Transport Control Department] will fail any vehicle that is not registered with a GPS in use?

The Speaker: Minister?

Hon. Shawn G. Crockwell: I can confirm that that is the policy of TCD. I can also confirm that there have been some occasions where I have been petitioned and have intervened and given some grace period. But the position at TCD is to enforce the law. And I believe that is what they are doing.

The Speaker: Thank you. Okay?

Now we move to the second Statement. And the Chair would recognise the Member from Sandys South, MP T. E. Lister. You have the floor.

QUESTION 1: SAGE COMMISSION—EXTENSION OF OPERATIONS

Hon. Terry E. Lister: Thank you, Mr. Speaker.

Mr. Speaker, obviously, the SAGE [Commission] was doing a lot of work; the public is fully aware of that. And I just want to ask the Minister, Has the

Commission, to his knowledge, had the full cooperation from the civil service? Have the civil servants been willing to come forward and provide the information in the manner satisfactory to the Commission?

Hon. E. T. (Bob) Richards: I do not know that that question is germane to my Statement. However, as far as I know, yes. All right?

Hon. Terry E. Lister: Second question?

The Speaker: Yes, yes, MP Lister.

QUESTION 2: SAGE COMMISSION—EXTENSION OF OPERATIONS

Hon. Terry E. Lister: Thank you, Mr. Speaker.

And the questions are germane in that they are trying to find out why we are late. Why are we getting extra time?

Minister, SAGE saw fit to invite people to make recommendations and give awards for doing so. To your knowledge, why did SAGE not see fit to separate civil servants from the rest of the public and to allow civil servants to make recommendations that would be retained to SAGE? And maybe in some form in the final report as opposed to being released to the public in a manner that maybe is not in the benefit of the persons making the reports, themselves?

The Speaker: Minister?

Hon. E. T. (Bob) Richards: Mr. Speaker, my Statement has just to do with the extension of the time of the SAGE Commission.

The Speaker: Yes. That is correct.

Hon. E. T. (Bob) Richards: I am not prepared to debate the SAGE Commission or their performance.

The Speaker: And that is fair.

I think, Honourable Member, the Statement is merely to say that the SAGE Commission was extended for a period of time. So a question as to why it was extended may have been correct, I think, but this last question, I think is maybe . . . If the Minister is not willing at this time to answer that, it is quite all right. MP Lister.

Hon. Terry E. Lister: Thank you. Mr. Speaker, thank you for that correction. I appreciate that. What I will do is rephrase the question.

Do you believe that the time used by the SAGE could have been better spent if they had handled the awarding and the seeking of information from the public and civil servants in a different way? Would that have allowed us to be here today with the final report?

Hon. E. T. (Bob) Richards: No. The SAGE Commission has got a big job. They need some more time. And I do not think anything of that is relevant, quite frankly. They have asked for the time; I have given it.

The Speaker: Yes. And I think, Honourable Member, if I might say that those questions, certainly . . . The report will be tabled in two weeks. And so you will have opportunity to ask very piercing questions at that time.

An Hon. Member: Four weeks.

The Speaker: Four weeks, sorry. Very piercing questions at that time, sir.

Hon. Terry E. Lister: Well, thank you very much, Mr. Speaker. I do not intend for my questions to be piercing. They are simply information seeking. But I will ask them at that time.

The Speaker: All right. Very good. Thank you, MP Lister.

The Leader of the Opposition, did you have a question?

Hon. Marc A. R. Bean: No.

The Speaker: Okay. Learned Member Wilson, she is not here.

MP Burt, you have a question?

Mr. E. David Burt: Thank you, Mr. Speaker, and good morning.

The Speaker: Good morning.

Mr. E. David Burt: Mr. Speaker, before I ask my question, I would just like to thank the Minister for tabling his negative resolution in this House, because there have been a number of negative resolutions that have been made by Ministers on that side which have not seen the light of day in this House, as they should under the Statutory Instruments Act.

Yet I digress, Mr. Speaker.

The Speaker: Yes. And next time, maybe you should let the Speaker of the House know that information ahead of time. The Speaker will take care of that.

Mr. E. David Burt: Oh. Well, I will give you the full report.

The Speaker: So, just make sure you let the Speaker know.

Mr. E. David Burt: I will send you an e-mail right now, Mr. Speaker.

The Speaker: If you see something that someone else does not see.

Mr. E. David Burt: I will send you an e-mail right now, Mr. Speaker.

The Speaker: All right. Thank you.

QUESTION 1: SAGE COMMISSION—EXTENSION OF OPERATIONS

Mr. E. David Burt: But, Mr. Speaker, the question is, In regard to the time in which it has taken to produce their final report, can the Minister please elucidate as to whether or not he has received any additional interim reports from the SAGE Commission?

The Speaker: Minister?

Hon. E. T. (Bob) Richards: No. The only report, interim report, that I received I have published.

The Speaker: Yes. Yes. Thank you. All right. Thank you very much. Thank you, Members. That completes the Question Period.

CONGRATULATORY AND/OR OBITUARY SPEECHES

The Speaker: We move now to congratulatory and/or obituary speeches.

The Chair will recognise first the Honourable Member from Warwick West, MP Jefferson Sousa.

You have the floor.

Mr. Jeff Sousa: Good morning, Mr. Speaker, Honourable Members, and also those listening in the radio audience.

The Speaker: Good morning.

Mr. Jeff Sousa: I rise very proudly this morning, not feeling well, but I wanted to come to my feet and ask that the House send congratulations to the Under 17 football team that placed fourth in the—

The Speaker: I think that was already done last week. So, associate yourself.

Mr. Jeff Sousa: Mr. Speaker, the Honourable Minister rose on Friday morning and congratulated the team for doing well in the tournament. I am now congratulating them for finishing fourth in the tournament on that evening.

The Speaker: All right. Yes, yes. Okay, fine. Doing well, yes, yes.

Mr. Jeff Sousa: Thank you. Our lady Gombey Warriors proved to the world that they can go toe to toe in football. I must point out that they were the only team to beat Trinidad in the tournament. And Trinidad went on to win the tournament overall. And I must mention that many of these young ladies in this Under 17 team were 14 years old. And they beat along the way teams like Dominican Republic, Grenada and, as I already mentioned, Trinidad. And these countries—Dominican Republic, for example—has 10.5 million people. They had in many cases hundreds of young women to select from, where our squad was only no more than 40 women, which was absolutely amazing.

I also would like the House to thank the parents and the principals of the schools that were involved, CedarBridge Academy, Berkeley Institute, Sal-tus, Bermuda Institute and Somersfield Academy, with special honours going to coaches Aaron Denkins, Naquita Robinson, Kimberley Bean. And I must take my hat off to Anthony Francis for keeping us informed online.

Now, Mr. Speaker, our team ranks 4th out of 35 teams in the Caribbean Football Union, which I feel is very remarkable. And I would encourage all those listening in to make every effort to get out to the airport this evening when they come back in on the Miami flight to let them all know how proud we are of them and what a great job they did.

Thank you, Mr. Speaker.

The Speaker: All right. Thank you, Honourable Member.

The Chair now recognises the Honourable Member from Southampton [East].

MP Zane De Silva, you have the floor.

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

Mr. Speaker, I would like for this Honourable House to send out congratulations and a big thank you to the chairman and the committee that are taking care of and making sure that the Grand Slam comes off in good stead. I understand that today is going to be our last day before reconvening sometime in November. So what I thought I would do, Mr. Speaker, is take this opportunity to ask the House to send not only the committee and the chairman a thank you for the outstanding work that they have done in the past, but also maybe to the PGA of America for continuing to support Bermuda in their endeavours. So, Mr. Speaker,—

[Inaudible interjection]

Mr. Zane J. S. De Silva: Well, it means a lot. And, Mr. Richards, you as the Finance Minister, I am sure can appreciate trying to give Bermuda as many plugs as often as we can.

Thank you very much. Mr. Speaker, thank you very much.

The Speaker: Thank you, thank you, Honourable Member.

The Chair now recognises the Honourable Member from Pembroke [West], MP Jeanne Atherden.

You have the floor.

Mrs. Jeanne J. Atherden: Mr. Speaker, I rise today, and I would like to send congratulations to the Minister of Tourism and the Department of Tourism for their seemingly instantaneous response to the criticism from the Opposition Leader that nothing had been seen on television—

[Inaudible interjections]

The Speaker: Honourable Member, let us give congratulations and not . . . Let us not go down that road in obits and congrats.

Mrs. Jeanne J. Atherden: Let me rephrase this.

I would like to congratulate the Department of Tourism for the advertising that was on the weekend that was advertising Bermuda in terms of getting us out there, letting the East Coast know that Bermuda was so much more.

[Inaudible interjections]

Mrs. Jeanne J. Atherden: And also the fact that . . . thank you, Mr. Speaker.

The Speaker: All right. Thank you, Member.

The Chair now recognises the Honourable Deputy Premier, Minister of Public Safety.

Minister Dunkley, you have the floor.

Hon. Michael H. Dunkley: Thank you, Mr. Speaker. Good morning, colleagues.

Mr. Speaker, I think it is appropriate and fitting that this Honourable House send congratulations to Miss Bermuda, Katherine Arnfield, on promoting Bermuda and carrying the title of Miss Bermuda proudly. She just completed the Miss World competition. I am sure all Honourable Members of the House want to be involved with that. For such a young lady to go thousands of miles from home and to present herself and the people of Bermuda in our small Island home in such a fantastic way, the young lady should get a tremendous amount of congratulations from the people of Bermuda.

I understand, Mr. Speaker, as it was covered in the paper here that there were obviously security concerns about it. So that must have been unsettling for a young and maturing lady, being so far from home without family and friends so such a long period of time. I understand she left about three weeks ago. So, certainly, Ms. Arnfield has carried on a tradition of

Miss Bermuda's representing the Island well throughout the world, and we wish her well, Mr. Speaker.

Mr. Speaker, I would also ask this Honourable House send congratulations to Meredith Andrews on her display at the National Gallery, *Portraits of Power*. The current display focuses in on fathers, single fathers and their family. And certainly, I was touched to learn of it and to read about it. And certainly, I was very impressed with the work she has done and certainly impressed with the article that was in the *Royal Gazette* that featured Mr. Stanfield Brangman and his family in regards to the portrait that is at the Bermuda National Gallery. So, congratulations to Meredith Andrews on bringing a focus to pillars of power in our community that are doing the right thing to bring their children along.

Mr. Speaker, finally, I would ask this Honourable Chamber to send congratulations and a thank you to the New Testament Church of God Miracle Temple on North Shore Road in Devonshire, Reverend Clarke Minors, the pastor of that church. A couple of weekends ago, I had the opportunity to visit the church.

They had a gospel, graffiti and arts competition on the Saturday afternoon. It was out-of-the-box thinking. On the back of the church in the parking lot there, they had eight boxes created where they could have three-person teams draw on the wall. The winning team then had the opportunity to draw a larger portrait on the wall just below the pastor's office. Certainly, it was a great community event organised by the church. And they had a good crowd come out. And I would like to applaud the church and Reverend Minors for taking the initiative to bring the community together to do something that is worthwhile for us. Thank you, sir.

The Speaker: Thank you, Honourable Minister.

The Chair now recognises the Honourable Leader of the Opposition.

MP Marc Bean, you have the floor.

Hon. Marc A. R. Bean: Thank you, Mr. Speaker.

Mr. Speaker, I ask this Honourable House to send a letter of condolences. And I stand to be corrected by Members on the opposite side. In the paper, I saw that Mr. Mike Winfield's mother [Mrs. E. D. Patricia Winfield] passed away. And so I did not see . . . I guess that was the early notice. But if that is the case, I would like for this Honourable House to send a letter of condolences to Mr. Winfield. And I believe it is his brother [David and his sister Wendy] also.

The Speaker: Thank you. Thank you, Leader.

I recognise now the Honourable Minister for Health and Seniors, Minister Patricia Gordon-Pamplin.

You have the floor.

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

Mr. Speaker, I would ask that this Honourable House send a letter of congratulations to Déjon Simons, who has managed, under the agreement of Rock Island [Coffee] Café, to have some of his art displayed within their facility. He actually has a mural that has been canvassed that has been actually installed in the ceiling of Rock Island. And it has the opportunity of displaying the talents that some of our young people have.

You will know this young gentleman, Mr. Speaker, as the result of his having a serious traffic accident a few years ago and has suffered lifelong injuries as a result and permanent damage to his body. But it has not stopped his spirit. And while he did not have the dexterity to hang that painting himself, along with some of his supporters and friends, they were able to achieve the opportunity for him to have his work shown and displayed.

I am tremendously proud of this young man. The Honourable Member Richards, the Honourable Member Scott, the Honourable Member Sousa and the Honourable Member . . . Let us say, I think, the whole House ought to be associated with these remarks of congratulations. This young man has overcome serious adversity. And he has created a situation for himself where he has continued to contribute positively to the Island and to his own exposure. And I am so proud of this young man. I ask that congratulations be sent to him.

Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

The Chair now recognises the Honourable Deputy Speaker, the Member from constituency 4, MP Roberts-Holshouser.

You have the floor.

Mrs. Suzann Roberts-Holshouser: Thank you, Mr. Speaker.

I would like the House to send a letter of congratulations to PartnerRe. This is their 16th year that they are holding and funding the 5K race. Annually, they have this race in order to raise funds for women's charities. This year, the funds that they will be raising on Sunday will go for the Coalition for the Protection of Children. I would like to add at this point the Coalition has never received, or has not in recent years received, funding from a Government. And as a result, they rely on the hand of our community and, in this particular case, an international business extending their hands to the people of Bermuda. So I would like to have the House extend our thanks and gratitude as this race takes place on Sunday.

For those individuals who have not yet registered and would like to participate, it is not too late. I am sure they can go online and register. All funding,

again, goes to the Coalition for the Protection of Children.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Is there any other Honourable Member who would care to speak?

The Chair recognises the Honourable Member from constituency 1, MP Kenneth Bascome. You have the floor.

Mr. Kenneth (Kenny) Bascome: Good morning, Mr. Speaker.

The Speaker: Good morning, good morning.

Mr. Kenneth (Kenny) Bascome: Good morning, colleagues and to the listening audience.

I would ask that a letter of congrats be sent to Mr. Rudy Bailey, who recently retained his title at the international Comet races. Everybody wants to be associated.

[Laughter and inaudible interjections]

Mr. Kenneth (Kenny) Bascome: Yes, yes, Mr. Speaker. At this stage, I would like to say thank you to all those Members. And they are making a note that he comes from the other end of the Island.

The Speaker: I think he comes from Somerset, yes.

Mr. Kenneth (Kenny) Bascome: Yes. But I will not say what I am actually thinking.

The Speaker: Absolutely. Carry on.

Mr. Kenneth (Kenny) Bascome: As I said yesterday, I am supposed to be a loose cannon. But I will never make any public statement that I must withdraw and apologise for.

Have a pleasant day, Mr. Speaker.

[Laughter]

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

Is there any other Honourable Member who would care to speak?

No other Members would like to speak on the congrats.

MATTERS OF PRIVILEGE

The Speaker: No matters of privilege.

PERSONAL EXPLANATIONS

The Speaker: No personal explanations.

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

The Speaker: No notices of motions.

INTRODUCTION OF BILLS

The Speaker: There are no Bills to be introduced.

NOTICES OF MOTIONS

The Speaker: No notices of motions.

ORDERS OF THE DAY

The Speaker: We move to the Orders of the Day.

The first Order of the Day is in the name of the Minister of Finance, the Honourable E. T. Bob Richards, and it is the Customs Tariff Amendment (No. 2) Act 2013.

Minister Richards, you have the floor.

Hon. E. T. (Bob) Richards: Thank you very much, Mr. Speaker.

Mr. Speaker, I move that the Bill entitled the Customs Tariff Amendment (No. 2) Act 2013 be now read the second time and committed.

The Speaker: Are there any objections to that?

Minister, there are no objections. So, carry on.

BILL

SECOND READING

CUSTOMS TARIFF AMENDMENT (NO. 2) ACT 2013

Hon. E. T. (Bob) Richards: Thank you, Mr. Speaker.

Mr. Speaker, Honourable Members are requested to give consideration to the Bill entitled Customs Tariff Amendment (No. 2) Act 2013.

The primary purpose of this Bill is to insert two new end-use duty reliefs in the Fifth Schedule of the Customs Tariff Act 1970. The Bill also makes a consequential amendment and repeals and revokes other sections.

Mr. Speaker, the first of the two end-use reliefs is for goods imported and used for the enhancement of the Railway Trail protected area. Honourable Members will be aware that the Railway Trail is the largest of the 61 protected areas in the Bermuda public parks system. Consisting of approximately 86 acres and extending throughout all parishes, the Railway Trail is an invaluable public amenity enjoyed throughout the year by visitors and Islanders alike.

The Department of Parks carries out an ongoing programme of improvement works to the Railway Trail. Improvements to accessibility, resurfacing, the extensive removal of invasive species and replanting are typical of the work carried out. Perhaps most noticeable has been the major work along the foreshore at Shelly Bay to re-establish the pedestrian link between the beach and the eastern end of the old station building to the west.

Honourable Members will appreciate that the cost of the improvements programme is significant. To date, costs have been largely funded by the capital development budget of the Ministry of the Environment and Planning.

Mr. Speaker, lately, a volunteer group known as the Friends of the Bermuda Railway Trail has secured a commitment from its members and sponsors for some \$685,000, which they believe is sufficient to proceed with a project of re-connecting and improving the Trail in Hamilton Parish between Shelly Bay and Coney Island, mostly by bridging the gaps near and at Bailey's Bay with a pedestrian bridge. The bridges have already been reviewed by the Government engineers and found acceptable.

Mr. Speaker, the proposed duty relief will cover not only bridge spans for pedestrians, pedal bikes and horses, but also articles such as cycle rails, which are long metal rails designed to roll bicycles up or down steep grades; dividing boards; heavy-duty trash cans; benches; picnic tables and other outdoor furniture to be set on the trails; plaques for signage; and even large tubes for potential tunnels. Duty relief will also cover materials to be used for the construction or refurbishment of structures along the Railway Trail.

Mr. Speaker, as an added safeguard, applicants for relief for goods for the Railway Trail will be obliged to seek the approval of the Director of Parks prior to importation of the relevant goods.

Mr. Speaker, I now turn to the second of the two end-use reliefs. This second new end-use relief provides 100 per cent duty relief for goods for integrated electronic communications networks operated by persons holding an Integrated Communications Operating Licence, known as an ICOL, awarded by the Regulatory Authority.

Honourable Members will be aware that the Regulatory Authority is the national regulatory authority for the electronic communications sector in Bermuda. The Regulatory Authority (known as the RA) has a wide range of responsibilities in electronic communications services and networks, and spectrum management. The RA is responsible for, among other things, encouraging the deployment of innovative and affordable services, promoting sustainable competition, fostering investment and enhancing Bermuda's position in the global market.

Mr. Speaker, the RA, the Regulatory Authority, (Got that? Okay.) enables competition in the

communications sector by facilitating market entry through all ICOLs [Integrated Communications Operating or Operator Licence] to provide networks and services and by regulating access to networks so as to develop effective choice for consumers, both businesses and residential.

To date, the Authority has converted the telecommunications licences of some 20 entities to ICOLs. Honourable Members will appreciate that the capital costs to ICOL holders is significant. In order to assist the Regulatory Authority in its mission, it is proposed to provide complete duty relief on electronic communications equipment, apparatus and machinery imported by ICOL holders or their agents. Such goods imported with the benefit of duty relief will require end-use customs supervision until used, diverted with permission, or destroyed.

Accordingly, an end-use condition is being included requiring that the goods must be imported and used only to build, extend or maintain infrastructure for operating integrated electronic telecommunications networks. As an additional safeguard, the chief executive of the Regulatory Authority has been given a role in overseeing the proposed duty relief. Accordingly, any authorisation of end-use relief will require the approval of the chief executive of the Regulatory Authority. In practice, ICOL holders will be obliged to seek the approval of the chief executive prior to the application for relief.

In closing, Mr. Speaker, I turn to the matter of the consequential amendment, repeal and revocations. Honourable Members may be aware that four of the current ICOL holders already enjoy specific duty relief in respect of imports of telecommunications equipment, apparatus and machinery. In order to avoid unnecessary overlap and so that all ICOL holders will be entirely on exactly the same duty relief, the Bill removes the various existing duty reliefs for those that have them already.

So, Mr. Speaker, I shall comment further on this when we get into Committee. And I move that we now go into Committee.

The Speaker: Just before, we do have . . . Not quite yet, Honourable Minister. You are speeding.

[Laughter]

Hon. E. T. (Bob) Richards: I am just trying to help the process.

The Speaker: You are speeding. You really want to cut the day short, Honourable Minister. You are trying.

Who will respond? The Chair will recognise now the Shadow Minister of Finance.

MP Burt, you have the floor.

Mr. E. David Burt: Thank you very much, Mr. Speaker, and good morning again.

Mr. Speaker, although this Act seems relatively straightforward, it does raise a number of questions, which I would like to ask the Minister and hopefully that he can clarify to the House so that we can understand the financial implications and ramifications of this amendment Act.

Last week the Minister stated that reliefs such as this, which he can classify as corporate welfare, can cause a drain on the public Treasury at a time when we are looking to increase the amount of revenue that is given to the public Treasury. Now, I understand the significant investment that is slated to take place inside the telecommunications industry with the deregulation of that industry. But the question that I have overall is, How much does the Minister expect this blanket move to cost the Treasury, going forward?

The second question I would ask is, Has the Minister made a commitment to the ICOL holders that this is an open-ended—

The Speaker: Say what ICOL is. So that people will . . . You have got to read it as well? You have got to find out what it is?

[Laughter]

Mr. E. David Burt: I do not want to get it wrong. But I know it is Integrated Communications Operating or Operator Licence.

The Speaker: Integrated Communications [Operating] Licence.

Mr. E. David Burt: I did not know what the “O” was. I got the “I” and the “C.”

The Speaker: For the benefit of those people who are listening.

Mr. E. David Burt: Got it, sir. Do you want me to explain it as well?

The Speaker: No, no, no. No, no, no. That is okay.

Mr. E. David Burt: Well, with our 20 ICOL holders it is now . . . I think it was 21, but there is a merger. With the 20 ICOL holders, and those are all the telecommunications companies in Bermuda. Previously the Minister had stated during his brief that this Act also removes relief that was given to certain other telecommunications firms prior to this. And now this is applying to all of them. So, previously, only about five firms had the benefit of receiving relief. And now we are talking about 20 firms that have the benefit of receiving relief. So we have gone from five firms that get relief to 20 firms that get relief; surely that is an additional drain on the public purse and customs duty.

So, I guess the first question, as I said, Mr. Speaker, is, How much is it expected to cost? The

second question is, Has the Minister given any indications to the ICOL holders that this is open-ended, or is it expected to end at a particular point in time? And the reason why I say that, Mr. Speaker, is that the various items which are being revoked, they were scheduled to end. The remissions orders were typically given for five years. They were given for a five-year period so individuals had the opportunity to bring things in for five years. And then it would end.

Now, there are things that seemingly are open-ended. There is no end date in sight. So, I guess the question is, with an end date, then one could think that it could speed up the rate of investment and speed up the rate of employment in the economy, because we are looking to spur investment in this industry itself.

So, the next question I have . . . and this is a series of questions, Mr. Speaker. And I hope the Minister . . . I shared these with the technical officers, because I think it is very important. The question is, I understand that there have been certain CPCs [customs procedure codes] that have been deleted. How much has this cost the Treasury up to now? I speak specifically in regard to the remission orders for Global Marine Systems, LinkBermuda, Quantum Communications that he spoke of. How much has this cost the Treasury to date? because these remission orders have been in place. They are not only going to be in place for five companies, they are going in place for 20 companies. But I think it would be interesting to find out how much the companies had taken advantage of this.

[Inaudible interjection]

Mr. E. David Burt: Got it. And then, understanding that cable companies remission order already expired, it would also be useful to find out how much they imported during the time of which they had a remissions order, which was good for five years.

Now, what I would say overall, Mr. Speaker, is that there was a point in time when customs duty was a major part, or probably the sole part, of the earnings of which the Government collected. And it has now fallen to a relatively . . . I would not say minor part; it is one of the major ones. But now the estimates are about \$175 million a year. And I understand that about 30 per cent of that \$175 million comes from gasoline taxes. So when you strip out the gasoline taxes, Mr. Speaker, we are only talking about \$120 million in overall customs duty collection.

What I think, with all these piecemeal approaches to the Customs Tariff Amendment Act, Mr. Speaker, is that it speaks to the time that there may be consideration for the review of our taxation system. And the reason why I say that, Mr. Speaker, is because the Minister has said on numerous occasions that now is not the time to review the tax system. The

time to review the tax system is when the economy is healing, not when the economy is struggling.

However, Mr. Speaker, I must challenge the Minister and say, if we continue to give concessions, we are going to continue to rob the Treasury of money that it could earn and we are going to continue to be in a state where we are in a deficit position. I think all these small things add up. That is why I have asked for the figure so we can actually quantify that.

Now, Mr. Speaker, I get the rationale for these reliefs. I get the rationale that it may spur investment. And just to be clear, I want to certainly be clear for the members of Hamilton Parish on this side, who I am sure will speak in favour. But we have no issue with the first one in regard to customs for the Railway Trail.

But going back to these concessions, Mr. Speaker, it seems the OBA Government is very good at giving concessions to everyone in business who asks for it. Yet it is the public sector workers and the regular man on the street that is in need of concessions, who is in need of breaks and is not getting any from this Government. So, while the OBA increases taxes on granny, he cuts tariff fees to international business.

While we cut scholarships, we cut taxes for PRCs [permanent residence certificates]. While we increase fees and we cut civil servants' pay, we cut taxes for hotel owners. And while we are asking our people to pay more for gasoline, we are cutting taxes on ICOL holders.

Mr. Speaker, I will close by saying this: The voters are listening. And they want to know where their concessions are because they need relief as well. And I would say that nothing else can demonstrate the values and importance and priorities of this Government with the speed of which they will grant concessions and extend concessions to a larger section of business while the cost of living continues to go up for everyday people.

Thank you, Mr. Speaker.

[Desk thumping]

The Speaker: All right. Thank you. Thank you, Honourable Member.

Is there any other Honourable Member who would care to speak?

If not, I will recognise . . . Oh, you do, Member from Hamilton Parish? You want to talk about Hamilton Parish, do you?

Hon. Wayne L. Furbert: Yes. Yes, I do.

The Speaker: All right. The Honourable Member from Hamilton Parish, constituency 6.

MP Wayne Furbert, you have the floor.

Hon. Wayne L. Furbert: Thank you, Mr. Speaker. I could not sit here without first believing that the stand

taken by the Minister in regard to the bridge, the pylons down there by the Bailey's Bay corner . . . it is interesting. There are many people in this House that do not even know where Bailey's Bay corner is. But we could educate them.

The Speaker: Some of us pass it every day.

Hon. Wayne L. Furbert: That is right, Mr. Speaker. I am not even sure that some of the Cabinet Members know where Bailey's Bay corner is.

But, Mr. Speaker, for years we have been talking about connecting the Railway Trails. I think this is a good opportunity to do it. I think it would be a very good site along that stretch there in Hamilton Parish. So I support that.

But, like my Shadow Minister of Finance, we cannot support the idea of increasing the fuel costs on Bermudians at this time. Bermudians are hurting month to month on this—

An Hon. Member: What are you talking about?

[Inaudible interjections]

Hon. Wayne L. Furbert: Sorry. Sorry. I am talking about the wrong subject at this time. Let me get back to the bridge.

The Speaker: Yes, yes. Stay on the bridge.

Hon. Wayne L. Furbert: Let me get back to the bridge.

The Speaker: Wait till the bridge is built first before you get on it. Get on the bridge when it is built.

[Laughter]

Hon. Wayne L. Furbert: It was the wrong topic, wrong topic, wrong topic this time. I will get back to the other topic later on.

The Speaker: All right. All right, Honourable Member.

Hon. Wayne L. Furbert: I will get back to that later on.

So getting back to the . . . I am excited about that. I am excited about those pylons down at Bailey's Bay corner. So, again I appreciate the Minister doing his part. I did hear about the allowing . . . I may have heard it wrong. I thought I heard something about horses passing over those.

The Speaker: Yes. The Honourable Member in his deliberation made mention of it, but not in any real substantive way.

Hon. Wayne L. Furbert: I do not think we should let those horses cross over those particular . . . I do not mind the actual . . . on the Railway Trail. But I lived on the Railway Trail in Hamilton Parish. And it is a beautiful walk along there. But I just cannot see those horses running up and down those tracks. So on that part, I do support that. Thank you.

The Speaker: The Chair will now recognise the Minister for the Environment, Minister Sylvan Richards.
Minister Richards, you have the floor.

Hon. Sylvan D. Richards, Jr.: Thank you, Mr. Speaker.

Yes, I just wanted to speak to the pedestrian bridges that are going to be installed over the Bailey's Bay Bridge. You know, research has shown that the connected sections of our current trail in Paget and Warwick receive more than 10 times the traffic than the Hamilton Parish sector of the trail. So, by our installing these bridges over the Bailey's Bay pylons, it is going to increase the traffic and the utilisation of our Railway Trails by pedestrians, bicyclers and also horse riders. Horse riders use the Railway Trails, and the bridges are going to be constructed in such a fashion that equestrians will be able to take their horses across the bridges.

The particular project is a public/private partnership between Government and the Friends of Bermuda Railway Trail, and we are very grateful for their contribution. And it can only benefit Bermuda. We all know that the trails and their utilisation foster healthy living. And they also have cultural and tourism value. So this is a benefit for Bermuda, and I think everyone should get out there and enjoy the trail being linked up when it is available.

Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

The Chair now recognises the Leader of the Opposition. MP Marc Bean, you have the floor.

Hon. Marc A. R. Bean: Thank you, Mr. Speaker.

I would like to speak briefly on both of the points made by Minister Richards in his brief.

The Speaker: Yes?

Hon. Marc A. R. Bean: It is interesting to hear another group . . . Friends of Bridges, it is called?

Some Hon. Members: Friends of the Railway Trail.

Hon. Marc A. R. Bean: Friends of the Railway Trail, sorry. Because every so often, we do get a *Friends of* something that pops up. And it is interesting to know that roughly \$700,000 has been raised from a private organ, right, to be able to bring this to fruition.

I do not see any real issue with that. I think that our Railway Trails are a treasure in our country, especially those from the Western End. We certainly can appreciate the beauty of our Railway Trails. So I think that it is important to give encouragement to whomever this group is to continue to look to expand their enhancement of the Railway Trail Island-wide. It certainly can have a lot of benefits to accrue to our country.

Mr. Speaker, in terms of the ICOL issue, I do note that four or five of the firms that were previously granted this tax exemption were Class A firms. Now, class A, for the public's edification, prior to the issuance of the ICOL regime, you had three different classes of licensees in telecommunications, A, B, C. And the Class A were the big firms that basically connected Bermuda to the rest of the world. And so, it is natural with the type of capital investment required for that scale of operation that those tax exemptions were given for the import of equipment.

Now, with the issuance of ICOLs, there is no longer A, B or C. And so any of the licensees can actually offer services that previously were only permitted through Class A providers. So, yes, we do have some concerns as to the overall perspective that the current Government has taken in giving tax breaks which, from my view, is not inherently wrong at all, but specifically focused on the business community. Again, that in itself is not negative. But we do think that it is important, from this side, to look at giving tax breaks or concessions to everyday Mr. and Mrs. Bermuda.

It is something that we reiterated in our July 22nd response to the Premier's address, that it is time to look at our overall tax regime, and even as a stimulus to the economy, to reduce customs duties. So over the short term, we might reduce our overall revenue, but the mid- to long-term stimulus that will occur again would accrue to the benefit of all. And so, it is very important that, while we do support the extension of these exemptions to all the ICOL providers, we would certainly like to encourage again the Government to also look to see where they can offer these tax breaks to the lower- and middle-income everyday Mr. and Mrs. Bermuda.

The Speaker: Thank you, Honourable Leader of the Opposition.

It does not look like there are any other speakers, so Minister Richards, Minister Bob Richards, the Minister of Finance, you have the floor.

Hon. E. T. (Bob) Richards: Thank you, Mr. Speaker. I am very grateful for the contribution of Honourable Members, and also for the statement of support, particularly by the Leader of the Opposition.

There were a couple of questions that were put forward. I have to say I was a little bit disappointed

in the reference to this as “corporate welfare.” I do not believe this is.

As it relates to the telecommunications part of this Bill, Mr. Speaker, this is to level the playing field. That is what this is. We had basically, as the Honourable Opposition Leader quite eloquently stated, a situation, a legacy situation, where the old cable and wireless and people who brought information from abroad to Bermuda were given these tax breaks. And once we did away with what I call the alphabet system in telecommunications to make unified carriers . . . That is what ICOLs are, a unified carrier. Any carrier can do anything. He can do cell phone, he can do Internet, he can do submarine cable; he can do anything he likes. So, once we moved to that new model, you had a legacy situation where some people were getting these big tax breaks; some people were not.

We either had to tax them all at the same rate, or remove the tax of all of them. And we decided to remove the tax. And this is just for infrastructure for major items. It is not for like cell phones and that sort of thing. So, we think that by removing this tax, it encourages future infrastructure and capital investment in the telecommunications industry.

The question was, How much tax relief has gone on in the past? I have these numbers here. The question was, How much going forward? Are we giving up? And the answer is, The truth is we do not know. A lot of that depends on the march of technology. As a matter of fact, all of it depends on the march of technology. You know, we are now on sort of G4. If there is a G5—

[Inaudible interjection]

Hon. E. T. (Bob) Richards: —Sorry, 4G . . . that is right, 4G can become a 5G. (Excuse me; I had it reversed, slightly dyslexic there.)

You know, we go into the next generation. These carriers are going to be forced to upgrade. We do not know when that is going to come. So the true answer is we do not know. But when the next generation does come, there is going to be pretty big bucks being shelled out by these companies. And because we do have a competitive situation, when one carrier brings it, the other is going to have to follow or else they are going to fall behind. But we do not know when that is going to happen. So we really do not know, going forward. But we are giving the market the flexibility to do this.

We do think that in doing this, Mr. Speaker, it will enhance employment prospects in that industry. It will keep Bermuda current and competitive as a place in which international business wants to domicile itself. And these are all indirectly things that help to support jobs. So, it is all part of our overall mandate to create and support jobs in Bermuda.

So that is the ultimate goal here, to keep our telecommunications industry competitive, not just with

each other in Bermuda, Mr. Speaker, but competitive in a way that it relates to other jurisdictions. Because if we have either an antiquated or super expensive (or both) telecommunications infrastructure in Bermuda, then international companies may think twice about setting up here. Because one thing you can be sure of, that business requires the latest technology in the places they go. And if we do not have it, then they feel maybe they need to go look somewhere else. So that is the overall intent.

There were some specific questions here about what has been given up in the past. The goods, the value of goods that have come in duty free under this CPC totals \$13.9 million under the CPC 4167, and \$2,259 for CPC 4194. The total . . . Let me get this right here. The total goods imported by the order that expires March 31st, 2013, for (I guess this is what used to be Cable and Wireless . . . Is this Cable and Wireless? I am not sure if this is Cable and Wireless or Bermuda CableVision. I am not sure which one it is) was \$471,558.

So, the amount of goods that have been brought into the Island under these remission orders has been very, very significant. And one wonders whether this equipment would have been brought in without them; we do not know. But to answer the Honourable Member's question, you know, this is not insignificant. It is not insignificant at all.

But how much are we giving up, going forward? I do not know, because that will depend more on the technology than anything else.

Now, as it relates to whether this is open-ended, well, I guess theoretically, it is open-ended. But, as Minister, I can close it any time I want. All right? So it is open-ended until the Government says so. And then it becomes closed. You know? So, I mean, that is the way it is set up.

And my last point, Mr. Speaker, is the comments that we are doing things for business and not for people. Mr. Speaker, people need jobs. And they are employed by businesses. If you do things for business, you do things for people. Our mandate is to create jobs. If we help businesses thrive, then they are going to create jobs, and therefore they will [help] people. And that is the approach of this Government.

[Inaudible interjection]

Hon. E. T. (Bob) Richards: No. The hospital is not a business.

That is the approach of this Government in creating jobs. We do not have the approach that everybody should work for Government, which is another approach that has caused the Government to be overstaffed and also to be running huge deficits. So that is not our approach. Our approach is to stimulate, in any way we can, the private sector to create jobs and thereby helping people. People do not want handouts, Mr. Speaker. They want to earn their way

out of things. That is what they want. It is the dignity of employment that people want. And that is what we are trying to do here.

So, with those comments, Mr. Speaker, I would now like to move that we go to Committee.

The Speaker: Thank you, Honourable Minister.

The Minister has moved that the Bill now go to committee.

Are there any objections?

There are none.

I would like to ask that the Honourable Deputy Speaker, Mrs. Roberts-Holshouser, to take the Chair [of Committee]. Thank you.

House in Committee at 11:18 am

[Mrs. Suzann Roberts-Holshouser, Chairman]

COMMITTEE ON BILL

CUSTOMS TARIFF AMENDMENT (NO. 2) ACT 2013

The Chairman: Honourable Members, we are now in Committee of the whole for further consideration of the Bill entitled [Customs Tariff Amendment \(No. 2\) Act 2013](#).

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

Hon. E. T. (Bob) Richards: Thank you, Madam Chairman.

Madam Chairman, I will go through the clauses. I move all clauses.

Clause 1 contains the citation and is self-explanatory.

Clause 2 inserts new end-use CPC 4207 and 4208 in the Fifth Schedule of the principal Act. CPC 4207 will provide end-use relief in respect of goods imported and used to redevelop or equip the Railway Trail, subject to the approval of the Director of Parks. CPC 4208 will provide end-use relief for equipment, apparatus and machinery imported and used for telecommunications infrastructure by Integrated Communications Operating Licence (aka ICOL), holders, subject to the approval of the chief executive of the Regulatory Authority.

Clause 3(1)(a) deletes all references to TeleBermuda International Ltd. from CPC 4167 of the Fifth Schedule of the principal Act, in consequence of the introduction of the new CPC 4208 by clause 2 of this Bill. As an ICOL holder, TeleBermuda International will be an eligible beneficiary of the new CPC 4208. CPC 4167 currently exempts telecommunications equipment, apparatus and machinery for both TeleBermuda and Brasil Telecom Subsea Cable Systems. The amended CPC 4167 will apply only to Brasil Telecom Subsea Cable Systems.

Clause 3(1)(b) repeals CPC 4194 of the Fifth Schedule to the principal Act in consequence of the introduction of the new CPC 4208 by clause 2 of this Bill. CPC 4194 currently exempts telecommunications cable, equipment, apparatus and machinery for Cable Co. [Ltd]. As an ICOL holder, Cable Co. Limited will be an eligible beneficiary of CPC 4208.

Madam Chairman, clause 3(2) revokes three remission orders in consequence of the introduction of CPC 4208 by clause 2 of this Bill. These remission orders currently exempt Global Marine Systems (Bermuda) [Limited], LinkBermuda, Quantum Communications [Limited] from paying duty for certain telecommunications cable, equipment, and apparatus and machinery, for they are a telecommunications network infrastructure. As ICOL holders, these entities will be eligible beneficiaries of the new CPC 4208.

I welcome any Member's comments.

The Chairman: Thank you.

Are there any Members that would like to speak to clauses 1 through 3?

The Chair recognises Mr. E. David G. Burt, Shadow Minister of Finance. You have the floor.

Mr. E. David Burt: Thank you very much, Madam Chairman.

Madam Chairman, just a few questions for the Minister. As we said previously, we have no issue with clause 2, and we fully support it. We are in support, in principle, of clause 3 because we understand the need to spur investment. And one of the reasons why Bermuda has a leadership position in international business, and such a sound platform, is because of our excellent telecommunications infrastructure. And of course, we want to continue to promote that.

The questions that I have, and the Minister partially answered them in the general debate, but I just want to be clear: In his discussions regarding the new CPCs with industry, was there, whether it was him or the Minister responsible for telecommunications, which I believe would be the Minister for Economic Development, was there any undertaking given to them that this would be limited?

I understand the setup is that it is unlimited until it is changed. But as previous remission orders were done on the basis of for a five-year period, was any indication given to them that this was going to be for a five-year period? I guess that is the real question I am asking. Was there anything saying that this is not indefinite, this will end? I am trying to figure out what was the communication and what was given to them? Or are they under the understanding that it is unlimited?

Of course, this brings, kind of, you know, insofar as certainty of Government policymaking. And I guess the question is, once you do this, and if there is no indication that it is a closed-ended policy, such as you have a remissions order, it is therefore assumed

that this will exist going on unlimited into the future. And that is why I think I asked a specific question as to what was the understanding with the ICOL holders?

Just a few more questions in regard to the amount of money which has been . . . I guess I do not want to say “lost” to the Treasury, on these items. But clause 3(2) repeals the remissions orders for Global Marine Systems, LinkBermuda and Quantum Communications. I understand that Global Marine came into effect in 2008, I believe, or 2009. And I know that, although the customs duty for LinkBermuda and Quantum Communications are dated in 2013, I know their operative dates inside those particular orders were 2012. Would the Minister be able to advise the value of the goods that have been brought in under those specific orders? I guess Global Marine Systems, Quantum Communications and LinkBermuda.

Apart from that, and just as a matter of curiosity (and I do believe I know the answer), it is a standard duty rate. But if the Minister would confirm, what would be the rate of duty that would be applicable to these goods if they were imported under the standard duty rates? Because I think that that is . . . I guess just to quantify, I guess, how much this is costing the Treasury. We understand the need for stimulus, and we understand that telecommunications is vitally important. And there could be an argument made that lower taxes for the importation of goods can lead for lower costs to the consumers in the end; there can be an argument made for that. But that is to assume that our telecommunications operators are good operators and are not, you know, in any way, shape or form colluding with each other.

The Chairman: Good subject.

Mr. E. David Burt: But I think that it is an excellent question, and I look forward to the responses.

Once again, we do support the principle of this, but I think it is very important that the people of Bermuda understand that there are concessions given and there is revenue that is being given up, a significant amount of revenue that is being given up out of the public coffers. Thank you.

The Chairman: Thank you.

Are there any other Members that would like to speak to clauses 1 through 3?

No other Members.

Minister, you have the floor.

Hon. E. T. (Bob) Richards: Thank you, Madam Chairman.

I think I am going to answer these questions in reverse. The standard duty rate for this equipment would be 22.5 per cent. I have information here. For Global Marine Systems, the goods that were brought in by that company were \$266[,800]; for LinkBermuda, \$1.097 million; and for Quantum, \$243[,900].

The question that the Member asked about limited versus unlimited, we have not advised the telecommunications industry that this is going to be limited. So, at least as an ongoing basis, it is unlimited until such time as the Government decides otherwise.

The Chairman: Thank you.

The Chair recognises the Shadow Minister of Finance. You have the floor.

Mr. E. David Burt: Madam Chairman, I thank the Minister for his clarification on that point. And I guess I just want to reiterate the fact that he said that this is unlimited. And that is the Government’s policy at this point in time. And they see no need to repeal this, and it will be unlimited, going forward. I just want to make sure that is confirmed, for the record.

The Chairman: Minister?

Hon. E. T. (Bob) Richards: That is correct.

Madam Chairman, if there are no other questions, I would like to move the Preamble.

The Chairman: Clauses?

Hon. E. T. (Bob) Richards: Well, move all clauses, clauses 1 through 3.

The Chairman: Thank you.

It has been moved that clauses 1 through 3 be approved.

Are there any objections to that motion?

No objections. Agreed to.

[Gavel]

[Motion carried: Clauses 1 through 3 passed.]

Hon. E. T. (Bob) Richards: Madam Chairman, I would like to move the Preamble.

The Chairman: There are no Schedules? The Preamble.

It has been moved that the Preamble be approved. Are there any objections to that motion?

No objections. Agreed to.

[Gavel]

Hon. E. T. (Bob) Richards: Madam Chairman, I move that the Bill be reported to the House.

The Chairman: It has been moved that the Bill be reported to the House as printed.

Are there any objections to that motion?

No objections. Agreed to.

[Gavel]

Hon. E. T. (Bob) Richards: Thank you, Madam Chairman.

[Motion carried: The Customs Tariff Amendment (No. 2) Act 2013 was considered by a Committee of the whole House and passed without amendment.]

House resumed at 11:28 am

[Hon. K. H. Randolph Horton, Speaker, in the Chair]

REPORT OF COMMITTEE

CUSTOMS TARIFF AMENDMENT (NO. 2) ACT 2013

The Speaker: Members, the Bill entitled the Customs Tariff Amendment (No. 2) Act 2013 has been approved. The Second Reading has been approved.

We move now to the Second Reading of the Cruise Ships (Casinos) Act 2013, in the name of the Minister of Tourism Development and Transport, the Member from constituency 31, the Honourable and Learned Minister.

Minister Shawn Crockwell, you have the floor.

Hon. Shawn G. Crockwell: Yes, Mr. Speaker.

Mr. Speaker, I move that the Bill entitled the Cruise Ships (Casinos) Act 2013 be now read the second time and committed.

The Speaker: Are there any objections to that?

There are none.

So, Minister, please carry on.

BILL

SECOND READING

CRUISE SHIPS (CASINOS) ACT 2013

Hon. Shawn G. Crockwell: Mr. Speaker, the purpose of the Bill before the House today seeks to provide for the operation of casinos on board a licensed cruise ship at night while it is docked or anchored in a designated port in Bermuda. This Bill also consequently amends the Prohibition of Gaming Machines Act 2001 and the Criminal Code Act 1907 to exempt licensed cruise ships from gaming restrictions.

Mr. Speaker, it is an accepted fact that prior to the emergence of international business in the late 1980s and the early 1990s, tourism was the main pillar of the Bermuda economy. And the majority of our visitors arrived by air. Although the majority of the visitors to the Island arrived by air, cruise travellers were an important segment of our tourism market and Bermuda was and remains important to the cruise line industry. Bermuda's natural beauty and the charm of

its people are the salient characteristics which attract cruise visitors.

Mr. Speaker, there are often public discussions, debates and comparisons drawn on the air visitors versus cruise visitors, the pros and cons of each and, in particular, their value and contribution to the local economy. There are some very strong views and opinions on the air versus cruise visitor subject. But I think it is important to remember that all visitors arriving by airplane or cruise ship are important to our economy.

Mr. Speaker, the reality is in recent years, the majority of our visitors have arrived by cruise ship, and these ships and visitors make a substantial contribution to our economy and provide business opportunities for Bermudians. In essence, Bermuda's tourism industry was built on cruise passengers dating back to the 1920s when ocean transportation was the only means of travel to and from the Island. The introduction of air travel in the middle of the last century naturally resulted in its emergence as the primary form of travel.

But Bermuda's cruise market continues to be a highly desirable and sought-after destination. Due to our geographical location and the proximity to the US Eastern Seaboard, Bermuda is the only Island destination which can facilitate seven-day cruise itineraries departing from North Eastern cities in the USA.

Bermuda is in the unique position of having the potential to generate as much cruise traffic as desired. Bermuda is also in the enviable position of having three ports of call, which provide a total of five berths, compared to most Caribbean ports, which generally have two cruise ship berths. Having multiple berths is definitely an advantage, as they can be marketed separately within the cruise itinerary. However, due to the increase and deployment of larger cruise ships, there are limitations with the ports of Hamilton and St. George's.

Mr. Speaker, it is important that Bermuda maintain its position of strength in the cruise industry. This is for a number of reasons, and I will mention a few:

1. Both Norwegian Cruise Lines and Carnival Corporation have entered into long-term commitments with New York to provide more cruises in the future in return for infrastructure improvements. Their cruise ships have to sail somewhere. And we are a close and convenient destination. Royal Caribbean has also staked a strong claim to the North East, and they are currently redeveloping their home port in Bayonne, New Jersey, to accommodate their existing and new class of cruise vessels.
2. Bermuda offers a premium product compared to many other destinations. Cruise line surveys show that people tend to cruise to Bermuda not only because of the cruise ship or

cruise line, but also because of the destination. Presently, we cannot accommodate all of the requests we get from cruise lines, in particular the larger cruise ships docking at Dockyard.

3. The National Tourism Plan 2012 that will be implemented by the new Bermuda Tourism Authority recommends a target of 415,000 cruise visitor arrivals by 2015, and 422,000 cruise visitor arrivals by 2022. This year's estimate for cruise visitors is 343,000.

Mr. Speaker, the cruise industry is important to Bermuda, and in order to develop strategies to achieve these targets that were set out in the unanimously endorsed National Tourism Plan, better understanding of the cruise ship product, particularly within the Bermuda context, is paramount. We need to ensure that Bermuda continues to provide a competitive cruise product.

Mr. Speaker, Bermuda's major competitors are other summer destinations, namely, Alaska, Europe and, to a lesser degree, Canada and New England. Until 2008, Bermuda was losing market share to these geographic destinations, in particular, Alaska. However, Alaska dramatically increased their cruise passenger tax, which resulted in many cruise lines reducing the number of ships sailing there. Alaska has since reduced their passenger tax and is now regaining some of the market share they lost to us.

Europe, which includes the Mediterranean and Northern Europe, is also a major competitor to Bermuda. In recent years, a number of new ports have been developed, resulting in many new and interesting itineraries. In 2010 alone, there was a 16 per cent increase in cruise capacity in Europe. Current geo-political and economic realities in Greece, Spain, Portugal, the UK and North Africa Red Sea destinations may impact growth, moving forward. And Bermuda may be in a position to benefit from this situation.

As previously stated, understanding our competition and the cruise line decision-making process forms an important pillar of our cruise ship policy, which enables us to continue to deliver a competitive product. Cruise lines make decisions based on a number of factors, including customer requests and satisfaction ratings, berth availability, and generally, Bermuda does well with customer satisfaction ratings compared to other destinations. We are still considered a safe and premium destination providing a high-quality product.

But ultimately, the primary deployment consideration for cruise lines is the revenue received from each sailing. Cruise lines measure profits based on three categories: the ticket prices they receive for each itinerary; operational costs, such as fuel, gov-

ernment fees, import dues; and the amount of on board revenue.

Mr. Speaker, cruises to Bermuda usually achieve higher ticket prices compared to many other destinations, but lower than Alaska and Europe. Cruises to Canada and New England in the fall season also generate higher ticket prices than Bermuda. Cruises to Bermuda generate less onboard revenue than other destinations. This is due to the following factors:

- Cruises to Bermuda generally experience higher operational costs than many other destinations and itineraries. These costs include our high cruise passenger and cabin taxes, which are amongst the highest in the world.
- Cruises to Bermuda also use more fuel, due to the long sailing distance from their home ports and Bermuda.
- Cruises to Bermuda sell fewer shore excursions than many other destinations. This is due to the longer stays that ships have on the Island and our excellent transportation system, both public and private, which allow visitors ample time and transportation options to experience the Island without booking shore excursions.
- And finally, most ships spend multiple nights in Bermuda, with shops, casinos and other revenue sources closed while in port.

Mr. Speaker, even though cruises to Bermuda may not generate as much profit as some of our summer competitors, we are still of strategic importance to cruise lines when they are making their deployment considerations. Therefore, we have a corresponding responsibility to effectively work and partner with the cruise lines to address and consider some of their concerns.

The subject of opening casinos for overnighting ships is continuously a high priority item for discussion for cruise principals that currently deploy their vessels to Bermuda, and also those considering Bermuda. Bermuda is one of the few ports in the world where ships routinely have multiple night stays. And currently, the requirement is that the casinos and shops must remain closed while the ships are in port.

Through our discussions with cruise principals, they have clearly stated this policy has a huge effect on onboard revenue and that the onboard revenue is achieved mainly through their casinos and shops. This is particularly true for the smaller and older ships that can physically dock in St. George's and Hamilton, but choose not to sail here because of limited revenue potential while in port overnight.

While the destination is a very important consideration for an individual considering a cruise, the type of cruise ship, including the cruise line and the onboard amenities, is also very important to the discerning cruise passenger. For cruise passengers con-

sidering a Bermuda cruise, the lack of gaming for 30 per cent to 40 per cent of the nights on board is the only disqualifier.

Mr. Speaker, I refer to my earlier statements about understanding your customer wants and desires, and the importance of remaining competitive and current. And for these reasons, and after careful consideration, this Bill is being considered in this Honourable House today.

Mr. Speaker, there are some who may feel the broader issue of gaming in Bermuda should be resolved first. And I will reaffirm the OBA Government's commitment to have a referendum on Gaming in the very near future, and I have already stated that we intend to have the referendum before the next budget.

But the cruise ship opening up casinos in the evening while in port is a separate and distinct matter. The fact that ships routinely overnight in Bermuda puts us in an enviable position, as other competing destinations are providing concessions to encourage cruise lines to overnight in their ports. Several other jurisdictions have recently modified their gambling legislation to permit cruise ship casino gambling while in port—notably, Barbados, Gibraltar and Bahamas. In those instances, the respective governments negotiated licence fees, established permitting criteria and achieved longer stays in port. Other destinations that allow in-port gaming include the US Virgin Islands, Antigua and Barbuda, and Aruba, to name a few.

Mr. Speaker, we appreciate that as a cruise destination, Bermuda is unique. But we have to remain competitive. And allowing cruise lines to open their casinos in the evening while in port is a mutually beneficial proposition. The cruise lines stand to increase their onboard revenue while keeping an important amenity available for their guests, and the Bermuda Government will earn revenue from the licence fees.

To qualify for opening up casinos, the cruise ship must be in port one night or more. And approvals and authorisations will be granted for the entire period that the ship calls on Bermuda during any one season for ships making 15 or more calls. A season is between the period of April 1st through November 30th each calendar year. Occasional callers, ships making 14 calls or less, that seek to open their casinos will be authorised on a per-voyage basis.

As an incentive to encourage cruise lines operating ships that are capable of berthing in the port of Hamilton and St. George's, cruise ships with a passenger capacity not exceeding 2,000 will not be charged a licence fee. In our discussions with the operators of these small and often older ships, they have shared with us that they are at a competitive disadvantage compared to the larger and newer ships that berth at Dockyard. Not charging them a permit fee will assist in placing them in a more competitive position.

Mr. Speaker, I would like to bring to your attention and to the attention of the Honourable Members that there is an anomaly in clause 6 of the Bill, as it does not provide a per-voyage licence fee for cruise ships making 14 or less voyages to Bermuda. This matter has been raised with the Attorney General's Chambers, and it is agreed clause 6 needs to be amended. This will be addressed when we go into Committee.

I would like to thank the Honourable Member, MP Terry Lister, for raising this anomaly with me prior to today.

Mr. Speaker, the operating hours for the casinos will be between the hours of 9:00 pm and 5:00 am, and at no other times during the day. The use of the casino is to be limited to passengers on board the ship only. No local residents or visitors to the ship will be allowed to participate in casino activities.

The obvious question and concern is what impact this will have on our local retailers, restaurateurs and entertainment businesses that rely on cruise passengers to support their businesses. Our research has indicated that the majority of visiting cruise passengers return to their ship by 9:00 pm. And by this time, most—and some research shows 90 per cent—of the cruise passengers return to the ship, and most of the retail shops at that time are closed.

However—I want to emphasise the word “however”—if the destination provides good products that include good entertainment and amenities that go beyond the traditional offerings, the passengers will stay ashore to take in the local experience and spend their money. Not all cruise passengers purchase their ticket at a discounted price. Many of the passengers are well-heeled and high-income earners. And these new ships have one- and two-bedroom suites, with butler services, on their upper decks which have a price point comparable to high-end resorts. These high net income passengers choose to cruise because of the product and service that is offered. And similarly, they will patronise local businesses if we have the products on offer that they desire.

Therefore, the impact to local businesses will be minimal, and our Ministry will closely monitor and analyse the impact to this segment of our local businesses and enterprise.

If I can just say, Mr. Speaker, I looked into the issue in the Bahamas. As you know, they have the Atlantis there. And once the Bahamas allowed the ships to open up their casinos in port, I was curious to ascertain whether or not that had an impact on the traffic going to Atlantis. And it did not. Approximately 65 per cent of those that are on the ship will get off the ship. And if there are amenities onshore, they will take advantage of those amenities because they want to experience the destination. So, we do not believe, going forward, that if we have casinos on the Island that are open to the general public and/or the cruise

ship passengers, that this would prevent them from taking advantage of those services.

Mr. Speaker, in closing, I would like to restate the importance of the cruise visitor business in our national tourism strategy. It is a fact that the cruise visitors spend and contribution to the local economy is less when compared to the air visitor. But that does not mean that they are not important. There is no Bermuda Government marketing spend to attract cruise visitors to our Island. The cruise lines do their own marketing and promotion of Bermuda.

Mr. Speaker, what we need to focus and improve on is providing improved and better products to encourage and increase visitor spend. And we also need to have a well-directed and focused campaign on converting those cruise passengers into air visitors. They are all coming from home ports that are within our largest capture market, with flights that take a couple of hours to reach here. A one out of twenty, or 5 per cent conversion rate, would be equivalent to an annual increase of 15,000 to 20,000 air passengers, an untapped potential that is being hand-delivered to us.

I believe by allowing the cruise lines that overnight to open their casinos, under strict controls, will provide their guests with another amenity to enhance their Bermuda visit, will provide the Bermuda Government with much-needed revenue and will give us a negotiating tool to attract the smaller ships to berth in Hamilton and St. George's.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Minister.

The Chair now recognises the Honourable Member from Warwick [South East]. MP Lawrence Scott, you have the floor.

Mr. W. Lawrence Scott: Thank you, Mr. Speaker.

And after listening to the Minister, one thing I can say is, My, my, my! What a difference an election makes.

I do not know if you watch CNN and *Headline News*, and they talk about things that are trending online and whatnot. What seems to be trending lately in this emergency session of this House is the word "concession." And once again, I see this Bill as being a concession of sorts to the cruise line industry because we are giving them exactly what they want, but they are not really providing anything substantial for us in return.

What I see is that this could be seen by some as an 'Anti-local-retail Bill,' where this helps to keep passengers on board; and if they do come off, they come off for little spurts, and then they go right back on the ship to go and game. I think that previous research has shown that 9:00 pm is too early to open these casinos, because that maybe opening them later . . . Because now you are looking at impacting

the dinner times, the restaurant owners and so on and so forth, not to mention the night life.

And what it sounds like the Minister is implying is that our nightclub owners are not doing a good enough job of entertaining our tourists or making Bermuda look desirable at night after the sun goes down. So I do not think that that is a reflection on the nightclubs; that might be a reflection on the Minister of Tourism.

For me, another thing he talks about is that they need to have it open because people do not have enough time to gamble. But the numbers he put out would mean that 60 per cent to 70 per cent of the time that they are on board the cruise ships, as of right now, they have access to the casinos. And he is saying that 70 per cent of your time on a cruise ship and having access to casinos is not good enough. Let us give them access 100 per cent of the time. But yet, at the same time, let us have them come off the ship and explore Bermuda.

Mr. Speaker, one thing that I am glad to see, I am glad to hear . . . I was going to raise the issue or actually ask questions for clarification on the anomaly of the 15 or more calls or 14 or less. But one thing I do see is that I feel as though the Minister has what I would say misplaced priorities. I would question the Minister's judgment in why he would bring this to the House prior to the referendum on gaming, being as though we are talking about gaming right now.

As I said, you know, it is amazing what a difference an election makes. Because I remember when this was brought to the House before. That same Minister did not argue for it. But now he is arguing for it. So, I have asked this question many times in this Honourable House: Were they wrong for what they said then, or wrong for what they are doing now? Because I can think of another way to have a long-term partnership, to have the cruise ships invested in Bermuda by a Murray's Anchorage partnership, where both cruise lines would work together to have a port built here down in St. George's.

[Inaudible interjection]

Mr. W. Lawrence Scott: And I hear that, when I am talking about promoting the St. George's, the MP for St. George's says, *No, sir*. So he does not want us to promote St. George's or have cruise ships down there.

[Inaudible interjections]

Mr. W. Lawrence Scott: So, Mr. Speaker, I will continue.

But what about the partnership to have a port built with the two cruise lines that are bringing the *Breakaway* to Dockyard, that are bringing these megaships to God's country, as I would say? Because I support Somerset. But we could do that. That would

be a boost in the economy for jobs, for people all across the working spectrum.

Now, Mr. Speaker, I mean, also in doing this, what about trying to . . . It sounds like the Minister is giving up on increasing air arrivals. He says if we do a small increase in cruise ships, that is equivalent to a big increase in air arrivals. And, Mr. Speaker, that leaves me a little uneasy. But the thing is that, once again (as I get ready to take my seat, because I want to give my other colleagues time to weigh in on this), this seems to be an exercise in "oxymoronism." All right?

Mr. Speaker, just to be clear, because I know we have very Honourable and Learned Members, I created that word, Mr. Speaker. I created that word, Mr. Speaker, because of the fact that I could not find a word in the English language that could describe this One Bad Administration's bad drafting policies and decision making.

So, "oxymoronism" is an "adver-noun," Mr. Speaker.

The Speaker: I just put it in my . . . I just wrote it down.

[Laughter]

Mr. W. Lawrence Scott: Yes. As my Honourable Opposition Leader says, it is the Scott language, Mr. Speaker. And you will probably hear it from the other side, my honourable cousins.

But because I say it is an "oxymoronism" because of the fact that I agree with the Honourable Attorney General in his last argument on this point. I agree with the Honourable Minister of Tourism on his last argument on this point, where it was discriminatory.

[Inaudible interjection]

Mr. W. Lawrence Scott: Sorry; previous argument on this point, because it is discriminatory against those people that, because locals do not own a cruise ship, they cannot have gaming machines or casinos.

So, Mr. Speaker, I am very interested, very, very interested to see what the Government has to say when actually taken to task on their previous record. And what I will do is that I see a couple of my colleagues chomping at the bit to get some time to voice their concerns, and I will take my seat at this time.

Thank you very much.

The Speaker: All right. Thank you. Thank you, Honourable Member.

Any other Honourable Member care to speak?

The Chair will recognise the Honourable Member from constituency 1. MP Kenneth Bascome, you have the floor.

Mr. Kenneth (Kenny) Bascome: Thank you, Mr. Speaker.

All my colleagues were saying, *Jump, and say point of order!* I can advise this Honourable House that when I sat in another place, our committee decided if we would allow cruise ships to have gaming whilst in port. That was a decision that was made by the members of the Corporation of St. George's. We came to that conclusion, and we were in the process of taking it to the constituents to see what their disposition would be. However . . . an election was called, and I now sit in this place.

And to the Honourable Member who just took his seat, let me make this point: To put a port on the northern side of the Island would not be conducive to that ship being able to use that port on a regular basis. And I will make this point: Most times when you see the fuel go up in Bermuda, it is because the tankers have to lay off because they are unable to come to the oil docks because of the threat and the possibility of one of those tankers being holed, and we would have an oil spill. So on the northern side of the Island is not conducive to a cruise port.

I had the opportunity yesterday, Mr. Speaker, to be questioned in regard to the Town Cut Channel. And I am going to make this point: Modifications will have to take place.

[Inaudible interjection]

Mr. Kenneth (Kenny) Bascome: Well, the point is to the gentleman who stated that you want to put a dock on the northern side of the Island, I am only basically responding to the comments that were made by the Honourable Member on that side of the House.

I find it so amusing that most times, St. George's is called a "ghost town." But when it is convenient, everyone finds all of these wonderful accolades to pass on about the community of St. George's.

At this stage, I believe that allowing the cruise ships to have gaming whilst in port will be an enhancement to the Island of Bermuda. And with that, Mr. Speaker, I will take my seat. Thank you.

The Speaker: Thank you, Honourable Member.

The Chair now will recognise the Honourable Member from Sandys South, constituency 33.

MP Terry Lister, you have the floor.

Hon. Terry E. Lister: Thank you, Mr. Speaker.

Mr. Speaker, this is an interesting measure to bring before us today. It should be one of those that binds rather than divides. "Binds," meaning that clearly, the Government and the country are seeking revenues. Clearly, we need a way to build on our revenues. And this offers us that opportunity.

As the Minister has said, the question of air arrivals versus cruise ship arrivals will be a debate

forever. It will go on forever. And if we just stop and reflect a little bit, when the Honourable Dr. Ewart Brown, as Minister of Transport, saw fit to work very hard to push up the cruise numbers, he said his intent was to make sure we had tourists here on this Island. And whilst the hotels were restructuring—i.e., some were having major renovations, others were out of business, Tourism and others were working very hard to bring new hotels—whilst all that was going on, the intent was to increase the number of tourists coming by ship.

If that had not happened, if we had stayed at the levels of 80,000 to 120,000 . . . Because I believe that when the Progressive Labour Party became Government, the highest number of tourists coming by ship ever on an annual basis was about 120,000. If we had stayed there and in the last five years or so had had 120,000 cruise ship passengers, it is hard to think where our tourism industry would be. Where would we be?

And so, those who seem to think that it is a worthwhile exercise to challenge the cruise ship numbers really are not being realistic. They are being foolish. Instead, the sensible thing is to look for the balance.

[Crosstalk]

Hon. Terry E. Lister: The numbers that the Minister quoted just now of trying to get to 415,000 by 2020 or 2022 and trying to build the land up to 400,000 at the same time, that is a valid target. It is something we should be aiming at.

Truth be told, the 400,000 on the cruise ship is no problem. I believe the number this year is 340,000, but we turned away at least seven cruises; it may be more. The Minister can tell us the number. But if every cruise that was supposed to have come this year had arrived, I believe the number would have been 380,000. We had been above 400,000 two years ago, I believe. So, the 400,000 on the cruise ship side is not impossible. There is a lot of work, a lot of work that the Tourism Authority has to do to get the land arrivals up. It is a lot of work. So, we have all got to bring this thing together to make it work.

Now, whilst we are doing that, just as Dr. Ewart Brown was thinking in 2005 and 2006 and 2004, that he must build on this side, we must now protect what we have. We cannot give it away. And, Mr. Speaker, the cruise ship business is one that is growing all the time. There are new, exciting ports coming into being every year, almost. The larger ships are dominating the market.

I was in Jamaica last year when we went down for the CPA conference. I stayed on a few days later, went over to Mobay and that part of the world. And I went to Falmouth port, the new port that has been built specially, or redeveloped specially for the large RCCL [Royal Caribbean Cruises, Ltd.] ships.

And I saw a picture of the port and the ship in port. It was amazing to see just how large that ship is relative to that port.

That is where the industry is going. And if we do nothing about it, we will lose out. So, we have to stop fighting against each other. We still have this argument from some about tourism versus international business. Let us stop the argument. Let us work together. Let us make all of it come to Bermuda's advantage.

The biggest concern, of course, is, what will this do to entertainment? Well, Mr. Speaker, when we started our last session, the Government started to make concession orders for the hotels. You will recall that. And I stood on my feet and fussed about the concession order for our principal hotel, Southampton Princess, who was being given a concession provided they provided some, I think, \$45,000 in entertainment—\$45,000 in entertainment wages for our major hotel!

Let us be honest. Entertainment in our hotels is being taken out, stripped away. Instead of a nice band, Joe Wylie and his orchestra, or something like that, we have one guy with an electronic instrument that can play everybody's music. So, this one guy here is acting like a band. Come on! That is not good enough.

Mr. Speaker, I will bet you this. You can talk to anybody over 60 or 70 anywhere in North America or the East Coast, our principal market, and if you said Talbot Brothers, they would start singing their songs. If the Talbot Brothers were in their 30s today, they would be unemployed. If the Talbot Brothers were in their 30s today, they would be unemployed! Nobody would know them. Am I right? Yes, I am right. Of course I am right. And the hotels are responsible for that.

So, when we get into this big argument that says, *Well, if the cruise ship people don't come off, the restaurants will suffer!*, there are not that many restaurants and hotels that are offering entertainment in the first place. So, part of the mission—part of the mission for the Tourism Authority is to get these guys in line! If we are going to get the 400,000 land people, they have got to provide it. Now, if they provide some interesting and exciting entertainment, people will come off the ships for it. Nobody likes to be left out. If they start hearing about this show that is going on at such-and-such a place, they will get off and go.

Mr. Speaker, you and I are young enough—not old enough, young enough—to remember the crowds that came off of this dock and went straight down to Clayhouse Inn. And for the life of me, I have never figured out what was so special about Clayhouse Inn. You know, it was just another building. It was not that sporty inside. But they filled the place on a regular basis with tourists. I am right on that! That is what we have to get back to.

Part of the problem, of course, is as the ships have gotten larger, St. George's and Hamilton ports have fallen in the way, and all the activity is in Dockyard. And so, the built-in restaurant choices, the built-in entertainment choices that may well have existed, and possibly could exist today in St. George's and in Hamilton, are at a disadvantage in that the people are sitting up in Dockyard. That is something that we cannot change.

I would appreciate it . . . This is the honest truth, Mr. Speaker. One of the burning annoyances for me. I would appreciate it if people would stop encouraging people to think about this small ship for St. George's. It does not exist! It does not exist! I mean, we have to stop the conversation. It is a foolish conversation. Now, we can get things done in St. George's if, following the line that the last speaker took, we use the word "modification." I was not using that word. I was using *blow up the Islands*, because that is what it is. But if he likes to use "modification" and we can sell modification to people, then let us do modification of the Islands!

[Crosstalk]

Hon. Terry E. Lister: Do you like that? Everybody is smiling. Kenny, I think you got it. "Modification" is the word. "Modification" is the word.

Okay. But that is how St. George's is going to get back in the business, because the small ships are not going to come. It is not on.

Mr. Speaker, you remember the song, *Bermuda Is Another World*. We sang it, and we sang it, and we believed in it, and we believed in it, and we believed. And it is not true anymore. It might have been true 30 years ago. It was, definitely true, 50 years ago. But today, it is one world brought together by CNN. Turn on CNN, in 20 minutes they give you the world. Is that what they say?

[Inaudible interjections]

Hon. Terry E. Lister: There you go. It is one world today. And so the special things about Bermuda from yesterday are gone. We are not there anymore. We have to compete head-on. And the cruise lines have many other options. They can move a ship at the drop of a hat.

Two years ago, September of 2011, we were in a real tizzy when Carnival announced out of nowhere that they were taking seven ships away from us! Mr. Speaker, it was totally out of order, you know. They never discussed it with us. We heard it in the media. Unbelievable! But they could do it because, as the Minister knows, unless you are coming 15 times, you do not have a contract. Interesting, is it not? To think that we could have these big cruise ships coming here without a contract. But that is how it works unless they come often enough. And so, Carnival just

jumped up and said, *Look, boy. I am taking my ship somewhere else, man! I can make some more money elsewhere!* And off they went.

It is about making the dollars. That is what it is about. And I understand that. We want to make the dollars. They want to make the dollars. Everybody wants to get the best return.

Mr. Speaker, obviously, the cruise ships have to be profitable. And as has been said, the money comes basically from three streams: from the ticket price, from the shore excursions and from the on board activities. Well, a lot of people will not tell you this. But because of the growth in the industry, the cruise lines are forced to discount their cabins to Bermuda. All you have to do is go on any of those sales sites, travel sales sites, and you will see seven-week cruise to Bermuda, \$450. Unbelievable.

An Hon. Member: Seven days.

Hon. Terry E. Lister: Inside cabin, not the best room, but you know—

An Hon. Member: Seven days.

Hon. Terry E. Lister: Yes. Seven days, that is right. You cannot cruise from the States to Bermuda in less than seven days.

An Hon. Member: No, you said seven weeks.

Hon. Terry E. Lister: Did I say seven weeks?

An Hon. Member: Yes, you did.

Hon. Terry E. Lister: That would be a deal!

[Laughter]

Hon. Terry E. Lister: That would definitely be a deal! I said seven weeks? It was seven days, seven days. But you see my point, Mr. Speaker. It is a challenge. It is a real challenge.

Now, so the ticket price is under threat. Then, as the Minister pointed out, if you and I, Mr. Speaker, took our wives and we went on a cruise to the Caribbean, every night we get on the ship, it would slowly chug along the 100 or so miles or less to the next island. And the next morning, we get off and go to the next island, a whole new country. We would have a great day. And that evening, they would pull out again and open up all the facilities. So, everybody goes to the bar. Everybody goes to the shops. And everybody goes to the casinos, every single night.

That is lost. I jumped ahead of myself. I was trying to get to the second point. When we get to the new island every day, you get off and you take a tour. And you do things every day. And because you are only going to be on that island for that one day, unless

you are pretty adventurous—like you and I are, but unless you are really adventurous, you go with the tour. You do not go off on your own. And so the selling of tours in those situations is very high. It is a good piece of money for the cruise ship.

In Bermuda, when you have a three-day and you have many repeat visitors . . . If you check, many of the people who come here on our cruise ships are repeaters. So, when you come here for a three-night stay in Bermuda, or three days, the first day, depending on who you are, you take the bus or the minibus or, believe it or not, a taxi, and you head for Horse-shoe Bay and you bake in the sun. And you say, *I did Horseshoe Bay*. The second day, you take your bus token, ticket, and you tour the Island. And your chances of getting lost are pretty slim.

The only dumb thing you can do, and some do it, is you get back to the boat too late on the last day and you miss the boat. I have been at Dockyard when that has happened. I was up there when I was Minister one day, on a Sunday afternoon. It was a day trip. And everybody was walking around saying, *Oh, no. We have got four people unaccounted for. We don't know where they are. But we're going to be pulling out in eight minutes*. And they went back and forth like that. It turned out two people had managed to get on the ship without signing in properly. So, they were there. The last two were nowhere to be found. And so, the ship left. We watched the ship sail off, heading down the channel.

And up came a taxi with a lady and her daughter. And they had gone off with the tour, gone into St. George's, but then went on their own and went down to the Caves and went and did some other things. And when they looked at their watches, they were in deep trouble. So they missed out. That sort of thing can happen.

But, Mr. Speaker, the profitability of the cruise line, as I said, comes from these three areas. And I have just pointed out that, in all three areas, the Bermuda market provides challenges. The last area, of course, is what is sold on board the ship, and by having the cruise ship not have its casino in action, it reduces the profitability all that much more. Not another world, not as profitable, we need to help these people out. And why do we want to help them? To help ourselves!

[Inaudible interjection]

Hon. Terry E. Lister: No!

The Honourable Lawrence Scott said, *What are we getting back?* That is the important question: What are we getting back? Well, on the surface, we are going to get . . . Minister, please help me. I think the number is 400,000—is that it?—400,000, okay. That is one thing we are getting back. But that is from the larger ships.

From the smaller ships, they are actually one-way traffic. We are not going to get anything back from them. If we make a statement that says, *Giving them this ensures that they will come*, then you say that is what we are getting back. Okay, I will accept that. But I do not think that is the truth. I think they will come anyway. And so, I would suggest to the Minister that he look for something back from the small ships. They should not have a free ride while the others are paying. And given the fact that the fee for the ships, the larger ships that do not come 15 times, is only \$5,000 a visit, maybe these ships could pay \$2,500. Let them pay something. It should not be zero. So maybe \$2,500. Think about that, the larger ships.

Mr. Speaker, when we were working to get the *Breakaway* into Bermuda, we made a number of concessions, as most people know. We made concessions around dining.

[Inaudible interjection]

Hon. Terry E. Lister: Oh, yes. We made some concessions. Had to work to get them in here. But what we wanted back, we never got. And I would invite the Minister to look at it now.

The ship comes up and down this channel. And most days, it comes along quite fine. But there will be days when it is going to be difficult to get into that channel. And it would cost, I think, about \$1 million to get it all squared away. I would suggest to the Minister—

[Inaudible interjection]

Hon. Terry E. Lister: The north channel, thank you. The north channel.

I would invite the Minister to sit down and have some serious talks with the ships about paying for that work.

[Inaudible interjection]

Hon. Terry E. Lister: It is happening? Great, man! Great! That is fantastic! They have to pay for it, because they are the beneficiary, and it is something that is needed.

In fact, when we were talking to them two years ago, they were just shrugging their shoulders and saying, *It's not a big deal*. I am thinking, *What do you mean it's not a big deal? If you can't get into port, then you've got a problem. Oh, we can moor in the harbour*, and all of this foolishness. But, Minister, pursue that. It is worth it.

Now, Mr. Speaker, how do we get these people off the boat up in Dockyard? Well, for a number of years, poor old WEDCO was the whipping dog. And we used to blame WEDCO for not putting anything on. Well, in the last three years, if you listen to the radio, you will hear that there is one night in Dockyard that is

doing this, there is another night in Dockyard that is doing that. Things are happening in Dockyard. But if you go out there, you will see Bermudians, Bermudians. You hardly see any tourists. They do not get off the boat! The boat is right there. Some of them go on the balcony, and they look over to see what is going on. But they do not get off.

And so, sometimes, you respond to what is a good idea. And you do what is the right thing. And then it does not work. And, Mr. Speaker, when it does not work, it does not mean you are dumb or you are stupid. It does not mean you have failed. It means it did not work. That is all it means! And so there is nothing wrong with standing up like I am standing up today and saying, *We did this in Dockyard. We put out a lot of money for three years—we, WEDCO—and we are not going to do it anymore.* There is nothing wrong with that.

Or, we turn around and say, *We are going to keep doing it, but we're going to do this for the Bermudian population. We're going to call it a Bermudian event.* Well, then it will be totally successful because Bermudians go.

But we cannot continue to say, *WEDCO, you must provide this for the tourists,* and the tourists do not come. And we have to stop beating ourselves up and saying, *We cannot do this for the cruise ship—i.e., the gambling—because it is going to take people away from the WEDCO event that they don't attend.*

Last thing, Mr. Speaker. The Progressive Labour Party promised a referendum, did the paperwork for it. The new Government has come in, reviewed the paperwork, made some changes; that is their right. And the new Government has said, *We're going to get this thing together in the spring.* And that is fine. As far as I am concerned, it is absolutely nothing wrong with going ahead with this today rather than saying, *Well, let's wait until after the referendum.* Why wait until after the referendum? Why get caught up in the referendum?

What happens? What actually happens? And I am not making predictions. But let us say we have the gaming referendum in April and it fails. And then you bring this Bill in May or in June. The public will think something is wrong with you, like, *Duh! Don't you guys get it? What is wrong with the 36 of you? You gave us the vote, we voted it down and now you are coming to bring it on the ship! No!* You see what I mean? So let us not get caught up in that. It is two separate issues, as the Opposition Leader is saying. Let us treat them as two separate issues.

Let us move ahead with this today. And let us put this in place to have us retain our position as a premier cruise destination at a time when cruise ship passengers are vital to the ongoing success of Bermuda.

Thank you, Mr. Speaker.

The Speaker: All right. Thank you, Honourable Member.

The Chair now recognises the Honourable Member from Devonshire [North Central], MP Glenn Blakeney.

MP Blakeney, you have the floor.

Mr. Glenn A. Blakeney: Thank you very much, and good afternoon, Mr. Speaker.

There are just a few points that I will touch on. But first, in saying that I concur with much of what previous speakers, the Honourable Member Lawrence Scott and the Honourable Member Lister had to say in their contribution to this amendment Bill.

The interesting thing is the Government turnaround, because as the former Opposition, the Minister himself, whom I cannot wait to hear from in his response to the question why he has had this change of heart . . . I believe it is the right thing to do for the right reasons. But why, if not in a total political context, the then-Opposition, as a result of a personality, the former Premier, the Honourable E. F. Brown, bringing such a Bill very similar in context in many ways, was there this fervour to shoot down what was in the best interests of the country, of the country?

There were Members on our side that voted against it. You yourself, Mr. Speaker—

[Inaudible interjections]

The Speaker: You had better get your facts right! Just get your facts right! If you are going to use . . . Especially if you are going to speak about the Speaker!

Mr. Glenn A. Blakeney: Okay.

The Speaker: All right? The Speaker was not present that day! Get your facts right!

Mr. Glenn A. Blakeney: Okay. Okay. I apologise, Mr. Speaker.

Hon. Shawn G. Crockwell: Point of order, Mr. Speaker. Point of order.

POINT OF ORDER

Hon. Shawn G. Crockwell: Certainly, no need to have to defend you, Mr. Speaker.

The Speaker: Yes, yes.

Hon. Shawn G. Crockwell: But the matter did not go to a vote. The Minister at the time rose and reported progress.

The Speaker: It did go. It eventually went to a vote, yes.

Hon. Shawn G. Crockwell: My apologies, my apologies.

The Speaker: The matter went to a vote.

But the Honourable Member, especially if you are going to use the Speaker, do not go there! I would advise you.

Mr. Glenn A. Blakeney: Okay. I apologise. So you took a little softer turn on the Honourable Minister, who also did not have his facts right. But that is okay, because I am sure you took it personally.

The Speaker: Only because you were coming at me! That is why!

Mr. Glenn A. Blakeney: Yes, yes. Yes, yes.

The Speaker: So we hope you understand that!

[Inaudible interjections]

Mr. Glenn A. Blakeney: I know. I do understand. So I just . . . But I would have felt that you were not necessarily in favour of it. But I do not know, because you were not here, as you said.

The Speaker: Honourable Member, it would be better for you to stay off of that track!

Mr. Glenn A. Blakeney: Yes, yes, yes.

The Speaker: Get on to what you want to talk about.

Mr. Glenn A. Blakeney: So, in any case, Mr. Speaker, I cannot wait to hear from the Minister for the explanation as to his change of heart. And I am sure he will have a good explanation. But, you know, if we move the politics out of some of the things that we propose here in this House, maybe we can get to the solutions that the country is looking for us to identify and implement.

This is something that I support. Now, there were a number of things that former speakers mentioned, not the least of which was, What are we getting from the cruise ships? You know, I think that we can get something, that there is not enough, some feel, that we are not getting from the cruise ships. And it might be small. It might be a token. But I think it would be significant and relevant, especially as it pertains to the entertainment industry and talent in the country.

I can see Bermudian talent on board sailing back and forth. And I think that would be a worthy commitment by the cruise ship in a show of good faith, in reciprocation for what we are now passing here today. And I had a sidebar word with the Minister, who seemed, at face value, relatively receptive to the concept. And how it would work would be very simple.

They have already gone through the process of having auditions and will potentially have identified by one of the cruise liners entertainment they feel worthy to provide entertainment when they are here on the Island.

I think this should go across the board with all visiting cruise ships if this piece of legislation is going to enable all cruise ships. So let us take any one of our worthy entertainers. We put them on the cruise ship as entertainment ambassadors. So at night, they entertain while the ship is cruising, and during the day they become excursion ambassadors. They become the walking billboards of the country. They become the talking billboards of the country.

Because as soon as a passenger who has the benefit of enjoying the entertainment sees that Bermudian standing at a concierge desk or something of the sort, they are going to go up and first say how much they enjoyed the show. Second, they are going to try to engage in some kind of conversation, because they want to know they got a friend before they even get to the country, before they even get to the destination.

Now, that entertainer, if they are involved in music and recorded music, or the like, or video production and the like, and have any semblance of their art form recorded, whether it be audio, visual or audiovisual, then they have got a reason to engage that guest again, on a second tier, which is an additional revenue stream for the entertainer and maybe a percentage off for the cruise ship, of each CD or DVD. Then, they have the brochures of onshore excursions, whether it be getting a moped, whether it be going for a taxi tour, a water taxi tour, a restaurant, et cetera.

And then, there is a personal touch in connectivity, because that entertainer can then autograph that particular piece of merchandise. I think that is a brilliant idea, if I say so myself, and it is not novel, and it is not mine. It is other people who have discussed it with me, in context, and decided it would be a great thing. And we advanced the idea on several occasions. But it was never received in the way that we hoped. And I think this is something that would be extremely beneficial to the country—walking, talking ambassadors who are entertainers onboard the ship.

And there is the element of employment as well. So you have got entertainers that are employed, a select few. It is raising the bar. It is giving other entertainers coming behind something to aspire to. There is a contractual relationship, a reciprocation, a percentage split on all revenue streams relative to the context of the idea, which can be developed.

I leave it in your good, capable hands, Honourable Minister, to consider further and to look to develop it in a way that will be mutually beneficial to all stakeholders, not the least of which would be the country itself.

Now, Mr. Speaker, with regard to entertainment off and on the Island. When the Progressive La-

bour Party first won the Government, you would recall the first Minister of Tourism was the late Honourable David Allen. And the Government at that time committed several million dollars to entertainment in Dockyard. I believe it was in the Keep Yard. Well, here is the challenge I think that every Minister has had, but certain entrepreneurs have not had the challenge because they have cut straight to the chase. And that is relationships. It is all about relationships. And if you do not have a meaningful (I have got to be careful in choosing my words) relationship with the cruise director, you are going to have some challenges.

Nelson Hunt committed hundreds of thousands of dollars to Pier 6. The ship docked right on his front doorstep and walked across it because he refused to concede to certain things that were not even appropriated by law. So, he was right. Choy Aming, on the other hand, had a relationship, understood the game. He complied with what was necessary for him to enjoy the level of success in providing local entertainment to busloads of people. But it was a relationship between the cruise director and the entity onshore.

Now, if we are going to do something about that, something has to change fundamentally in the law which would allow some exception so that there could be this engaged conversation and everybody is happy at the end of the day. Otherwise, just like Pier 6 and just like David Allen's initiative in Dockyard, passengers will not be directed to that entertainment. That is the challenge with cruise ships and entertainment onshore.

The other thing that I am not very pleased about, because I do not think it is going to work well for those businesses in the immediate area to enjoy what they might otherwise enjoy . . . Notwithstanding the dinner call on cruise ships, which is relatively standard, and most passengers are going to make it back to the ship because it is already included. They have paid for dinner already. So it has to be something that is a really unique experience that will draw them to the entity onshore.

I know it was tried. I declare my interest because I was retained, with Gita Blakeney and James Richardson, to do a couple of initiatives under former Minister Brown in Dockyard, which had an Elizabethan period theme to it around a feast. But it did not go over really well, because, of course, again they had to pay for it, and they had already incurred expense, and their meal was paid for on the ship.

So, nine o'clock, I believe is a bit early. Because most people, when they are ready to be entertained, it is a little past that hour. So, eleven o'clock even, if you are going to go to five o'clock or six o'clock in the morning, for goodness' sakes, give the guy on shore a chance to earn a dollar with something that would be attractive, even if it is a Government initiative again of an Island revue or a Bermuda revue, as far as entertainment, inclusive, or a pub crawl, in-

clusive, that includes entertainment. Then let us think that way. I just think the nine o'clock hour is really kicking a dead horse already, because nine o'clock, there is nobody really going out to see anything, or 8:30, eight o'clock. So that is a huge challenge, the entertainment onshore.

I am going to conclude with this, because we are getting to that time, Mr. Speaker. But the mega-ships and the—

The Speaker: You can speak after lunch if you would like.

Mr. Glenn A. Blakeney: No. I am going to end it here. I think everybody else wants also a turn as well.

But the mega ships—big competition. So the best thing we could have done was build the bigger facility to facilitate the . . . You have got a ship like the *Allure of the Seas*, all-inclusive. Passengers and staff, it is about 8,000 people on that ship. They have got a simulation of Central Park on that ship, and they have got Broadway plays. And they have got ice skating rinks. So these are the kinds of things that are activities on the ship. Even when they are in port, the option is there for the passenger.

So we do have some challenges. I do support this piece of legislation. I am looking forward to hearing the Minister give an explanation on why he has now come with the piece of legislation when we could have had it a few years ago. We could have been well along the way by now.

So, thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Mr. Glenn A. Blakeney: And I do again apologise very humbly for getting my facts wrong.

The Speaker: It is all right. I appreciate it.

Hon. Glenn A. Blakeney: And I hope not to ever repeat that again, especially with you in this seat.

The Speaker: All right. All right, Honourable Member. Thank you, Honourable Member.
Mr. Premier?

Hon. L. Craig Cannonier: Mr. Speaker, I move that we break for lunch until 2:00 pm. Thank you.

The Speaker: Thank you, Premier.

The House is now adjourned to 2:00 pm.

[Gavel]

Proceedings suspended at 12:31 pm

Proceedings resumed at 2:00 pm

[Hon. K. H. Randolph Horton, Speaker, in the Chair]

The Speaker: Members, we will continue with the Cruise Ships (Casinos) Act 2013 in the name of the Minister of Tourism Development and Transport, the Honourable [and] Learned Member Minister Shawn Crockwell.

Is there any other Member who would care to speak?

The Chair recognises the Honourable Member and Learned Member from constituency 34, Kim Wilson.

You have the floor.

BILL

SECOND READING

CRUISE SHIPS (CASINOS) ACT 2013

[Continuation of debate thereon]

Mrs. Kim N. Wilson: Thank you, Mr. Speaker, and good afternoon.

The Speaker: Thank you.

Mrs. Kim N. Wilson: Mr. Speaker, in terms of the particular piece of legislation that we are speaking about; the Cruise Ships (Casinos) Act 2013, I hope you will indulge me for a few moments, because I think it is important that we do not speak about this particular piece of legislation, or any other piece of legislation that comes before this House, without reference to the Bermuda Constitution Order 1968.

Now Mr. Speaker, as legislators we have sat here and passed hundreds and hundreds of laws, statutory instruments, regulations and so forth, all of which, Mr. Speaker, are required to be consistent with the Bermuda Constitution Order 1968, or the Constitution. In fact, no laws are supposed to be passed within this Honourable Chamber or the upper House that are inconsistent with the Bermuda Constitution. In law school we used to refer to something as being “trite law,” basically meaning it goes without saying; no explanation is needed. That is the way that it is. The lay of the land, so to speak.

Now, Mr. Speaker, our Constitution (as you will appreciate) plays a very significant role here in Bermuda and is part of our democracy. And not only does it set out the rules and fundamental freedoms, but it [also] confirms the advancement of our democracy. And the Honourable Premier recently was, as we have heard in this House and in the public, in the United Kingdom speaking about certain issues at an Overseas Territories Meeting. Of course, one of the things that has been spoken about here, and was discussed [there] as well at that meeting, is the advancement of Bermuda insofar as with respect to the

other Overseas Territories because we have a written Constitution.

We have a very advanced Constitution. In fact, the United Kingdom, as we know, does not even have a written Constitution. Bermuda is very advanced in that regard. And I think it is important because it does lay out the fundamental rights and freedoms of our nation—of our democratic nation.

Now, Mr. Speaker, in addition, there is a provision under the Bermuda Constitution (in particular, section 71) that speaks about the role of the Attorney General. And as you will know, Mr. Speaker, the role of the Attorney General is a constitutionally appointed position, unlike the other Members that sit around here, insofar as Members of the Cabinet and so forth. There is a provision in there for the Premier to select his Cabinet. But the specific role of the Attorney General of this Island is laid out in section 71 of the Constitution. In addition to the Attorney General's role of chief legal advisor to the Government, he/she also has the important role, Mr. Speaker, of presiding over the legislative process.

We heard from the Honourable Deputy Speaker from constituency 2 who spoke about, I think, 26 steps or so, insofar as the stages of a Bill. And as you would know, Mr. Speaker, once Cabinet approves the Bill (just going through the steps really quickly) then the legislation is drafted, the drafters then present the Bill, then there is something called the Legislative Council which the Attorney General oversees and presides over and ensures that the Bill that is placed before him or her is consistent, Mr. Speaker, with the Bermuda Constitution—a very, very critical role.

Now, Mr. Speaker, the Constitution—the Bermuda Constitution Order 1968—has not been amended in several years. We recognise that there was a specific amendment insofar as the Boundaries Commission, but that was the only amendment that has ever been made to this Constitution. What I would like to speak about in a few moments, sir, is the difference between the proposed Bill, which was tabled in 2009 (and that was strikingly similar to the one that we have at hand), and the one that we have at hand.

And, Mr. Speaker, the Bill of 2009 you will recall, was called the Prohibition of—

The Speaker: Gaming.

Mrs. Kim N. Wilson: No.

The Speaker: Prohibition of . . . what was it?

Mrs. Kim N. Wilson: I have it (with your indulgence), the Prohibition of Gaming Machines—

The Speaker: Yes.

Mrs. Kim N. Wilson: Yes, here it is: The Prohibition of Gaming Machines. Excuse me, Mr. Speaker.

The Speaker: Right, right. The Prohibition of Gaming Machines.

Mrs. Kim N. Wilson: Prohibition of Gaming Machines Amendment Act 2009—

The Speaker: Yes.

Mrs. Kim N. Wilson: —in which, as we heard earlier before the lunch, you did not vote. But Mr. Speaker—

The Speaker: I was not—

Mrs. Kim N. Wilson: You were absent.

The Speaker: You know, again . . . Right. Right.

Mrs. Kim N. Wilson: I agree.

The Speaker: Not, *I did not vote*; I was absent.

Mrs. Kim N. Wilson: I am sorry, you were absent.

The Speaker: I was absent.

Mrs. Kim N. Wilson: Exactly.

The Speaker: You know, that is very different.

Mrs. Kim N. Wilson: Yes, sir.

The Speaker: Yes, I just want to make it clear. No, no, Members, people need to understand that.

Mrs. Kim N. Wilson: Absolutely, absolutely. You were not present.

The Speaker: Thank you.

Mrs. Kim N. Wilson: Exactly.

However, the Prohibition of Gaming Machines Amendment Act 2009, Mr. Speaker, is strikingly similar insofar as the substantive content of the Bill that we have in front of us. And you may recall in 2009, Mr. Speaker, there was a lot of debate concerning that Bill. In particular, my learned friend, the current Attorney General, who at the time was the Shadow Attorney General (in 2009), spoke about this 2009 Bill, Mr. Speaker, and explained in great detail how it was unconstitutional.

Now, I want to go through the history of the importance of the Constitution, Mr. Speaker. And I know you would appreciate this from your experiences. However, the comments that were made at the time indicated (and I will speak to that in a few moments) how . . . the Prohibition of Gaming Machines

Amendment Act 2009 offended various sections of the Bermuda Constitution.

Mr. Speaker, unfortunately, we did not have Hansard at the time, so I would crave your indulgence for me to read (not that this is probably the best source, but it is what we have) the *Royal Gazette* of March 19, 2009.

The Speaker: I will allow you to do that.

Mrs. Kim N. Wilson: Thank you.

It refers to the debate that took place the day before (on the 18th of March 2009) concerning the Prohibition of Gaming Machines Amendment Act.

Now, Mr. Speaker, let me just give a quick history. You will recall that in 2001 there was the Prohibition of Gaming Machines Act and basically (and I am just going to provide a quick overview) it provided *inter alia* for no gaming in Bermuda—no gaming houses, no importation of parts to work those slot machines and so forth. That was in 2001.

Several years later, in 2009, we had the Prohibition of Gaming Machines Amendment Act which provided for an amendment to the 2001 Act (again, I am paraphrasing). That provided for an exception to the 2001 Act in that it allowed gaming on cruise ships.

The Speaker: Right.

Mrs. Kim N. Wilson: The subject matter strikingly similar to the subject matter that we are debating this morning.

So that was the 2009 Act. So at the time when that 2009 Act was laid in this Honourable House, in which the debate took place, the then-Shadow Attorney General (who is now the current Attorney General) had the following comments to say about the Bill.

Mr. Speaker, the position was raised (and, again, I am quoting from the 19 March 2009 edition of the *Royal Gazette*, written by Matthew Taylor, Tim Smith and Amanda Dare): “This was a point also raised by the Opposition MP Mark Pettingill who said the food and drink would be very cheap or free on board making it hard for bars and nightclubs to compete. And he said it was unconstitutional and discriminatory to allow gaming for one group of people—cruise passengers—while not allowing it for locals. A number of PLP politicians later argued against Mr. Pettingill’s claim.”

Mr. Speaker, if you would indulge me, I am just going to pause for a hot moment. Regrettably, at that time I was serving as the Attorney General—not regrettably, but I was serving in the upper House. So therefore when these comments were made, as I sat in the briefing section over there, I had to sit on my hands because I knew could not speak because I was not an elected Member of the House. It was very difficult for me to try to comprehend the arguments that

were being raised at the time saying that the Bill of 2009 was unconstitutional.

I am reading the submissions that were made by my learned and honourable friend, the Attorney General. I did not support that position in 2009 and I want to make sure that that is clear. I did not believe that the provisions were unconstitutional. But the point I am trying to make this afternoon, Mr. Speaker, is that the Learned and Honourable Attorney General in 2009—

The Speaker: You are trying to recap what somebody said before and not—

Mrs. Kim N. Wilson: Pardon? I am sorry.

The Speaker: Go ahead, no, I think you are all right.

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

So, Mr. Speaker, continuing on regarding Mr. Pettingill's point of the—I am sorry, sir.

Mr. Speaker, “then Shadow Justice Minister Mark Pettingill, a lawyer, then took issue with reference to the Act of section 155.3 of the Criminal Code.” And then it goes on, Mr. Speaker, “he said that under section 12(3) discrimination as it relates to”—

The Speaker: [Section] 12(3) of?

Mrs. Kim N. Wilson: It does not speak to it, but it was the Constitution.

The Speaker: [Section] 12(3) of the Constitution. Okay.

Mrs. Kim N. Wilson: Correct. The article does not say it, but it is the Constitution.

The Speaker: Yes.

Mrs. Kim N. Wilson: “He said that under section 12(3), discrimination as it relates to our society, the expression discriminatory means affording different treatment to different persons attributable wholly to their place of origin. I am saying what this is, what causes the difficulty under section 5”—I will pause.

Section 5 was the one that was basically excluding cruise ships from the issue of gaming, from the unlawfulness of gaming—“this is our Constitution. What the amended section is going to do is allow people to game in the jurisdiction of Bermuda if you are a passenger, but it will not allow Bermudians to game on land or anywhere. Anyone who is not a passenger is being discriminated against, Mr. Pettingill said. What this does is allow you—under the Criminal Code—you are saying you can keep a public gaming house in Bermuda on a cruise ship if you run it, but not in a house on dry land. He said it is an offence to keep a common gaming house in the jurisdiction of

Bermuda, but this clause will allow certain people to keep a gaming house in Bermuda but not Bermudians. The question is simple, is anyone discriminated against because he cannot keep a common gaming house? The simple answer is yes. The Bermudian cannot but the people on the ship can. We are affording different treatment to different persons mainly on the basis of their place of origin (the owners of the ship) as opposed to Bermudians.”

That was what was said in 2009 when this debate of strikingly similar nature took place by the then-Shadow Attorney General who now sits in this seat as the Honourable and Learned Attorney General.

[Inaudible interjections and crosstalk]

Mrs. Kim N. Wilson: So Mr. Speaker, that moves me to the next section, Mr. Speaker, and that with respect to—

The Speaker: Honourable Member.
All right.

Mrs. Kim N. Wilson: In other words, Mr. Speaker, in 2009, when a Bill that was strikingly similar to the one that was tabled today allowing cruise ships to game in port was tabled in this Honourable House, the then-Shadow Attorney General (current Attorney General) said it was unconstitutional; this Bill should not be tabled, it cannot proceed because it is contrary to this book that we like to call the Constitution of Bermuda.

We also have heard that no amendments have been made to the Constitution of Bermuda since 2009. So, Mr. Speaker, you did ask what was section 12(3). And just for the edification of those listening, 12(3) of our Constitution reads: “Protection from discrimination on the grounds of race etc. In this section, the expression ‘discriminatory’ means affording different treatment to different persons attributable wholly or mainly to their respective descriptions by race, place of origin, political opinions, colour or creed whereby persons of one such description are subjected to disabilities or restrictions to which persons of another such description are not made subject or are accorded privileges or advantages which are not accorded to persons of another such description.”

Mr. Speaker, that was the argument in 2009 concerning the Bill that we are speaking about today under a different name.

Mr. Speaker, what I find somewhat challenging is that in 2009 we have an Opposition Government (now the Government) vehemently opposing a matter on the basis of fundamental rights enshrined in our Constitution, yet today, some four years later, are they not saying now that the same Bill that they have before us today (in the strikingly similar terms and conditions as in 2009) is now *not* unconstitutional? Are they saying that the fundamental rights of individuals are

no longer important? Are they saying that it is okay to discriminate against Bermudians? Are they saying it is okay to afford Bermudians discriminatory treatment because of their place of origin, being a Bermudian?

As I said to you before, Mr. Speaker, I did not support this argument in 2009, and I still do not. However, of more importance, Mr. Speaker, my question is what . . . in 2009, was that just simply an attempt by the UBP to filibuster a piece of legislation that had (as we see) important ramifications for our economy in Bermuda?

[Crosstalk]

Mrs. Kim N. Wilson: Mr. Speaker, one of the things that the Honourable Leader of the Opposition, the Honourable Marc Bean, has said to us in caucus (and I support every word of this) is that we as an Opposition have a role to play, and in so doing we will not oppose legislation for the purpose of opposing it. That is not good government and we are not prepared to do that, particularly as the Government is waiting. We will not oppose for the sake of opposition.

But what we saw in 2009, Mr. Speaker, was just that—opposing for the sake of opposition. Whether or not it was flip-flopping, u-turning, whatever you want to call it, the reality is that a position taken in 2009, Mr. Speaker, has now completely changed in this year, 2013.

Hon. L. Craig Cannonier: Point of order, Mr. Speaker.

The Speaker: Yes, what is your point of order, Honourable?

POINT OF ORDER

Hon. L. Craig Cannonier: The Honourable Member, I know, is not doing this purposely, but this is the One Bermuda Alliance.

The Speaker: Right. We understand that.

Hon. L. Craig Cannonier: This is not the United Bermuda Party. This is a stance by the One Bermuda Alliance.

The Speaker: Right. Exactly. She did not say that. She said it was the United Bermuda Party.

Mrs. Kim N. Wilson: I was very, very careful with what I said.

The Speaker: She did not say it was the—

Hon. L. Craig Cannonier: Well, she is asking, *What changed?*

Mrs. Kim N. Wilson: Now if that is what the alert—

The Speaker: Well, I think that—

Mrs. Kim N. Wilson: —Honourable Premier is saying, is that they are one and the same,—

The Speaker: Yes—

Mrs. Kim N. Wilson: —then that is fine.

Hon. L. Craig Cannonier: What changed, Mr. Speaker?

The Speaker: I do not . . . I think she is line with what she is saying. I think that we just have to listen and, you know, we may think that it infers certain things—

[Inaudible interjections]

The Speaker: Honourable Member, continue.

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

Yes, as I said the United Bermuda Party, but perhaps the Premier is . . . because they are so strikingly similar—if not the same—that, perhaps, is the basis of his objection.

But needless to say, I do agree that there have been u-turns and flip-flops by the Opposition—sorry—the Government. However, Mr. Speaker, in reality, this whole issue about the constitutionality is really, really scary. It is very scary to me when a position was taken by the [then-]Shadow Attorney General about the issues of our Constitution, and then four years later the same Bill that is before us today is no longer unconstitutional.

Mr. Speaker, my eleven- (almost twelve) year-old daughter . . . obviously we give her life lessons. One of the lessons I have taught her is that as a woman it is okay to change your mind—that is the woman's prerogative—you can certainly change your mind. However—

The Speaker: Not a man's?

Mrs. Kim N. Wilson: Pardon me?

The Speaker: Not a man's?

Mrs. Kim N. Wilson: I cannot speak about what men can do.

[Laughter]

Mrs. Kim N. Wilson: However, Mr. Speaker—I do not have that personal experience.

[Laughter]

Mrs. Kim N. Wilson: However, Mr. Speaker, what concerns me the most (and I will close here) is that it was clearly politically expedient for the Opposition—

An Hon. Member: At the time.

Mrs. Kim N. Wilson: —to vote down a Bill which many of them supported—clearly, because they are bringing it back today—
[Inaudible interjection]

Mrs. Kim N. Wilson: —and they supported it simply to try to oppose for the sake of opposition. That is not good government. That is not what we do. And we on this side will not be doing this.

I will end with this quote. And this, I know, Mr. Speaker, you will appreciate. I will attribute it to the late, great Dame Lois Browne-Evans, as she said that a man convinced against his will is of the same opinion still.

Thank you, Mr. Speaker.

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

The Chair now will recognise the Honourable and Learned Attorney General from Warwick, the Attorney General, the Learned Member, Mark Pettingill.

You have the floor.

Hon. Mark J. Pettingill: Thank you, Mr. Speaker.

I have to say it is a pleasure to sit here and have the accolades heaped upon me that have been heaped upon me today by my honourable and learned friend and by the Opposition because, clearly, all they are highlighting is the fact that I must, as a lawyer, be able to do some things pretty well. Because a lawyer presents his case, and I have always said if . . . you know, I have defended, I have prosecuted. I have sat as a Magistrate, Shadow Attorney General, been this Attorney General. Lawyers look at the law. I think it was the Honourable Senator David Burch who said on many occasions in the Senate, [If] you put 20 lawyers in a room you will get 20 different opinions. That is the nature and the joy of the law. You come to me and say we have a position and we are—

An Hon. Member: Tell them what Shakespeare said!

Hon. Mark J. Pettingill: Shakespeare said (probably because of that) “The first thing we do, let’s kill all the lawyers.” Right?

And let us be honest, you all feel that way, and all the lawyers want to duck down. So I take this as a full compliment.

I argued a position (as the Shadow Attorney General on the Opposition) on the interpretation of the law and, guess what, Mr. Speaker? The then-Government must have been swayed by that because

they could not pass their own Bill. They could not pass their own Bill, and they had 10 superior numbers! And because of my argument they failed? Wow!

Thank you so much, because all the criticism I have taken from them this year, I am taking this as a medal! I want to stand right up on the table here and say “Thank you. Thank you! Thank you very much.”

[Desk thumping]

Hon. Mark J. Pettingill: I was able to move the then-Government with such superior numbers, that they crumbled under my legal argument and said, *We can’t pass this. The Shadow Attorney General has crippled us. We are paralysed!* And voted the Bill down—their own Bill! Wow!

Thank you very much. I take the medal. I pump the chest. I am very, very happy.

Mr. Glenn A. Blakeney: Point of order—

Hon. Mark J. Pettingill: Let me just say something on this.

Mr. Glenn A. Blakeney: Point of order.

Hon. Mark J. Pettingill: Point of order? He wants a point of order?

Have your point of order!

The Speaker: Yes, what is your point of order, Honourable Member?

Honourable Member, what is your point of order?

Mr. Glenn A. Blakeney: I mean, he is deservedly full of himself, as he always is as a lawyer. But I would—

The Speaker: Your point of order?

Mr. Glenn A. Blakeney: My point of order is that he is misleading the House.

The Speaker: Misleading the House how?

Mr. Glenn A. Blakeney: Because there was not a three-line whip, it was a conscience vote.

The Speaker: Honourable Member, enough. That is not a point of order. I am sorry.

Mr. Glenn A. Blakeney: And . . . and . . . but—

The Speaker: Honourable Member, please take your seat. Take your seat.

Yes, carry on.

Hon. Mark J. Pettingill: Nice try. Nice try. There was not a three line . . . The Government . . . and they had

. . . well, how many people was a majority? Ten in those days; twelve?

[Inaudible interjections]

Hon. Mark J. Pettingill: I know. Sometimes they did not have enough [seats], they had to have people sitting outside on the porch they had so many Members in the House. They were sitting two . . . sometimes somebody was on someone else's lap, they did not have enough seats, they had such a majority.

And the Shadow Attorney General for the UBP, of all people (which I left shortly after that), managed to move the lap sitters into voting down their own Bill without a three-line whip?

All I can say, Mr. Speaker, is, *Hallelujah*. And for once, do not kill the lawyers; applaud them. My honourable and learned friend knows full well that that is what we do as lawyers. If I am given a mandate to say, *Let's look at this and give a legal interpretation*, and you have a certain position on it, the whole point that was raised then . . . and I recall it very well.

What I said was, you may well find that there are constitutional issues that arise with regard to this. Well, guess what? There are always constitutional issues that arise because this is the umbrella of the law, so every law is looked at in light of the Constitution.

Now I (without getting into it) I had a note from the honourable and learned Chief Justice recently, who was setting forward a certain point and said (and I quote), "*Whilst this might not succeed*" (you know this was a note as between lawyers) "*it could be an arguable position.*" Well, arguable positions exist across the board in law. That is what we do, and what we look at.

So there is no position to be taken. Had I been taking it (as is often the case), and made that argument right here as the Attorney General, [then] you can criticise me. Now you can come along and say, *You have not advised somebody right*. Now you could say it. But not when I am prosecuting. You cannot come to me, when I am prosecuting, *You said that guy should go to jail, and now you are defending this guy who did the same thing and you are saying he should be free*. Well, of course I am. That is what I do. That is what I have built a career on doing, Mr. Speaker. So there is no shame in this.

[Inaudible interjections]

Hon. Mark J. Pettingill: So let us touch on this today. I find it . . . and I see you all smiling. For Honourable Members on the other side to try and call me out on the basis that I took a view for political reasons . . . I mean, the one thing that I always give them, my friends over there—and I have got a lot of friends despite what people might hear on the air, but we are all friends—the one thing I always give them is they do politics really well. They do politics really well. They

can switch on a dime. And I applaud them for it. That is what makes them good politicians.

[Inaudible interjection]

Hon. Mark J. Pettingill: It could not be a good Government right now, with respect, but it makes them good politicians.

They look at it and say (and I know they have done this with the Attorney General since I have been in this job), What can we say? What can we say to hook him, or to get him, or to get them? What is their position?

How often do they come up here and say let us . . . let us . . . and this is one of them, Why don't we all stand up right now, seriously, if we can indulge it, Mr. Speaker, let's sing Kumbaya. Really, let's sing Kumbaya.

The Speaker: I do not feel like that today.

[Laughter]

Hon. Mark J. Pettingill: You know I am being facetious, Mr. Speaker. But this is why I say that. They are not against this Bill today. And where would the hypocrisy be if they were? They are saying that it is a mirror image of a Bill they brought. I do not quite agree with that because we have tweaked it—so it is better.

But they are saying it is basically a draft of their Bill. So why are we wasting this time? I mean, we are going to have a hook on a Bill later, I know that is coming. So let us get to the hook, Honourable Members. You know you all do not want to hook on this. Most of you agree with it. Just because you are singing my accolades, because I took an argument before and now have helped to bring the Bill that needs to be passed in the interests of the country to get on with the business of the country that . . . we are wasting our time in being critical about that.

We all know how that works, so I do not know what the subterfuge is in trying to say that there has been some kind of a flip-flop. I was playing for a different team in those days. You know, my football team is the Jets. Right? So I passed the ball to a wide receiver who plays for the Jets. If I threw it to the Broncos, that is different. You pass to the team member that you are on. You go for the goals for the team you play for. That is just the way we all know that it is done.

So can I suggest this? Let us not try and make these types of points here today because you can see already that they have failed.

It is a good Bill. You all know it is a good Bill, despite the fact that you were swayed differently (some of you) before and you could not get it passed. But you know it is now. Let us support the Minister bringing this. You know we need to stimulate things in the economy. You know full well that we need to have

the cruise ships to get in here, and they all know (because many of them are aware) that this is a way to do it. I am stunned that it is now two-thirty and we have not got this done and got on to the meat of the business that we need to get to today.

I appreciate that there are going to be some legitimate legal issues that they may well want to raise with regard to that Municipalities Act—not this one! Not this one; and not what I said four years ago in a legal argument. That is not taking us anywhere.

So I would implore Honourable Members to support the Minister of Tourism. He is doing a great job. He has brought a great Bill that we need to get on [with] and do and move on with other things. I think the Honourable Terry Lister said it first, *Let's get this done and let's move to the next stage*. Let's get the business of the people done here today, applaud the Minister, and get on and pass this Bill.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable and Learned Attorney General.

The Chair now recognises the Honourable Member from Southampton, the Honourable Member MP Zane De Silva.

You have the floor.

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

Interesting, listening to the Honourable Attorney General. Very interesting, indeed. And I would like to start where he left off—in the interests of the country.

We need to stimulate the economy. And I am not a learned Member, Mr. Speaker, but I will tell you what, the Honourable Member can make all the noise he likes about he did this and they had the numbers—the numbers. That was all good, everybody had a good laugh. Well, they have the numbers now and we have defeated them three times in their short life. Three times we have defeated them.

[Inaudible interjection]

Mr. Zane J. S. De Silva: Well, it will not be today, but we do. We did and it happens, so that is no big deal. They have the numbers. They have had the numbers since December last year, but they have been defeated three times because they did not have the numbers. Okay? So, Mr. Speaker, that means . . . that . . . you know . . . that may, you know, give his members some light, even shed some light on this side to be honest.

But the fact of the matter is, when the Honourable Attorney General finished off, *in the interests of the country, needing to stimulate the economy*, that was exactly what we were trying to do in 2009. And they talked about the numbers, if they as the Opposition would have joined the ones that did vote for this, it would have passed. But they did not.

Why?

Politics.

The same thing the Attorney General just mentioned—politics, Mr. Speaker. That is why it did not pass then. So we understood it. I certainly understood it then and my record is—you know where I stand. I support it. I support gaming to no end as the Minister knows—to no end. This House knows, Vernon Temple knows, my constituents know. That is where I stand, Mr. Speaker.

Let me just say this. We must not, for the life of us, forget what happened in 2009. We have to keep that in our memory box.

Now, Mr. Speaker, one thing I am very disappointed about this Bill with the Minister in particular, I wish . . . I was hoping that the Honourable Minister would have called this the Brown Bill.

[Inaudible interjection]

Mr. Zane J. S. De Silva: Thank you very much. But we all know that at that particular point in time the Premier and a few others in this House (some of us that were in the House then and are here now) certainly supported it for the very same reasons the Attorney General just outlined.

How important it was then! Can you imagine where we would be now, Mr. Speaker, had we passed it? Where would we be? But it is good to see that the OBA/UBP (and I have to say both because you have Members on that side that are now OBA that were UBP) . . . I am glad to see, Mr. Speaker, that they came to their senses. I am glad to see that they came to their senses. In particular Minister Crockwell, Minister Grant Gibbons, the Finance Minister Bob Richards, and of course my dear friend, the Health Minister, Pat Gordon-Pamplin. It is nice to see that they came to their senses.

It took them four years, but it is nice to see that they have changed tack. I know it must have been difficult, Mr. Speaker, but it is very nice to see that they have changed tack and now—now—have the country's interest at heart—now they do.

So Mr. Speaker, these are just my quotes. These are my quotes—

The Speaker: Take your time.

Mr. Zane J. S. De Silva: Yes, thank you, Mr. Speaker.

The Speaker: Take your time.

[Crosstalk and laughter]

Mr. Zane J. S. De Silva: Mr. Speaker, there is an old saying, a Chinese saying. And they used it quite a bit. And the Chinese use two brush strokes for the word “crisis” Mr. Speaker.

The Speaker: Two brush strokes?

Mr. Zane J. S. De Silva: Yes. Yes. They use two brush strokes for the word “crisis.”

The Speaker: All right.

Mr. Zane J. S. De Silva: One for danger and the other for opportunity.

[Inaudible interjection]

Mr. Zane J. S. De Silva: Oh, Cole knows that. You have been reading my notes, haven’t you?

[Inaudible interjections and laughter]

Mr. Zane J. S. De Silva: The unfortunate thing about that Chinese quote, Mr. Speaker, is this: We were in a crisis then, as we are now. The unfortunate thing is that we did not take the opportunity four years ago to make this decision. And, you know, I am with the Attorney General. We do not have to sit up here all day because we support it on this side now as we did then. That is one thing that does not differ from then.

[Inaudible interjections]

Mr. Zane J. S. De Silva: That is one thing. Okay?

So Mr. Speaker, let me just say that I would like to touch on a few things. And I think it is important to bring out some of these things because these were the reasons why, certainly, I supported it then and I support it now, Mr. Speaker.

Back in 2010 (and it is important for the public to remember and be reminded of these things, I think) the Norwegian Cruise Line had indicated that they were most likely going to shorten their trips, the number of cruises, to Bermuda. They made it very clear. The Holland America [Line] had also indicated that they may not even return to Bermuda at all. The Royal Caribbean [Line] at that time had already limited the business that they were going to have.

Now, the Minister may be able to tell me now, were those trips cut back? I do not know. But I know that in 2010, those were the conversations we had. So whether or not they cut them back or not the current Minister could probably tell us that later.

But, Mr. Speaker, the Royal Caribbean [Line] had limited days in port and we know that. I think everybody is aware of that. And they said that if this legislation was passed then they would look at staying in port longer, as you know. And I think that as we go through this—hopefully the current Minister, and I am with you, I am with you—I am really hoping that you have the success that we were hoping to have when those talks were taking place then. So I am with you.

But all three cruise lines had indicated the actual percentage of cruise guests going to casinos

was less than 30 per cent. And after ten o’clock that number drops even further. That is why I supported it then and that is why I support it now—because I think the number is really not a significant number to really harm us.

With [the passage of this Bill], as you know Minister, I do not think we will have to defer any more of cruise lines. Especially . . . especially . . . I think it is (and you can correct me if I am wrong) I think it is NCL (Norwegian Cruise Line)—that is the line that stays for the extra three days. So I am hoping . . . I am hoping that that comes to pass and I am sure it will.

But one of the few other things I would like to point out, and I do not know where the Minister stands with negotiations, Mr. Speaker, but I know back then these were some of the things that we were discussing with them: They [were going to] make a substantial contribution to marketing in Bermuda (and the Minister can tick or cross off when he speaks later).

They were also going to sponsor scholarships for Bermudians for up to \$25,000 per year. (You know that? Okay. Good, good.) They were going to promote the Island on board all of their cruise ships, not just [those on] the Bermuda run, they were going to promote Bermuda on all their cruise lines. They were going to participate in community efforts such as Island-wide clean-ups. Mr. Speaker, they were also going to offer transportation passes on board to all of their guests which would encourage their guests to use the public transportation system. I do not know where we are . . . if those are some of the things, so I am just pointing these out.

And the last thing that I think we should certainly continue on with the cruise lines is for them to provide free promotional cruises for the Department of Tourism sponsored events.

Now, Minister, I do not know if you are privy to some of the things that we had talked about in the past—

The Speaker: Honourable Member, speak . . . speak to the Chair.

Mr. Zane J. S. De Silva: Thank you, Mr. Speaker. But those are some of the things that certainly were under discussion then, and I hope that the Minister takes it under advisement and does so.

I think that we are very much aware that the cruise lines provide up to \$80 million in revenue per year. I think we know that. And we are very much aware of that.

Mr. Speaker, I would just like to finish on this note. I think the Honourable Attorney General said it best, and I think also MP Lister said, we know what happened four years ago; we see where we are now. Mr. Speaker, we do need to get our economy back on track. We do need to do that. I will say this, I have one disappointment with this Bill, one disappointment (other than [not] calling it the Brown Bill), one major

disappointment. In fact, I do not think we should be even talking about this Bill today. Do you know what we should be doing, Mr. Speaker? The Honourable Premier, the OBA, what is their mantra? *Jobs, jobs, jobs, more jobs, get jobs on the table, let us get jobs on the table.*

You know what we should be discussing? Where we are going to build the next . . . the first casino. Because that is what creates jobs. It creates jobs not only in the construction. It creates jobs over the long term as we all—I do not have to spell it out for Members in this House. Okay? But what I am saying is, Mr. Speaker, that is where we should be.

[Crosstalk]

Mr. Zane J. S. De Silva: The OBA . . . the OBA promised the voters of this country a referendum. They could not make the first deadline so they have made another promise. In fact, they did not make the second promise either. So now we have got a third one, that a referendum on gaming will come before the Budget.

So, Mr. Speaker, where should we be right now? We should be debating whether or not . . . where we are going to start construction for a casino. We want to put people to work. This has an advantage. Like I said, I back it 100 per cent, no problem. But we should not be debating this now and we should have already passed gaming. We should have had a casino under construction.

[Inaudible interjection]

Mr. Zane J. S. De Silva: The Honourable Member Michael Dunkley says, *You guys could have started.* Yes, we could have started it, Mr. Speaker. They could have been part of that as well, but because of their—I will not say the word “hatred,” Mr. Speaker, but their dislike . . . their dislike—

[Inaudible interjections]

The Speaker: All right, please—

Mr. Zane J. S. De Silva: I said I won't say hatred.

The Speaker: I would like for you to withdraw that.

Mr. Zane J. S. De Silva: I will withdraw that, Mr. Speaker.

Because of their dislike of the former Premier everything—

Some Hon. Members: No, no, no.

Mr. Zane J. S. De Silva: —everything that was brought up to this House was disagreed to. Let us be honest. A lot of that—

POINT OF ORDER

[Misleading]

Hon. Mark J. Pettingill: Point of order, with respect.

The Speaker: What is your point of order?

Hon. Mark J. Pettingill: That is inaccurate. And I can say that . . . and this is just a point on gaming. When we formed the BDA we stood with the then-Premier and Members of the Government on supporting the Green Paper. And it was Members of the Government that rejected that and caused the problems.

The Speaker: All right. Thank you, thank you.

Hon. Mark J. Pettingill: Those are the facts.

The Speaker: Carry on, MP De Silva.

Mr. Zane J. S. De Silva: Thank you for that, Honourable Attorney General. He did say the BDA, did he not?

[Inaudible interjection]

Mr. Zane J. S. De Silva: Oh, okay. I will say no more, Mr. Speaker, the BDA.

He is not talking about the UBP or the OBA, the BDA. I did not know they had so many parties over that period, Mr. Speaker, I lose track. I even forgot about the BDA. I forgot about them, Mr. Speaker.

[Inaudible interjections and crosstalk]

Mr. Zane J. S. De Silva: And so, you know . . . but Mr. Speaker, let me say this. I am disappointed that this is not a secondary bit of legislation that we are debating today. And all I can do is implore . . . I know the Minister wants . . . well, he certainly indicated that he wants to do it before the Budget.

I mean, the OBA have raced through many pieces of legislation since December. I would have thought with their emphasis on jobs and job creation and putting our people to work that this referendum would have long been done, Mr. Speaker. Why is that taking so long?

[Inaudible interjection]

Mr. Zane J. S. De Silva: We want to get it right?

Some Hon. Members: Yep. Yep, yep.

Mr. Zane J. S. De Silva: Ah! We want to get it right. Okay.

[Inaudible interjections]

Mr. Zane J. S. De Silva: So, Mr. Speaker, I look forward to their . . . when they make their presentation with regard to the referendum and getting it right.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Is there any other Member who would care to speak?

The Chair recognises the Honourable Member from Sandys [North Central] from constituency 35, MP Dennis Lister.

You have the floor.

Hon. Dennis P. Lister: Thank you, Mr. Speaker.

Mr. Speaker, I think it is important that I rise at this time. I do not intend to be long today, but I think it is important that I rise just to state, Mr. Speaker, that in all cases . . . most cases, Mr. Speaker, that I have been in this House where I have stood on a matter of principle, I remain on those principles as we move forward here through the years.

I think it is important that I stand now to say that I was one of those opposed to this matter in 2009, even though it was my Government that brought it. It was not because I was playing politics of the day, as some people may want to be implying around here today as to why members of our party took certain positions. I was not one of those who was playing politics of the day, if that is the phrase people want to coin for that period, Mr. Speaker. I stood against it because it was a principle matter and I stand on that same principle today. So I still stand where I stood then. I am still opposed to it, Mr. Speaker.

However, Mr. Speaker, I sat here today listening to comments that have been presented, and I really have to sort of smile at the comments, Mr. Speaker, because I can remember in 2009 that there was a chorus of opposition that came from this side of the House during that time (and we were on that side, Mr. Speaker). And because the chorus was so loud, Mr. Speaker, and in unison, one would have expected when that side (that used to be over here) is now over there, when they bring this Bill today they would have at least stood up and given some rationale for the change as to why the unison of call that they had in opposition to this document (which is basically the same document that was presented in 2009) why all of a sudden there is unison now for it.

Rationale would say let's clearly put why we have changed so that the people out there, Mr. Speaker . . . it is not for our benefit inside these walls, you know. It is for the people out there in the public who are listening to it. The same people that are listening to the debate today are the same people that listened to the debate four years ago in 2009. And they can clearly remember the Opposition and how forceful they were, Mr. Speaker, against the Bill as it was put forward that day. The same Bill here today,

Mr. Speaker, is being put forward with all the same thrust that was used against the same document when it was presented by the Government of the day back then.

Mr. Speaker, I stand where I stood then. And I stand here today not because of politicking but because of the principles. I can only assume, Mr. Speaker, as the public will assume, that it was politicking that took place back then when they see where these Honourable Members are today, Mr. Speaker. That is why I say it is up to those Members to stand up on their feet and clearly say why they have moved. That is all. Speak to it because the same people out there that heard the debate then are listening to it today, Mr. Speaker.

If you stood on a principle then, say why your principles moved. If you were politicking then, say you were politicking, or be clear about it. That is all they call for.

Mr. Speaker, with your indulgence, I would just like to read some comments from that period of time, if you do not mind.

The Speaker: You are reading from what?

Hon. Dennis P. Lister: These are some of the comments on the debate that took place—

The Speaker: Yes.

Hon. Dennis P. Lister: Mr. Speaker, if you do not mind me reading?

The Speaker: I know, but if you are reading, you are reading from . . . what are you reading? So I know what source it is.

Hon. Dennis P. Lister: Some of it is from the newspaper recordings—

The Speaker: Some newspaper—

Hon. Dennis P. Lister: *Royal Gazette* recordings.

The Speaker: *Royal Gazette* recording. Okay.

Hon. Dennis P. Lister: Also a written submission that was run in the [Royal Gazette](#) on behalf of one of the Members on that side, Mr. Speaker.

The Speaker: All right.

Hon. Dennis P. Lister: Mr. Speaker, there is a comment that reads, it was from the Shadow Minister of Education who said, "it was a slippery slope because once we start allowing cruise ships to gamble, bar owners and hoteliers will ask for the same privilege."

Another Member, the Shadow Minister of Finance said, Bermuda had a . . . was "dramatically op-

posed to the objective to the cruise ships lines because the latter wanted to ensure that passengers spent all their cash on the boat", not locally.

And it was these types of sentiments, Mr. Speaker, that were put forward very forcefully as opposition to that, saying that if we open the gambling on the cruise ships [then] less money would be circulated in Bermuda because the passengers were going to stay on board, use what little dollars they had in their pockets that we were hoping would circulate here while they were visiting our shores, they would stay on board the boat, which, Mr. Speaker, leads to an unintended consequence that if the money is not circulating on shore then that could lead to just the opposite of what the Government claims to be . . . trying to create jobs.

If money is not circulating, then jobs could be affected by that. The stores will not stay open late or [not] keep the number of staff that they could have kept because they are not having the dollars circulated inside of their premises that we would have hoped by the number of cruise ship passengers that arrive.

Now these were the comments that were expressed by that side back then, Mr. Speaker. So if they have moved from those principles, Mr. Speaker, they need to move from that position. Well, I cannot say principle, because I did not see a principle in that and where they flip-flop all over the place, Mr. Speaker.

Mr. Speaker, it may have been in a different party, but those same Members still sit here. The Members have not changed. The name they sit under may have changed, but the Members are still here. And the Members who spoke then should speak today and say why they are moved, Mr. Speaker. That is all, clearly.

There is the same audience out there that they are speaking to and it is not for these four walls but for the audience out there who are listening, the people who voted for them, and voted for them basically on a position they had set prior to the election. And this is one of the positions they set prior to the election. Speak to why they have changed . . . speak to why they have changed.

Mr. Speaker, if you permit me to go further, another Member said, "Our opposition to this Bill starts with the fact that it discriminates against our own people, allowing cruise ship companies gambling operations while prohibiting Bermudians"—

The Speaker: Who was saying that?

Hon. Dennis P. Lister: This was said by the Honourable Senator, Michael Dunkley [in the [Royal Gazette](#)], who was the Shadow Minister of Tourism at the time.

Mr. Speaker, let me continue on: ". . . indeed the Government moved aggressively a few years ago to shut down gaming machines on Front Street where

now it would give cruise ships the go ahead to do the same." It continues on to say that "this is an economic issue, local night spots need all the support they can get. The Premier said cruise ship casinos on Front Street would improve Bermuda's nightlife, but that thinking makes no sense given that the whole idea of keeping cruise ship casinos open in port is to keep cruise ship passengers spending their money on board instead of at local night spots."

Mr. Speaker, that was said by Members over there who are now pushing it. So that is why they need to speak to why there is a change of mind-set as to where we are.

Mr. Speaker, it goes on to say, "Let the people decide the issue once and for all after a period of information and debate. Then we can proceed on the basis of a national discussion, possibly through a referendum. In the meantime, let us not sell Bermuda short. We do not need to be stampeded into a decision on this issue by cruise ships lines, the Premier or his spokesmen." (Because they were mainly opposed to the Premier of the day as was already stated). "We have more faith in the Island's ability as a cruise ship destination, if this legislation is a decider for these companies, then they will have to do whatever is right for them. I don't think they will have much luck down south, the islands don't allow cruise ships to gamble in port" as well.

Mr. Speaker, these are the similar types of comments, and I could go on and on. I have got a whole handful of them here from comments that were made during that debate. I will not bother to go through them all.

The Speaker: Good. You have given a good cross section . . . good.

Hon. Dennis P. Lister: I will not bother to go through them all, Mr. Speaker.

The Speaker: Thank you.

Hon. Dennis P. Lister: Other than to say that the principle I stood on four years ago is the same principle I stand on today, and I will stand on it tomorrow.

For those who are playing politicking and flip-flopping all over the place, they need to stand up and account for themselves.

Thank you.

The Speaker: Thank you, Honourable Member.

Now the Chair will now recognise the Honourable Member from Hamilton Parish.

[Inaudible interjections]

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

The Speaker: Member D. V. Burgess, you have the floor.

Mr. Derrick V. Burgess, Sr.: Yes, I have some fans on the other side there knowing my Christian background, Mr. Speaker.

Mr. Speaker, you know, one should ask why was Heritage Wharf constructed? It was constructed because we wanted to stay in the cruise ship business, meaning that the ships, the newer ships, being constructed were bigger ships carrying over 3,000 cruise ship passengers. Smaller ships, I think, right now . . . in fact, when I met the cruise ship owners last January 2012, I think there were only about 19 cruise ship lines.

[The smaller ships] cannot compete (as I was told by the owners) with the larger ships coming to Bermuda, meaning the price. So it was highly unlikely that you will get them on a regular basis. You will get them if they are coming on their way back from those long six-week cruises. They will stop in for a day or two. But we had to get prepared. And we were not given much time to prepare for the larger ships, but we were able to get the Heritage Wharf ready on time.

Mr. Speaker, you can remember, and many [in] this House can remember, [that] some years ago our numbers were about 80,000 cruise ship passengers a year that we allowed in Bermuda. And the then Government—the UBP—had some problems, but they increased it to 120,000. It was not something that was really accepted by all in that party or this House. But they did increase it to a 120,000 and the reason [for the negativity] was that at that time we had about 10,000 beds, and you did not want the country saturated by cruise ship passengers and our hotel guests in Hamilton [at the same time], and the quality of vacation . . . we were concerned about the quality of vacation. So you do not want to crowd the place.

And, Mr. Speaker, I do not think we will get back to the numbers we had before, as far as the number of beds. But as we increase our bed count we need to look at those numbers, our cruise ship visitors.

I think it was in about 2011 we had probably our highest number of cruise ship passengers to Bermuda. It was almost 400,000 (it could have been about 380,000 or something like that there). That was our highest. And I think last year we were even looking for—the current year—we were looking for something higher, but due to some situations some of the cruise ships, they had some mishaps and that number went down. But we are still in that 340,000-plus [number of] cruise ship visitors.

Mr. Speaker, you know, if you want to stay in the cruise ship business, if you want to remain competitive, gaming must come. That is what we thought in 2009, and I know that is what it is now. Because, Mr. Speaker, as we all know there is much competition in this world and where we have a disadvantage,

we have no exports. We have no oil or gold. We depend on tourism and international business. A lot of our competitors, they have many exports, so they really do not have to depend on cruise ship passengers or tourists. We do. And that is why I support this Bill. I supported it then and I support it now, even though I have some reservations about some of it in there.

And to my good friends who do not like gambling—do not go there. You know, it is like clubs. We have clubs and some people do not like going to clubs—they do not go. Some people do not like going to church, I find that a little bit strange, they do not go. You know, you have a choice. This is democracy.

[Inaudible interjection]

Mr. Derrick V. Burgess, Sr.: Yes, you are right, Trevor, I do.

But, Mr. Speaker, you know, during my meeting with the owners in 2012 they were very positive about Bermuda. But all of them voiced the same thing—we need to have gaming on board. Unlike many other destinations they go to, they have three or four nights. It is not like they are going to the Bahamas; [here] they are overnight. They are here three or four nights. And if you get the weather that we have been having the last few days and the cruise ship is up there with those casinos . . . what is there to do? It looks dead.

I have been on those ships, not as a . . . I have never had a cruise in my life. But I have been on those since they have been in port in my—Pat says I should try it—yes, one day I—

[Inaudible interjection]

[Laughter]

Mr. Derrick V. Burgess, Sr.: And you know, Mr. Speaker—

[Inaudible interjection and laughter]

[Gavel]

The Speaker: Let us have some order in this place.

Mr. Derrick V. Burgess, Sr.: I am inclined to believe and I have always been this way . . . I remember my cousin, the Honourable Bob Richards saying, *You know, we have got to relax a little bit. We have got to open up in Bermuda. We have been too restrictive on everything.*

If you have got a guy that wants to open up a hut on the beach . . . I am not just talking about any old hut, but like the fellow Thomas was going to do, let him open it up. You go to a beach, you cannot get a cold drink, you cannot get a piece of fish. Come on,

that is what we are about. Let's relax just a little bit. Let's show our visitors that we want them to enjoy themselves also. And not only for them, we can get something for ourselves. And that is what we have to do, Mr. Speaker.

Now when it came to St. George's, you know, I met in my tenure as Minister of Transport, I met with the Hamilton Corporation and St. George's Corporation. And St. George's Corporation, they wanted more lift to have the cruise ship passengers come to St. George's. I said, *I don't have a problem with that. We can accommodate that. But you have got to help us also. If you are closing your shops at five o'clock, we cannot . . . you do not run a tourism industry like that. Come on, adjust your hours, stay open until seven or eight o'clock. If you can do that, then we would accommodate you.* I think some agreed to that. But we in Bermuda . . . this is a tourist destination. But we want to close up shop at five o'clock! Shops are closed. We have got a cruise ship in port. Shops are closed on Sunday; they cannot find anything on Sundays. You have got to be in the business. If you want to be in the business, be serious about it, and stay in the business, Mr. Speaker.

Mr. Speaker, my two concerns about the Bill. One is the hours of operation—nine [o'clock] to five [o'clock]. We had proposed ten [o'clock] to five [o'clock]. Nine o'clock on daylight savings time is daylight—

[Inaudible interjection]

Mr. Derrick V. Burgess, Sr.: Yes, that is true.

You know, it is a bit early to open up the casinos. And the cruise ship owners had agreed to ten o'clock during my time. And I think they will be satisfied with ten o'clock because as the surveys pointed out, at least 90-plus per cent of the people were back on the ship before ten [o'clock], so it really would not have any effect on the local industry. But I think nine [o'clock] would maybe have a little effect on the local industry.

And the other thing is that the ships under a certain number are free. I think all ships should pay regardless of their size. If they can run casinos, then they should have to pay—obviously prorated or whatever, Mr. Speaker.

And, Mr. Speaker, I notice in the Bill—I agree with it but I do not think it is going all the way. It is about local entertainment and employment. It is *may, may, may, may*. Right? I think one of the components of our Bill, at least [in our] discussions, was that we [would] have local entertainment on board while the casinos are open. And I think they were amenable to that. And I think we have to push that more because I think once we bring the big Bill here with the gaming in Bermuda, I think you will find some more dollars to the owners to pay for local entertainment, because that is what is needed. We have got to get out of

these restrictions. We must get out of those restrictions, Mr. Speaker.

So, Mr. Speaker, with that, I am certainly in favour of the Bill and I am just hoping that the Minister would just change the hours [to be] ten [o'clock] to five [o'clock]—just a little typo he has got to do—and also the fee that is charged. I just hope . . . everybody should pay. Let's make it fair to everybody. *My ship of 3,000 people, why should I pay in, and so and so's ship with 1,500 does not pay, yet they allow gambling?* So, I think that should come. And let us do a Bill that is fair to one and all.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member, MP Burgess.

The Chair now recognises the Honourable Member from Pembroke East, the Honourable Member W. Roban.

MP Roban, you have been standing for a while, trying to get my attention for a while.

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

I am happy to contribute to this debate on this Bill as a lot has been said, Mr. Speaker, on the rationale and sort of purpose and interest the Government has taken to bring this Bill, and the interesting parallel this Bill has with a previous Bill that was tabled and, seemingly, some of the contradictory positions taken by Members who sat in this House at that time to where they are now. And as has been said, perhaps they will answer those, perhaps they will not.

Mr. Speaker, I think it has been established that when the vote on this Bill was made in 2009, it was a vote of conscience. So Members of the Government of the day had a right to vote how they felt and not on the whip, and that is fact. So irrespective of what protestations are made about what was done by the Government at that time, and whether it was successful or not, it was done on the basis of a conscience vote and that is a fact of the record.

Certainly, I can say that I supported the Bill that was tabled at that time. And I know why I supported it. And it was not because of politics because, frankly, I am not somebody who has much interest in gaming. Personally, I do not. I do not game. I stopped playing Crown and Anchor many, many years ago because I like to keep [my] money in my pocket. I was not winning. So, hey, what do you do when that happens? You withdraw and you stay away from where you lose your money. So that is the decision I took.

[Mrs. Suzann Roberts-Holshouser, Deputy Speaker, in the Chair]

Mr. Walter H. Roban: Frankly, Madam Deputy Speaker, that is a choice that others can make when the question of gaming gets presented to the general public and to Members of this House. If they find ex-

ception to the question that is put to them, or on the issue of gaming, they can [choose] not to take up the opportunity to participate if and when it is expanded in Bermuda.

And I think we also have to . . . because these are very important discussions that we are having. And as was stated in another debate, this is not necessarily just about the topic; this is about how we are shaping our tourism industry for years to come—all of these components.

And even as we look at the landscape, not just the Bermuda landscape and who we are in this global tourism picture, we see that around us even some of the jurisdictions that at the time did not allow cruise boats to have gaming in their ports have now allowed [it]. So that presents a challenge. And as you view the television, you see that in a wider context some of the jurisdictions that we were seeking to get visitors from are now looking to develop tourism themselves. The very market—the United States—which is our chief market, almost every State is marketing themselves as a visitor destination. So we are in a very different market—whether it was 2009, 1999, 1989—things are changing and within 10 years it will be different again. And so we as a country must move and be prepared to make changes to what we do and how we do it.

I can certainly say that I did not see the need for gaming in Bermuda perhaps 10 years ago myself. And I would have argued vehemently against the need to have any sort of expansion of gaming because there is gaming in Bermuda—let's make it clear—and for those gaming critics out there who . . . and I respect people's views around the issue of gaming. There are people who are against it on religious grounds and other moral grounds and their opinions should be respected, but the reality is that we have gaming in Bermuda. Gaming has been in Bermuda from the beginning of the settlement. Okay? That is a reality.

We have gaming how? We have legal gaming; we have legal gaming under the law. There are persons and establishments licensed to have gaming. We have gaming. The question that we are dealing with is the expansion of that licensing regime in Bermuda. Those are the big questions that we are being presented with.

And I am not saying that that argument or that issue belittles or minimises the argument of the critics, it does not. But we all must have a reasonable perspective on this, and that is my suggestion to Members of this House and to members of the community. We must be reasonable in our consideration of this because if you want a situation where there is no gaming, then let us get rid of Bingo, let us get rid of the betting shop, let us get rid of everything that is [here] already. No Crown and Anchor at Cup Match, no carnie games, nor any other activity. That would be the total prohibition in the purest concept of getting rid

of gaming in Bermuda. And that does not even speak for what goes on in the shadows. We cannot even talk about that. I do not participate in it, but I have heard about it.

So it is important for us all to have a realistic perspective on this issue. And the Bill that we are discussing today, Madam Deputy Speaker, the Cruise Ships (Casinos) Act 2013, I think comes out of an effort to reasonably begin to deal with the question. I, as Honourable Members on this side of the House, would have preferred to have the bigger question already presented to the public and this House around the referendum.

The framework is already in place. I have not heard, frankly, a reasonable answer from the Government as to why they have not facilitated it, because most of the infrastructure for them to have it has already been set up. But they have made a commitment to bring it and that is a commitment we will judge them and observe them on. But I do not and I have not heard a reasonable argument to date as to why we have not seen it yet. I do believe that it is important that that question be dealt with in whatever form they choose to bring it—referenda or whatever form they choose to bring it. The public has a right to address the issue and to make their comment on it and to decide this very important component of how we are going to shape our tourism [and how it] is finally dealt with by us as a country.

Because it is real, and it is the world we are facing. And as we have a National Tourism Plan, as I have said previously, I do hope to hear more from the Government about the Plan, because in the eight months that we have been here we have had few discussions on tourism—very few substantive discussions. This Bill, to the Government's credit, is a part of that substantive discussion, and it needed to be brought. But there are other things that the Government should be dealing with—we should be hearing more about the Plan, more about them reaching the objectives of the Plan, how they are continuing to meet the goals of the Plan, and what their commitment is going to be to the Plan and how the steps that they have taken (which frankly have been few) if the Tourism Authority which we dealt with in a previous sitting is a substantive step around the Plan, that is fine.

But, again, all these questions—this gaming, this Cruise Ships (Casinos) Act 2013—is all a part of the bigger picture and we do hope the Government gives more clarity to what they are going to be doing around the bigger picture of tourism. Because these are tourism discussions, they are not just about gaming.

So, Madam Deputy Speaker, it is appropriate that the Government brings this Bill because as has already been said by Members on this side of the House, the relationship that we have with the cruise industry is important. It has been important for many

years. And, frankly, without that relationship in the fullness that it is now, the visitor industry would be in a lot deeper problematic situation than it is. And even as the Tourism Plan was developed, we have a perspective from that Plan that not everything about our visitor product is bad. We have a good foundation and that is something that became very clear with the rolling out of the National Tourism Plan—not everything is bad. We have a good foundation to build our regeneration on.

So we must, I think, as we go through these discussions . . . I know there are a lot of people saying, *Tourism in crisis, tourism in crisis*. I am hesitant to always commit on that language because I do not want people to have such negativity around tourism that they do not feel that they can engage in it—that our young people do not see it as a future career, that people who might be looking for entrepreneurial opportunities will not see the industry as somewhere where they can look, Madam Deputy Speaker, for how they are going to realise their dream. Because in the past tourism helped many to realise dreams for Bermudians. And that is, frankly, what my focus is seeing over the upcoming years—how we as Bermudians can re-engage into our industry and make it more profitable for us as well as our partners.

But ultimately all of these relationships that we have (because those relationships are going to be not only local but international) and how they work for us, because if there is an imbalance in the relationship and particularly the imbalance is on the Bermudian side, that is not working. So we have to do our best to make the Bermudian [side of the] equation of that formula of greater value. And that means building stronger lasting relationships with our cruise partners who are international partners.

Ultimately, as we further develop our on-land product, more international relationships with our on-land partners will be beneficial to Bermudians—whether it be in employment, whether it be in business opportunities, overall income for the country—those are the things that we should be looking for. So all the steps that we take, even with this Bill, with this as a part of a relationship with the cruise industry, should be about that.

And by saying that, Madam Deputy Speaker, there is a piece of this Bill which I do have great problem with. And it is what is missing. I have looked at the Bill that was presented in 2009 and there are similarities as to what the Government is now bringing to that 2009 Bill. But there are also some things, frankly, that are missing, that were not in the Minister's Statement if they were to be part of the relationship.

Madam Deputy Speaker, I will quote from the daily newspaper of March 2009 in which the former Tourism Minister spoke of incentives that were built into the legislative framework that was a part of the Act that was brought in 2009. And I believe that the lack of those . . . that component of this particular

package that the Minister has brought depletes the value of this Bill to Bermudians. And that was one of the chief reasons why I supported the Bill at the time—is that Bermudians had something in the game. Bermuda got something out of just allowing the cruise ships to carry on this activity to the benefit exclusively of their passengers, because as we know, no Bermudians will be allowed, under the old framework that had been presented and this new framework, to participate.

But there are some key things that the Honourable Minister of the day, Dr. Ewart Brown, spoke of that were a part . . . and if you will allow me to read, I will quote what Dr. Brown said at the time. Dr. Brown said, "In return, Bermuda will try to get benefits from the cruise lines, including commitment of spending six-figure sums on marketing Bermuda, sponsorship of an annual tourism related scholarship, participation in annual job fairs to promote on board jobs for Bermudians, access to Bermuda market directly to passengers including on board seminars, the sale of public transport passes on the ship to encourage travel around Bermuda."

So those are some of the things that Dr. Brown was seeking, Madam Deputy Speaker, to be a part of the package. It was not written explicitly in the Bill, but that was part of the presentation of the Minister of the day.

Certainly, when you look in the Bill, the actual original Bill has a Schedule of what the actual approval certificate for each cruise line would look like—Norwegian and the like. And under whatever terms of that approval would be certain things that a cruise line would be required to provide as part of whatever they are doing. Those are material things that Bermudians would directly benefit from.

Right now, this Bill, as it is drafted, brings no direct benefit to Bermuda other than the actual fee that is being paid. But Madam Deputy Speaker, I looked for those things. They were not in the Minister's Statement and they are certainly not explicitly written in the Bill.

[Inaudible interjection]

Mr. Walter H. Roban: We will certainly be able to deal with certain details in Committee. If the Minister wishes to be clearer, he can do so then. But I am dealing with what I have heard from the Minister thus far. I have not heard the Minister speak to those things.

So, Madam Deputy Speaker, I looked for that and, frankly, that is a portion of this Bill which brings down the quality of what this particular relationship with the cruise lines will bring. It is important because, as I said, these relationships should be a win-win as best as can be negotiated. If we are going to give an incentive or concession, something must be coming in return. Clearly, the Minister has outlined a Schedule of

fees which will be of some benefit, but that is not directly going to any activity that Bermudians will be participating in.

Now, yes, the Government seems to have sorted out a few things along this line prior to this with some cruise lines which, obviously, might fit [in with] what I am suggesting. But it would seem as if we should make some incentive like that as a part of the arrangement, because the cruise lines are getting a direct material benefit from their guests participating in gaming by . . .oh, you know, when they are in port. That is a direct benefit to them, whereas Bermudians might get an indirect benefit. In fact, some are arguing (although I am not saying that I hold to those arguments) that Bermudians are going to lose, i.e., with the lack of incentives for people to come off the ship or to dine or to pick up entertainment. I am not suggesting that, but that is the argument of some critics out there who do not like what this Bill purports to do.

But I do accept the argument that we must do what we can to have substantial, positive, sustainable relationships with our cruise partners, because irrespective of whether a cruise brings a higher dollar value to the country than a land side visitor . . . some of those land side visitors . . . I am sorry, some of those cruise visitors can also even be transformed by their visit to Bermuda to being a person who stays for a week or 10 days, [instead of] the three days that they stay on the ship. Those are some of the opportunities, as my honourable colleague, Mr. Zane De Silva, spoke about the crisis and opportunity scenario.

The opportunities are there with cruise passengers to turn them into something else, to turn them into a lasting visitor and client of the Bermuda product if we do the things, if we take up opportunities to engage with our cruise partners in a way that is beneficial to us, that brings jobs to Bermudians, that brings opportunities directly to Bermudians. That is what I would have liked to have seen also in this Bill in a substantive way.

So with that, Madam Deputy Speaker, I will take my seat because I am certain that Members have something else to say.

Oh! There is one other thing I would like to comment on. An Honourable Member, Madam Deputy Speaker, spoke about St. George's earlier (and I believe it was the Member for constituency 1) about the value of additional cruise product or perhaps even a port development in the area of St. George's. Well, I would just like to comment on that, just briefly, in that studies have been done that actually show that a port at Murray's Anchorage, which is a potential site out of a number of sites for a cruise port, will be beneficial for Bermuda. And it is also very feasible because of the deep water nature of that area.

Not only that, there is also the opportunity that with the appropriate engagement with the cruise lines as the Honourable Member, Mr. Lawrence Scott, talked about, is an opportunity to bring investment to

the East End, which is sorely lacking. And certainly cruise investment, for this country, is just as valuable as hotel investment, because a dollar is a dollar no matter how it comes. Cruise investment would be in the tens of millions of dollars just as land side investment would be in the tens of millions of dollars.

Hundreds of jobs would be created by a development of that nature just as with a land side development. And it is how we manage that going forward [which will create] the ultimate value, because we can turn a cruise side development into just as much of a value to the country, just as Heritage Wharf has been down in Dockyard, into great value for the country, because the spin-offs of these sorts of developments can be multiple in ways that the East End will clearly benefit from.

I do hope that the people in the East End will see it that way and not only that, I think the Tourism Minister will be able to honestly say, if we are going to meet the objectives of the National Tourism Plan—whether it be through measures like this or through other measures—to keep our cruise partners here, we are not going to meet them with Heritage Wharf alone and with the current cruise configuration. We have to advance our cruise side product in some way. And that is going to mean some investment, whether it be by the Bermuda Government or by us in partnership with the Bermuda Government or someone else for us.

We cannot reach the cruise line . . . I am sorry, [we cannot reach] the National Tourism Plan objectives around the cruise product without additional infrastructure to do so. We cannot do it with Heritage Wharf alone. I am sure the Minister knows that. And he may have to at some point discuss how they are going to reach the Plan's objectives because it is the National Tourism Plan's objectives, I would hope, that all of this is about reaching, not just about little incremental, you know, throwing the dart at the board type of objectives because we have a Plan.

The Plan should be followed. We should be looking to reach the objectives of that Plan whether through what we are doing with this Bill or through other measures. So I do believe that the Minister will need to talk to his friends at St. George's about bringing some reasonable thought to the issue. Because we are not going to be able to advance in the cruise industry which is, as it relates to tourism, one of the biggest components of the tourism industry, expanding greatly, faster than land side as an opportunity. And we, if we want to stay in this game, we are going to have to advance.

So I applaud this Bill as a part of that. I do hope that the Minister talks more about how it is going to help them meet the objectives of the National Tourism Plan as well as other objectives that the country can meet by advancing our relationship with our cruise partners.

Thank you very much, Madam Deputy Speaker.

The Deputy Speaker: Are there any other Members?

Thank you. The Chair recognises the Honourable M. A. Weeks, the Shadow Minister of Community, Culture and Sports from Pembroke East Central.

You have the floor.

Mr. Michael A. Weeks: Thank you, Madam Deputy Speaker, good afternoon to you.

I was one of those Members, Madam Deputy Speaker, who supported this Bill back in 2010. I supported it then and I am here to say that I support it now.

Madam Deputy Speaker, when I first came into the House (I think I was the newest Member) so I came kind of untouched. I came at a time when on the doorstep people were talking against it. Some members of the church were against gaming. But I came in thinking—

[Hon. K. H. Randolph Horton, Speaker, in the Chair]

Mr. Michael A. Weeks: Yes, Mr. Speaker, and good afternoon to you.

I came in thinking, Mr. Speaker, about what we can do as Members to help improve our tourism industry. So I, much like my colleague, MP Zane De Silva, that said “crisis,” the Chinese word for crisis means two things—beware of the danger and recognise the opportunity. So that is why I voted for it because at that time we recognised that the hotels were in crisis, they were outdated, they needed to be re-done, we had talked about different things about getting our hotels up and running. So my thing was having the ships that are in port allow . . . able to gamble as a way of competing with other jurisdictions.

Now, Mr. Speaker, much has been said about whether or not we should have that or not. So I am not going to be up here all day talking. But what I will say is that coming up in an environment of gaming, some people came up on the periphery, I, for one, can admit that I came up right in the heart of gaming. I came up in that kind of family, that kind of household and my father did that for a living. So gaming is a part of our fabric in Bermuda, so if we are going to compete for tourists, we have to get real as representatives and leaders of our country. You know, this talk has been going on since I have been here now going on three, four, five years. We are still talking about whether or not we are going to agree to have gaming. But what I must say is that having these ships in harbour—that is only your first step—and I hope, Mr. Speaker, that that pushes us closer to the referendum, because my main concern like so many others’ main concern is not only the tourism product, but Mr. and Mrs. Bermuda.

So the gaming on the cruise ships, Mr. Speaker, only helps us to compete with other jurisdic-

tions. Once we get this referendum up and running, Mr. and Mrs. Bermuda also would like to be able to participate and partake in the revenues and the opportunities that gambling would bring, so I support this Bill, Mr. Speaker.

And I just want to go on record saying that if we are going to get this passed today, let us get to the referendum so Mr. and Mrs. Bermuda can also take part in it, so that the job opportunities that gambling will bring will be available to a lot of people who are in need of employment.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

The Chair now recognises the Honourable Whip, the Honourable Whip Foggo, MP Lovitta Foggo from constituency 3.

You have the floor.

Ms. Lovitta F. Foggo: Thank you.

The Speaker: And just before you . . . just before you start, I should actually recognise the fact that we have two Senators who are sitting here. They have been sitting here for a long time enduring this debate—Senator Dillas-Wright and Senator Jardine.

[Desk thumping]

The Speaker: I am sorry, MP. Carry on.

Ms. Lovitta F. Foggo: Thank you. Is that my cue to make sure that I keep it short and sweet, Mr. Speaker?

The Speaker: You always do.

Ms. Lovitta F. Foggo: Yes, I do try.

The Speaker: So you need no cue.

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

Mr. Speaker, I do feel duty bound to get up and speak today on this issue. And I have heard many comments from across the floor. As I am the Whip of the Opposition today and was the Government Whip at that time, and it is a Whip’s duty to ensure that Government gets the vote. That did not happen. Let me just say this—the Honourable Premier of that day understood and had heard some of the woes and sentiments of the people within his own caucus. He recognised that many of his members felt very strongly against gaming in particular, and as a group it was decided that this is a vote of conscience because he did not feel that he could have people vote against their own religious beliefs or vote against any other feelings, such as, there were many that felt that the social ills related to gaming would create more problems than they believed Bermuda could deal with at

that point in time. However, I think the Honourable Premier of the day reached a point where he felt that he had to go ahead . . . to go forward with the Bill because at one point he did rise and say that he would report progress. And when we returned on the day when the Bill was voted down, he did stand to his feet to continue a process that he had begun.

And let me say this, one of the reasons why I feel duty bound to get up is because it has been suggested in this Honourable House today that the Members who sat on the Government side at that time were persuaded by arguments that were put forth by Opposition Members. So I gave the preamble that I gave to make it clear that that was indeed not the case. People came already, pretty much knowing which way they were going to vote, and they did vote according to their conscience.

But I am in a little bit of disbelief because of the fact that many of those Members and the Honourable Dennis Lister did quote much of what many of those Members who sat in the House at the time or in the Senate at the time did have to say about gaming. But it was not only Opposition Members who were not in favour of gaming at that point in time. The media reported many of the sentiments of the business community, particularly in the Hamilton area, and they did not seem to support what the Premier of the day was trying to do.

In fact, with your permission, in an article written by Matthew Taylor (who was a reporter at the *Royal Gazette*) he spoke about the then-mayor, Medeiros, who said that gambling is not going to help anyone in Hamilton at all. And he said it was debatable whether it will hurt anyone, but he did not see it helping. He went on to say that he believed that gambling ships, if these ships were allowed to gamble in Dockyard, the chances of people there coming into Hamilton would be diminished. So even the business community at that point in time along with the Opposition seemed not to support gaming, or the Corporation [of Hamilton], in particular.

I can speak to the Member Mr. Kenneth Bascome who said that the Corporation of St. George's was for it. They did, the Mayor at that time, Mariea Caisey, did speak in favour because St. George's I think had only one cruise ship that year or something . . . a very low number, and so she was trying to be open about engaging in a process that she felt might bring more tourists to Bermuda and hopefully St. George's would feel the benefit of that. So the St. George's Corporation sat on the opposite side of the fence of the Hamilton Corporation and the business community of Hamilton by and large.

And so I find it rather curious that now, both the Government, and the business community seem to be speaking a different tune. I can say this, Mr. Speaker, and I think you might remember this, some of our Members who did oppose this Bill were (I suppose for want of other words) hell-bent on ensuring

that Bermudians would benefit from this process. And in response to that, the Premier of the day did try to ensure that things (as the Honourable Roban pointed out) things such as scholarships, employment and the like would be attached to the success of the Bill of that day going through.

And I dare say that I do feel that part of the failure of the Bill of that day was because Members on the Government side felt that that process had not been secured completely, and were surprised that the Bill was being brought that day because some of them were indeed in favour of it, but they wanted to make sure that Bermudians would benefit. And I think that the then--Premier did everything that he could up to that point within his power to try and ensure that things were being done for the benefit of Bermuda.

And I just want to say that, I guess, again, it is surprising that a group of people who wholeheartedly voted it down, including my friend . . . and I . . . you know, I do not even want to quote what she says, but I will, including my friend, the Honourable Pat Gordon-Pamplin (she has taken me out to lunch on occasion and I may not get any more lunch dates after this). But, Mr. Speaker, even that Honourable Member said that she believed she would witness people queuing up to get to their favourite machines at a time the casinos opened and she said [that] if cruise ships open at ten [o'clock], people will start to waltz off of Front St. back onto the boat.

And so based on these sentiments and others, many of the Members who now sit in Government voted down that Bill. And today, I guess, they feel that something inherently has changed which would allow people—the Bermudians in particular—whether there is gaming on cruise ships or not,

to benefit. And considering what some of my Members have said on this side of the House, I have to agree with them when we say that we feel that though the Honourable Minister, Mr. Shawn Crockwell, is trying to do something to enhance the tourism product, it fails in terms of not ensuring that there is going to be definite concrete benefit to our people, such as employment and the like.

So I understand that we must do things that will benefit Bermuda as a whole and hopefully, particularly, the Bermudian people. And I hope that should we bring any amendments to this Bill, that the Government will wholeheartedly embrace those amendments if they are causing this package to be more receptive and more beneficial to the people of Bermuda.

So Mr. Speaker, again, I rose simply just to clarify the fact that it was a conscience vote on the then-Government side and hence the vote panned out the way it did. And I know that those people who support gaming will support gaming on our side. And we have already heard from one of two Members who do not support gaming. They said, on principle, they are against it and I do not think the Bill will have their sup-

port, but as a whole our side supports all measures that mean that Bermuda and its people benefit.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

The Chair recognises the Honourable Member the Shadow Minister of Finance, MP David Burt.

You have the floor.

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

Mr. Speaker, before I make it to my comments I have a few questions I would like to pose to the Honourable Minister about his brief.

The first question that I would like to ask the Minister is . . . the Minister said that he would, his Ministry, would monitor this implementation of cruise ship gaming to see if it had any negative effects on the local community in the local business community. He did say that in his brief. I was wondering if the Minister could please expound on how he would actually monitor. What . . . the effect, like what would be the baseline? How does his Ministry plan on monitoring? And I think it is important, if we say we are going to monitor, to know how we are going to monitor it to make sure that there are no negative impacts.

He also mentioned that his target is to have a 5 per cent conversion from cruise visitors to air visitors. And he said that would yield us about 15,000 to 20,000 air visitors. I was hoping he would please expand when he gives his response as to what exactly is the campaign to convert them to air visitors that his Ministry, or I guess, the Tourism Authority would have.

And the next question is, Mr. Speaker, that given that we have heard a lot of commentary about [how] this is very similar to the last Bill, I would just like to ask the Minister if the cruise ships had agreed to 10:00 pm last time, why did he choose 9:00 pm this time?

Mr. Speaker, we have been debating this for a few hours now (I would say), and I do not want to repeat too much of what has been said—

[Inaudible interjection]

Mr. E. David Burt: No problem.

I have cut down what I wanted [to say] substantially because as you could understand, Mr. Speaker, I was relishing this debate. And I was relishing this debate because I just find it shocking, the complete about face that Members on the other side of this House have made. And none of them have gotten up and given any justification as to why they have changed their mind. It is absolutely shocking. No one has said why [they] are now supporting this. *Before we opposed it and now we are supporting it*, and not a single person on that side has said why they have changed their mind. Nothing.

[Inaudible interjection]

Mr. E. David Burt: Well, that is perfectly fine. I am just saying I have not heard it yet, Mr. Speaker.

So Mr. Speaker, going down Memory Lane, I will just refer to March 19, 2009 and this is from the [Royal Gazette](#). And this is quoting the Premier at the time. The Premier, the Hon. Dr. Brown said that, “The Bill was needed because Bermuda was losing its competitive advantage in attracting cruise ships, particularly the smaller premium ships capable of docking in Hamilton and St. George’s.”

Now this, Mr. Speaker, was from 2009. So we have a situation where Bermuda was losing its competitive advantage and the Cabinet thought it a good thing to move this Bill to the House of Assembly in order to provide for these incentives or for these sweeteners to make sure that we can continue to support the cruise industry. Especially seeing that 2009 was in the throes—the very throes—of the economic crisis, and we needed as much support as we could have for our tourism and arrival industries.

Now, Mr. Speaker, all of this . . . this original Bill, as we have heard, was opposed unanimously by the other side. But I only want to pick out a few specific points, Mr. Speaker. And I want to echo what the Shadow Minister of Transport [said] who responded to this said at the very beginning. Now, I am going to quote the *Royal Gazette* and I am going to quote the Honourable Attorney General at the time and he is quoted as saying “that is an unconstitutional amendment. It is unconstitutional because the amendment . . . it is not the definition within our constitution.”

I will ask, again, Mr. Speaker, and I am more than willing to yield—was the Attorney General wrong then or is he wrong now? because he could not have been right both times. Was he wrong then or is he wrong now? I will yield if he would like to speak. Okay, got it—he was getting up so I will yield.

[Inaudible interjection]

Mr. E. David Burt: Okay. So, Mr. Speaker, then we hear again from the same person who says, the Honourable Attorney General, who says, “we are affording different treatment to different persons mainly on the basis of the place of origin—the owners of the ship as opposed to Bermudians.”

Mr. Speaker, the sections which refer to the Criminal Code and the sections which refer to the Prohibition of Gaming [Machines] Act are largely the same between the 2009 Bill and this Bill. So I . . . surely, the Attorney General is not allowing something that was unconstitutional in his view, previously, Mr. Speaker, was unconstitutional, he is now giving the Cabinet different advice? Was he . . . was he at . . . how . . . I do not understand, Mr. Speaker, I do not get it.

If you are saying that it was unconstitutional at one point in time and now you are the supreme legal officer of the land and you are giving the Cabinet advice on the constitutionality of matters—because we all know, Mr. Speaker, that the Attorney General has to sign off on Cabinet papers and state that he has no constitutional objection to this and he approves it. So if he made the points about unconstitutionality as an Honourable Member inside of this House, Mr. Speaker, I am very challenged to find out how he could be giving different advice to the Cabinet on substantially the same provisions.

So once again, I will say, I am more than happy to yield if he would like to clarify why he has changed his mind. Was he wrong then or is he wrong now? What are the specifics on that?

Now, Mr. Speaker, as I said, I do not want to cover all the quotes that were covered before because I think we have heard it. But the main thing is that nobody on that side has gotten up and said why they have changed their mind.

I will quote the sponsor of today's Bill in the House, quoted in the [Royal Gazette](#), June 3, 2009. And here is what it says, "Mr. Crockwell said that the UBP felt the Bill was unconstitutional because it discriminated against establishments in Bermuda who might like to offer gambling but could not."

It is nothing different than what we are doing today, Mr. Speaker. It is absolutely nothing different. Organisations in Bermuda today that would like to offer gambling are not able to do it. The Minister is bringing a Bill of which he argued in 2009 was discriminatory and unconstitutional. And we have not heard why he has changed his mind.

We will move on, and the Honourable Member from Somerset, Mr. Dennis Lister, touched on this before, because the Deputy Leader of the Opposition was not in this place at the time. I am sorry, the Deputy Leader of the Government was not in this place at the time, but he was in another place and he was quoted in an op-ed in which he specifically, Mr. Speaker, mentioned me.

Now if you will allow me to quote that, he says (this is quoting the Honourable Member, Michael Dunkley, who wrote an opinion piece which was published in the June 4, 2009 edition of the [Royal Gazette](#)), and he said, "Planned legislation allowing cruise gambling in port is shaping up to be a referendum on whether the Premier as Tourism Minister has the confidence of the House of Assembly. PLP Chairman, Mr. David Burt, would have you believe the legislation is a referendum on cruise ships in Bermuda. If the gaming Bill is defeated, (he implies) cruise ships will stop coming to Bermuda and our tourism industry will become even worse off than it is. We do not see it that way. In fact, we totally reject Mr. Burt's conclusion which appeared in this space today."

Well, if they totally rejected that conclusion then, Mr. Speaker, certainly something must have

changed. Certainly something must have changed. And the only thing is . . . because I remember we had a debate, I want to say it was about two weeks ago, and we heard the Honourable Minister of Health talking about that they warned the Government back in 2008 about going with Bazarian and all the rest. We got up in this House—the Government at the time got up in this House—the Cabinet approved a Bill to put before the Legislature, that was a conscience vote, and a majority of the PLP Members supported it, Mr. Speaker. If the majority of the Opposition at the time supported it, it would have passed. That much is clear.

So let us be clear of the records. The question that I have, Mr. Speaker, is if now in 2013 . . . I do not believe that the circumstances are different, but he says, "We do not see it that way. [In fact] we totally reject Mr. Burt's conclusion." He then goes on to say again, Mr. Speaker, the "legislation should not create double standards. As my colleague, Mr. Mark Pettigill, said in the House last March, we are affording different treatment to different persons mainly on the basis of place of origin—the owners of the ship as opposed to Bermudians."

Mr. Speaker, the Government is doing no different than that today. That is what they are doing, Mr. Speaker.

So, Mr. Speaker, I have heard a lot of waffling today, but no one has explained why they have changed their mind. We have heard comedy from the Attorney General talking about 20 lawyers in a room with 20 different opinions, and we hear comedy about Shakespeare saying, *Kill all the lawyers*. But here is the thing, Mr. Speaker, I do not think those 20 lawyers would change their opinion four years later, especially on something as sacrosanct as the Constitution of this country.

We have heard nothing on why it is no longer bad, but it is good for the country. We have no longer heard why it was unconstitutional before and now, all of a sudden, Mr. Speaker, it is constitutional. Before Members of Cabinet on that side called it a slippery slope, now it is, *We need to move forward and we should expect the Opposition's support on this. It is no longer a narrow-interest Bill as it was then. Now it is the right thing to do for our country.*

Mr. Speaker, it was the right thing to do for our country in 2009 just the way it is the right thing to do now. So, Mr. Speaker, I will go on and say, in 2009, Mr. Speaker, I am on record as supporting this Bill. In 2013, I reluctantly rise to my feet to support this Bill because the Members who are sitting on the Government benches right now should have put their (in my opinion) narrow political interests behind and aside and put the interests of the country [first], which was encountering a serious economic difficulty at that time, and passed this Bill.

They all in unison voted against it. And all of them have come here today, Mr. Speaker, and sup-

ported it! When was the last time you saw, Mr. Speaker, the United Bermuda Party go against what the Chamber of Commerce has asked for? That is what happened in 2009. The Chamber of Commerce was in support of this and the United Bermuda Party said, *No*. Surely they were doing it for political points only. That is what it was about.

You can see it very clearly in what the current Deputy Premier said, Mr. Speaker, and I would like to remind the House again. He says planned legislation allowing cruise ship gambling in port is shaping up to be (and I quote one more time) “a referendum on whether the Premier as Tourism Minister has the confidence of the House of Assembly.”

The Speaker: That is the second time you have read that.

Mr. E. David Burt: Absolutely, Mr. Speaker.

The Speaker: Yes.

Mr. E. David Burt: And it is to reinforce my point that it was done for political purposes only, Mr. Speaker. That is it, to somehow say that the Premier at the time did not have the confidence of the Assembly.

So Mr. Speaker, as I said, I reluctantly support this Bill. And the reason why is because it will not bring jobs to our people. And if that is the number one instance, then we should have [for a] long time—as other Members said before—we should have [for a] long time have been discussing gaming, and where we are going to build our first casino.

I repeat, Mr. Speaker, as I have before, in 2012, we tabled a Game Referendum Bill. In the 2012 OBA platform they said they would table a Bill forthwith. Apparently forthwith now means 14 or 15 months after we come into place. That is fine. But all the time we are dilly-dallying, Mr. Speaker, all the time in which they are taking their time, there are still people who are looking for work and there are people who can benefit from additional investment and economic growth which we will see.

So what we see today, as I said previously when I spoke on the other Bill, this is a concession to the cruise ship industry. We have concessions to PRC holders, concessions to international business, hotel owners, big telecommunications companies, and today we are even looking to give concessions to businesses so they can vote. But the working Bermudians get no concessions from this Government. It is time for this Government to make sure that they deal with the issues and take care of working Bermudians in addition to their friends in business.

Thank you, Mr. Speaker.

The Speaker: All right. Thank you, Honourable Member.

The Chair will now recognise the Leader of the Opposition, MP Marc Bean.

Hon. Marc A. R. Bean: Good afternoon, Mr. Speaker.

The Speaker: Good afternoon, Leader.

Hon. Marc A. R. Bean: Good afternoon to honourable colleagues.

Mr. Speaker, I am glad to be able to follow on from my Shadow Minister who has reluctantly decided to support this Bill, and he has eloquently explained the reasons why. And you also see other Members on this side who have reservations for various reasons to support this Bill. But nevertheless it is clear this Bill will pass because there is support on the Progressive Labour Party's side—reluctantly and not reluctantly—of this piece of legislation.

Mr. Speaker, this is the first of two Bills that we are going to discuss this afternoon and this evening that serve as reminders of events that, in my opinion, will go down in political infamy—modern political history, but it will go down in infamy (the Bill that we are going to discuss a little later on and this Bill). And the back and forth in the discussions and in this debate really shows and, I think, highlights that often-times we who sit in this House are honourable in title alone.

Honourable means “honest,” Mr. Speaker, because it is clear that some things—

The Speaker: Let's not . . . let's not say that Members are anything other than honest. All right?

Hon. Marc A. R. Bean: “Honest” attached to “Honourable” meaning because that is the title that we all take pride in wearing—

The Speaker: Yes, absolutely.

Hon. Marc A. R. Bean: —and so—

The Speaker: We need to behave honourably, that is what you are saying.

Hon. Marc A. R. Bean: Yes. Right. Because honourable also implies integrity and saying what you mean and meaning what you say.

The Speaker: Yes.

Hon. Marc A. R. Bean: And so we . . . it is clear that over the years things have changed, as the Shadow Minister, David Burt, has alluded to.

But I have to ask myself, have things really changed? Because not for the first time, Mr. Speaker, have I noticed a lack of contribution from the Government benches. There are very few Members of Parliament on the Government benches that have stood

to their feet today to give their views—whether for or against this Bill. It makes me wonder at times if the OBA does caucus, what actually is discussed at the caucus. Because as you will know, Mr. Speaker, caucus is when a party strategizes and prepares to give a presentation and a debate—everyone willingly should look to participate. But there has been an absence in the contribution from the Government benches. And it makes me wonder [if] there [is] clear support for this Bill on that side.

You see on some matters, I think, we all expect to hear each Member's voice. Some matters that come up into this House, Mr. Speaker, are really what they call "housekeeping" matters. But on a matter like gaming and in the context of the various discussions that are occurring within our community, I am surprised that I do not see a wider contribution from the Government benches.

If you are for it, then say it and give us your view because this, to me, is beyond politics. We are speaking about our national interests.

And most importantly, in my disappointment, I would like to transmute it and just encourage all Members—especially on the Government side going forward—to be willing to participate fully in this Parliament. One of the reasons why we get paid (probably not much most of us would say) as MPs is to be a Parliamentarian. Not just to canvass but to be up here and give us our viewpoint, because we are not sure where the One Bermuda Alliance truly stands. I understand the Minister, I understand the Premier, and I am sure Cabinet has the majority support, but the public will never know where their MPs stand on this issue.

Mr. Speaker, we have heard that this could be framed "Dr. Brown's Bill 2.0." And I remember those times. I was not in this place but I sat in another place. And in remembering those times, I could understand the reason and rationale that every single Member in this House took. I understand it because much of it was based on principle. But we are not here to discuss and dwell on what happened in 2009.

The Speaker: Mm-hmm.

Hon. Marc A. R. Bean: We are not. And I think our focus has to be on today and tomorrow. And so in saying that, Mr. Speaker, I will make it clear that I support this Bill.

When I was in Cabinet, I realised that the cruise ships that came to our country have been good corporate citizens to this country. They have acted in good faith. They said they would come, they have come, they have brought passengers, and we have made money off it. And so, to me, this is just us in Bermuda fulfilling our end of the bargain.

It is clear that when cruise ships come, as has already been spoken of, they lose revenue because they have to overnight in Bermuda. So all relation-

ships, again, I have to repeat, have to be mutually beneficial, and so this is a way that we can show our appreciation for the cruise ships' presence at a time when without it the struggle would have been that much deeper. I appreciate the fact that the cruise ships are there. And as far as I am concerned, we should do everything we can to maintain that relationship.

But I was surprised, Mr. Speaker, when a Member of Parliament from constituency 33, the Independent Member Terry Lister, really extolled the value of cruise ship visitors in our country. And I was surprised when I heard the support coming from the One Bermuda Alliance, that side, more shouts than . . . not screams, but you certainly could hear it, it was audible. All of a sudden, I am not talking about four years, but all of a sudden in 12 months cruise ship visitors now have a premium value? Because I could recall the very Minister himself getting up and, I guess, in his mind, putting cruise ship visitors into his perspective in comparison to the air arrival. But today . . . and we understand that air arrivals bring more benefit. Right? But we also have to recognise the benefit that the \$20-cruise visitor brings to this country too. One dollar is better than no dollars at all. Let us never forget that.

And so things have changed, not just in the last four years, but in the last 12 months. Maybe it is because the One Bermuda Alliance is grasping with the reins of Government. Some things are easier said than done, Mr. Speaker, when you get in the hot seat.

Mr. Speaker, as I said last week, we face structural challenges in this country in regard to tourism. And so I hear the concerns of retailers and nightclubs that cruise ship gaming is going to take away from their business. But that just brings to mind the need for us to focus on enhancing our product.

Quite frankly, there is nothing on Front Street [to cause] tourists to leave Dockyard or the cruise ship to go see. There is nothing at all. In fact, there is nothing anywhere in this country. So . . . who . . . where . . . what place do we have to complain?

But I am not saying that to direct attention to the retailers, I am actually saying it to direct attention to ourselves. It is we who can do much beyond talking in this House. We can do things to allow Front Street and other places to free up. We can bring amendments to the Liquor Licensing Act to allow establishments to stay open longer. We can allow nightclubs to go longer. We can permit entrepreneurs to provide amenities that they know the customer wants. It is not those on Front Street that are to blame—it is us!

By passing this Cruise Ships (Casinos) Act 2013 we should be encouraged to get on with freeing up all across the board. If not, this will be a decision based in isolation. And so while the cruise ships benefit, the rest of the country still suffers. The country will feel marginalised. And that is the cry that is coming from the retailers.

So let this be the impetus for us to focus on attracting the much-needed air arrival. Because when we have the product on Front Street and other places in this country, and we attract air arrivals, then whether cruise ships open their casinos or not will have no bearing whatsoever on the economic destiny of local businesses—none whatsoever. Because we know the air arrivals are not going to be able to go on the cruise ships to gamble. They are going to have to find something else to do. So it should not be a separation. We should not divide it and put up a brick wall and say, *Well, cruise ships and locals, and we can't come together.* No, it is enough to float the whole boat. We need to free up all the way around so no one feels like they are being left behind.

Now, I tell you what, Mr. Speaker (not tell you, but, Mr. Speaker, I remind you), of what I spoke of during the Tourism Authority debate. It is time for us to free up. I can tell you straight that if there was a standalone casino up in WEDCO up in Dockyard today—even after this Bill is passed, you would still be able to attract cruise ship visitors who like to gamble off the ship and into the standalone casino. Let us face it, I have been on cruises and they have casinos they but are not the biggest . . . best—

[Inaudible interjection]

Hon. Marc A. R. Bean: Come on, they are not Atlantis. They certainly cannot compare to anything in Vegas. But it is a part of the cruise ship experience.

But if you had a casino on land, they will come—cruise ship visitors will come. They want to get off the boat! They want to get off the boat! They could gamble on the boat when they are on it for 48 hours back to New Jersey. And so there is nothing stopping us from being competitive in that regard.

There are a few other things that I suggested last week that if we put them in place, I can guarantee you we will get cruise ship passengers off the boat, Mr. Speaker.

[Inaudible interjection]

Hon. Marc A. R. Bean: Whatever you want . . . whatever. If you want to play, you have to pay. You know, when you feel like you are having fun and you are free, you want to spend money. I will repeat that over and over again.

But there is one thing that really stands out—or two. The timing is a little . . . I think it is something that we have to look at again because from my experience most gambling on board occurs pre-midnight buffet and post-midnight buffet. After dinner most cruise ship visitors try and go catch the show, or some show going on downstairs. And then they make their way up to the nightclub or the casino, then hit the midnight brunch, and then they go back to the casino.

So there is no reason for it to be open at 9:00 pm. Maybe that could be tweaked.

And the last part, in closing, I am glad that MP Roban raised the incentives that were presented in the previous Act or previous Bill—

[Inaudible interjections]

Hon. Marc A. R. Bean: The previous Bill. Well, it had policy incentives then. Okay? It was for discussion. And it just drives home the point that when we are negotiating on behalf of the people of Bermuda, we need to go to the table looking to get the best for everyone.

There is this habit [that is] forming of giving concessions, but it seems like there is nothing reciprocated. And if [that is true, then] the value is not . . . is not equal to what the cruise ships or others are receiving. And so I would encourage the Government going forward, when you are negotiating issues like this, make sure that you come with a strong, strong case to make sure that you are not just giving everything away. Everything has to be mutually beneficial. So I would hope that if not in this Bill, the Minister will revert back to Dr. Brown's incentives and look to introduce them through further negotiations with the cruise ships.

But let us make no mistake, the cruise ships are good for Bermuda and this is Bermuda fulfilling their end of the bargain. It can be no other way.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Leader.

There does not look like there is anyone else who would like to speak Honourable Minister, so you have the opportunity to reply.

Hon. Shawn G. Crockwell: Yes, thank you.

The Speaker: Minister, the Honourable and Learned Member, Shawn Crockwell, you have the floor.

Hon. Shawn G. Crockwell: Thank you, Mr. Speaker.

Mr. Speaker, I would like to thank all Honourable Members who participated and certainly those who offered their support of this Bill.

I think it is very important that we make a very salient distinction between the Bill before the House today and the Bill that has been referred to quite a bit that was laid in 2009.

The 2009 amendment . . . again, recall that the title of that Bill was Prohibition of Gaming Machines Act 2001, and the amendment was in 2009. The substantive Bill prohibited persons from utilising gaming machines in Bermuda. The 2009 Amendment Act exempted cruise ships from that prohibition. So they can use gaming machines in our jurisdiction but that Bill did nothing for a licensing regime, did not charge any licensing fees to the cruise lines, and it did

not (in the Bill) provide incentives for jobs for Bermudians or the like.

The Bill did not state anything about marketing of Bermuda, *et cetera*. All the things that we have heard today were not contained in that Amendment Act. All that Act did was to exempt cruise ships from importing and utilising gaming machines in Bermuda. So it was not really a comprehensive piece of legislation to allow for the now structure of allowing casinos on cruise ships to come to Bermuda and game and for Bermuda to get a reciprocal benefit: (1) in revenue raised, and (2) in benefits for Bermudians.

This Bill in clause 5(3)(a) and (b)—I am very surprised that quite a few Members got up and said that, you know, in 2009 the previous administration was discussing policy to do that. This Bill, it is enshrined in the Act.

[Inaudible interjection]

Hon. Shawn G. Crockwell: [Clause] 5(3)(a) and 5(3)(b)—to ensure that the jurisdiction is marketed and to provide jobs for Bermudians.

But on top of that, Mr. Speaker, I brought a Ministerial Statement to this House talking about the amount of scholarships that the Royal Caribbean Cruise Lines provided to Bermudians this year. I believe there were over 10 recipients, and some of the scholarships were up to the amount of (if my recollection is correct) I believe (I was very surprised by one) which was like \$20,000. And that was implemented by the PLP.

So what I am saying is, the scholarship regime is in place and ongoing. You know that Minister Michael Fahy discussed about workers being able to work on cruise ships. That was all part of the discussions.

So this new initiative of allowing Bermudians to go and work in the kitchens and other aspects of cruise lines, which is happening right now, that came out of our discussions with the cruise lines to allow them to open up their casinos in port. The difference was we wanted to get this done earlier, but in good faith the cruise lines said they would keep their end of the bargain and they would do what they said they would do because they were confident that this day was going to come. So that is already happening. And we can all remember it was in the newspaper with Minister Fahy and identifying the Bermudians who would be able to actually work in that environment, hands-on, practical opportunities on cruise lines.

In addition to that, I gave a Ministerial Statement concerning the entertainment opportunities that we will have. Again, the cruise lines are [hiring] our local entertainers. They are going to select individuals that would be able to provide entertainment whilst the cruise is in port and while they are departing right there at the dock.

So the Government has . . . yes, so one cruise line is looking at it, but we are looking for this to expand. This is how things begin, Mr. Speaker. And so clearly this Government is committed to having a reciprocal relationship with the cruise lines. And the cruise lines have always (well, from my experience it appears that they have always) been interested in doing that reciprocity.

Now, Mr. Speaker, there have been many questions about why the change, that now the Government and Members of this particular Government [support this Act] but who did not support the 2009 Amendment Act. There have been changes, Mr. Speaker. Number one, as the Honourable Member Mr. Dennis Lister mentioned, in 2009 our competitors were not allowing this in their jurisdictions. Okay?

[Inaudible interjection]

Hon. Shawn G. Crockwell: That has changed. That has changed. The Honourable Member just interpolated, *Now they are*. Precisely! Precisely! We understand now our competitors are doing it and so we, number one, cannot fall behind in terms of our competition. So that is one major change.

Another change, Mr. Speaker, and I did not hear any of the Members on the other side who were taking that stroll down Memory Lane discuss this aspect—someone alluded to it . . . I believe the Opposition Whip alluded to the fact that certain Members of the Government then were expecting certain things to happen to the Bill before it was reintroduced. I remember it very clearly because I remember there was one debate on it, I think it came back again.

But first of all, Mr. Speaker, I can recall very clearly, this Bill came before the House and it came with great alacrity and we were trying to figure out the ins and outs. Now, remember we had one of the principals (I believe it was Norwegian Cruise Lines) speak to the Opposition the day before the debate. And I remember asking some pertinent questions to that individual. One question was, If the Bill was not passed, would this be a deterrent to your cruise lines coming? Is it possible that we could lose some calls? And he said, *I cannot answer that question*. In fact, I posed the exact same question to the then-Premier and Tourism Minister who introduced the Bill. We felt that it was a lack of information.

I can tell you, after the Bill failed and more information came to the fore . . . unfortunately, we lost the *Veendam*. And [it was] one of the reasons why the *Veendam* said that they left. It was one. It was one. But one of the reasons was that they could not open up their casinos whilst in port and they were losing their revenue. But the Bill came and it happened so quickly that we felt that we did not have sufficient information. And, yes, we did take a position as it relates to the Constitution at that time.

But the question has been asked, Was politics involved? Yes, it was.

[Inaudible interjection]

Hon. Shawn G. Crockwell: Yes, it was. Okay?

And you know why? And the Honourable Member Zane De Silva interpolated that, *No, we do not do that, the PLP does not do that.* Come on!

Mr. Speaker, I have had senior Members of the PLP come to me and say, *We know we have to get rid of term limits.* I have had PLP Members sitting on that side of the House tell me privately [that] getting rid of term limits was the right thing to do.

An Hon. Member: Yes, yes.

Hon. Shawn G. Crockwell: But they were all against it.

[Inaudible interjection]

Hon. Shawn G. Crockwell: No, I would not name them. No, I am not going to do that.

But I have had people tell me, *We know you had to get rid of term limits.* But as a party, Mr. Speaker—as a party—they took a strong position.

The Speaker: Honourable Members, let us hear . . . the Honourable Minister has the floor and he has listened to all of you for a long time.

So, Honourable Minister?

Hon. Shawn G. Crockwell: Thank you.

So we all know what politics is about. The party had a position, it has had a long position as it relates to term limits, but privately people understood the efficacy of getting rid of it.

The Honourable Opposition Leader, with all due respect to him, stood in this very House . . . I was excited. Ask the Members of my caucus. When he got up and said to the Government, *Government, if you do not see the need to have a referendum, I will support you—*

[Inaudible interjection]

Hon. Shawn G. Crockwell: I am paraphrasing you. I am paraphrasing the Honourable Member.

[Inaudible interjections]

Hon. Shawn G. Crockwell: I am paraphrasing the Honourable Member.

But he said that, *If you saw . . . you get on with it. I will support you getting on with it.*

I went back to my caucus and said, *Did you hear the Opposition Leader? He said there is no need to have a referendum.* And then weeks later he said in

a television interview that, *We have to have the people decide this issue.*

An Hon. Member: That is our position.

Hon. Shawn G. Crockwell: Now, he just said, *That is our position.* But we know that his personal position, his personal position was—

[Crosstalk]

Hon. Shawn G. Crockwell: —his personal position was, *Let's get on with it.*

Now, what I am saying is this. And I am not going to spend too much time on this, Mr. Speaker, because I am now digressing—

[Crosstalk]

[Gavel]

Hon. Shawn G. Crockwell: I am digressing now a bit.

But Members have talked about gaming and Members have talked about a referendum. And in fact there were some . . . I am going to list them. I am going to list them as they want me to list names.

The Honourable Deputy Leader of the PLP said during the debate, he interpolated, *Bring the Bill. Bring the Referendum Bill—no, not the Referendum Bill, I think—bring the substantive gaming Bill.* Okay?

I have heard other Members on the Opposition say, *Bring the substantive Gaming Bill.* Now I am going to say this and I am saying this without consulting my Cabinet colleagues: If the PLP is prepared to stand with this Government side by side in a press conference—the Premier and the Opposition Leader—and we agree that it is in the best interests of this country not to have a referendum, then we can have a conversation. If we are prepared to put politics aside, and we agree as a House—36 Members—that we need not—

[Inaudible interjection]

Hon. Shawn G. Crockwell: Yes, that is fine. But what I am saying is if they are prepared to do that, link arms with this Government and say that a referendum is not in the best interests of the country, then we may be able to have a conversation.

Now, Mr. Speaker, I acknowledge the presence of Senator Jardine and Senator Dillas-Wright who came in soon after lunch. And I think we need to take a page from the other place, Mr. Speaker, and get our business done as quickly as they do.

[Laughter]

The Speaker: They were finished before noon.

Hon. Shawn G. Crockwell: They were finished before lunch, Mr. Speaker. We need to take a page out of their book, but—

[Laughter]

The Speaker: Mind you we have done a lot of work to help them get through their work faster.

Hon. Shawn G. Crockwell: Oh, okay. That is what it is. We are doing good work here, indeed.

Thank you, Mr. Speaker.

[Inaudible interjections]

Hon. Shawn G. Crockwell: Mr. Speaker, there were some questions raised that I would like to address directly. There was a question by MP Lawrence Scott who asked the question in relation to Murray's Anchorage. We are in conversations with the cruise industry and reviewing and considering options for a cruise pier in St. George's. And so that is something that is high on our agenda and we know that it is something that we have to do for that area.

Mr. Speaker, the question was asked, How much will the Government earn with this initiative? I think it is important—

[Inaudible interjections and crosstalk]

Hon. Shawn G. Crockwell: One second, the other Members want to speak.

[Inaudible interjection]

Hon. Shawn G. Crockwell: —the—

[No audio 16:19:40 to 16:19:52]

Hon. Shawn G. Crockwell: Thank you, Mr. Speaker.

Mr. Speaker, the amount of revenue from the cruise lines that would be making 15 or more calls (which is the majority of the cruise lines) would be approximately \$465,000, if they all participate.

MP Blakeney asked the question about training on board the cruise ships. I have addressed that already.

I gave a Ministerial Statement concerning the entertainment, and the Act has provisions in section 5 that deal with this.

MP Zane De Silva asked a few questions. One was concerning whether or not the cruise lines . . . if they did cut back on their calls to Bermuda. They did not. And again, he asked about marketing Bermuda. That is contained in the Act.

So, yes, I believe that most of the questions have been addressed. The Opposition Leader asked, What is the position of our backbench? Mr. Speaker, we are going to have a long day. The last time we

were in this Honourable Chamber, I got home at six o'clock in the morning and—

[Inaudible interjection and laughter]

Hon. Shawn G. Crockwell: Mr. Speaker, I believe that we are going to have an equally long session again today with some of the matters that will be coming before the House. And so I did ask some of my colleagues who wanted to speak, that I felt that . . . let us sort of push this along.

[Inaudible interjections]

Hon. Shawn G. Crockwell: But, Mr. Speaker, I am speaking on behalf of the Government. I am the lead . . . I am the sponsor of this Bill. We speak in unison and I can guarantee you, Mr. Speaker, if a vote was required, that you would find that we are unanimous on this side as it relates to this issue. It is important for the country. It is important for this particular industry. I have never been anti-cruise visitor, Mr. Speaker. I have always been pro the right ratio. And the ratio, Mr. Speaker—

[Inaudible interjection]

Hon. Shawn G. Crockwell: Neither has the Honourable Member Dr. Gibbons.

The position has always been that we need to have a 60 to 40 ratio—60 [per cent] air to 40 per cent cruise. That is what is stated in the National Tourism Plan. Right now it is the reverse. We have 40 [per cent] air and we have 60 [per cent] cruise. Okay? And no question—thank God for the cruise ships! Because they have sustained—

[Inaudible interjections]

Hon. Shawn G. Crockwell: —they have sustained the—

[Inaudible interjection]

Hon. Shawn G. Crockwell: —they have sustained the industry. But we cannot be competitive . . . look, the Honourable Member Finance Minister said very well in a previous debate, *That tourism is on the verge of extinction*. If we continue to rely on cruise visitors, we will not survive. We will not survive. And so that has always been the position of this Government.

And I agree with the Premier when he said all this comparison, back in the day, to 2009. We know that there was another party that came along, the Bermuda Democratic Alliance. And, Mr. Speaker, we supported the Gaming Green Paper in this House. The United Bermuda Party at the time did not. We have had, to other Members' credit, yes, there have been various changes in relation to political parties,

but today it is the One Bermuda Alliance. And this is the position of the One Bermuda Alliance Government.

[Inaudible interjections]

Hon. Shawn G. Crockwell: So let us not . . . the Honourable Member says just put the Bill. They spent the last three hours on this point . . . on this very point. Okay?

So what has changed is in 2011 (thereabouts) the One Bermuda Alliance was formed and this is the One Bermuda Alliance Government's position and this is the position that we are putting forward to the people of this country.

Mr. Derrick V. Burgess, Sr.: Just a point of clarification, Mr. Speaker, if he would yield?

The Speaker: What is your point of—

POINT OF CLARIFICATION

Mr. Derrick V. Burgess, Sr.: I did not want to interrupt him in his flow, but going back to the remarks he attributed to me, it was not only about the training, I was looking for clarification on the concept of entertainment ambassadors on the ship—

The Speaker: On the ship, okay.

Mr. Derrick V. Burgess, Sr.: —going and coming.

The Speaker: All right. Thank you.

Hon. Shawn G. Crockwell: Yes, thank you, Mr. Speaker.

That is an issue that the Honourable Member did bring to me in private and it is an issue that we are going to take under consideration.

Now, Mr. Speaker, I think it is important to say this: Statistics show that only 30 per cent of the cruise ship passengers utilise the casino. Only 30 per cent utilise . . . that means that 70 per cent that go on these cruises are available to be lured off to various amenities that we may want to offer. The Opposition Leader said it right, we have nothing to offer right now, very little, very little to offer.

The fact of the matter is that 90 per cent of the cruise ship passengers *today*—today—go back on the ship with the casinos closed. The casinos are closed now. They are still going back on the ship by nine o'clock—*today!* So, you know, the argument does not hold much weight. We cannot even entice passengers, when the casinos are closed in port, to stay on shore.

And there is one thing that I agree with Dr. Brown. Dr. Brown used to say to the restaurants and to shop owners, and the like, he would say to them,

Look, don't look for the Government to fill your establishment. You have to pick up your game. You have got to figure out a way how to make your establishments attractive enough to bring people in. And I supported him 100 per cent.

So the issue is, number one, that only 30 per cent utilise the casinos. And we have seen in other jurisdictions (I said it earlier) like in the Bahamas—they have not . . . Atlantis has not lost their market from the cruise ships because, as the Opposition Leader also said, people want to get off the boat. They have been on the boat for two days. They come to this jurisdiction to experience the jurisdiction. And so they want to get off the boat. So I do not see any real challenge with there being a conflict when we open up casinos or if there are other excursions available on the Island.

And in relation to the smaller ships, I agree. The Honourable Member Terry Lister said, *Look, there are 23 worldwide that are available.* We get a few occasional calls to Bermuda. We believe that the *Veendam* will seriously consider coming to Hamilton, but, you know, at the end of the day, if we do not . . . if we are not able to make the necessary modifications in the East End to bring in larger ships, then it is very unlikely we are going to get frequent smaller ships to that end of the Island. And that is why we are looking at and we are in negotiations right now with our cruise partners on a study of modifying either the North Channel or the South Channel and certainly in making a pier (building a pier) somewhere down in the East End so that we can revitalise that area.

Mr. Speaker, I believe I have covered all of the major questions. I saw a look from the Honourable Member, the Finance Minister for the PLP. If he can give me clarification on the question he may have asked that I have omitted.

[Pause]

Mr. E. David Burt: The question that I had was, you spoke about monitoring the effects. How do you monitor the effects? And then he also talked about a campaign for air visitors to convert 5 per cent and I was asking for a clarification on that campaign.

Hon. Shawn G. Crockwell: Yes, I think the only way we can really monitor whether or not there is a negative impact on businesses is through consultation with them to see if there has been a drop off in business as a result of the introduction of this initiative. And I will look into the other matter for you and get back.

So Mr. Speaker, with that I would like . . . I will move that the Bill be committed.

The Speaker: All right. Thank you.

It has been moved that the Bill be committed.

Are there any objections to that?

There are none.

So if I can ask the Honourable Deputy Speaker if she will please take the Chair [of Committee].

[Pause]

House in Committee at 4:29 pm

[Mrs. Suzann Roberts-Holshouser, Chairman]

COMMITTEE ON BILL

CRUISE SHIPS (CASINOS) ACT 2013

The Chairman: Honourable Members, we are now in Committee of the whole [House] for further consideration of the Bill . . . if we are ready . . . for further consideration of the Bill, [Cruise Ships \(Casinos\) Act 2013](#). Minister, you have the floor.

Hon. Shawn G. Crockwell: Thank you, Madam Chairman.

Madam Chairman, I would like to move clauses 1 through 5.

The Chairman: Proceed.

Hon. Shawn G. Crockwell: Thank you, Madam Chairman.

Madam Chairman, this Bill seeks to provide for the operation of casinos on board a cruise ship while it is docked in a designated port in Bermuda; and amends the Prohibition of Gaming Machines Act 2001 and the Criminal Code Act 1907 to exempt licensed cruise ships from gaming restrictions.

Madam Chairman, clause 1 provides the title of the Bill.

Clause 2 provides definitions for various expressions in the Bill including the meanings of “casino,” “cruise ship,” and “licensed cruise ship.”

Clause 3 prohibits the operation of a casino on a cruise ship docked at a designated port in Bermuda without a licence.

Clause 4 provides the grounds on which a cruise ship is eligible to receive a licence.

Clause 5 provides how application for a licence can be made, specifically that the owner of a cruise ship, or an agent on behalf of the owner, may make written application to the Minister for a licence to operate a casino; and, the Minister may consider when approving an application the opportunities of employment that would be created for Bermudians on board a cruise ship and the promotion and advertising of Bermuda as a tourist destination.

Thank you.

The Chairman: Thank you.

Are there any Members that would like to speak to clauses 1 through 5?

Thank you. The Chair recognises the Member Mr. W. H. Roban, Shadow Minister of Home Affairs from Pembroke East, constituency 15.

You have the floor.

Mr. Walter H. Roban: Thank you, Madam Chairman.

Just to reiterate the point that I made earlier in reference to . . . and the Minister did make comment, that [clause] 5(3) actually spoke to some of the issues that I raised.

The Chairman: Mm-hmm.

Mr. Walter H. Roban: I understand what the Minister is saying, but certainly some of the offerings that I mentioned were a lot more specific in nature. And the only thing I can assume is that as the Minister and the department go into discussions around these licences with the cruise lines, I guess the Minister can, perhaps, assure that they will perhaps look for very specific targets in these areas when they will meet with the cruise lines.

Because clearly the clause is written generally, and I appreciate that. But it would be perhaps good that the Minister and his team, as they discuss these issues with those specific cruise lines that are making licence applications, that they look for specific targets on the jobs that they will pursue, that locals can pursue or the jobs that will be offered and the sort of . . . the amount of . . . like specifics on the marketing, so that we can perhaps monitor how well it progresses and the benefits and that perhaps even local companies can be involved with, maybe by providing some of the materials that will facilitate the marketing, so that there is some direct dividend in all these specific areas to Bermudian jobs. So perhaps the Minister can perhaps give us an undertaking that that is the sort of strategy he will pursue under what is asked for in [clause] 5(b) with the licences.

Thank you.

The Chairman: Thank you.

Are there any other Members . . . Thank you.

The Chair recognises Mr. T. E. Lister, Sandys South, constituency 33.

You have the floor.

Hon. Terry E. Lister: Thank you, Madam Chairman.

I want to follow on from the last speaker with regard to [clause] 5(3)(b). As I said earlier, the cruise ship is about making money. There is nothing wrong with making money. In order to do that they have to promote their product, and the product here is Bermuda.

This clause says that in order for a Minister to make a decision he is going to consider what the cruise line has done with regard to “the promotion and advertising of Bermuda as a tourist resort, including

promoting land and sea tours, attractions in Bermuda and viewing promotional films of Bermuda.”

I really want the Minister to tell me what this clause means. Obviously, they are going to do all of this, and have been doing it from day one in order to sell their product. They make their money by filling the beds—the cabins—so they have to do this. They make their money by selling land tours, so they have got to do this. So what is the magic?

What do you expect to have happen differently after you give someone a licence? Or what are you going to consider in order to give them the licence that is different from today? I am hard-pressed to see, Madam Chairman, what this cruise line is going to do in line with this subclause. And to be honest, I think we would be better off with it being left out because it is a nonsense.

Thank you.

The Chairman: Thank you.

Are there any other Members that would like to speak to clauses 1 through 5?

Minister?

Hon. Shawn G. Crockwell: Thank you, Madam Chairman.

The Honourable Member, I was quite happy with his contribution in the main debate, where now he said it is a nonsense. I do not agree with the Honourable Member that this clause is a nonsense in that it is an encouraging clause, and you are right that much of it is done. They do promote so that they can fill their ship and the like, they will promote Bermuda as a destination.

One is that we may have a specific excursion or we may have a specific amenity that we want the cruise line to focus on. We can articulate that to them and ask them whether or not, going forward, if we do have a central casino, for example, we can say, can you place specific emphasis on this in your advertising?

Also, I am not sure how many have taken this up, but we did have promotional films on board their ships coming in (produced locally) highlighting different things as it related to Bermuda. So we think that this could be a useful clause to help us focus on different aspects of promotion on the Island to let the guests on the ship know what they can do when they get here.

In relation to the Honourable Member Mr. Roban, again, I think that this is clear. We cannot be overly specific in the Act. The Act says that we will consider whether or not employment opportunities have been provided for Bermudians. Not only are we prepared to consider it, not only is it enshrined in the Act, we have already demonstrated it by a partnership with the Ministry of Immigration. Already we have identified Bermudians who will be going on board and working on the cruise line. So this is already happen-

ing, Madam Chairman, and we see it only expanding going forward.

Thank you.

The Chairman: The Chair recognises the Shadow Minister of Home Affairs.

You have the floor.

Mr. Walter H. Roban: Thank you.

Just to clarify, I did acknowledge that the Government had already done some of this, but as the Minister should note, the arrangements you have are with one line at the moment. I do not believe it is with all—both lines. So certainly there is room for you to explore with the use of this Act more detailed objectives with the other cruise line. But also I think my main thing is that even if the Act is not specific, Madam Chairman, that in your discussions with ironing out the details of these licences, that you pursue some clear objectives as to what you want to see and even the types of jobs that Bermudians might take on as well as even, perhaps even the cruise lines going into some small partnerships with local advertising firms that have Bermudian advertising materials.

Now, as I was the Transport Minister just prior, I am aware that there was some deficit, particularly in the area of promotional material. Films are not being made available on the cruise ships. That is not an area that there has been great success by the Department of Tourism or the Minister of Transport with the cruise lines. And certainly this Act gives you an opportunity under this clause to pursue that more aggressively. So I am not trying to be critical, I am just, perhaps, trying to encourage more specific endeavours to meet some clear objectives around what [clause] 5(3)(a) and (b) are outlining.

Thank you.

The Chairman: The Chair recognises the Honourable Kim N. Wilson, Shadow Attorney General and Shadow Minister of Legal Affairs.

You have the floor.

Mrs. Kim N. Wilson: Thank you, Madam Chairman.

And forgive me if this question has been answered throughout the brief. But I do note (and we will come to the Schedule in a few moments) that there is a requisite licensing fee. However, in [clause] 5(1) it speaks to the application for the licensing fee to be made “at least one month prior to the date of the intended operation of the casino.”

So does that mean that they are making an application one month prior to every time they sail? Or is it a one-off fee? I just wanted a little bit of clarity insofar as how that [clause] is applicable in this regard.

Thank you.

The Chairman: Thank you.

Are there any other Members?
The Chair recognises the Minister.

Hon. Shawn G. Crockwell: Yes, thank you, Madam Chairman.

To the Honourable Member, Mr. Roban, I accept his suggestions and guidance to the Government. And the reason why we have only seen one cruise line make that commitment is because we all know Norwegian Cruise Line has been the vocal cruise line for gaming. So we know without a shadow of a doubt that they will take advantage of this. We have not yet received . . . once it is passed we will find out whether or not the other cruise lines will avail themselves of this provision as well.

Madam Chairman, if you will give me just one moment indulgence.

The Chairman: Absolutely.

Hon. Shawn G. Crockwell: Thank you.

In relation to the question raised by the Honourable and Learned Member, Ms. Kim Wilson, for the cruise ships that are coming 14 [calls] or less, they will have to make application at least one month prior. For those making 15 [calls] or more, then it will be an annual. The policy will be that an annual licence will be granted to them for all of their calls. So they will have to make the application before the beginning of the season at least one month before the beginning of the season for 15 [calls] or more, and we will make a policy decision there that they would not have to come before every single voyage if they are committed to 15. Those who are not committed, who make 14 voyages or less, they will have to make the application at least one month prior to them coming.

The Chairman: Thank you.

The Chair recognises the Shadow Minister of Legal Affairs.

Mrs. Kim N. Wilson: Thank you, Madam Chairman.

And forgive me, and I thank you for the explanation, Learned Minister. If I understood that right, if they are making 14 or less—

The Chairman: Trips.

Mrs. Kim N. Wilson: —trips to Bermuda then they have to make the application at least one month before? Okay, forgive my ignorance, but aren't these trips more frequent than one month in between?

[Inaudible interjection]

Mrs. Kim N. Wilson: They are not? They—

[Inaudible interjection]

Mrs. Kim N. Wilson: No, but if they are making 14 or less. Right? Then presumably if cruise ship season runs from, I do not know, March to October. That is six months—

[Inaudible interjections]

Mrs. Kim N. Wilson: I will let the Minister answer that for me, please.

[Inaudible interjections]

Mrs. Kim N. Wilson: And then . . . thank you.

And then, I guess, my other question is with respect to making this a policy call when the legislation specifically speaks to that. I am not quite sure you can regulate something by policy if the legislation clearly says all applications must be made one month prior.

Hon. Shawn G. Crockwell: Thank you, Madam Chairman.

The legislation says, [clause 5(1)] "The owner of a cruise line may make an application for a licence to the Minister at least one month prior to the date of the intended operation of the casino . . ." That will apply to those 15 or more. They can make that [application] one month before the season begins, and we can allow them to operate their casinos on each of their calls. It is not going to be a situation where they are going to be . . . every time they come to the Island, they come monthly—or I think they come weekly, but they come over that period of time, that we are going to be requiring them to make the application.

But it goes on to say "or such circumstances as the Minister may permit." So this gives me the flexibility to be able to use this in a prudent and effective way.

The Chairman: There was one further question.

No, no, if there was . . . if you want to repeat the question, feel free.

The Chair recognises the Shadow Attorney General.

Mrs. Kim N. Wilson: Thank you, Madam Chairman.

That question was actually answered already by the Minister, but I have one final question, I hope, to this [clause] and that is with respect to the application for a licence.

An Hon. Member: Your [microphone] isn't on.

Mrs. Kim N. Wilson: Thank you.

The way that the legislation is drafted does not make it obligatory for the licence to be applied for. [Clause 5(1)] "The owner of the cruise line *may* make an application . . ." And then it goes on as the Minister just indicated ". . . or such circumstances as the Minister may permit."

Does that allow for no applications to be made? because it is not an obligatory. I would have thought it would have been “shall” make the application. “May” suggests it is an invitation.

The Chairman: Minister, you have the floor.

Hon. Shawn G. Crockwell: No, the opportunity to open up the casinos is at the discretion of the cruise line. Not every cruise line is going to be required to seek that permission.

Cruise lines may come here and say, *We don't want to open up our casinos. We don't want to pay the licence fee.* And they do not. But a cruise line may apply for a licence to open up their casinos. So we are not saying that every cruise line that comes to Bermuda now would have to open up their casinos and therefore have to pay the Government the requisite licensing fee. It is discretionary; it is up to the casinos.

And keep in mind that the smaller ships are exempt. Those with 2,000 or less passengers do not have to make an application and will not be required to make any payment.

The Chairman: Thank you.

Hon. Shawn G. Crockwell: Just for clarity, just to directly answer the thrust of the question, if they want to open up their casino, they must apply.

The Chairman: Thank you.

Are there any other Members that would like to ask questions about clauses 1 through 5?

The Chair recognises the Shadow Attorney General and Shadow Minister of Legal Affairs.

You have the floor.

Mrs. Kim N. Wilson: Thank you. I am sorry.

I wonder if the Minister could just assist with respect to the concessions that we have spoken about in [clause] 5(3)(a) “opportunities for employment,” (*et cetera, et cetera*) and to what extent is the Government prepared to enter into negotiations with some of these cruise lines for more concessions. I know in some jurisdictions when they have certain . . . something bigger and better—

The Chairman: Mm-hmm.

Mrs. Kim N. Wilson: —you know, build a port, do something, give us a little bit more than just a couple of dollars to the tax coffers.

The Chairman: Thank you.
Minister?

Hon. Shawn G. Crockwell: Yes, Madam Chairman, as it relates to this initiative our competitors are not

charging a fee for opening up their casinos because the incentive for the jurisdiction is that they stay overnight. Okay? That is the incentive for our competitors. We have always been in a privileged position where they were already staying overnight, so we were already getting that benefit, and now, on top of that, we are adding an additional licence cost.

Keep in mind that we are already one of the highest as it relates to head tax and the like in the world, so our cruise lines are paying quite a bit to come here.

But when we get into some other discussions (as we already started) you know, if we are looking at modifying our channels to allow larger ships to come in, if we are talking about building piers, that is going to be something where we are going to see a significant investment from the cruise lines into our jurisdiction.

The Chairman: Thank you.

Are there any other Members that would like to speak to clauses 1 through 5?

There are no other Members.
Minister.

Hon. Shawn G. Crockwell: Thank you, Madam Chairman.

Moving on I would like to now just move clause 6. Madam Chairman, I would like to move an amendment to clause 6.

The Chairman: Does everyone have copies of the amendment?

AMENDMENT TO CLAUSE 6

Hon. Shawn G. Crockwell: I did provide copies. They are being handed out as we speak.

As the Sergeant-at-Arms hands out the amendment, I will read it, Madam Chairman, then Members can see it for themselves.

But the amendment will read as follows: “In clause 6 of the Bill: By deleting subsection (2)(c) and substituting the following: ‘(c) shall remain valid for— (i) one cruise ship season if a cruise ship makes 15 or more voyages to Bermuda; (ii) one voyage if a cruise ship makes 14 or less voyages to Bermuda.’”

And clause 6 [is amended in] subsection (2)(d) “by adding the words ‘if a cruise ship makes 15 or more voyages to Bermuda’ after the word ‘thereof.’”

This is to address the deficiency where it was not clear that cruise ships coming 14 [voyages] or less would have to pay for each voyage. So this addresses that concern and I addressed it in my main brief. So once the Members get the . . . now they all have it?

[Inaudible interjections]

Hon. Shawn G. Crockwell: Yes. Yes.

We are not amending the Schedule, but in clause 6 it makes it clear how the Schedule is going to be applied.

The Chairman: Thank you.

Are there any Members that would like to speak to the amendment that has been placed for clause 6?

Thank you. The Chair recognises the Opposition Leader.

You have the floor.

Hon. Marc A. R. Bean: Thank you, Madam Chairman.

I would like to extend our thanks to the Minister for taking on some of those concerns and bringing that clarity. So we just look at it as a housekeeping amendment and we welcome it.

Hon. Shawn G. Crockwell: Yes. I would like to thank the Opposition Leader for that, and also I would just like to highlight the fact that the Honourable Independent Member, the Honourable Terry Lister, detected this early in the week. He e-mailed me, brought it to my attention, [and] he also gave me a recommended course to follow. I think if we can work like that, then we can get to the House and we can actually pass better laws.

So I would like to extend my appreciation to the Honourable Member and thank the Opposition Leader for his support.

[Desk thumping]

The Chairman: Before we move on then, it has been moved that the proposed amendment to clause 6 of the Cruise Ships (Casinos) Act 2013 be [passed].

Do we have an approval?

Some Hon. Members: Yes.

The Chairman: Approved.

[Motion carried: Amendment to clause 6 passed.]

The Chairman: Minister, proceed.

Hon. Shawn G. Crockwell: Thank you, Madam Chairman.

Now I would like to move clause 7 through 14.

The Chairman: If we could just move clauses 7 through 10, because we have some amendments that have been put forward. So we will just do clauses 7 through 10.

Hon. Shawn G. Crockwell: Okay.

The Chairman: Please, proceed.

Hon. Shawn G. Crockwell: Thank you.

Clause 7 provides that the licence fee shall be paid into the Consolidated Fund and shall be in the amount prescribed in Schedule 2. It also provides cruise ships carrying less than 2000 passengers are not liable to pay the licence fee.

Clause 8 provides that the Minister may suspend, refuse, revoke, or vary a licence on the specified grounds of failing to comply with the terms and conditions of a licence or the provisions of the Act, for providing misleading, false, or fraudulent representation. It also provides that (a) prior to the suspension, refusal, or revocation, the cruise ship applicant or licensee must be notified why the licence is being suspended, refused, or revoked, and gives the licensee or applicant an opportunity to plead, in writing, why the licence should remain valid or why the licence should be issued; and (b) that notice of any suspension revocation or refusal shall be given by registered mail to the applicant's or licensee's last known address.

Clause 9 provides that any applicant or licensee that does not agree with the decision of the Minister to suspend, refuse or revoke a licence has a means of appealing that decision to the Supreme Court. The practice and procedures of any appeal made by an applicant or licensee are governed by the rules of the Supreme Court.

Clause 10 provides that a licence shall be conspicuously displayed near any casino on a cruise ship.

The Chairman: Thank you.

Are there any Members that would like to speak to clauses 7 through 10?

Thank you. The Chair recognises Mr. Walter H. Roban, Shadow Minister of Home Affairs.

You have the floor.

Mr. Walter H. Roban: Thank you, Madam Chairman.

I see [clause] 7(2) reads "Notwithstanding subsection (1), a cruise ship with a passenger capacity not exceeding 2,000 passengers shall not be charged a licence fee."

I would be interested to know the rationale of the Minister around this because some of these vessels of this size are not exactly, you know, low-end vessels. They are often luxury vessels, like Crystal Cruises and others, and smaller vessels that provide a more niche market service that actually . . . why would that size vessel be the one that you would not charge a fee? Because certainly, perhaps, you might want to consider the type of vessel and the type of market it appeals to.

Isn't this sort of giving them an opportunity to at least earn a little money on perhaps smaller vessels that actually are more often providing a luxury-end

cruise service? So perhaps the Minister can give us more clarity as to why they chose the under 2,000 to not charge the fee.

The Chairman: Thank you.

Are there any other Members that would like to speak to clauses 7 through 10?

Thank you. The Chair recognises Mr. W. Lawrence Scott.

You have the floor.

**PROPOSED AMENDMENT TO SCHEDULE 2
(SECTION 7)**

[withdrawn]

Mr. W. Lawrence Scott: Actually, I would just like to propose an amendment to section 7 . . . I think I will get it right. Correct me if I am wrong . . . 7(2)(1) is where it says—

[Inaudible interjection]

Mr. W. Lawrence Scott: Okay. So [Schedule 2], [(Section 7), paragraph] 2. And the amendment is that the amended . . . hereby amended by deleting the reference to “no charge” and replacing it with \$50,000.

The Chairman: Thank you.

Members, you were given some suggested amendments and it is the second portion that has the Schedule to section 7 on it. You should all have it.

Thank you very much, Member.

[Crosstalk]

The Chairman: But this is referring to the Schedule.

Mr. Derrick V. Burgess, Sr.: You are absolutely right, but it . . . this ties with the Schedule.

The Chairman: Right.

[Pause]

Hon. Shawn G. Crockwell: Madam Chairman, I am not quite sure what just transpired. Is the Honourable Member proposing an amendment to clause 7?

Okay. Can he repeat the amendment for my edification, please?

Mr. W. Lawrence Scott: Okay.

Hon. Shawn G. Crockwell: Is it being circulated?

The Chairman: The amendment is actually to the Schedule which we have in front of us, but because it is linked with the licence fee of clause 7—

[Crosstalk]

The Chairman: You have not received the amendment?

[Crosstalk]

Hon. Shawn G. Crockwell: I know that the actual written amendment may be circulated, but can the Honourable Member just restate what the intent is.

Mr. W. Lawrence Scott: Okay. The intent is . . . we are of the understanding that for those cruise ships that are not exceeding 2,000, right now there is no charge.

Hon. Shawn G. Crockwell: Right.

Mr. W. Lawrence Scott: We would like to . . . we feel as though they should be . . . that if they are going to actually have a charge, I mean, if they are coming to apply for a gaming licence they should be charged. And what we are . . . for the 15 or more voyages, we would like the amendment for \$50,000 for those having 14 or less voyages, [it] would be \$4,000 per voyage.

[Pause]

Mrs. Kim N. Wilson: Point of information, Madam Chairman.

The Chairman: You have the floor.

POINT OF INFORMATION

Mrs. Kim N. Wilson: Thank you. Thank you very much.

With respect to this amendment, as you rightly pointed out it relates specifically to Schedule 2, however, we are speaking about clause 7 now which is why it was raised.

And I wonder whether or not you would exercise your discretion to allow for a slight amendment to be made verbally to this particular amendment and that is just for housekeeping to ensure that we are proposing that the fee go up as well as the class of cruise ship fee also be completed accordingly. Or, alternatively, Madam Chairman, alternatively . . . because technically the amendment can be raised when we get to the Schedule—

The Chairman: That is correct.

Mrs. Kim N. Wilson: —we can go and retype it and bring it back then.

The Chairman: That is what we will do.

Mrs. Kim N. Wilson: So, if you like that—

The Chairman: That is what we will do.

Mrs. Kim N. Wilson: Fine. Or, alternatively, we can make the amendment right now here on the floor.

The Chairman: We will actually go and change the Schedule when we get to the Schedule.

Mrs. Kim N. Wilson: Fine.
Thank you, Madam Chairman.

The Chairman: Which will automatically have to change—

Mrs. Kim N. Wilson: To reflect both.
Thank you very much.

The Chairman: Thank you.
Thank you for everyone's patience.
Minister?

Hon. Shawn G. Crockwell: Thank you very much.
First of all, let me say that the reason why we decided to exempt the smaller ships was a licence fee, as it was articulated during the general debate by Members of the other side, these ships are not coming now. So to think they are going to come 15 or more [times] is just completely and totally unrealistic. Or coming on a multiple basis.

The point of this particular clause is to try somehow to incentivise a few to consider coming and maybe going into Hamilton. We know the benefit of these ships—

[Inaudible interjection]

Hon. Shawn G. Crockwell: Yes. Because of the fact that these are luxury cruises, they probably can afford it. It is not an issue of affordability; it is an issue of them stopping and saying, *Hmm. Maybe we should go to Bermuda because we could open up our casinos and now the Government recognises our value and they have exempted us from paying a licence fee.* So this is just to incentivise them coming because once the ship is here, we see the benefit it has to the Corporation of Hamilton, in particular.

The Chairman: Thank you.

Hon. Marc A. R. Bean: Madam Chairman—

The Chairman: Opposition Leader—

Hon. Marc A. R. Bean: —sorry for the confusion.

The Chairman: You have the floor.

Hon. Marc A. R. Bean: With the Minister's explanation we accept it, and so we would like to withdraw the proposed amendment.

The Chairman: Fine. Fine.

Minister, please, proceed.

Before we do that I would like to ask whether anyone has any further questions for clauses 7 through 10.

Minister?

Hon. Shawn G. Crockwell: Thank you, Madam Chairman, and I appreciate that from the Opposition Leader.

Madam Chairman, you asked me to stop at this point because I am anticipating that there may be another proposed amendment to clause 11. So I will read clause 11.

Clause 11 provides . . . so I am just going to move clause 11 on its own, Madam Chairman?

The Chairman: Please.

Hon. Shawn G. Crockwell: Clause 11 provides the conditions of operation of a casino on a licensed cruise ship: The casino can only be open between the hours of 9:00 pm and 5:00 am; and only passengers onboard a cruise ship are allowed to participate in gaming in a casino.

Again, Honourable Members, during the general debate, one in particular (the Shadow Finance Minister), asked since the cruise ships were prepared to accept ten o'clock [pm] to five o'clock [am] in 2009, then why have we now said nine o'clock [pm] to five o'clock [am]. I cannot speak to the discussions that happened in 2009, but I can tell you that they had specifically asked for nine o'clock [pm] to five o'clock [am].

We put to them the same time of ten o'clock [pm] to five o'clock [am] and the reason [stated] was the statistics that I raised earlier—90 per cent of their passengers are on the ship by nine o'clock [pm]. That is their statistics. They actually track all of this. They are very studious in tracking these types of trends and they said, *Our guests are back on our ship at nine o'clock [pm] and we want to be able to allow those who want to utilise the casino to do so.* What is interesting—that was for an earlier point.

So, Madam Chairman, the reason why we have put nine o'clock [pm] to five o'clock [am] was because that was the requested timeframe. Obviously, they would like it to be open all day. But in terms of the night they said they would like for us to do it from nine o'clock [pm] because their guests are back on the ship at that time.

The Chairman: Thank you.

Are there any Members that would like to speak to clause 11?

Thank you. The Chair recognises the Honourable Zane De Silva, Shadow Minister of Health and Seniors.

You have the floor.

Mr. Zane J. S. De Silva: Thank you, Madam Chairman.

I understand what the Minister is saying and—no, no, Madam Chairman, thank you, thank you. Madam Chairman. Thank you very much. I appreciate what the Minister had to say, Madam Chairman, but unless—and we know times change—but I have a letter here from the CEO of Norwegian Cruise Line—

[Inaudible interjection]

Mr. Zane J. S. De Silva: Just take it easy.

All right, I have a letter from . . . like I said, unless things have changed.

An Hon. Member: They have changed.

Mr. Zane J. S. De Silva: Yes, yes, yes, but okay, and this is from his data dated 2009, from the CEO to myself stating that his data is that close to 95 per cent of his passengers are on board the ships by ten o'clock [pm]. Okay? Now, I do not know if he has given any further statistics other than 2009.

My question is this, if it is nine o'clock [pm] they have requested, nine o'clock [pm], then we want to make life as comfortable for the cruise lines as possible. The only thing I would caution, if the Minister wants to stick to nine o'clock [pm] as opposed to ten o'clock [pm], is that the cruise lines may say that the majority of passengers are back on by nine o'clock [pm], but I would beg to differ a little. The only thing that does concern me . . . now I did not have any concerns with 10 o'clock [pm] because I was happy and, in fact, my consultation with the restaurateurs on Front Street in particular (now that is my conversation with the restaurant owners) was that, *Look, ten o'clock [pm] is okay; nine o'clock [pm] they are going to struggle with.*

Let us face it, most of us go to dinner around seven o'clock [to] 7:30 [pm].

[Inaudible interjections]

Mr. Zane J. S. De Silva: Well, outside of cousin Derrick, most of us go around seven o'clock or 7:30.

We know that most dinners last two hours on an average. So what I am saying to you Minister is, if they do go for dinner at seven o'clock or 7:30—two hours by the time they take a little stroll back—it is going to be ten o'clock anyway. So I would say that unless they are really digging their heels in with the nine o'clock, let us try and see if we can push it to ten o'clock thinking of our local restaurateurs only.

The Chairman: Thank you.

Are they any other Members that would like to speak to clause 11?

Thank you. The Chair recognises the Opposition Leader.

You have the floor.

Hon. Marc A. R. Bean: Thank you, Madam Chairman.

Certainly, I would like to thank MP De Silva for reiterating why we were thinking of ten o'clock [pm] to five o'clock [am]. It is true that it could assist retailers on the Island, but upon further thought, we cannot put a Band-Aid over our lack of product on-Island. So, to increase it to ten o'clock [pm] would be really almost a cover up . . . sorry, not a cover up, but a Band-Aid. We were going to propose an amendment to change it to ten o'clock [pm], but we withdraw that amendment also.

The Chairman: Thank you.

[Desk thumping]

The Chairman: Minister?

Hon. Shawn G. Crockwell: Yes, thank you.

Let me just say, I think for some reason we have in our minds that if the casino is open that the passengers are going to flock to the casino—*It is nine o'clock! The casino is open*, and they are just going to abandon whatever they are doing. We have to be practical about it. They are not going to leave a dinner because all of a sudden the casino is open.

Madam Chairman, we had four tourists that were here over the lunch break. One married couple was celebrating 50 years of marriage in Bermuda, and they had their children here. I met them and I told them what we are debating. And I said, *Do you participate in the casino?* And they all said no. But one of them said, *But we have a friend that is sulking right now because it is not going to be open tonight.* The reality is that they all do not go to the casino. I think we make too much of it.

All the cruise lines are saying is . . . and I see that the Honourable Member De Silva had data in 2009 and that came from the CEO of Norwegian. I can inform the Honourable Member that we have had dialogue with the CEO and other members of Norwegian Cruise Lines and their data has changed and their request has changed. And I appreciate the Opposition Leader, so I will move on since we have gotten that concession, and I would like to now move clauses 12 through 22.

The Chairman: Please, proceed.

Hon. Shawn G. Crockwell: Clause 12 provides that the Minister may appoint a public officer to act as an

inspector to board a licensed cruise ship while docked in Bermuda to ensure compliance with the licence and any provisions of the Act. The public officer may inspect any casino located on board a cruise ship and may require the operator of the casino to provide whatever information is required to carry out an inspection.

Clause 13 provides the summary offence of operating a casino without a licence or contrary to the terms or conditions of any licence, the fine being \$20,000.

Clause 14 provides the summary offence of wrongfully procuring a licence by providing false information, the fine being \$10,000.

Clause 15 provides the summary offence of failing to comply with a customs officer while attempting to perform his duties, or failing to comply with any requirement made by a customs officer, the fine being \$5,000.

Clause 16 provides the summary offence of failing to display a licence at the entrance of any casino, the fine being \$1,000.

Clause 17 gives the police the power to arrest without warrant a person who is guilty of an offence under the Act.

Clause 18 provides that the Minister may make regulations to carry out the purposes of the Act.

Clause 19 provides that the Minister may, by order, amend the Schedules to the Act. Both regulations and orders made under that Act are subject to the negative resolution procedure.

Clause 20 provides consequential amendments to the Prohibition of Gaming Machines Act 2001 by inserting the definition of "cruise ship" to distinguish between cruise ships as defined and other categories of passenger ships by adding the categories of vessels that are exempted from the prohibition on the importation of gaming machines provided in the Act.

Clause 21 makes a related amendment to the Criminal Code Act 1907. Under section 155(2) of the Criminal Code Act 1907, it is an offence to keep a gaming house. A new subsection (3) has been inserted into section 155 to exempt a person operating a casino on a cruise ship from the application of the offence provision under section 155(2).

Clause 22 provides the commencement of the Bill.

The Chairman: Thank you.

Are there any Members that would like to speak to clauses 12 through 22?

Thank you. The chair recognises Mr. Rolfe P. Commissioning, Shadow Minister of Workforce Development.

You have the floor.

Mr. Rolfe Commissioning: Thank you, Madam Chairman.

Just with respect to clause 12, can the Minister offer any clarity as to what type of public officer is envisioned as performing the role of an inspector, whether it is a Justice of the Peace, a designated civil servant, a police officer? Can he give us a little more specificity with respect to that?

I also have another question with respect to clause, if I may—

The Chairman: Of course.

Mr. Rolfe Commissioning: (If I can find it.)

Clause 17, under the heading of Police Powers says, "A police officer may arrest without warrant any person whom he reasonably believes is committing an offence under this Act." Again, can they offer some rationale as to why we have decided to go down the road of a warrant-less arrest with regard to these amendments?

Thank you, Madam Chairman.

The Chairman: Are there any other Members that would like to speak to clauses 12 through 22?

There are no other Members.
Minister?

Hon. Shawn G. Crockwell: Thank you, Madam Chairman.

In relation to the Honourable Member's first question, we intend to designate either a public officer or maybe a utilise one of the hotel inspectors that we have in relation to inspecting the casinos on the cruise ships.

POINT OF CLARIFICATION

Mr. Rolfe Commissioning: Point of clarification.

The Chairman: Please, yes?

Mr. Rolfe Commissioning: What would be the . . . can I ask a question?

What I am saying, again, can you just more clearly define who would qualify as a public officer, for example?

Hon. Shawn G. Crockwell: We envisage that it would either be a hotel inspector, which we already have within the civil service, or a customs officer. We have kept it broad [as we] ascertain which will be the best way to go, going forward.

In relation to your question concerning clause 17, this is very analogous to the powers contained in the Prohibition of Gaming [Machines] Act, it is an offence if someone goes against the requirements in the Act, and so in maintaining consistency we want to have [it so] that if someone offends the Act, then they can be arrested by the police officer as stated in the Prohibition of Gaming [Machines Act 2001]. This

keeps consistency, but we are going to make sure that we are going to have an enforcement of this particular piece of legislation.

The Chairman: Thank you. Are there any other Members who would like to speak to clauses 12 through 22?

The Chair recognises the Shadow Minister of Workforce Development.

You have the floor.

Mr. Rolfe Commissiong: Thank you, Minister, for your response to my queries on those two clauses.

Just back to [clause] 17, again, my specific question was with respect to the warrant-less part of that clause—that there is no need for a warrant in the—

The Chairman: Arrest.

Mr. Rolfe Commissiong: —in the arrest, in terms of the police officer fulfilling any arrest under the provisions of this Bill, potential Act—this amendment.

Hon. Shawn G. Crockwell: Thank you, Honourable Member.

We just did not see the necessity for requiring a warrant. Again, it was in line with similar legislation, so a warrant was not necessarily required in these instances.

The Chairman: Are there any other Members that would like to speak to clauses 12 through 22?

Minister?

Hon. Shawn G. Crockwell: Yes, thank you, Madam Chairman.

I would like to move the Schedules.

The Chairman: Please, proceed.

Hon. Shawn G. Crockwell: I would just move them as they are printed. I have nothing to elucidate. They are self-explanatory.

The Chairman: Are there any Members that would like to speak to Schedule 1 and Schedule 2?

There are no Members.

Minister?

Hon. Shawn G. Crockwell: Thank you, Madam Chairman.

Having moved the Schedules, I would now like to move all the clauses as amended.

The Chairman: It has been moved that all clauses be approved with amendments.

Are there any objections to that?

There are no objections.

Minister?

[Motion carried: Clauses 1 through 22 passed, as amended in clause 6]

Hon. Shawn G. Crockwell: Thank you.

I move the Preamble.

The Chairman: Can we move the Schedules first?

Hon. Shawn G. Crockwell: I moved them already, but I will move them again.

I will move the Schedules, yes.

The Chairman: It has been moved that the Schedules be approved.

Are there any objections to that motion?

There are no objections.

Agreed to.

[Gavel]

[Motion carried: Schedules 1 and 2 passed]

Hon. Shawn G. Crockwell: I move the Preamble, Madam Chairman.

The Chairman: It has been moved that the Preamble be approved.

Are there any objections?

There are no objections.

Agreed to.

[Gavel]

Hon. Shawn G. Crockwell: I move that the Bill be reported to the House.

The Chairman: It has been moved that the Bill be reported to the House with amendments.

Are there any objections to that motion?

No objections.

Agreed to.

[Gavel]

[Motion carried: The Cruise Ships (Casinos) Act 2013 was considered by a Committee of the whole House and passed as amended in clause 6.]

House resumed at 5:14 pm

[Hon. K. H. Randolph Horton, Speaker, in the Chair]

REPORT OF COMMITTEE

CRUISE SHIPS (CASINOS) ACT 2013

The Speaker: Members, the Cruise Ships (Casinos) Act 2013 has been approved with amendments after its second reading.

We move now to Order No. 3 which is the Municipalities Amendment Act 2013. This Act is in the name of the Minister Public Safety.

I recognize now the Minister for Public Safety, Minister Michael Dunkley.

You have the floor.

BILL

SECOND READING

MUNICIPALITIES AMENDMENT ACT 2013

Hon. Michael H. Dunkley: Thank you, Mr. Speaker.

I move that the Bill entitled the Municipalities Amendment Act 2013 be now read the second time and committed.

The Speaker: Are there any objections?

There are no objections so, Minister, please, carry on.

Hon. Michael H. Dunkley: Thank you, Mr. Speaker.

Mr. Speaker and Honourable Members of this House, I am pleased to rise this evening to introduce the Bill entitled the Municipalities Amendment Act 2013 on behalf of my honourable colleague, the substantive Minister, the Minister of Home Affairs Senator Honourable Michael Fahy.

The Bill seeks to amend the Municipalities Act 1923, the Municipalities Reform Act 2010 and related legislation. It makes provisions regarding the constitution of the Corporations, municipal elections, disposition of land, Corporation powers, and to restore the power of the Corporations to levy wharfage and port dues, and to make consequential amendments.

Mr. Speaker, the Bill is divided into four parts each with separate commencement provisions, and I will endeavour to walk Honourable Members through each of these four parts.

Mr. Speaker, it is said that municipal reform refers to changes in the city governments made to encourage greater efficiency and responsiveness. Research shows that municipal governments not just here in Bermuda, but elsewhere, have been in flux since their creation. This is supported by the review of Bermuda's own Municipalities Act which dates back to 1923 and has been amended, Mr. Speaker, 37 times since enacted.

The municipalities have been operating for decades under the existing structures while our Island home has experienced significant and profound political, social, cultural, economic and infrastructure development.

I believe that Honourable Members on the other side would agree with the on-going evolution of

municipality reform. In its [Throne Speech](#) of February 2008, the then-Government of Bermuda outlined its position regarding the country's municipalities when they said, "The Corporations of Hamilton and St. George's have served their respective municipalities well, but the framework within which they operate is outdated, and it can be argued that it does not reflect modern good governance."

The Bill before this Honourable House today represents a continuation of the movement towards good governance. This Government remains fully supportive of reforms that righted a wrong that denied municipal residents of their right to vote in municipal elections. As a result today, all adult citizens who live in one of Bermuda's two municipalities are eligible to vote.

Also, all adult citizens, whether or not they live within a municipality, are eligible to run for municipal office as well. We applaud the former Government for bringing about this change. However, Mr. Speaker, in this regard we support inclusiveness. We also support the modernisation of an outdated structure. Everything that the Government is doing is for the recovery and renewal of Bermuda to get it working better and to help the people of Bermuda.

Part 1 of the proposed legislation, Constitutions, Elections and General Provisions, seeks to modernise various aspects of the dated Municipalities Act. To achieve this modernisation the titles of "alderman" and "deputy mayor" will be eliminated and replaced with "councillors" which will result in a flatter, more streamlined structure.

An [alderman](#) is a member of a municipal assembly or council in many jurisdictions founded upon English law. The title is derived from the [Old English](#) title of "[ealdorman](#)," literally meaning "elder man," and was used by the chief nobles presiding over [shires](#). Research suggests that similar titles existed in Germany and in Scandinavian countries. It is possible that this harkens back to tribal societies, but since these often lie before written history, it is unknown how far they go back. While many local government bodies historically use the term "alderman," local councils have been modernised and the term "alderman" has been discontinued in a number of other places.

As we move forward, there will be eight councillors and all will have the equal opportunity to act as mayor in the mayor's absence, either by appointment or by a majority vote from their peers as the situation may warrant. Mr. Speaker, with the change in structure also comes the implementation of added good governance measures to include provisions designed to ensure that municipal councils have the framework in place to address transparency and accountability to their voters and themselves. Such provisions will include requirements for documented policies and procedures in the form of [a] Code of Ethics and Conduct, a Council of Meeting Guide which will set out guidelines to stipulating the necessary decorum of elected

officers and the staff of the municipality. In some cases, these already exist. However, the aim is to strengthen the documentation and to ensure proper alliance across councils and with the Government.

During the consultation phase of the policy development, the Corporation of Hamilton presented the Ministry with a Code of Conduct that has already been produced. Impressed by the content and the thoroughness of the document, the substantive Minister has already requested that that document be shared with the Corporation of St. George's. The Corporation of St. George's is now currently in the process of reviewing this document with a view to adopting the same code. This is evidence that the collaboration process has already commenced and we are indeed moving in the right direction.

Municipalities will now require written and approved financial instructions, as well as an asset management plan. An asset management plan will aid in the planning, maintenance and long-term management of assets. The plan will serve to build awareness at all levels of the condition of the assets, facilitating annual measures of future demands and cost drivers.

Mr. Speaker, as I spoke earlier about this Government's support of the eradication of an electoral system that denied the residents their fundamental right to vote, this Government rejects the notion that such a right should be exclusively reserved for landowners or those with other commercial interests in land. However, I also spoke earlier about this Government's support for inclusiveness. This Government believes that there is in this instance a rationale for extending the franchise to include the ratepayer.

Ratepayers are entities that are liable to pay rate for services and should have the right to representation of their interests. We are speaking about local businesses, Mr. Speaker, businesses that are intrinsically tied to Bermuda. Many are owned and operated by Bermudians who have a vested interest in our cities, recognising that our cities are the centre of Bermuda's economic, social, cultural and recreational activities.

To this end, their concerns with municipal affairs include traffic flow, parking, roads, accessibility for workers and shoppers, pedestrian thoroughfares and ensuring that they are attractive and well-maintained, the tourism product and the balance between air and cruise passengers, zoning and city development such as lower Hamilton, the waterfront and the UNESCO site.

Ratepayers are also concerned about services and infrastructure that includes water, sewage, garbage, lighting, communications and the like. They, indeed, are also concerned about tax rates, user rates, ordinances and licences. Mr. Speaker, their voice complements the resident's voice.

During the policy and development phase the Ministry conducted two town hall meetings, one in Hamilton and one in St. George's. We wanted to make

sure that we heard all views. In fact, in Hamilton one of the residents was invited to sit on the panel said that he could share the resident perspective on the introduction of the ratepayer vote. He shared that many residents were supportive of the introduction of the ratepayer vote. He noted that there was no conflict but rather two bodies would serve to complement one another. This is not a return to the historic property vote nor does it provide businesses that have more than one branch or an outlet within municipality to have multiple votes. There is no threat of a ratepayer advantage over the residents.

Mr. Speaker, a jurisdictional review suggests that such a scenario wherein there is a resident and a ratepayer vote is not uncommon. One simply has to look at the city of London, Montreal, Quebec, Canada, municipalities of Saskatchewan, New Zealand municipalities and Australia municipalities, to name a few. Given our small size, this Government contends that in circumstances related to the Bermuda municipalities, this Island can successfully implement this form of democratic process as well.

Hamilton has approximately 637 registered residential voters and an estimated 938 ratepayer voters. Meanwhile, in St. George's they have approximately 1,216 registered residential voters and an estimated 227 ratepayer voters. Balancing the interests of businesses, local government and the public is an essential consideration when contemplating legitimacy of a voice of major providers and users of the municipal areas.

To ensure balance an ordinary election within the municipalities will require that three distinct elections must be conducted simultaneously for each municipality. Colour-coded ballots which were introduced in 2012 municipal elections will be used with different ballots being issued to voters based on whether they are a municipal resident voter or a business ratepayer voter. Both the municipal resident and the business ratepayer voter will be given a two-part ballot.

Page one of the ballot will be for the selection of the mayoral candidate and page two and onwards will be for the selection of the councillors. Given that both the municipal resident and the business ratepayer have equal input into the mayor's election the common colour used for the mayoral ballot will be designed to easily identify the mayoral portion of the ballot.

On the mayoral ballot, all voters will select one candidate. On the councillor ballot, the municipal resident voter will select "X" number of candidates and the business ratepayer voter will select "Y" number of candidates. The number of candidates stated as "X" and "Y" will be predetermined by the registrar in accordance with section 6(1H) of the Municipalities Amendment Act 2013.

Candidates wishing to be nominated for the position of mayor may be nominated by registered municipal resident voters or registered business rate-

payers. For the councillor position, candidates may represent either the municipal resident voters or the business ratepayer voters. Therefore, the candidates nominated for either group must have a proposer and a seconder from the respective group that they will be representing and their nomination forms must clearly indicate the voter group that they wish to represent.

In accordance with the Municipalities Amendment Act 2013, the calculations of the registered business ratepayer to registered municipal resident will have already been determined for each municipality, section 6(1H) refers. As such, Mr. Speaker, minority and majority voting groups will have been established for each municipality.

The ratepayers are the minority in St. George's and would represent 1.25 seats, or two seats on the council for any minority under two seat minimum. Meanwhile, in Hamilton, the residents are the minority and would represent 3.2 seats or four seats as a fraction will always favour the minority for a full seat up to the half seats. The process protects the residential share of the voice particularly in the Hamilton electoral process where the residents are the minority.

It is important to note that in 2009 the then-Government of Bermuda issued a Request for Proposal that sought assistance in establishing a framework that would absorb the operations performed by the municipalities and transfer the functions to the Government of Bermuda. This suggests that the initial thinking at that time was to dissolve the municipalities in their entirety.

Now, Mr. Speaker, this Government seeks to preserve the history and the heritage of the municipalities, and we believe that the proposed formula protects the residents no matter how many new ratepayers may exist. In addition, under a typical Westminster first-past-the-post system, the minority is often excluded. This will ensure that that scenario will not occur.

This process, a hybrid form of proportional representation provides for an inclusive yet balanced approach—one that achieves our goals and is in the best interests of Bermuda. Regulations will be introduced by affirmative resolution prior to the next scheduled municipal election.

I now would like to draw attention to Part 2—the matters related to the disposition of land. You will know that given our limited size, land is deemed a precious resource and is a sensitive subject for the people of Bermuda. The Government holds Crown lands as stewards on behalf of the people of Bermuda. It is not ours to do as we please. Our job is to acquire, develop and maintain the land in consultation with the people, on behalf of the people. The Ministry of Public Works is responsible for some aspects of land and land development. The Ministry of Environment and Planning is responsible for [some] aspects,

and there are other arms of Government responsible for yet other components of landholding and land use.

The Bermuda Land Development Corporation and the West End Development Corporation were also established to manage various parcels of prime land. Likewise, the municipalities hold, acquire, manage and develop land. All of these entities act as stewards on behalf of the people of Bermuda, despite their varying organisational and governing structures.

The Public Lands Act 1984 and the Development and Planning Act 1974 set out provisions that govern the approach to Crown land development. These provisions require a fair amount of due diligence, stakeholder consultation and consideration of the Legislature before Crown land is developed, sold or leased for extended periods.

The Legislature is governed by the process set out in the Public Lands Act 1984 in determining the appropriate uses of Crown land, and accordingly the proposed amendments to the Municipalities Act for the disposition of land brings the municipalities activities in line with the requirements that apply to Government and its Crown land.

The provision will require any lease or agreements that extend beyond the 21-year maximum to be approved by the Legislature. This provision is retroactive to 1 January 2012. This date, Mr. Speaker, encompasses the full year in which the new administration took office, notwithstanding the December 2012 election. As Honourable Members will know, Government leases over 21 years must be approved by this Honourable House, and as such this proposal is in line. The aim of this proposed amendment is to affect the introduction of good governance measures as it relates to municipal land.

Part 3, Powers and Duties of Corporations. As a local Government, the Act has provided for the making of ordinances. These are essentially legislative instruments that convey rules for any number of matters regarding the municipalities. From time to time, however, these ordinances are repugnant to various Acts. To ensure a synergistic process moving forward, all ordinances will require consideration by the Attorney General Chambers and the consent of Cabinet prior to approval. This addresses a long-standing issue that has been debated between Government and the municipalities for some time now. To address any existing discrepancies an audit will be undertaken to bring all such ordinances into compliance. All ordinances will remain in force during this period.

Again, the principles of good governance apply. On an Island as small as Bermuda, particularly in these critical times, it is important that both national and local government policies are effectively in line to avoid duplication of effort, waste and confusion, all in the best interests of Bermuda as we work to restore and rebuild confidence in our people and on our Island.

Finally, Part 4, Wharfage and Port Dues. Honourable Members will already be aware that as part of the 2010 Municipalities [Reform] Amendment Act the practise of allowing Corporations to levy wharfage and port dues was set aside and such taxation collection was left to the Government. The proposed amendment seeks to reinstate the collection of wharf and port dues to the Corporations in much the same manner that it was previously handled. The Ministry of Finance, via the collector of customs, collects the wharfage, retains a fee and passes along the funds to the municipalities. As a result of reinstating wharfage and port dues, Government will not be required to provide the Corporations with an annual grant.

However, the Act does include a provision to make such grant funding permissible in cases where the situation arises that supplemental funding is indeed required.

The proposed amendment presented here today has been the source of much debate. We have consulted widely, in some cases there is an agreement and in other cases the Opposition is fierce. Mr. Speaker, such is the nature of life. Since tabling the legislation, one of the Corporations has asked that we not move forward until such time that further consultation is undertaken. To this end, I will say again, there is the urgency of now. We cannot wait. There is much to be accomplished. The Government of Bermuda is committed to the enhanced long-term viability and accountability of the municipalities. As part of its commitment, the legislation before this House demonstrates the kind of bold steps that this Government is prepared to take to improve the long-term viability of our municipalities by aligning our policies and strengthening the capacity of the municipalities in the best interests of Bermuda.

Thank you, Mr. Speaker, and now I invite the participation of honourable colleagues.

The Speaker: Thank you, Honourable Minister.

The Chair will now recognise the Honourable Member who is the Shadow Minister of Home Affairs, MP from Pembroke East, MP Walter Roban.

You have the floor.

Mr. Walter H. Roban: Thank you very much, Mr. Speaker. I am happy to provide the first submission on behalf of the Opposition on this particular Bill.

Certainly, this process brings back some memories for me as I was involved, at one stage, with the development of the process of municipal reform for the previous Government. So my intimate awareness of what was certainly attempted to be accomplished is quite clear.

A lot of work was done in that area and that work by myself and others—one does not do these things alone—even other Ministers of the previous Government brought about the Municipal [Reform]

Amendment Act of 2010. But I did follow an extensive process of examination to look very hard at the previous Government [on] how our municipalities were working. Clearly, the 1923 Act was in need of update because even the respective municipalities themselves had entered into a process of looking at how they could further advance their legislative framework so that they could do things much better.

Just to cover some initial ground around this process but still relevant to the Municipalities Amendment Act 2013, the backdrop in which the previous Government sought to make its changes was one where there were serious challenges with the relationship between the municipalities and the then-Government. Fundamentally, this was done in an effort to change those challenges, to evolve the cities which frankly, as the Honourable Minister has articulated in his own submission, they have been running on a system that had been in place for quite some time. Solidified and codified by the 1923 Act, but was clearly in need of being brought into the modern era so that the interests of the country could certainly be properly in line with the interests of the city and vice versa.

The 1923 Act was clearly construed in an environment that was very different than where we are now and certainly where we have been in the past 40 or 50 years, where we now have constitutional governance, we have a Cabinet form of Government that has responsibility for the [entire] Island. That form of Government did not exist in 1923. So it is [understandable] why the Act that was created then was in response to that particular period. But some 70, 80 years later changes had to be made.

So those changes were put into the 2010 Act, those of which we decided would go in place. And the Minister did mention about a report that was done to deal with, and that was a successive report to a number of efforts the Government had already started. Perhaps that report proposed even broader changes but the Government came to a medium and the 2010 Act represents that medium of prescriptive changes that we made that modernised many components of how the Corporation operated, particularly how it operated the franchise, some of its administration, and certainly the issue of tax collection was changed to frankly reflect a modern situation of taxation that the central Government itself be responsible for most taxation, and that that would not be in contravention to the interests of the city and vice versa.

So here we are now having seen those amendments passed and I am not going to go into detail about everything that perhaps went around this process, because there are other Members in this Honourable House who have experience around this process, namely the Honourable Zane De Silva, in particular, and also the Honourable Derrick Burgess on our side who I am sure will give quite a bit of texture to how we feel about this particular Act and the

process that we handled in the past, but also some of our issues we may have with the current legislation that is being proposed.

Mr. Speaker, it is noted that perhaps the chief amendments . . . because I am not going to spend time going over every single amendment in this legislation because there are some that actually cause more concern for us than not, so I am not going to go into detail of everything that the Government is doing because some of it, as the Minister has outlined, is housekeeping and others are taking a more substantive step. It would seem to us that the Act is focusing on some key areas. It is clearly handling a reference to the disposition of land; it is addressing the issue of that. It is also addressing agreements over 21 years and it is putting in some retroactive provisions as to agreements made by the Corporation. It is changing its governance structure to some degree, moving the alderman out and creating eight councillors and the mayor, removing the position of deputy mayor.

It is creating somewhat of a tri-election process, if I can call it that, residential vote, mayoral vote and then this business ratepayer vote and that will be starting, I believe, in 2015. The Act is also seeking to somewhat codify the requirement for a Code of Ethics [and Conduct], a [Council of] Meeting Guide and an asset management plan along with the necessity of the Corporations to put in place financial instructions that mirror the central Government.

Also making it clear how the process of passing its own legislation (if I can call it that) ordinances will go and that the central Government will play a role in making sure that those ordinances, as the Honourable Minister said, are not repugnant to any central legislation that comes through this House and through the Legislature, to make sure that that it is the case. I do believe that in the past that has been somewhat of an informal process that was in place, perhaps followed in most cases or not, so the Government is seeking to make sure that that is going to be in the law.

Certain powers are going to be given to the Minister and the Government when necessary to take over aspects of the Corporations operation under certain conditions. Certainly these conditions they would seek to justify are in the public interest, and perhaps allowing the Corporation to be returned to allow the collection of levies and wharfage as a part of its way to fund itself. So these are some of the principal changes, Mr. Speaker.

The one that I am going to perhaps spend most of my time on is the one concerning the creations of what I would argue, and I believe my friends and honourable colleagues on this side would argue, is this reintroduction (irrespective of what the Minister says) is the reintroduction of a form of voting that existed before, [but] with a new name. Perhaps they are changing how the franchise is proportioned. But the reintroduction into the process of the franchise of the

city, of the business vote (that is called the business ratepayer vote in this Act), to us is repugnant. We have made that very clear that this is not in keeping with the principles of democracy, which at least in this country, we made a commitment to since 1968 (and perhaps a little bit further to that) in that the fight to democratise Bermuda was based on a principle of aspiring to the principle of one person, one vote of equal value, and removing aspects of what were classified as property vote or property privilege within a voting system linked to commercial interests, rather than just the basic human right of the right to vote of which the principle of universal franchise is built on.

This country has made a commitment to that decades ago, and it is only a shame that the Corporation did not change back when we made our commitment, but it was not until 2010 that finally that was addressed.

That has been certainly the aspiration of the PLP from our very inception, Mr. Speaker; ensure that the country moves in this direction. That removing these components of what we felt were private privilege in processes that denied or diluted the power of the populous to participate in the democratic process, would be removed. Franchise would be clear and universal and absolute. This change that the Government is making, which is derived under [clauses] 6, 7, 8 and 9 of the Act, is not in keeping with this principle. And we are absolutely against it. The reasoning that the Government has presented thus far in this House and outside this House does not hold water.

I heard the Honourable Minister mention a few jurisdictions that had this business vote or some form of it—certainly not the form that we have because the Minister did not give any comparative direction as to where they are deriving this proportional representation or hybrid formula of voting from. It is very interesting that we are seeing the OBA Government endorse a form of PR-TV. Very interesting, but that perhaps is a discussion for another time.

[Inaudible interjection]

Mr. Walter H. Roban: Proportional representation.

[Inaudible interjection]

Mr. Walter H. Roban: PR-TV—Proportional Representation Transfer.

[Inaudible interjection]

Mr. Walter H. Roban: Yes, well, I can be—

The Speaker: Yes, make sure the people who are listening to you understand it, too.

Mr. Walter H. Roban: Proportional representation transfer vote.

The Speaker: Yes. Right.

Mr. Walter H. Roban: It is a concept of voting that you find has been quite talked about certainly through the 20th century.

In some countries, in Europe in particular, it has been put in some . . . I think you might find places like the European Union operate on that formula of votes like that sort of vote, and other jurisdictions around the world have taken it on. Particularly where you have multiparty democracies, this is a vote that is usually in place, that many have in the modern world taken on. But it is very interesting that they are bringing it to this system in trying to perhaps rationalise that this is legitimate form of voting.

Well, let us just say, Mr. Speaker (if I can just go through some loose estimates), there are hundreds of thousands of municipalities in the world. The Minister mentioned a few places obscure; maybe one or two major cities, but pretty obscure places. Because the Minister did not say exactly where these places . . . just mentioned some regions of the world where this business vote exists.

But there are hundreds of thousands of municipalities around the world. The Minister could only mention a few. What, based on my research, the Minister . . . perhaps there are probably a handful of places that have some remnants of the business vote. There are some places trying to bring it back. There are many places that got rid of it decades ago because they recognise it was inconsistent with modern democracies and legitimate franchise, that these votes gave privilege of participation to one specific interest group and they had a dramatic over proportional representation or influence on the process because of wealth and resources, that that did not work.

The Minister mentioned things like the city of London. Well, the city of London is a very special case. I think everybody would accept that. And the city of London, as the Minister described, that is not a place which has a huge residential population. The city of London is all businesses. So the only constituency there is businesses and its voting process has existed for perhaps a thousand years. It has been consistent since the city of London has existed. In fact, it has had this sort of commercial-type of system of voting because that is all that lives there. It is all buildings. It is all business people and that is it. There is hardly any person who lives in the city of London where you have the Lord Mayor of London and the all of those persons who are part of that constituency.

Why the Government saw this particular system as a rational, legitimate system of voting, I do not know. We got rid of it because it is not. It is not, but the Government did not seem to make a big case for it. I do not see how they can suggest, at least from the standpoint of us on this side of the House and our belief, where any remnants of any business ratepayer

vote or whatever you want to call it, is a legitimate form of voting. We do have concerns because we know that particularly in the City of Hamilton the list of business ratepayers may, because I would look forward to . . . and this is a question I will put to the Minister, perhaps in a somewhat precise number on how many business ratepayers exist in the City of Hamilton compared to St. George's.

The Minister might want to give us, compared to the residential component for each of those jurisdictions. I would like the Minister to provide us with hard numbers on that.

But I know that I see in the legislation there is a process that they are going to pursue to build the actual rolls for this. But, certainly, they must have some estimate based on even what was going on prior to 2010, how many business persons might be participating or might qualify to participate. So I would hope that the Minister can give us some data on that. It was not in his Statement. So we would love to know more about that because that is . . . now I understand that there is this convoluted (which I would refer to it as) system of proportion of how they are going to do that.

Again, it is not consistent with the beliefs and practises that we on this side of the House hold for the franchise. The franchise should be clear and simple for those who participate because it should be universal. It should not be just something that will be palatable to the so-called educated or the elites of society. Everyone, irrespective of their station in life, should have the ability to actively, at least participate in the electoral process irrespective of what level it is.

Even if you have not finished high school, you should be able to go and feel that you can participate even at that minimum level in the franchise. I am not so sure that what the Government has outlined is appealing to that principle. That is a principle upon which those of us on this side have always adhered to, and we find the proposals that the Government has put—and I use the word “repugnant.” We do. They are repugnant to the principle of democracy and we do have some amendments to present to deal with that during this process.

There are a couple of other areas other than that. I may come back to this because this to me, and Members on this side, is truly one of the more problematic changes that the Government is making. Other than that, let us really examine this. This whole Act is really fundamentally about the relationship that the Corporation has with the Bermuda Government. Most of these amendments are really about that. That is fine because it is important that this relationship be healthy, be efficient, and be beneficial to not only the Government and the area, that municipality, but also to those who are, who somehow, must deal with the municipality.

Now, I do have a bit of a concern that we have not heard much from the respective municipali-

ties about these changes because, frankly, these changes are a lot more monumental than even, I think, [the changes that] the 2010 Act brought into effect. But we have heard very little. Now, I will certainly say that we received a 11- 29- and 59-second submission today from the Corporation of Hamilton outlining what I believe is their case, and I believe it would have been given to most Members of the House. But, really, it is at the last hour and I would have thought as bodies—both bodies, Hamilton and St. George's—would have presented publicly some information on their position on these changes.

Perhaps they have shared it directly with the Minister and that is fine because that is what they should do. But as it is acknowledged, both of these jurisdictions play a bigger role in the life of the country, they have been very vocal in other quarters. As much as I love Sherri J's talk show, I do not consider an appearance on there as part of an official statement about anything. It may be a part of public commentary but we have not had an official position publicly taken by the respective Corporations on this particularly piece of legislation.

I do respect that we have received the submission, but it is late in the day and it may not have any impact on the position that we take, although I think our concerns we have already made clear, at least in one area publicly, about how we feel.

Now, the other area that I am going to address is this retroactivity provision that the Government has incorporated into this legislation. It is part of a basket (if I can call it) of strong powers that are being transferred or given to the Minister and the Cabinet and the Legislature. But perhaps, more specifically, the Minister over the affairs of the Corporation.

It is part of a basket that is quite . . . and I say "severe" not to suggest that all of it is negative, but it is severe in its dramatic movement, and the drama upon which this is clearly going to impact the Corporations in its relationships with the Government. It is going to change how the Corporation does business. That is one reason why I thought the respective Corporation—and we on this side thought that we would hear much more louder and sooner what their position is.

St. George's has been virtually silent and perhaps, at least one Honourable Member in this House, who has great experience with St. George's—or two (there are two Members who are intimately involved with that part of the Island and with the town of St. George's)—might care to shed a light on what St. George's thinks around this. The Honourable Member, Kenneth Bascome, clearly a passionate representative for the people of St. George's, having been a former mayor, may have something to say—well, we hope. I hope we get a chance to hear from the Honourable Member because it would be good to hear something from St. George's in particular.

We have something from Hamilton and that is fine, but St. George's has been silent—silent as a church mouse—have not heard anything. So, it is a bewilderment as to what is the true position of the municipalities on this legislation.

I do recall hearing quite a bit in 2009 and 2010, and the attention to the changes that was being given was a lot more aggressive, generally. But this time it seems . . . silence. But anyway, Mr. Speaker, just like I had my cause, that is what it sounds like—silence from those who actually are going to be either beneficiaries or the victims of these changes.

Either way, it depends on how you look at it. Either you are a beneficiary or a victim of the changes that the Government produces, and we have not heard from them. So I do not stand here to represent the interests of the Corporations at all. I stand here as a PLP representative around these responsibilities in this House. Perhaps we shall hear later more from those respective jurisdictions around these changes, because they are monumental.

Now, I will go back to the retroactivity of one of the provisions. Now, clearly, the Government seeks, Mr. Speaker, to put under its scrutiny all agreements and arrangements made by the Corporation with whomever, going back to January 1, 2012, to the point where the Act will become law. That is pretty broad of a reach. That is over a year's agreements. And there is a process where not only does the Government want notice of those, but there is a qualifying process around that which if not followed could void those agreements. It is a serious step.

The concern that those of us on this side of the House have with that is that it potentially opens the Government up to some serious financial liability. It presents a risk, and that to a Government that has been preaching consecutively for months now that the country is broke. We would be concerned that a number of agreements that the Corporation has made since January 1st may be voided, and that may open up the Government and the taxpayer to payments of settlement or even legal actions in the courts. That is the concern that we have. We do hope that perhaps the Minister can speak to specifically why this particular provision has arisen in this way.

We do note that in it, despite the Government putting forth power, or, I would say, yes, it conveys a power, but it also conveys a remedy in the same provision so that those who may find themselves aggrieved by any action of this type can go through a process of grievance. We accept that but it still opens potentially a large . . . you know, we do not know. Certainly this House does not have knowledge. I do not have knowledge, but perhaps the Minister does and the Minister's team does, of the numerous agreements that the Corporation has made since that time.

I will say that there are some in the community who would say that this is about a certain agreement and certain arrangements, specific arrange-

ments, that have been made by the Corporation that have been of great public attention over the past year or more. Well, ultimately that will be revealed, I think. I do not care to specifically deal with those because I do not believe that I am qualified to deal with them. That is really about, again, the substance of the relationship between the Corporation and the Government and other parties concerned. That is ultimately where this will be resolved if this Act is passed.

But that is a concern that is out there in the community, and those who speak to us and those who have interest in these matters see it that way. It is almost akin to an effort to appropriate assets, to appropriate property. So there was concern by some that that is what this is about, to sabotage or to stop a certain process from going on. That is what people say. I am not saying that that is what we are saying. That is what is being said out there to us. People see it for what it is, but it is for the Government and those concerned to allay those fears that this particular provision is about certain types of individual action the Government wishes to take.

But if you put that aside perhaps you can see the interest in having a provision like that but, again, perhaps the Corporation might see it as an effort to halt their progress that they are seeking to bring about for the benefit of the country and for the City. But, again, we expect that the Corporation and the Government will sort those issues out and at some point clarity will be given to the members of the public and those interested.

I think what that particular provision seeks to do is extreme, but also the Government has not necessarily given a lot of clarity as to why such a provision is required, or why such a provision and some of the other provisions they have put in place are in the interest of the wider community. Really, most of these provisions have pertained to the Government and its own relationship with the Corporation and not as much about the relationship with voters, although the voting provisions may impact them. But most of them are about their relationship with the Corporation.

Now, there were a number of things that the Minister mentioned, and if I could just go back to the issue of this vote. One of the arguments that we heard from the advocates, and I think I have even perhaps heard it from a Member of the Government, is that the principle of taxation without representation is like an issue here and that is one reason why what was done in 2010 was not necessarily fair or right. I am not saying that the Government exclusively has had this argument. I think it has been bantered around by those out there who support what is being done. Well, let us just look at this concept of taxation without representation. I think most of us know where it comes out of. It comes out of an experience of the American Revolution in the 1700s where Britain was levying what the colonists thought was extreme taxation on them for goods that they were producing, like tobacco and tea

and other things and other goods and commodities. That was being levied by the Parliament in Britain on these colonists across the pond.

I understand how that worked, but that does not really work in this scenario because, [for] one thing, there were two pieces to that scenario. One was that not only were the colonies levied taxes by a distant Parliament, of which, one, they had no vote; and, two, they could not even elect anybody to. In this case, this is where this principle just does not apply and it is a false argument in that, one, any member of the country can run for office and represent the interests they feel like in the Corporation.

Anyone from St. George's, Somerset, can be a candidate. That was a component that was absent in the American Revolutionary formula, as well as the vote. Now some might argue that the ratepayers, because they are not represented as constituents who have the burden of having to rely on the Corporation and arrangement of the Corporation do not have any say. Well, they can support candidates who will represent them. They, individually, those ratepayers, can run for office.

So the taxation without representation argument does not fit, as does none of the other arguments we feel fit. So this return of this particular provision is not in keeping with the good governance provisions that were articulated in the Throne Speech of 2008. It does not. That is one of the reasons why we find this particular provision repugnant, and it has no place in a democratic society and is a return and [is] aspiring to an archaic form of governance where you have commercial influence in public affairs that, frankly, have no place in this 21st century world at all.

[Inaudible interjection]

Mr. Walter H. Roban: It is. It is harkening back to a time that I thought we all were happy to have left. I was not around at that point and I was happy that at least some of it was gone by the time I was aware of voting, and I support a further distance away from that as much as possible. Most of the most important progressive cities in the world do not have such provisions. New York certainly does not have it and that is a city that is dominated by commercial interests. Tokyo, Beijing, other cities, do not have these sort of business ratepayer-type of scenarios.

[Inaudible interjections]

Mr. Walter H. Roban: Most cities in the Caribbean . . . some have gotten rid of municipal government. But those that have it do not have a place. So certainly within the Commonwealth it is not a predominant system of franchise that exists. And those that had it perhaps 50 years ago have gotten rid of it and for the reasons I have already outlined.

Mr. Speaker, I heard a heard a suggestion that their voice will complement the residents. Well, perhaps they can complement the residents, if that is what needs to come to residents. Why do they not just work with residents in ways that they should have been doing for decades of actually working with the residents to ensure joint improvement of the city, and now those persons who own property can actually run for office?

Remember how it was before. Most people who lived in the city could not participate. It was a very selective franchise with the business people having pretty much all the influence. It was pushed further to a universal principle and now the Government is hybridising it—and that is their word because it is the Honourable Minister that called it a hybrid form of proportional representation.

[Inaudible interjection]

Mr. Walter H. Roban: So, we would implore the Government to reconsider the return of that system in any form.

Mr. Speaker, there are other changes to this Act and perhaps the Government has made a credible argument that they are looking to work in some way with the Corporation but it seems as if the Corporation does feel that many of these changes are more interference, an effort to take control, and have overriding dominance of the affairs of the Corporation.

But I would say this, Mr. Speaker, with these provisions I think comes something else that the Government has to actually think carefully about. With your effort to get more involved with the Corporations means you must have more responsibility for them. That much of what is required to be done in the Corporations, now the Government is going to have to have a lot more involvement, because legislatively you are literally taking a great deal of control. So that means that the Government is going to have to be doing more.

I do hope that the Government appreciates that that may be—and is—a by-product of what you are seeking to accomplish here. It is not just you are getting more involved, but it may mean taking greater responsibility, and that is also financially, even just by giving back the Corporation its levies. Because there is still a, perhaps, appropriate limitation; one of the changes you are making is that they cannot loan, borrow and guarantee any instruments above their borrowing limit—understandable. But it may mean as a result of the power that you have acquired, [you will have] more responsibility than you already have for the Corporation in that maybe now it may be more of a partnership with Government, though having control, but now you actually are acquiring more of a burden for what is going to happen with both St. George's and Hamilton.

I would ask the Government to take that on as a thought and advice around these changes. There is also some concern that some of what the Government has expressed to the Corporation about how it is going to deal with its affairs may be akin to an inquisition, with the ability of the Government to be in an independent committee to pursue any questions of maladministration and corruption, and that the Government will actually be able to have some role with convening a body to investigate. Well, if that is the case, because that is some of what I have heard, I do not see where the Act provides for that.

Now, maybe that is going to be within the Code of Conduct provisions, because we have not seen that and I am not suggesting that it is required for us to see that, but perhaps in the spirit of transparency the Government can provide the Code of Conduct and the documents it is going to require, the municipal [Council of] Meeting Guide and even the asset management plan, it can table them in the House at some point. I will leave that to the Government to decide, but it will be in the spirit of transparency.

My concern with this issue of the Government pursuing its ability in how broad they are going to take that is that . . . will mean that the Government creating [some] sort of an inquisition-style process that because of suspected things, it convenes a body? What are going to be the rules upon which it will operate in order for the Government to convene in such a body?

So these are the things. These changes particularly are about the Government's relationship with the Corporation fundamentally. They are quite dramatic. We are totally against and concerned about the creation of this three-tiered voting, mayoral, business ratepayer in particular, and the residential vote, and how that is going to impact on the overall relationship that the people within the Corporation have with the Corporation, and we are also concerned about the Government's exposure with their retroactively looking to potentially deal with contracts that go back more than a year and the exposure that that puts to the Government and its affairs and ultimately the taxpayers.

So, with that, Mr. Speaker, I will sit down and others who wish to contribute to this debate may do so. I think I have made our position very clear on the key issues, and I do hope to hear more about what the Government's intentions are behind this very important historical Act.

Thank you.

The Speaker: Thank you, Honourable Member.

The Chair will now recognise the Honourable Member from Southampton [East], MP Zane De Silva. You have the floor.

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

In 2010, there was a march from City Hall to this Honourable House. The flag of the Corporation of

Hamilton was flown upside down. Opponents of the Bill (at the time) surrounded my car as I tried to leave this Honourable House, Mr. Speaker, including my wife and child.

The Bill was called a land grab. The Corporation of Hamilton spent thousands—thousands—of dollars of the ratepayers' money on an ad campaign of misinformation. What was it—\$50,000, \$100,000? How many mouths could that have fed? The Corporation of Hamilton secretly created a trust and secretly conveyed the land into it. Mr. Speaker, a campaign was waged to ruin the reputations of the consultants that the Progressive Labour Party had engaged to do that work.

Fast forward to today. We have their fierce urgency of now. Fierce urgency of now. The reform is portrayed as the only way to save the city and, even as the Honourable Minister Michael Dunkley said, save Bermuda.

We have a Bill that scales back the electoral reform of 2010. Mr. Speaker, this Bill is dangerous. This Bill is dangerous. Why do I say that this Bill is dangerous? Property rights are not respected. They are not respected. This time we have a land grab that is real. It is a real land grab this time. Professional, properly entered into leases are voidable. This Bill sends a very dangerous signal to developers that in Bermuda no lease is safe, at a time when we are trying to encourage developers to come to Bermuda, encourage them to come in and create jobs, it sends a very, very dangerous message to potential developers, Mr. Speaker.

This Bill says that this Government is not one of principle but is a government of personalities. What do I mean by this? Yes, what do I mean by this? It cannot be a land grab in 2010, but it is the saving grace in 2013. It shows no principle at play, just personalities. Just personalities, Mr. Speaker.

If reform to this extent is right now, it must have been right in 2010. Why did we have all the marches, all the protestors, the banners above the city—"Brown/De Silva take over"—flags flying upside down, tens of thousands of dollars spent on advertising misinformation. If it was wrong then, why is it right now? The pursuit of this personal and not principle course exposes the Government to maybe one suit, five suits, ten suits of compensation. I think it is even mentioned in the Bill itself. Maybe the Honourable Minister can tell us how many we may be on the hook for. Is it \$100,000, \$1 million, \$20 million, \$50 million?

What are we, as the Government, the people of this country, going to be slapped with when this Bill passes? We know, it is no secret, there is one developer that . . . I mean, I declare my interests, Mr. Speaker. I have done a little developing in my day. I hate to think what has been spent on that plan, on that vision. Maybe John Swan can tell us because he spent a bit of change on one, too. But I do not think it

was as expensive as the one that was put before us not long ago.

So what are we looking at? Has the Minister done any estimates of what we expect to be hit with? Is it one? Like I said, do we have three, four, five, six, seven, eight leases that this Government, the taxpayer of Bermuda in these times are going to be hit with? I long for the answer to that question.

This Bill is the OBA at war with itself. The OBA is at war with itself. Why do I say that? The OBA is supposed to be a party of smaller Government. The Minister of Finance complained that there were 77 Government departments and now we are about to support a Bill that creates one more. Just this morning we talked about the SAGE Commission's extension, and we talked about what their responsibilities are—downsizing, cutting civil service, efficiencies. But here we are creating another department from a Government that is talking about [being] smaller, more efficient, more effective. The OBA is supposed to be a party of free enterprise and free markets and yet this Bill represents protectionists and anti-free market principles throughout.

The requirements for Ministerial approval (my colleagues will get more into this as the debate wages on) . . . but the requirements for Ministerial approval, Cabinet approval and increased oversight make little or no business sense to me, and this is from a party that claims to understand business. A party that understands business—the requirements of the Ministerial approval, Cabinet approval and the increased oversight—that makes no sense to me, Mr. Speaker. None.

We were told in the OBA election campaign, Mr. Speaker, that the solution was for Government to get out of the way. Remember that? In this brochure right here—I have got it—but I think you know which document I am referring to—*Government, get out of the way!*—

[Inaudible interjection]

Mr. Zane J. S. De Silva: Tourism Authority was one of them. Thank you, thank you, MP Wayne.

Get out of the way! This Bill puts Government directly in the way of everything connected to development and growth in the municipalities. Go figure! Go figure, Mr. Speaker!

I will summarise. This Bill is the OBA Government at its worst. They may get worse in the future but, certainly, this is at their worst. This is a Government not content to exercise authority in the planning process or other approvals required, but is determined to take short-sighted, draconian action because they happen to dislike the occupants at City Hall—in my view, Mr. Speaker. Every Bermudian investor, every Bermudian developer, every overseas developer or property owner should be very, very concerned—very concerned—about this Government that so wantonly

[is] stripping away fundamental property rights supposedly guaranteed under our Constitution. There should be a lot of concern, Mr. Speaker.

Maybe the marchers will come later. Maybe they will come later when folks realise what is happening here, they will come later.

Minister Dunkley said in his brief that the change that we made in 2010 righted a wrong. He was right about that. We certainly did right a wrong. But he said the OBA believes in openness. Now—

[Pause]

Mr. Zane J. S. De Silva: The Honourable Member, Mr. Dunkley, said that the OBA believes in openness. And we have heard that many times from many of their Ministers since the election. Openness, transparency, and the Honourable Minister, I believe he said in his brief as well, if I am correct, he believes in inclusiveness.

An Hon. Member: And accountability.

Mr. Zane J. S. De Silva: He did not say accountability. But he said inclusiveness.

The Honourable Minister, Mr. Dunkley, also said that with our size in Bermuda we can handle the resident voters and we can also handle the ratepayers as voters. For an OBA Government that believes in openness, inclusiveness, transparency and (the latest word) collaboration . . . now I have to control myself, Mr. Speaker because I am going to let go the wrong word here—

[Inaudible interjections]

Mr. Zane J. S. De Silva: And I am on my way to church, so I know if I make a mistake you will not only forgive me but so will—

The Speaker: Yes, take your time.

Mr. Zane J. S. De Silva: Yes. Mr. Speaker.

For a Government that really stresses exclusiveness, transparency, inclusiveness and, like I said, the latest word, collaboration, why in the heck . . . Can you tell me why they did not consult with the Corporation of Hamilton? They have not done it!

How can you bring a substantial change to the Corporation of Hamilton, to this legislation, and you do not even have a conversation with the people that are running it, and you are inclusive, you are transparent?

[Inaudible interjection]

Mr. Zane J. S. De Silva: And they are elected by the people!

[Inaudible interjection]

Mr. Zane J. S. De Silva: Mr. Speaker, you talk about the height of arrogance, disrespectfulness . . . I do not know if it gets any higher than that. How can you not have a conversation? And, you know, when the Minister gets up and says that we had two town hall meetings, one in St. George's and one in Hamilton—wow, man, you guys are really inclusive. One was at five o'clock on a Friday when we were in this House, Mr. Speaker.

That is nice, isn't it? All the Members of Parliament here in this place, while they hold a meeting at five o'clock.

[Inaudible interjection]

Mr. Zane J. S. De Silva: And you want us on this side to support that type of activity? Is that what you call inclusiveness? Transparency? Accountability (as my dear friend, Mr. Moniz, said). But the one word is collaboration. What happened? Oh, maybe they were not using that word then.

Mr. Speaker, I will finish on this note. I hope one of their Members, the former Mayor of St. George's, MP Kenny Bascome, I hope he is going to be here sometime tonight and speak, not only as a former mayor, but as a representative for the Corporation of St. George's. I hope that he is going to give us a few words, because I will be certainly looking forward to the comments if he should make any.

[Inaudible interjection]

Mr. Zane J. S. De Silva: Let me finish here. The OBA, and Minister Fahy . . . they should be ashamed to taking us back 40 to 50 years. Ashamed to be taking us back! Taking us back, Mr. Speaker. Taking us back. I think that before the day is done with this legislation, I think the people of Bermuda will have a little bit more to say.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

ANNOUNCEMENT BY THE SPEAKER

HOUSE VISITOR

The Speaker: The Chair is going to recognise the Honourable Member from Sandys North, the Honourable and Learned Member, MP Michael Scott.

But just before you speak, if you will just hold for one second, I just want to take this moment to recognise the Senator Renee Ming who is here, who is in the House, as well as I did not recognise Senator Fahy who is the Minister responsible for the Bill that is going on now.

SECOND READING

MUNICIPALITIES AMENDMENT ACT 2013

[Continuation thereof]

The Speaker: MP Scott—

Hon. Michael J. Scott: Mr. Speaker, I thank you.

I remember at a Prayer Breakfast a couple of Prayer Breakfasts ago I was having a conversation with one of our Court of Appeal justices before we embarked upon our breakfast, and he tested me on the question of what is, in my view, the more important principle. The answer became between a number of alternatives, democracy was included. But the very clear answer that the justice was hoping that I would give was the rule of law, and that is the most important core principle for any country and any democracy. It is, of course. This issue of the Municipalities Act has gone through the strains and iterations of the prior Government, and, you know, I have to acknowledge too that now, this, the OBA Government, is dealing with this issue. I want to believe, too, that they are dealing with it for the right reasons including the development of the waterfront and all that that entails.

As I have read the Act, it is fairly unobjectionable, save for the element that the last speaker has just referenced. As an attorney, as a legalist, I too am concerned about the retroactivity element of the legislation. I think Mr. De Silva, the Honourable Member, was quite right about two points he just made. They bear some repeating: The process of streamlining the attraction of developers into our country is something that we have been seeking to achieve across the years—attracting with investments. So the bureaucracy of [approvals by] Cabinet and Ministerial followed by a legislative approval for development goes and flies in the face of this kind of streamlining.

The other issue is the reputational interest and the reputational damage that may flow from this Act because in the brief . . . and I listened carefully. I am astounded about the silence in the brief that deals with the Government's policy on what is the penalisation policy attaching to the retroactivity. It was just not mentioned. It was completely omitted, and whenever you pass retroactive laws as a matter of principle, retroactive laws are made either to penalise past conduct or to target a particular person or group of persons. We should have heard something about that in this House when we have a piece of legislation that is for a . . .

It is a rare thing to have retroactive legislation. You can have it. And I understand all of the principles. You can allow it because of the parliamentary sovereignty. This Parliament can dispose of any prior piece of legislation. But here is the thing. It appeared in the Municipalities Amendment Act [2013] and it has skimmed over this whole question—it has just been

stated—we have the *ab initio* provisions that are provided about for any leases that have been entered into, and what is clear is that on the publication of the notice by the Minister, any lease not approved by the process, now that it has been introduced in the amendments, shall be void, *ab initio*. The point is that that represents the potential destruction or the actual destruction of lawfully entered into commercial agreements. I think that we have not been well served by the silence on this point.

The Bill contains within its provisions the very applicability of principles of good governance, which recognises transparency and due process. Those are the principles. And yet the Government has not been forthcoming on what is the policy of this particular retroactivity. And it should be disclosed, in my view, so that the people of the country who are listening to this debate, so that the people of this country who are watching us pass this particular amendment to the Municipalities Act understand what that policy is—what is being targeted, who is being targeted, what past conduct is being targeted—and then let the people decide. And then let people decide.

But it should not be omitted. And they should not be silent on this issue, because, just as I stated at the top of my remarks, there is the whole question of global norms—global norms across the entire world. Whilst the UK, the administering power of this Island, frowns—Mr. Speaker, I say again, they frown—on retroactive laws, *ex post facto* laws, the principle, of course, of parliamentary sovereignty technically allows *ex post facto* laws to be promulgated in this House. But look at the statements on this particular issue and what is—

[Inaudible interjection]

Hon. Michael J. Scott: No, no, just *ex post facto* laws.

It is very clear on taxation and it is very clear in penal legislation, criminal legislation. You do not want to deprive a Parliamentary House from the ravages of bad taxation laws. But even then . . . the principle that I am talking about is, what is the bad element about this particular . . . what is the bad element that is sought to be corrected? Tell us and let the people judge. That is the point I make, but we know it will have implications.

I was making the point, the administering power of the Westminster system that we follow frowns upon retroactive laws in any event. But in terms of global comity and global norms if you go up from North America through the Asian bloc countries, Indonesia, Norway—go across, just Google who lives by and who respect, who prohibits *ex post facto* legislation, and all of those countries do.

I say that for this reason, whilst the Parliament, your Parliament, Mr. Speaker, the one that you preside over in this country, can allow this to happen

because of the sovereignty of this place, lawyers (as I look at my learned friend, the Minister of Tourism and Transport) have commonly taken these matters up beyond our judicial framework to European courts. So this is another risk to which we might expose ourselves, and they would site global norms.

It is very clear and the Honourable Member, my colleague, Mr. De Silva, indicated that when a notice is published in relation to any current leaseholders that have contracted with the Corporation of Hamilton to void out their contract—it will have a monetary impact on the Government. So that is the other argument, that is the commercial one, but I take the broader argument about the country in which I reside pursuing retroactive legislation in the face of the norms, that it is frowned upon, and all of the reasons why it is frowned upon, without being clear and disclosing the policy around it.

Those are my concerns about this legislation. I wanted to get them on record. We have not finished the debate yet. I think the country deserves a response or an explanation to this very point. Lest it be thought that we passed this legislation and skimmed over fundamental rules of law as applied. I would make the caveat and I think I have done that very clearly in any event. I accept that the sovereignty of Parliament, the principle of supremacy of the parliament, allows it, technically, to do this. But when it does take place, it does not remove the harm, the commercial harm, even the reputational harm that can flow.

So I stand to draw that particular line under the amendment clause 14—let us say under Part 2, Disposition of Land provisions under the Municipalities Amendment Act [2013].

Thank you, sir.

ANNOUNCEMENT BY THE SPEAKER

HOUSE VISITOR

The Speaker: Thank you, Honourable Member.

The Chair—just before you continue, I will recognise you, Mrs. Jackson.

The Chair will also like to recognise in the Gallery the Mayor and the Deputy Mayor of Hamilton who are here watching the debate. So we welcome them.

The Chair now recognises the Member from Pembroke [South West], MP Susan Jackson.

You have the floor.

SECOND READING

MUNICIPALITIES AMENDMENT ACT 2013

[Continuation thereof]

Mrs. Susan E. Jackson: Thank you, Mr. Speaker.

I would like to speak today on the Municipalities Act and I would like to recognise that Hamilton, in particular, falls within the constituency 20, Pembroke South West of which I represent. So I am speaking on behalf of those that live within the Hamilton boundaries and my constituencies as Hamilton affects their daily lives.

Hamilton in particular has certainly been built, the infrastructure has been developed, people have been able to live and thrive within the city limits for a number of years and historically we have grown in leaps and bounds. Hamilton has certainly become the centre of the commerce for the Island and I can honestly say that I believe that the people—all people—of Bermuda have certainly had an opportunity to prosper and enjoy the city limits and all that it has to offer.

But there are a number of people who have been paying and contributing financially toward the development of the infrastructure of Hamilton over the years and have not had an opportunity to have that representation of late, and I believe that there is an opportunity here for everybody who falls within the city limits, whether they live and work, or just work, but if they are making a financial contribution that they should also have an opportunity to have a voice.

We have had quite a tailspin of late and certainly there have been local businesses that have been suffering within the city limits. We have had people losing their jobs, and the environment within Hamilton has become more depressed over the years, and so there is a need for us to—as a full community, Island-wide, represented by Government—a need to make sure that full attention is given to the city as it is our major focus of prosperity on the Island just now.

Somehow I feel as though even from this youngest and the smallest voice within the city limits, we are not receiving the representation that we deserve, and something needs to be done. I am just going to give you an example. I attended the Corporation of Hamilton's meeting one month shortly after I was elected into the constituency, and while I was sitting there in the Corporation of Hamilton a small group of children from the Dellwood Middle School came in, and they were well-rehearsed and they were passionate about some dangerous conditions around the perimeter of their school. There was a wall that is owned by the Corporation of Hamilton that was badly in need of repair, and the students were there at the Corporation of Hamilton to beg the Mayor and the other Members of the Council to please fix this wall, and they felt that as members of the community and, you know, as school residents of the area that they should have their needs addressed.

They were so passionate about it and they were showing as much responsibility as they possibly could and they really wanted to be recognised and represented, and I remember that. Months went by and I had actually—it had slipped my mind that these young children had even come to the meeting when

all of a sudden I see and read in the newspaper that the wall has fallen down.

So the Dellwood children stood outside where the wall had fallen and innocently and without any means of doing anything about it other than to use their voices and request help stood silently while at long last after the wall had fallen and dangerous conditions had been displayed, just as the children had predicted, we then finally have members of the corporation run down to attend to this accident that has occurred, which was the wall falling on its own accord or however it happened. But the point was that it was a situation that had not been addressed.

So I think my big concern, Mr. Speaker, is that if out of the mouths of babes the Corporation of Hamilton are not able to address the concerns of the citizens at that level then I can just imagine that those that are deemed to be fully fit and able, whether they are paying tax—

POINT OF ORDER
[Misleading]

Mr. Glenn A. Blakeney: Point of order, Mr. Speaker.

The Speaker: What is your point of order?

Mr. Glenn A. Blakeney: I do believe, with respect to the Honourable Member, that she is misleading the House.

The Speaker: Yes, how? Just tell me how she is doing that.

Mr. Glenn A. Blakeney: Because she is imputing improper motive on one particular incident and everyone in—

The Speaker: Okay, okay.

Mr. Glenn A. Blakeney: —our country knows that the Corporation—

The Speaker: All right, thanks.

Mr. Glenn A. Blakeney: —has served the city extremely well.

The Speaker: Thank you. Thank you.

The Honourable Member is making a point. I think you can completely disregard a goof, or one mistake.

But, carry on.

Mrs. Susan E. Jackson: Thank you, Mr. Speaker.

Mr. Rolfe Commissiong: Point of order, Mr. Speaker.

The Speaker: On?

Mr. Rolfe Commissiong: I have a point of order.

The Speaker: Are you talking about this?

Mr. Rolfe Commissiong: Yes.

The Speaker: Well, I have already responded to the point of order.

Do you have a different point of order?

Mr. Rolfe Commissiong: Yes.

The Speaker: What is your point of order?

POINT OF ORDER
[Misleading]

Mr. Rolfe Commissiong: The Honourable Member is misleading the House. The wall is actually the property of the Government. The Corporation has jurisdiction over and owns the sidewalk.

The Speaker: All right. Thank you.

Mr. Rolfe Commissiong: So the Government had responsibility for fixing the wall.

The Speaker: All right. Thanks, thanks.

I am not privy to know . . . is there a Minister here that can help? Is there a Minister here who can help? The Minister for Public Works is not here, so—

[Inaudible interjections]

An Hon. Member: Here he is.

The Speaker: Maybe the Minister of Public Works can help here just for that one clarification as to—

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

The Honourable Member who spoke previously is right in the sense that the wall belongs to the Government, but it was knocked down by workmen who were hired by the Corporation.

The Speaker: All right. Okay.

Some Hon. Members: Ooh!

[Inaudible interjections]

The Speaker: Thank you. That is enough. That is all I wanted to know.

[Inaudible interjections and crosstalk]

The Speaker: Honourable Member, carry on and try not to just use that one point. I do not think that is fair.

Mrs. Susan E. Jackson: Apologies, Mr. Speaker. It is just that I saw the Mayor in the picture front and centre so I thought that he was assuming responsibility.

The Speaker: Yes, all right.
Carry on, Member.

Mrs. Susan E. Jackson: So I would like conclude by saying that there are a number of people within the city limits of Hamilton in particular that have a vested interest in making sure that not only is the infrastructure sound and continuing to develop, but there is clear representation, and because every person in Bermuda has involvement in, in particular, the Hamilton area I believe that there should be a more global Government involvement and participation in the development or . . . I am going to retract “development” but in the oversight and just . . . just . . . I believe that the people of Bermuda have a right to be involved in how we move forward and that includes our city limits.

I would definitely commend the Ministry for the work that has gone into developing the Municipalities [Amendment] Act 2013. I think that Minister Fahy has worked very hard on this and I believe that it is certainly for the betterment of the Island at large that we are able to take a more global or national look at how we move forward.

Thank you.

The Speaker: Thank you, Honourable Member.

The Chair now recognises the Honourable Member from constituency 34, the Honourable and Learned Member, Kim Wilson.

You have the floor.

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

Though some of the comments that were raised principally by MP Walter Roban of—

The Speaker: Pembroke East.

Mrs. Kim N. Wilson: Pembroke East, thank you.

I thoroughly agree with particularly as it relates to the issues surrounding universal franchising and the voting. However, I just wanted to turn to another issue real briefly, and that is just with respect to legal provisions and you would have recalled that this morning I spoke a lot about a very important document called the Bermuda Constitution Order 1968, and with your consent I would like to refer to that in a few moments again.

The Speaker: Yes.

Mrs. Kim N. Wilson: I am specifically speaking about Part 2 of the legislation [Municipalities Amendment

Act 2013], under Disposition of Land, and in particular with respect to clause 14—

[Crosstalk]

The Speaker: I need a consultation, please.

[Pause]

The Speaker: Thank you. All right.

Mrs. Kim N. Wilson: Okay, thank you, Mr. Speaker.

With respect, I was referring to clause 14 under Part 2, Disposition of Land, Approval of Cabinet and Legislature required to validate certain agreements and dispositions.

Now, granted my learned and honourable friend and colleague from constituency 36, MP Scott, spoke quite a lot about the issues surrounding retroactivity with respect to legislation and so forth, and I think that if I can just bring one point out, Mr. Speaker, that was raised by my learned and honourable friend from constituency 36, is the situation about retroactivity.

We know when it comes to provisions of taxation as well as criminal matters there is a provision that effectively provides *inter alia*, that you cannot pass retroactive laws. However, we are dealing with legislation here that is neither of those two, and in particular I am speaking about [clause] 14. From a policy point of view, it is oftentimes considered dangerous or frowned upon to enter into legislation that has a retroactive effect. However, recognising that we follow the Westminster model, parliament is supreme.

Therefore, this Parliament can do what it wants and effectively ensuring insofar as passing legislation that may be retroactive in this case to January 2012, or 20 years ago or 50 years ago, *et cetera*, the Parliament can do so because of our sovereignty, save for in cases involving taxation and/or matters of a criminal nature.

So the issue that I would like to speak about really quickly is with respect to [clause] 14. Now, under our Bermuda Constitution, Mr. Speaker, there is a provision that speaks to protection from deprivation of property and with your lenience, I would like to just read it, I am just going to paraphrase really quickly, but this is one of the fundamental rights of our Constitution and it—

The Speaker: Tell me again, tell me where you are reading from.

Mrs. Kim N. Wilson: I am sorry, Mr. Speaker, it is from section 13 of the Bermuda Constitution.

The Speaker: Yes, right. I have it. I have it.

Mrs. Kim N. Wilson: Thank you.

And this speaks to—and, again, I will paraphrase—that no property of any description shall be compulsorily taken possession of, and no interest in or right over property of any description shall be compulsorily acquired, except for in the following . . . and there is a list of things which would allow for the following, insofar as basically the acquisition of property.

And one of them, of course, is as it relates to securing that any person that has an interest in that property shall receive . . . goodness, sorry, just a moment. Oh, for the prompt payment or adequate compensation. So I am paraphrasing, but it does provide in here that there are only certain circumstances when property can be compulsorily—

Some Hon. Members: Acquired.

[Inaudible interjections]

Mrs. Kim N. Wilson: Acquired. Thank you.

Purchased, stolen, taken, whatever (however you want to put it), there are certain circumstances when the Government can basically land grab. One of those circumstances does provide that in that situation, adequate compensation is paid. I am going to turn to that in a moment.

I do not know all the ins and outs about the agreements that [clause] 14 is referring to. It does speak to *any* agreement that was entered into by the Corporation on or after the 1st of January 2012 and coming into operation when this Act becomes operational. So I am going to presume that the Government has some idea of any agreements, as the Act says, that were entered into by the Corporation after that time. So we do not know whether it is one, two, twenty, thirty . . . we do not know whether or not those agreements and/or contracts cumulatively were worth hundreds of dollars, cents, millions of dollars. We do not know that either. And perhaps the Minister will be able to—

[Inaudible interjections]

Mrs. Kim N. Wilson: Precisely.

Perhaps the Minister, when he responds later on in the brief, will be able to give us some type of an indication because right now . . . and I appreciate, Mr. Speaker, that we do not have the numbers on this side. I get that. However, I am certain that the members of the public would like to know that here we are standing, debating the Municipalities [Amendment] Act 2013 and effectively there is a provision in this legislation that allows for the Government to invalidate contracts that were entered into after the 1st of January 2012, regardless of the contracts.

What is scary is that the words “any agreement” are contained. It does not say agreements that were with respect to (I don’t know) a restaurant, or agreements with respect to purchasing a boat. *Any*

agreement that was entered into after that date that deals with the sale of land, the lease, the conveyance or other disposition of any interest in land.

We are being asked to vote on something, Mr. Speaker, that we do not even know the details of. We do not know how much it is going to cost. We do not know how many agreements are outstanding that relate specifically to clause 14. We do not know whether litigation has started in anticipation of this. We know nothing, but we are being asked, again, appreciating that we do not have the numbers here, to blindly approve a piece of legislation that we do not know material facts concerning it.

One of the other factors that is in this legislation, and I am sure that many of my friends would have looked at this, is the issue concerning [clause] 10 [*sic*], page 14, and it is . . . I am sorry, Mr. Speaker, it is, to be specific—

The Speaker: Not page 14.

Mrs. Kim N. Wilson: It is on page 14—

The Speaker: Not [clause] 10.

Mrs. Kim N. Wilson: But it is subclause 10.

The Speaker: Oh, subclause 10.

Mrs. Kim N. Wilson: [Clause] 14(10).

The Speaker: Right.

Mrs. Kim N. Wilson: And it is referring to sections 10, 11, 12, 13, 14 and 15 of the [Acquisition of Land Act 1970](#).

Basically this Act is saying . . . sorry, the Municipalities [Amendment] Act [2013], [clause] 14(10) is saying that those particular sections (10 through 15 of the Acquisition of Land Act [1970]) shall apply to any question here. Now, please, this is going to be difficult, because I do have it on BlackBerry. If you do not mind, I would like to read a couple of excerpts of that section 10 through 15 [of the Acquisition of] Land Act [1970].

The Speaker: Okay.

You are reading section 10?

Mrs. Kim N. Wilson: I am going to start with [section] 10, Mr. Speaker. But again, I am just going to paraphrase. So let me just set the stage because I feel like I am talking too fast, so forgive me.

The Speaker: That is all right.

Mrs. Kim N. Wilson: Under the existing legislation, the Government has a provision in here that is allow-

ing for a land grab, so to speak. We do not know all the details, but they can do it.

But the Government is referring to an arbitration procedure so in the event that somebody feels aggrieved by [clause] 14 . . . so let us say that Kim Wilson has entered into an agreement with the Corporation, and it was entered into on the 2nd of January 2012, for me to have a little tuck shop in the parking lot somewhere. I have my lease and it was entered into, in good faith by me, on the 2nd of January 2012.

The Government, under this piece of legislation, has the right, effectively, to invalidate that agreement. If I am aggrieved . . . and the process that is listed talks about I have to apply to the Minister and rah, rah, rah, rah, rah. So it is quite a lengthy process. However, then it indicates that in order to determine my claim, so to speak, it has to go to arbitration. They are saying the Governor, then the Minister says to the Governor, *send this to arbitration* so they can determine how much my little tuck shop is worth—my lease for my tuck shop in the parking lot.

The Governor appoints an arbitration panel, then the provisions under the Acquisition of Land Act 1970 apply and that means that the panel, the arbitrators, have to consider the following, and I am reading from section 10, Mr. Speaker.

The Speaker: Mm-hmm.

Mrs. Kim N. Wilson: I have to get my glasses.

The Governor appoints the arbitrators. And then it talks about the arbitrators have the right to summon people, *et cetera*.

Now, when it comes to inspecting the land and the factors in which the arbitrators are to consider as it relates to determining the value, *et cetera, et cetera*, as to this acquisition are as follows: Naturally, the value of the land at the time in which the compulsory acquisition took place, any special suitability or adaptability of the land where the value of the land is increased by reason of the use thereof of the premises; where the land is and, but for the compulsory acquisition, would continue to be devoted to a particular purpose.

And then it goes on and says that the arbitrators shall also take into consideration any damage likely to be sustained by the person interested. So Kim Wilson's little tuck shop that is in the corner of the parking lot, for which I have a lease . . . the arbitrators must consider any damages that are likely to be sustained by me, [and] any damages likely to be sustained by any person by reason of severing the land or acquiring the land.

So if I had to pay somebody to draw up my lease and build my little tuck shop, *et cetera, et cetera*, all those damages the arbitrators must consider for my lease under [clause] 14 and the sections of the Acquisition of Land Act. They must also consider any damage that will be sustained by me in terms of finan-

cial loss. Any of the financial loss that will be sustained by the person—me—interested in the lease as a direct result of the acquisition and is directly attributable to such acquisition.

It then goes on to say that the arbitrators are not allowed to consider things like urgency and so forth.

However, Mr. Speaker (thank you for your indulgence), the last provision I want to read talks about the award of the arbitrators and that the award can be made and that it should come from the Consolidated Funds for payment in accordance with what the person was entitled to, if the arbitrators made an award. It is based on a majority vote, *et cetera, et cetera*.

So, Mr. Speaker, thank you for your indulgence, but I just wanted to highlight that section because I think it is important that when we speak about [clause] 14 in the land grab, that the provisions under the Acquisition of Land Act apply, in particular, when it talks about the Consolidated Fund. So that is another question I would like for the Minister to answer. Have we anticipated how much money we are going to be taking out of the Consolidated Fund? I guess to hold in escrow, so to speak, in anticipation of these claims that could potentially arise in [clause] 14?

An Hon. Member: Contingent liabilities.

Mrs. Kim N. Wilson: Contingent liabilities.

My second point that I want to speak about, another legal point . . . so I have touched on the Constitution and the arbitration—

The Speaker: You are really learning me up tonight. I am enjoying this.

Mrs. Kim N. Wilson: I am doing my best.

The Speaker: I am enjoying this, Honourable Member.

Mrs. Kim N. Wilson: And this is free! This is free legal advice!

The Speaker: I am really enjoying it.

Mrs. Kim N. Wilson: Mr. Speaker, the final point that I want to raise, again, that has severe legal implications is about agreements.

As a matter of law, when you are talking about agreements and contracts you have certain essential elements. You have to first have an offer, you have to have an acceptance; you have to have an intention to create a legal obligation and consideration. Those are the basic elements of a contract.

Again, using myself as the illustration, I have gone to the Corporation of Hamilton, I have discussed with them my idea of having a tuck shop on the

northwest corner of City Hall car parking lot. I have entered into discussions. I have entered into an agreement. They have agreed. I have entered into a signed agreement. So there is my agreement. But we said, remember, we spoke about in [clause] 14 any agreement that was entered into, they have the right to invalidate it. Right?

Yes, there are damages implied. But let us say for example, in my illustration, that I spent \$2 million on this little tuck shop. I mean, it was sharp. It had stainless steel this—it was sharp—and all the damages I am able to prove and quantify, I can get from the Government as a result of the provisions that we have spoken about. But what we have not heard, and I will just say this one final time, Mr. Speaker, the Government has not provided an explanation as to which agreements are out there.

What are we talking about? Are we talking about hundreds of dollars, thousands of dollars—we have no idea.

So, Mr. Speaker, my final point relates specifically to the process, and that is, again, the legal process. After the arbitrators have awarded me \$2.00 and I am aggrieved because I spent \$2 million on my tuck shop, I have a right to appeal. I appeal it to the Supreme Court. I am not successful in the Supreme Court. I do not like the order of the Supreme Court, or the Government does not like the order of the Supreme Court. We appeal to the Court of Appeal. I am not happy with that. They are not happy with that. There is another ground of appeal, another appellate jurisdiction, which is the Privy Council. And in this case it would not surprise me—because I would probably consider it if I was being deprived of my land by virtue of [clause] 14 which we have already heard is retroactive, and I felt that my rights under the Constitution, [with this] deprivation of property, were being impeded, I might apply to the European Court.

Then if I am not successful or if the Government is not successful, that process that I am speaking about, Mr. Speaker, can take years—years and years of legal processes.

Some lawyers may say that the whole litigation process is designed to make the person that has the deepest pockets succeed. But my concern is that that process can take many, many, many years. So, in the meantime, what chances do we have of anybody . . . let us talk about our reputational risk. How many business people [are there] that may be interested in investing in Bermuda, but see this great cloud overhead because of this pending litigation and do not want to touch us and decide they want to go somewhere else?

Mr. Speaker, when you look at the length of time that it could take for these litigations, for the process to take place, let us talk about Bermuda's reputation, our international reputation.

Mr. Speaker, with your indulgence, I want to just refer to a [Royal Gazette](#) ad, a newspaper article,

that was dated on the 21st of September this year and we have in front of us the newly appointed Chair of the Bermuda Business Development Corporation, Mr. Stephen Lund, and what he is saying is, and I quote, "Reputation, reputation, reputation is the mantra for countries . . . we want to get high-grade foreign investment. We, in Bermuda, want to do business with the best of the best: . . . companies" *et cetera*.

So here we have all these people, and I do not know how much they are paying him, but we have this individual and others who are trying to promote Bermuda as a business jurisdiction of choice and our reputation is key. So if I was Daddy Warbucks and I had all this money and I was interested in investing potentially in Bermuda and I read in the *Financial Times* newspaper (and I hope this is not reported there) that the Bermuda Government in 2013 is passing retroactive legislation that has the effect of cancelling any commercial agreements that were entered into after the 2nd of January 2012, I would take my money elsewhere.

We have to make a decision here. Are we in it to win it? Are we in the business to ensure that our reputation stays intact? We are signed on to all kinds of TIEAs. We are trying to do our best to get off of the grey list. We are signed on to the Organisation for Economic Co-Operation and Development (OECD) agreements, Financial Action Task Force (FATF), all kinds of international agreements and obligations because we want to sure that our reputation is sound.

So in that regard we are doing our best to continue with our reputation, but on the other hand that can be cancelled in one fell swoop by us passing legislation that not only do we not know all of the issues of concerning the agreements and financial implications and everything, but a business person is going to say, *Well, hang on a minute. What kind of Mickey Mouse country am I dealing with where the Government of the day can come in . . . we know that Parliament is supreme. We get that about parliamentary sovereignty, but do you mean that I can have an agreement signed and sealed, offer, acceptance and consideration in my hand, and I have done all my due diligence and worked to advance my business agreement, and the Government can turn around and say with one fell swoop, "Cancelled! Rip it up! No, you do not have an agreement!"?*

If you do not think that that is not going to affect, Mr. Speaker, with respect, Bermuda's international reputation, I do not know what will. It scares me. Like they say, either fish or cut bait. Piss or get off the pot. We have to decide.

[Inaudible interjections]

Mrs. Kim N. Wilson: Are we in it for business?

The Speaker: Honourable Member.

Hon. Mark J. Pettingill: Point of order.

Mrs. Kim N. Wilson: I retract that.

The Speaker: Yes, thank you.

Mrs. Kim N. Wilson: I apologise, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Mrs. Kim N. Wilson: I do apologise.

POINT OF ORDER
[Misleading]

Hon. Mark J. Pettingill: Point of order.

The Speaker: There is a point of order. Yes?

Hon. Mark J. Pettingill: With great respect, my honourable and learned friend is misleading the House.

She is mentioning commercial agreements and the Act does not reference commercial agreements. So getting into all of this provision with regard to commercial—

The Speaker: It mentions agreements. What does it mention?

Hon. Mark J. Pettingill: Not commercial agreements. The Act is clearly dealing with the sale of land which is—

The Speaker: Just a . . . just a—
Members. One person speaks at a time in this place.
Carry on.

Hon. Mark J. Pettingill: Thank you, this is a very important legal point.

It is not all commercial agreements. That could be a plethora of types of agreements. This is dealing with the disposition of land. It is grossly misleading to say all commercial agreements.

[Inaudible interjections and crosstalk]

[Gavel]

The Speaker: I said that you are to be quiet!

Hon. Mark J. Pettingill: Yes, and 21-year leases specifically is what we are dealing with as far as agreements under the Part 2 which deals specifically with the disposition of land (1A) any agreement for— (a) the sale of land which is the property of the Corporation; or (b) a lease, conveyance . . . exceeding twenty-one years.

That is it! That is specific—it is not all commercial agreements. Anybody out there listening to that is going to think *Oh, wow, dealing with this, dealing with that*, a little kiosk in the corner and all the rest of it. Nonsense, with respect.

That is objectionable and misleading. You have to get it right.

The Speaker: All right. Thank you.

Honourable Member, do you appreciate that?

Mrs. Kim N. Wilson: Yes, I do.

If I want to use my example of my little kiosk on the northwest corner that I spent \$2 million for in the northwest corner of City Hall parking lot in which I engaged agreements and an offer and acceptance of an agreement in which I received a 21-year lease for . . . so the only qualification is 21 years!

[Laughter and crosstalk]

Mrs. Kim N. Wilson: So, any agreement that has been entered into after the 1st of January 2012, over 21 years.

Now my learned friend, the Honourable Attorney General, indicated that it was a plethora of agreements and we were not speaking about a commercial agreement. However, with respect, the legislation as proposed says “any agreement.” “Any” means any—that could be commercial. The only *proviso*, or the qualifier, that perhaps I did not make clear, and by all means it was not intentional, was that it must be for a term exceeding 21 years—*any* agreement exceeding 21 years.

[Inaudible interjections]

Mrs. Kim N. Wilson: I read that part, Mr. Speaker. I read about land. I am talking about my example of a lease on the northwest corner of City Hall with my lunch wagon. They have leases, and if my lease is over 21 years, it fits squarely into this. And if it was entered into after the 1st of January—

[Inaudible interjection]

Mrs. Kim N. Wilson: Thank you. The other Attorney General, oh, sorry—

An Hon. Member: *The Attorney General.*

[Inaudible interjections]

Mrs. Kim N. Wilson: Thank you. Mr. Speaker, I apologise.

The Speaker: You are on a good line. I think you are handling yourself well. It was a good objection and you are handling yourself well. So continue on.

Mrs. Kim N. Wilson: Thank you.

Do you know what? Actually, Mr. Speaker, I think that I might have to end on that note because I do not want to go down.

[Inaudible interjection]

Mrs. Kim N. Wilson: Yes, quit while I am ahead.

In closing, Mr. Speaker, I find it offensive and somewhat scary that we have a Government that is prepared to risk Bermuda's international reputation, the one that we have spent years trying to develop and perfect.

[Crosstalk]

Mrs. Kim N. Wilson: We passed the cruise ship matter this morning and we are talking about what we are trying to [do to] build tourism, to build our infrastructure, and to build our reputation and our economy. Our economy is tied to our reputation and we are now getting ready to pass an Act that is going to say that the Government can say sovereign—this brings a new meaning to Parliamentary sovereignty.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

The Chair will now recognise the Honourable and Learned Attorney General, Member from Warwick [North East], Attorney General Mark Pettingill.

You have the floor.

Hon. Mark J. Pettingill: Thank you, Mr. Speaker.

Good evening, honourable colleagues.

The Speaker: Thank you.

Hon. Mark J. Pettingill: Mr. Speaker, I must say with the greatest respect, it sounds like there is some substance to it but, you know, it is just scare mongering at its best. The example was best taken in the objective of saying—

The Speaker: Well, I think—

Hon. Mark J. Pettingill: —all commercial agreements. But, with respect, that would cause people fear. That would cause . . . if somebody in the international community, which is what my honourable and learned friend was addressing, like—

The Speaker: Well, then, please, clear it up, Honourable Member.

Hon. Mark J. Pettingill: That is a type of thing, by saying that as a generalisation, would make people sit up and go. I think we have already emphasised that with the objection. But, again, my friend has dived back into it.

I think there are a couple of very, very important but pedantic legal points, and not necessarily everybody who is listening, with great respect, will necessarily understand. But it is important that the public and Honourable Members have an understanding of what exactly is transpiring here and why.

Let me just say this . . . and we heard a lot earlier today with regard to people that sat in Opposition saying one thing and then saying another. Well, how about this, Mr. Speaker: How about a former Government, the former Government, the PLP Government, that clearly as part of their proposal of the Government was going to establish a framework that would, and I quote, "absorb the operations performed by the municipalities."

Now that is what they were intending to do. Let me be very specific about how much they were intending to do that. They spent \$800,000 on consultants to address that issue! I have tried Stirling in Bermuda, the lawyers, and McKenna, Long and [Aldridge] of the US.

[Inaudible interjections]

Hon. Mark J. Pettingill: *Did they put it out to tender, I hear the interpolation.*

I do not know!

But I know this: It is a fact that they spent \$800,000. So when we talk about sitting on one side—

[Inaudible interjections]

Hon. Mark J. Pettingill: Now people talking out of both sides of their mouths.

Let us just have everybody ponder that for a second. Why would the previous Government in 2009 put together and spend that type of money on establishing a framework to absorb the operations performed by the municipalities, and they are talking about all commercial agreements in that one, not just land disposition, but everything.

[Crosstalk]

Hon. Mark J. Pettingill: Because that was the mandate. So, let us just be fair because, with respect, they all know, they all know, having sat over—

The Speaker: The Honourable Members all know.

Hon. Mark J. Pettingill: The Honourable Members all know.

Those Honourable Member all know, having sat over there, what their intention was in 2009 with regard to the Corporation and municipalities. So to come along today and try and suddenly be horrified that the OBA Government is being the big, bad wolf. And I heard terms like "land grab" and all the rest of it.

These things have to come to the House for review, for us to go over. There is no land grab. We are not going to go down and snatch Aunt Millie's kiosk. You know? And with great respect to my honourable and learned friend, it is something of a nonsense, with great respect, to say that an individual with a hot dog stand kiosk would have a 21-year lease. That is just not a land/commercial type agreement that one would see. You do not roll up with your hot dog stand and get a 21-year lease.

And, by the way, if the Corporation were of the mind to do that, that is the very reason we need to take over this type of approach and bring things here. That is the very reason! If they are prepared to give a 21-year lease to a kiosk . . . then I entirely applaud why the Minister is bringing it here. You know, Aunt Millie and her hot dog stand for 21 years . . . please! Please! That is just not the way that anything that is sensible is going to transpire.

We all know what is going on here, why it is going on here and what the checks and balances are. I had a chance today to look and see the Mayor of the Corporation. The Member sent around his lovely little letter and it looked like it had a legal opinion, you know, that was attached to it that seemed to be making all of these great points. We have heard all these things about the Constitution thrown around today, and then when I stopped and had a good little bit of consideration of what was attached, it is not an opinion at all. It might have been made by a lawyer, but there are some comments. They clearly asked for some comments. What they got back were things like saying these types of lines: *It is impossible to predict. The potential—*

The Speaker: You—?

Hon. Mark J. Pettingill: I am reading from the comments that were attached to the letter—

The Speaker: That was sent by the Corporation that we were handed today?

Hon. Mark J. Pettingill: —that the Corporation—

The Speaker: Actually, I got one. Thank you, thank you.

Hon. Mark J. Pettingill: So, if I may? It is important. I am highlighting—

The Speaker: Yes, go ahead.

Hon. Mark J. Pettingill: If we are dealing with legalise, if they think that they got some opinion that highlights why this legislation should not pass, and that is all the more reason we need to be here doing what we are doing. That is all the more reason it is a little scary because all replete through the comments that were

clearly made by some lawyer in their letter . . . and these are important terms, Mr. Speaker, that you will appreciate.

As I said, the first one is, "It is impossible to predict," when you are talking about the issues with regard to the restraint on powers. There is a "potential" for constitutional conflict.

Well, Mr. Speaker, you heard me speak on that today. That is why I have no problem with having what will end up being a big compliment at the end of the day with regard to my comments on the Constitution that I made in another place, because it is the umbrella—the Constitution. And any constitutional lawyer (and many of us regard ourselves as that type of lawyer) will be able to tell you, because it is an umbrella, there is always the potential for a constitutional conflict. There is always the potential to look at a situation to say, *You are breaching section 13 of the Constitution with regard to the Acquisition of Land.* There is always that potential.

That is why we have constitutional-type applications in the court, so people can go armed with the Constitution and say, *You have breached the Constitution*, and have a decision made on that basis. That will always arise if there is an argument. The checks and balances. And this Act is replete with them throughout.

An Hon. Member: Mm-hmm.

Hon. Mark J. Pettingill: It is replete with the checks and the balances right up the chain which is safe for the people of this country. Because as much as some people might want to say, *Technically, that land is owned by the Corporation.* That land, like all land, belongs to Bermudian people at the end of the day. That is what it is about. Bermudian people have to have the right to say what goes on in their city.

It is not the United States of the Corporation of Hamilton or the United Streets, or whatever term they want to give it, and you have a president of the Corporation and they are like the Vatican in Rome and have become a country. They are not! That seems to be the type of approach that is being put out there. There is this feeling that the Corporation is its own nation like the Vatican in Rome with the Pope. Well, it is not. It is a corporation.

What we are doing here—and I will come to this in a minute because it is important—this is good governance! That is what this legislation is about. It is about good governance. It is about the senior people in the positions right here, the legislators, being able to look at this and say, *Hold on, we need to have more checks and balances about what is going on.* And do that in accordance with international standards and how municipalities are looked at and viewed in other places and, yes, mould it for what we have going on in special and unique Bermuda.

But it is a checks-and-balances operation right through it, right up to the Attorney General. And let me say this: It does not mean the Attorney General can just come skating in and say, like, *Oh, yes, absolutely. Well, we are going to do this*, because I am bound to act in a certain way and if I do not, there is the power of the courts for people to bring what is called an *ultra vires* action against me. To go along and make an application to the court saying that the Minister is acting *ultra vires*, which means beyond his powers, outside of the scope of his powers.

And if people are paying attention, they have seen—there were many challenges like that with the previous Government. Some of them are still going on. Some of them relate to land, too. Where different interested parties—and you can be any interested party—is coming along and saying the Minister overstepped the mark with the decision that he made there. So let us not pretend as we rouse people up that we are doing something as the big bad OBA Government that is beyond the realm of contemplation and goes against the grain of what any sensible Government may want to look at doing.

Let me turn back, Mr. Speaker, to that comment, which is an opinion, which we have bantered about. It says, “Have the effect of permitting the Government to retroactively invalidate private agreements without the need to give any reason or providing justification of any kind, full foul of the Constitutional goal”—

POINT OF ORDER

Mr. Walter H. Roban: Point of order, Mr. Speaker.

The Speaker: Yes, what is your point of order?

Mr. Walter H. Roban: I rise hesitatingly to . . . I just want to make sure the Honourable Member is not misleading the House by reading that letter and with the suggestion that we are using it in reliance to our arguments. We are not.

The Speaker: Well, he does not—

Mr. Walter H. Roban: That letter belongs to the Corporation and it is there—

The Speaker: He has not said that.

Mr. Walter H. Roban: Okay, I just wanted to be sure.

The Speaker: He has not said that.

Carry on. He has not said that.

Hon. Mark J. Pettingill: With respect, just to be clear, you know what they have done . . . they have been lobbied. And that is okay, there is nothing wrong with that. The Corporation has lobbied. They have entered

into a big lobby today. They have addressed letters to every Member of the Legislature. I do not know if you got one as well.

The Speaker: Yes, I have one.

Hon. Mark J. Pettingill: You have one, too, so you know what I am talking about.

The Corporation has brought a big lobby, and let me say this . . . I encourage that type of thing. I think lobbying is an important thing. I think that involves people that have an interest [and they] should lobby to a degree to their politicians. It gets a bit crazy in other places as to what goes on, but here that is a good thing. That is what you should do.

If you have issues and concerns and so on, then you know, you lobby. You might call up and say, *We need this done. We need a law that says that*. That is lobbying. But we have seen a big lobby today. We have seen a lobby come along with a letter from the Corporation and then they have attached to it what appears to be . . . I think they bandied around, Mr. Speaker, in the media saying they had an opinion to support it. And you can see full well what it is.

Somebody has sent them a note with some comments about what concerns there might be. But even the positions that are raised that they have sent around are all things that require a reasonable test. All things, Mr. Speaker, that can be tested in the court. All things that can be looked at in Parliament, and this is not said once, and let us be clear about this.

Within the Corporation’s lobby, there is nothing that is saying that what is being suggested here runs completely afoul of the Constitution and would be invalid in law. Nobody has expressed that view. With respect, I will tell you why no one has expressed that view—because they would be wrong. They would be wrong. So, just like we had the position earlier when we talked about constitutional interpretation, and my honourable and learned friend, my very honourable and learned friend, the Minister of Tourism, Mr. Crockwell, and I were having a good chuckle as lawyers, because we know.

You know, lawyers are hired guns. You give them this to look at this argument and they go and argue it. They are learned in the law. You give them this argument they go and argue that because they are very, very . . . and the reason, Mr. Speaker, the reason that we have courts, the reason that we have debates here, the reason that we have courts of appeal, the reason that we have a Privy Council, the reason we have all these checks and balances is because the law is a complex thing. A complex thing.

We had a debate over the word “obligatory.” You know, one word! And issues going backwards and forwards, all over the place. It is complex. And that, Mr. Speaker, is why we have the checks and balances we do.

So, just to reiterate, there is nothing that has been put forward by the Corporation and their lobby or by Honourable Members on the other side—let me be clear about that—or by other Honourable Members on the other side, that is saying pellucidly that this runs afoul of the Constitution. Even my honourable and learned friend with her hot dog kiosk or . . . yes, her hot dog . . . Wilson's Hot Dog kiosk. Even her hot dog kiosk, what she was saying was, with respect to the Honourable Member, that it is open to challenge. It is open to her to bring Wilson's Hot Dog Ltd. to court against the Minister.

An Hon. Member: Good hot dogs.

[Crosstalk]

Hon. Mark J. Pettingill: Good hot dogs, but the lease might be foul! Right? The hot dogs might be great and the lease might be poisonous, and that gets to get tested.

So, nothing that is being said there is capable of saying . . . let me give you another example. In the commentary that the members of the Corporation got and that they sent around, and it appears with great swagger—the *Bill must therefore give rise to grave constitutional concern*. Well, that is legal language and, boy, if you paid me for a comment or opinion and I want to be on your side, man, I would be saying that, too! I would be saying, *Wow, geez, this is deprivation of property and to my mind that gives rise!* In other words, that is open to argument to a constitutional concern.

Okay, I will take that. I will take that and I would invite Honourable Members, Honourable and Learned Members or judges to point me to a single piece of legislation that if facts fell in a certain way would not rise or give rise to some constitutional concern.

That is what happens when you have a Constitution that is an umbrella over all the other laws. You look at the laws, and this happens all the time. We study this in law school. It is called conflict of laws. One Act may seemingly conflict another. You know, you are not allowed to speed over the speed limit, but in another section of the Act you are if there are special conditions. You know, so there is nothing so rigid that sensibly looking at it, sensibly looking at it, that there may not be a commonsensical position that allows for some give. That is what the law is all about.

If you have provisions like you do in this Act that has been brought here today by the Honourable Minister that sits in another place, the Act is replete with the tests and the balances that are essential for those protections.

So the opinion that the Corporation has goes on to say things and address things like *the Minister's belief*. And this I know is being raised by Members on the other side. And, *This gives rise to this type of*

power of interference. Well, if it gives rise to it, Mr. Speaker, that is where you have the courts where you can check these things. That is when you go to court and bring your constitutional issue—not in this place!

If you want to argue law in this Honourable House, you need to stand up and show where a constitutional provision in one of those sections is so black and white, is so rigid and so obvious that you are able to say this is unconstitutional and will not be valid. That is what you need to do, and point me to it, because I tend to agree with whoever wrote this opinion for the Corporation that certain things may give rise to constitutional challenges, because if the Minister were to act in ways that he should not—*ultra vires* is the legal term, beyond his powers—that may well give rise to that! If he did not follow the rules, Mr. Speaker, that may well give rise to that.

Honourable Members can all think of the times when Ministers have done things and have not followed the rules. It might be like where they have allowed an appeal that should not have been allowed for some reason, and the rules were not followed with regard to the granting of that appeal. And when that happens, in those circumstances, some concerned party will show up and say, *That has to be challenged in the court of law*. So these checks and balances are there.

Now, let me get to what many will probably regard as the boring stuff.

How am I for time, Mr. Speaker?

[Inaudible interjections]

Hon. Mark J. Pettingill: Fourteen minutes. Wow! I can get the whole Constitution in there.

It is important . . . I have to, with respect, if I may, refer to a note here, because otherwise as much as I try to keep everything in, it does not.

What we have to remember is that Honourable Members on that side when they were the Government—and this comes to this provision that we heard great fanfare about with regard to [clause] 14 of the Act (I think that is the retroactive one) that deals . . . my Honourable friend was talking about the retroactivity provision. It is [clause] 14 about that this was somehow a novelty of this Government, having that type of provision in there.

But let us just walk through that a second. What you have is the [Good Governance Act 2011](#). Now, if memory serves me right, in 2011, Honourable Members on that side (that are now the Opposition) were the Government of this country. They are the ones that passed the Good Governance Act 2011. In that Act they inserted sections 32(b) to 32(e) to cover the [Public Treasury \(Administration and Payments\) Act 1969](#). It all gets very convoluted.

It came into operation. Those provisions of the Good Governance Act came into operation on the 21st of October 2011. Okay? That is before the date from

which agreements that must be cited under [clause] 14 of the Bill. So their own good governance provision, their own Good Governance Act . . . and heaven knows they needed to get that passed. That is a good Act. It was a long time coming. They had it back in 1999 and many may raise the question, thinking that there was some questionable good governance that went on before that time.

So, their Act puts that operation into effect on the 21st of October 2011. The agreement that this Act is dealing with, back to the 1st of January 2012, is caught within that, in any event, as far as the test and balances go that are required under the Good Governance Act.

Now, section 32B(1) established the Office (this is of the Good Governance Act) of Project Management and Procurement. Section 32B(4) states that "The Director shall issue a Code of Practice for Project Management and Procurement to be followed by all public officers concerned with obtaining goods or services for Government."

Section 32B(6) defines "Government" as including a public authority and "public officers" including a person employed by, or acting as management position for a public authority. So everything that is going on, just to put it in layman's terms, is being safely caught in the net of *their* Act—the Honourable Members' Act, when they were the Government. So this just has not been crafted like a whiff of smoke in this Government's mind. It has been looked at carefully with regard to what are the provisions for good governance that allow this to be embraced by the existing law. What is the existing law? The Good Governance Act 2011 which has its operational date as the 21st of October 2011.

It is captured well within that. So all of these things, including contracts, pre-contractual negotiations, have a position of oversight of capital projects for the Government. Now why is it that that would be okay when Honourable Members on the other side were the Government, but somehow it is not okay now that we are? We are just embracing what they passed. We are embracing what they passed. We are embracing . . . but we did not spend \$800,000 in doing it. Exactly what they were looking to do.

POINT OF ORDER

[Misleading]

Hon. Wayne L. Furbert: Point of order, Mr. Speaker.

The Speaker: Yes, what is your point?

Hon. Wayne L. Furbert: The Honourable Member, and I did not say it before, but he is misleading this House.

The Speaker: How, how, how?

Hon. Wayne L. Furbert: The former Government did not spend \$800,000.

The Speaker: All right. Thank you.
Honourable Member, carry on.

Hon. Mark J. Pettingill: Yes, they did.

[Laughter]

The Speaker: The Honourable Opposition Member says they did not.

Hon. Wayne L. Furbert: They did not spend \$800,000.

The Speaker: Thank you, Honourable Member.
They said they did not.

Hon. Mark J. Pettingill: I guess we have to agree to disagree because we are not going to arbitrate it here.

The Speaker: Right.
Carry on.

Hon. Mark J. Pettingill: Like many things, Mr. Speaker, as some point—

The Speaker: Carry on. We will leave that part of it out.

Hon. Mark J. Pettingill: I tend to be a creature of evidence.

So, Mr. Speaker, what this means, in summing up (and this is what is important to remember), from the 21st of October 2011 it was embodied in the legislation—embodied within legislation—that when it came to oversights of all capital projects entered into by a corporation, they would fall in within the provision exactly as we see it here. They were already caught. If a corporation has not followed the Code of Practice for Project Management, that would be a good ground for voiding their agreement under the PLP Government's law that they passed.

Let me repeat that. If a corporation has not followed the Code of Practice for Project Management, that would be a good ground for voiding their agreement because it would go back to the 21st of October 2011 under the legislation that they put through this House—that they put through the House.

So when we talk about misleading, jumping up and down and going on about—

POINT OF CLARIFICATION

Mr. E. David Burt: Point of clarification, please, Mr. Speaker.

The Speaker: Yes?

Mr. E. David Burt: I am just asking if the Honourable Member can repeat again where he is getting that from, where he is reading it from. I just did not catch it.

The Speaker: He said the Good Governance Act.

Mr. E. David Burt: I got the Good Governance, but he was talking about the Corporation and voiding the contracts.

Hon. Mark J. Pettingill: No, no—

The Speaker: Minister?

Hon. Mark J. Pettingill: Okay, I want to be clear, because if you are not getting it, and I say this with great respect, that means that a lot of people not as bright as you, may not be getting it.

The Speaker: There you go. You are giving him a lot of credit.

[Laughter]

Hon. Mark J. Pettingill: No, no, I will give him that. It is not a bad question. That is why I asked the permission to read through the note, as I said, I have to look at it.

Let us put it this way. I will give you the . . . and I use this term all the time, so it is no disrespect to anybody. I am always saying give me the *Dummy's Guide*, you know, because as everybody knows it is a term of a book. So you go with the Good Governance Act—start at the Good Governance Act, the former Government's Act. Start there, and the operation of that comes into operation on the 21st of October 2011.

So in other words, it is retroactive. It is retroactive! So if the Corporation did something in March, April of 2012, or May of 2012, or January of 2012, before that time back to the 21st of October 2011—if that occurred, then that legislation would cover any Code of Practice for Project Management that was not followed or was not adhered to, would be a ground for voiding any agreement.

[Inaudible interjections]

Hon. Mark J. Pettingill: No, not now, I am stating it as a provision of law. That is how it would work.

POINT OF INFORMATION

Mrs. Kim N. Wilson: Point of information, Mr. Speaker.

The Speaker: Yes, Honourable Member?

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

I am just trying to follow the line of debate here because I thought we were debating this Municipalities Act.

The Speaker: Honourable Member, I gave a lot of leeway to you when you spoke as well, Honourable Member.

Mrs. Kim N. Wilson: Just so I am clear, my point of information is that we are referring to a particular document as if it is part of this debate and—

The Speaker: Yes.

Mrs. Kim N. Wilson: I am just wondering, how does that filter in?

The Speaker: I think it is really . . . he is relaying it to some of the discussion that had gone on before. I see no problem with what he is saying.

Mrs. Kim N. Wilson: Before here today, sir?

The Speaker: Yes, today.

[Inaudible interjections and crosstalk]

The Speaker: Yes.

Mrs. Kim N. Wilson: Right, but Mr. Speaker—

The Speaker: Carry on.

Mrs. Kim N. Wilson: I might have been outside, but I was listening.

The Speaker: Honourable Member, he is fine with the line that he is taking. The Honourable Member is fine.

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

Can I just ask him to please repeat the reference?

The Speaker: He can repeat if he would like, but Honourable Member, I mean, if you do not get what someone says—

Mrs. Kim N. Wilson: No, I do get it—

The Speaker: —not necessarily.

Mrs. Kim N. Wilson: —but the reference.

The Speaker: No, what I am saying is that you cannot expect Members to continue repeating themselves. If he would like to, then, you know, if he would like to then he can. But if he has made a statement, if the Honourable Member would like to help the Honourable Member to be able to—

Mrs. Kim N. Wilson: I don't necessarily—

The Speaker: —and it is good that the Honourable Member understands what you say, so—

Mrs. Kim N. Wilson: Mr. Speaker, that is fine. I believe . . . if we are still referring to this Corporation letter. That is fine.

The Speaker: Yes.

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

The Speaker: Yes, yes.

Hon. Mark J. Pettingill: I realise in the short period of time it is like, you know, trying to put together and give a full lecture, but I will say this, Mr. Speaker, I am tired and I am going to go get a hot dog in a while because I am hungry as well.

[Laughter and crosstalk]

Hon. Mark J. Pettingill: Mr. Speaker—

POINT OF ORDER

Mr. E. David Burt: Point of order, Mr. Speaker.

The Speaker: What is your point of order?

Mr. E. David Burt: I still do not have clarity. The question is . . . is he reading, was he quoting a particular text or is he giving his opinion? I think that is clear for the debate and we should know which one it is.

The Speaker: Go ahead.

Hon. Mark J. Pettingill: That is a fair question. The last line of what I said—and I said I am referring to a note—the last line is the ergo point.

Mr. E. David Burt: So it is your opinion.

Hon. Mark J. Pettingill: No, but, yes, let us say that. But it is a pretty simple one that you could follow, with respect, all it is saying is if the corporate—

[Inaudible interjections]

Hon. Mark J. Pettingill: I did, with respect. So I said effectively then if the Corporation has not followed the Code of Practice for Project Management, which is the law—in other words, if the Corporation did not follow the law under the Good Governance Act and I took [you] through the provisions of that, that was the note.

The Speaker: That was what he read from.

Hon. Mark J. Pettingill: That would be a position of good ground for looking at voiding an agreement.

[Inaudible interjections]

Hon. Mark J. Pettingill: I think that, Mr. Speaker, this is—

The Speaker: Carry on. Yes, yes.

Mr. Rolfe Commissiong: Will the Member take a point of clarification?

Hon. Mark J. Pettingill: Sure.

The Speaker: Yes, he will take a point of clarification.

Mr. Rolfe Commissiong: Member, are we then to infer that—

The Speaker: You are asking a question. That is not a clarification.

[Inaudible interjections]

Mr. Rolfe Commissiong: Are we then to infer that—

Hon. Mark J. Pettingill: That is not a point of clarification.

The Speaker: If you are clarifying, then you are telling him what he is doing wrong. That is clarification. You cannot ask a question if you are giving clarification, Honourable Member.

Mr. Rolfe Commissiong: Is it not wrong that the—

Hon. Mark J. Pettingill: That is still a question.

The Speaker: Yes, that is a question, Honourable Member. Sorry.

[Inaudible interjections]

Hon. Mark J. Pettingill: Mr. Speaker, so what effectively—I am going to stop and take my seat—the reason that I [am talking about] this legislation that the former Government passed, is that it is dealing with good governance and what the checks and balances of good governance needs to be.

This piece of legislation that the Honourable Minister has brought to the House today is completely an advancement of the concept of good governance. It is an advancement that, with respect, Honourable Members on the other side, when they were Government, were clearly considering as—

[Inaudible interjections]

[Pause]

Hon. Mark J. Pettingill: I mentioned earlier, I want to clarify this point.

The Speaker: You have two minutes.

Hon. Mark J. Pettingill: That is fine. I just want to quickly jump in on this that when I spoke of the . . . (get it clear)—

[Pause]

Hon. Mark J. Pettingill: Mr. Speaker, when I referred to the Act of Project Management and Procurement—and . . . sorry, when I mentioned the Public Treasury Act at the outset of my submission as regards administration and payments, and I tried to follow through the line, what I should have emphasised (and I emphasise it now) . . . and I did, actually. I said it. The Government includes a public authority. So the position would be that that includes the Corporation. Okay? So that would be a public authority so it does not specifically—it is a fair question—it does not specifically say “corporation”—

[Inaudible interjection]

Hon. Mark J. Pettingill: Well, yes, that is my interpretation—

The Speaker: Good.

Hon. Mark J. Pettingill: But I think it would stand the test of argument. If anyone wants to argue that the Corporation is a public authority, good luck with that. But that is how I set it up, and then effectively from public authority, yes, I used the term “corporation” because, in my view, that is exactly what that would be.

So, in summary . . . probably thirty seconds left, I think.

The Speaker: Fifty-nine.

Hon. Mark J. Pettingill: Fifty-nine.

So in summary, Mr. Speaker, this Act . . . and this is what is a bit surprising. [This Act] is doing nothing more or nothing less than clearly what was the plan of the previous Government with regard to the Corporation as well, with regard to the advancement of their good governance legislation, the road that they were taking us down. Now they did [this in] 2009 and maybe they pulled into the layby for a bit and decided for whatever reasons not to go on the rest of the drive. But we have . . . and that is what good governance is about.

We looked at it and said in all of the circumstances and all of the things that are going on and transpiring, in looking at all these pieces of legislation and looking at good governance, your Act, we need to have something crafted that addresses the issues and concerns of the municipalities. And that is what we have done, and Honourable Members should support it across the board—

[Timer beeps]

Hon. Mark J. Pettingill: —because they were embracing it before.

The Speaker: That is it.

[Gavel]

Hon. Mark J. Pettingill: Thank you so much.

The Speaker: Time.

An Hon. Member: *A posteriori. A posteriori!*

The Speaker: The Chair will recognise the Honourable Member from Devonshire [North Central], MP Glenn Blakeney.

ANNOUNCEMENT BY THE SPEAKER

HOUSE VISITOR

The Speaker: Just before you speak, Honourable Member, the Chair wants to just recognise the fact that we have a former Member of Parliament in the House, former MP from Warwick, George Scott, is sitting in the House.

[Desk thumping]

The Speaker: MP Blakeney?

SECOND READING

MUNICIPALITIES AMENDMENT ACT 2013

[Continuation thereof]

Mr. Glenn A. Blakeney: Thank you very much, Mr. Speaker.

I am not going to speak much at all to the legalese save and except that as was mentioned previously, you get 20 different lawyers in the room and you get 20 different opinions.

[Crosstalk]

Mr. Glenn A. Blakeney: Okay. You know, I suppose opinions are akin to rear ends—they come in all

forms: the rear end of a car, the rear end of a room—whatever. But in any case I think I am going to go down the road with a tack regarding respective of grassroots and what this appears to be.

In response to the former speaker regarding good governance, I would concur. The former Government was about legislating and enacting good governance legislation. There is absolutely no two rules about it. The problem we have is the exploitation under the guise of good governance—

An Hon. Member: Mm-hmm.

Mr. Glenn A. Blakeney: —that is designed to disenfranchise and/or recharter through retroactivity. That is where we have some fundamental problems. So we asked a clear and pointed question. What is the real objective, and who is it really directed at?

We heard that there was the dissemination of a document from the Corporation today. And I have been reliably informed it is because, as we have heard, there was no consultation process, and they only had sight of what was going to be proposed and drafted when the proposed legislation we are debating here today was tabled. In their effort to consult whomever they so choose, it took up until now for them to articulate a clear position on the various concerns that they have.

You know, we have heard over and over and over, when we were the Government, all about getting it right. We heard, *Government needs to get out of the way*. How many times? *We need to roll out the red carpet and totally eliminate the red tape*. But this is going right into the heart of interference—into the heart of interfering with a duly constituted entity that has an electoral process, where the people who had a vested interest, who up until the point in time that we changed the legislation were disenfranchised in significant ways.

We know about the evolving history of the city, of this municipal capital city, in the islands of Bermuda. We know about that. So when the former Government took action behind its words to do what we felt was in the interest of the country, it was based on certain principles, but not to disenfranchise completely—almost with autonomy—and then it filtered down collective input because the Minister is the focal point and the pivot in this legislation.

Then you look at certain specifics of the legislation, particularly where it reduces the councils and removes the deputy mayor. Why? An inquiring mind—and many others in this community—would like to know. Why?

We also note that there were many engaged in the process of trying to get some fuel into the flame of capital development in the municipality, and that brings to mind this egregious proposed development. It brings to mind the redevelopment of the waterfront. It brings to mind different schools of thought and opin-

ions with regard to who should, who should not, how, why, what, where, for and all the rest. So there is ulterior motive behind utilising the framework of the legislation under the guise of good governance that is being used to do as they will. Because I will almost bet my last dollar—and I am very close to it—

[Laughter and crosstalk]

Mr. Glenn A. Blakeney: —that if the former administration of the duly elected mayor and councillors in this country, in this municipality, were still in office, we would not be here talking about this legislation today. Guaranteed! Guaranteed!

Now I, declaring my interests, [I] would be enfranchised again under this legislation. But it makes no never mind to me. I am a renter. I do my business and I leave even though it is a 24-hour operation. Because of technology there is some automation. My point being is that the vested residents in the municipality for the most part during the course of the evolving municipality over 200 years have had very minimal, if any, significant participation by invitation or otherwise, that equated into representation. That is what we looked to get right and that was the main focal point of looking at the legislation and looking to improve and looking to bring it into the 21st century.

As a result of a consultative process, we had to incur some consultant fees, and the number is argued and bantered about—I do not know how much it was to be quite honest. I cannot recall. I do not recall. But I know that it was a very proactive consultative process, which is why the legislation that was brought to this House under the former PLP Government and passed, has it where it is up until now. Because we engaged, and there was some contention along the way, there was some mixed opinion along the way, and that is what happens when you negotiate until you come to some kind of compromise.

But with regard to this piece of legislation, as has been alluded to by the Attorney General, there was remedy, and that remedy is going to come at a cost no matter how you look at it. A cost of disenfranchisement, a cost of a difference of opinion with regard to the credibility and the trust of the Government in passing the legislation that has now even turned the process on its head with three different elements to the electoral process in the municipality. It is major!

As the former Attorney General alluded to as well, you know, if the Minister makes a mistake, *ultra vires*, if he is acting beyond his powers or [because of] an oversight [there] is a reason and not an excuse which can be equated to an honest mistake, and the one who has suffered the damage looks to be indemnified through a legal process, there is the judicial review.

Now, if this goes all the way to the Privy Council, it is going to be very interesting to see where it ends up as far as a decision and a final decision has

been made. Because the Attorney General, utilising his legalise expertise every which way to kind of make it look like, you know, we are inferring there is something wrong, so point it out, if there is a point in fact which you can say, you know, it can be challenged legally. Well, no, that is why the court is there.

The legislation is not made in concrete! It is moving. It is fluid. And if you find that there was an oversight or an undersight, for that matter, you come back and you amend it accordingly. But the jury is out because I am sure that the Corporation who has surplus and is not faced with deficit—notwithstanding that there was wharfage fees taken, *et cetera*—to me it proves that there is some stick-to-itiveness, some level of appropriate oversight and vision, because we have two of the most beautiful municipalities in the world on this small Island.

Unlike the former Government and what was often cast and hurled our way inferring corruption or, you know what? It may not be illegal or criminal, but it is unethical and all this kind of stuff. We have not heard those kinds of things being bantered about or thrown about in the direction of the Corporation and the current administration. So what is the real motive behind this legislation at this time?

Hypothetically or otherwise could it be something to do with a racial context or an entitlement context?

[Inaudible interjections]

Mr. Glenn A. Blakeney: Could it be? I want to know!

Because I know for the very first time, there was a fundamental change in who sat in the seat of power in the city—the Gateway City—the capital municipality of this country. Fundamentally—change. I have never seen the likes of some who were the incumbents walking in the north of Hamilton canvassing—ever—before during an election!

An Hon. Member: That's right!

An Hon. Member: Nonsense.

[Inaudible interjections]

Mr. Glenn A. Blakeney: I do not remember seeing. Not while I was out there. I have been out there—

[Mrs. Suzann Roberts-Holshouser, Deputy Speaker, in the Chair]

The Deputy Speaker: Member, speak to the Chair. You can just speak to me.

Mr. Glenn A. Blakeney: I have been out there for 10 years in North Hamilton. I have been in North Hamilton for 10 years. And during an election . . . and I was not allowed in two municipal elections to vote. I will

not get into that. I will not get into that, but there was a huge and overwhelming and unusual focus on the north of Hamilton residents in the last municipal election. Soles beating the pavement and there was a sense of pride on all sides of the political divide because for the first time significant numbers of those offering themselves for office were beating on the doors, not taking it for granted because one core constituency, the corporate body politic of the corporation, as renters and as property owners, knew who they wanted and knew who would win. It was almost a no contest.

Similar to that, that happened as a result of the history of gerrymandering on the broader political landscape of this country, until there was a revisit of the electoral process that took us from dual seats to single seats and one vote per eligible voter. That was way against those that thought they were being well served by the process. So much so that there was representations and lobbies to Whitehall, there was a march to Government House for us just doing the right thing the right way, enfranchising, and including more people in a more democratic way, which is the intent and what was actually done through a legislative process in this honoured hallowed Chamber by way of the Municipality Act that was passed in 2010.

But now there is an era of exploitation to take us back to where those who feel hard done by want to have more of a say and want to have who they want, where they want, doing what they want, and minimising, through a proportional strategic approach, those that have a vested interest as residents of this city which is growing. Because since 1998 there have been a number of residential complexes. So there has been no further widening of the gap of participation.

There has been more an opportunity for just the common man to have the biggest say in the municipality. The infrastructure of this city is really second to none. There are some challenges, there may have been some mistakes made, or some oversights on some of the projects or whatever, but for the most part by successive administrations there has been good things done. Compare us to other municipalities. The manifestation is right in front of us. We walk it, we see it, we live it every day, so what is the real motivation and why retroactive? Has there been something done that they do not agree with because who has had an affirmation from the administration?

[Inaudible interjection]

Mr. Glenn A. Blakeney: Is it? Is it because there is someone that feels that they should have more vested interests and more of a participatory percentage in proposed developments? Maybe there are people that are at odds. I have heard mutterings, utterances where there have been certain individuals, well-endowed in the community, who do not feel that they have gotten a fair shake. So is there a special interest

going on that is actually driving or motivating the drive toward the kind of amendments we are seeing passed here today?

Just speak the truth. Say what your apprehensions are with the current administration, because that is directly who it is targeting. It is not talking about, *Oh, about the future, we do not know what is going to happen and at least we have a stopgap measure because of statute barring of this particular legislation and the framework. You know, it is the good governance side of it and we would not have to worry about the future.* You never have to worry about the future.

You know, with the grace of God, we are here next week. If something warrants us saying, *You know what? We need another amendment or we need to revoke something*—it can be done way before any catastrophic damage, *per se*. So what is the objective? What is the motivation? Why the contradiction of Government getting out of the way?

Let us roll out the red carpet for invited guests who want to come and do business in the country and then you put in the kind of legislation that, at best, is ambiguous so that a developer or a potential developer has to think a second time because hey, a contract is a contract is a contract. Why do I need to have it explained by an attorney that is going to cost me \$900 an hour to give an opinion whether I should come and invest in the capital municipality of Bermuda? I mean, just the apprehension stops the money!

That is why those that have got the resources hoard when there is uncertainty on Wall Street. It is not that they do not have it. It is not that there is not any money. The people that have it are very discerning with how they spend it, which then forces the Government to stimulate—which means just going to the Treasury and printing more, because those who have got have the prerogative to use or to not use. That is the problem. I have not heard anybody taking a match and putting it to a dollar bill. So where are all the dollar bills that have been produced—where are they? Somebody has them.

So this is the kind of thing that people think about in small ways when big decisions are made. *How does it impact me? How will it impact me?* See, this climate with the kind of disconnect, disenchantment, distrust, discomfort. People do not feel motivated to really be concerned until it really hits them directly.

Like, as I have mentioned previously, certain proposed pieces of legislation or amendments that affected senior citizens and of those receiving financial assistance and others, then they come out or they express their concern—but the little guy does not know what to do. When you get up here as the Attorney General and you talk your *ultra vires* and all the other legalise and terms—the average person, as he quite rightly said, you know, may not understand it. It

is no slight against them. Not everybody is a lawyer. I am not a lawyer! I need the Shawn Crockwell or a Kim Wilson or a Mark Pettingill or . . . we have another lawyer on this side—

[Inaudible Interjections]

An Hon Member: Michael Scott.

Mr. Glenn A. Blakeney: Michael Scott, my good friend. You know, that is why we need these types of people.

You know, I have always wondered why all the Latin, a language that is not even spoken anymore and needs to be interpreted. And then there is literal, there is this and there is that. And then there is the ambiguity where not even judges are sure, so you get three judges over here with an opinion and the other two over here with another opinion. You know? So what kind of chance does the average grassroots person stand? We should be the big guys on the hill really thinking for the little guys. But this legislation is thinking for the big guys who are going to have the lobby anyway.

I do not care who you put in the Corporation. They have to serve business because business is what drives the buoyancy of the city and the country, because most businesses are centralised in our capital city. So any administration that has that responsibility of oversight will be wallowing in folly if they did not serve the business interests of the municipality. Because they would be booted out in a heartbeat! But there has been very little public outcry from anyone on most of the decisions made by the current administration. They have consulted the public on proposed amendments by way of ordinances.

They have explained what the impact could be, the rationale behind any punitive breach or any breach that has a punitive consequence. Not everybody agrees because we all want to get away, we all want to get, you know, a free card for whatever. We do not want to see the traffic warden, you know, walking down the street and then putting a notice on a car for it to be clamped or whatever. So the current administration has served the city relatively well.

So, again, what is the driving motivating factor here and now, today, to target the current administration even so far as to retroactively being able to correct something? Who is it [being] targeted for vicariously through the Corporation—but I think through other individuals who have some stakeholder interests in some fluid things that are going on. I think some of those people (if not all) are of the utmost integrity and have acted in utmost good faith and have done as much as humanly possible in their committed, loyal endeavour to the country to not just get development started, but to get our people back to work.

God only knows the kinds of hurdles they have had to climb and the kinds of impediments they

have had to endure and they are still standing strong. I just hope that justice is served because the innocent should not suffer. It should not be to their chagrin—the little guys. It should not be. To be up here talking all this legalise and all this stuff—get down and dirty with the grassroots and tell them what is going on.

An Hon. Member: Mm-hmm.

Mr. Glenn A. Blakeney: So they understand from the ground up and not the top down, because we know our people. We know. Right now in this current political and economic and socioeconomic climate, people are not even wanting to think politics or talk politics or hear politics because they believe it is all about the "politicking" because they are hearing all kinds of diatribes at times from all quarters. They are experiencing consequences, unintended or otherwise—most intended—that are hitting them directly in the pocket. Directly in the pocket! And they are hurting.

We want to engage in blame game, blame game, blame game? Why not explain game, explain game? So that it is understood and so that when a decision is made or a choice by that consumer is made, it is based on well-informed data and information. It is not based on speculation or personality or emotion. That is why I always coin the phrase "honest brokers." And we here also have to be and I think for the most part, we try to be. But when the politics gets involved because of the special interests that have to be served, that is where we fall off the rails. Because economics rules! Politics do not rule anything! Economics rule.

If political parties are given funding to support their endeavour to be elected, they had better have an ear that is listening to those that have endowed them to accomplish what they have set out to do, based on their set of circumstances relative to their political ideology and how they believe they can best serve the interests of not those that are most able but those that are least able. A government should be judged on those that are the least among us striving to survive. Not those that can do it without government on their own. That is how we should be judged.

Almost all legislation that has come under the OBA has pretty much been directed in the path of those that would be considered the most well-endowed in the community—those that are the haves. Not too much about the have-nots. I have not heard too much about the social programmes. I have not seen any real significant fundamental, earth-shattering proposed legislation that has come before this House from the Government that deals with those social things.

In this municipality, the social context is *really* important because we have a number of communities bordering very close to the municipality, and some that would be considered in the municipality that have some very serious social challenges. Some very seri-

ous social challenges. The current administration has been focused on what would be considered the area that needs the most help where there is a significant number of residences, and that is North Hamilton.

More attention, in my humble opinion (and I stand to be corrected) has been given to North Hamilton than at any other time in the municipality's history under the current administration. Now could that be a problem for some? The waterfront is more important because the trickle-down will get to north of Hamilton sometime next week, next year, next decade. Or will we find the balance and try to stimulate across the board where there is equal, or at least close to equal, attention and priority given to both constituencies—those that are not as well-endowed financially as much as those that are.

I just want to know. I just want to know the answers to some of these questions. I am not criticising anybody. I am just asking questions. Where is the motivation coming from and for whom?

Thank you very much, Madam Deputy Speaker.

[Timer beeps]

The Deputy Speaker: Thank you, Member.

Are there any other Members that would like to speak?

Thank you. The Chair recognises the Member from constituency 14, Devonshire North West, Mr. G. C. Smith.

You have the floor.

Mr. Glen Smith: Thank you. Good evening, Madam Deputy Speaker.

First of all, I need to declare my interest. I was a member of the Corporation of Hamilton. I was elected as a Councillor in 2008 and then there was an election, I believe, in 2010 and then I was elected as Alderman and I subsequently also served as a Deputy Mayor. So I do want to declare that interest, and I did resign from the Corporation of Hamilton in February of 2012, as I knew I would be running as a candidate for the One Bermuda Alliance.

Madam Deputy Speaker, there are a couple of strong points. And actually being in the Corporation you kind of understand why some of the areas of, such as alderman and deputy mayor, are being removed from this legislation, from our Act. The truth of the matter is, and I have served as a councillor and I remember distinctly, a couple of times in actual fact, when there is five councillors and you had an alderman and the five of us would say no we would not agree to a certain particular piece that was being legislated at that time within our board, and then you have an alderman that was not going for you, that person or that alderman had the full vote.

Even though there was five of us, at the end of the day, seven of us all elected by individuals of the

municipality, our vote was not as strong as the alderman's vote. So, to me, being in that area before it is one of the things that need to be removed.

It is also a lot of the best practises that we are seeing in other jurisdictions around the world where there are no longer this aldermen there. The other area that I applaud, and I know that a lot of various different groups that have represented the corporation, is remuneration. I was one that believed that that some deserved money should be paid to people that put time into sitting on these boards. The amount of time and energy that goes in is unreal, in actual fact, to make the city run as well as it runs, to make the parks as beautiful as they are—it all takes time and energy.

At the end of the day, if you want to get cross-representation in regards to people that are going to sit in the council, then you have to remunerate them and remunerate them fairly. So I am fully supportive of that.

One of the areas that has been the big discussion this evening is bringing back the vote for the ratepayer. Well, Madam Deputy Speaker, I certainly agree with that. You know, approximately 95 [per cent] to 96 per cent of the tax that is paid is paid by that ratepayer, which represents about \$8 million worth of taxes (at least it was in my time). I am not sure what it is today. Other jurisdictions around the world are reverting back to what we are doing here this evening. We talked about Adelaide, Sydney, Australia, the Greater London area—

POINT OF ORDER

[Misleading]

Mr. E. David Burt: Point of order, Madam Deputy Speaker.

The Deputy Speaker: Please have a seat. Thank you.

Mr. E. David Burt: The Honourable Member is misleading the House. The Greater London area does not allow ratepayers to vote in their elections. It is only the tiny City of London.

The Deputy Speaker: Thank you.
Member?

Mr. Glen Smith: Thank you for that clarification.

So, when I look at what has been presented this evening, essentially the ratepayer, and if that ratepayer also lives in the city, will be able to vote. So, for example, if I own a shop in the City of Hamilton and I happen to live above that shop. I, as running that business, would have a vote or I could nominate an employee that would have that vote, and also that I live in the city could still retain the vote. So no vote is

being taken away from anybody at all in regard to people living in the city.

Then, you know, we talk about a low turnout. In the 2012 election, there were roughly 687 registered voters. There was only a turnout of 197 people that came out to vote. A 28 per cent turnout. Really? Do we call that a proper turnout of representation of voting? I do not think so.

POINT OF CLARIFICATION

Mr. Walter H. Roban: Point of clarification.

The Deputy Speaker: Please proceed.

Mr. Walter H. Roban: Would the Member agree that that being the first election under that franchise, that perhaps the members were not quite familiar since it was the first time they had an opportunity to vote under a universal franchise? That might account for the low turnout. It was their first time.

The Deputy Speaker: Please, proceed, Member.

Mr. Glen Smith: Thank you.

Madam Deputy Speaker, when it comes to wharfage and demurrage, I fully support that coming back to the Corporation, because at one point I was involved as Chairman of the Infrastructure Committee which oversaw at that time the docks and how they ran. You know, when you look back at the former Government spending \$800,000 on overseas consultants plus local consultants—they said they consulted everybody. But you know what? They did not. At the end of the day, when you look to see what revenue was not captured in regards to demurrage—

POINT OF ORDER

Mr. Walter H. Roban: Point of order, Madam Deputy Speaker.

The Deputy Speaker: Have a seat, please.
Proceed.

Mr. Walter H. Roban: I do raise hesitantly to interrupt the Honourable Member.

The fact of the matter is that an exhaustive process was taken by the previous Government when it came to the reform. I know because I conducted it myself with hundreds of people who were interviewed. Interest groups within the town, individuals that had an interest in a variety of areas were interviewed. That is a part of the public record.

I am sure the Minister responsible for Municipalities can find the work that was done, because it was done with the cooperation of members of the civil service to do an exhaustive survey and interviews with everybody from Sir John Swan to members from the

Association of Bermuda International Companies (ABIC), the Association of Bermuda Insurers & Reinsurers (ABIR), all types of stakeholders were interviewed and were solicited for their views on the reform of the corporation.

The Deputy Speaker: Thank you for your input. Member?

Mr. Glen Smith: Thank you. That might be the Honourable Member's opinion, but it is certainly not what I remember.

POINT OF ORDER

[Misleading]

Mr. Walter H. Roban: Point of order, Madam Deputy Speaker.

Mr. Zane J. S. De Silva: Point of order!

The Deputy Speaker: I can only take one point of order at a time.

Mr. Walter H. Roban: I will yield.

The Deputy Speaker: Thank you.

POINT OF ORDER

[Misleading]

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

The Honourable Member who is making a statement is certainly misleading the House and the people of this country. That is a very false statement. I am not going to say it is a lie; it is a very false statement. The Honourable Member would want to get his facts straight.

The Deputy Speaker: Thank you, Member.

[Inaudible interjection]

The Deputy Speaker: Member, continue.

[Inaudible interjections and crosstalk]

The Deputy Speaker: Member, Member? Thank you.

We will continue and, yes, you did clarify it was your opinion.

Please, proceed.

Mr. Glen Smith: Thank you, Madam Deputy Speaker.

[Inaudible interjections]

Mr. Glen Smith: Madam Deputy Speaker, when I look at the demurrage fees that could have been collected by the Corporation of Hamilton or the Government, we

looked and we had one cruise ship in Hamilton from 2011 season to 2012—

[Crosstalk]

Mr. Glen Smith: That is almost close to \$600,000 that was not collected by any Government body because that was not in the legislation for anybody to collect. So essentially this cruise ship in Hamilton that was coming in during that time was docking for free and likewise in the Town of St. George's.

I close this evening. I am in full support of the changing of this Act.

Thank you.

[Desk thumping]

The Deputy Speaker: Thank you. The Chair recognises the Member from constituency 6.

You have the floor.

Hon. Wayne L. Furbert: Thank you, Madam Deputy Speaker.

I am not going to be too long. I know I have said that before—

The Deputy Speaker: Take your time.

Hon. Wayne L. Furbert: But I promise you, I am sure we are all tired.

But let me just make this . . . you have to ask the question, Why are we here? Why are we here after laying an amendment in 2010 and now we are here in 2013 doing something else? Is it in the best interest of the country that the Government would bring such amendments here today? We have to ask that question because . . . why do I say that? We could be back here again in 2017 with this Government making further amendments. We are going back and forth like a ping pong ball. This-that; this-that, because individuals are not happy or satisfied with what they see.

We could be back here, you know. We could be back here. Matter of fact we will be back over there. It is clear. It is clear. The Honourable Member said, *I would not bet on it*. I did not say she would not hold onto Paget, but there are other seats that will fall.

[Laughter]

Hon. Wayne L. Furbert: So you will be here to see that part unless you are retiring. But the question is, why are we here?

Madam Deputy Speaker, let me ask the question (just one). [Let me] put a question out there. Do you think we would be here if (I will call it) the Gosling Team had won the last election?

An Hon. Member: No.

An Hon. Member: No, not likely.

Hon. Wayne L. Furbert: And if they had given a contract to somebody—

[Inaudible interjection]

Hon. Wayne L. Furbert: Do you think we would be back here?

An Hon. Member: No.

Hon. Wayne L. Furbert: I do not think so either. So this is not about . . . I mean, they think that the Corporation is run by the Progressive Labour Party. I make it very clear. We do not.

An Hon. Member: Never did.

Hon. Wayne L. Furbert: We do not!

An Hon. Member: Never did.

Hon. Wayne L. Furbert: They were duly elected by individuals within that group, and we felt that residents who are enrolled should be able to vote in an election and elect people, because that is the norm around the world, that residents who live within that area would have the right to vote.

So I am saying to the country—speaking to the country . . . and I remember speaking to the Minister when he was in St. George's and I said, *Why do we have to go like this? Why do you have to . . . we made some amendments. It may not have been perfect. You are bringing some further amendments which are not perfect. There are a lot of questions to it. Why on this particular case we could not have gotten together to at least agree on some things going forward?*

They felt that individuals from the business community should have the right to vote and I lost the right to vote when it was changed because I have a property in back of town.

An Hon. Member: North Hamilton.

Hon. Wayne L. Furbert: North Hamilton. Yes, so property voters would not have the vote so I could not vote.

The Honourable Member, she may have lost the vote, too, I am not sure. But there are other Members who had lost the vote. I understand that. But that was the agreement.

But here we are three years later, the Government . . . and, matter of fact, Madam [Deputy] Speaker, you will recall . . . I mean this House was full of individuals who sat there for 24 hours and standing outside, wanted to bring the House down and bring

the country down because the Progressive Labour Party Government was taking over the Corporation. And, yes, there was a report that was out there that talked about doing certain things, but they never took place.

[Inaudible interjection]

Hon. Wayne L. Furbert: It never took place! There are a lot of reports out there that Governments make, but which never take place. Everything is not completely done. So you cannot assume—I guess you can assume—

[Inaudible interjection]

Hon. Wayne L. Furbert: —that the PLP was moving in that direction. It never took place so not necessarily it would have happened. So, we cannot assume that.

Now, if it would have happened, then you could say it. But it did not happen. The Honourable and Learned Attorney General, Pettingill, said that the Government *paid* \$800,000—I asked him to bring that breakdown to this Parliament. But he still has not. Twice I challenged him.

[Inaudible interjection]

Hon. Wayne L. Furbert: It was the amount—

[Inaudible interjection]

Hon. Wayne L. Furbert: I will tell you, Honourable Member.

The Deputy Speaker: Member, can you speak to the Chair and do not be worried about the side bars?

Hon. Wayne L. Furbert: The amount that was allocated was \$800,000—*allocated*.

[Inaudible interjection]

Hon. Wayne L. Furbert: Allocated. The amount that was spent, from what I understand, was \$665,000. There is a difference.

[Inaudible interjections]

Hon. Wayne L. Furbert: All right? We understand the \$665,000. What we are saying is that the Progressive Labour Party did not spend \$800,000 based on what the Attorney General has stood up and proclaimed to the world that the Government did it. And he acts as if he had proof.

[Inaudible interjection]

Hon. Wayne L. Furbert: It was allocated, not spent.

[Inaudible interjections]

Hon. Wayne L. Furbert: So I am saying to the Government, is it in the best interest of the country, the Corporation, that . . . and I think one of the reasons why the Progressive Labour Party did not move totally in that, on the report at that time, because they were listening. They were listening. Now, whether later on some changes would have taken place, we do not know because it did not take place. But they did listen.

My point is the Government, the Progressive Labour Party Government, did less and had some of the largest marches around here that you have ever seen. Everyone—not everyone, but the Chamber, you name them—were all up in arms. All up in arms. And we have not heard one little word from individuals. Chamber, you know the groups.

An Hon. Member: The usual suspects.

Hon. Wayne L. Furbert: Did not speak! There has been silence on this particular issue. I am saying not necessarily that we got it all right, but it is so important that we do get it right and for the Corporation of Hamilton to feel like there is some stability, because businesses are looking at this.

Why could we not have at least . . . I told the Minister, *Let us get together and talk about it. Let us get together and talk.* Why could we not have had an election the way it is—the resident vote for their representatives and possible where there is amount of two people, maybe make an amendment to the Act where two people are put on by the board from the business community. I do not see anything totally wrong with that.

[Inaudible interjection]

Hon. Wayne L. Furbert: I do not see anything totally wrong with that.

[Inaudible interjection]

Hon. Wayne L. Furbert: I do not see anything totally wrong with that where a representative from the community is sitting on the board.

But to go through this whole thing and the way they are now talking about taking the vote, to me, it is undemocratic. There is no logic behind it and, again, we could be here again four years from now making amendments—because we will bring amendments.

[Inaudible interjection]

Hon. Wayne L. Furbert: We will be bringing amendments to undo it. So as soon as the election, I think the next corporation election is 2017—

An Hon. Member: Fifteen.

Hon. Wayne L. Furbert: Fifteen. And your election is next year, so we probably can bring it before the election.

[Inaudible interjection]

Hon. Wayne L. Furbert: Is that not in the best interest of finding a solution for some of the major decisions? And I have heard our leader many times reach out across the floor and say to them, *We are willing to work with you. We are willing to work with you.*

An Hon. Member: That is just lip service.

Hon. Wayne L. Furbert: That is not lip service.

[Inaudible interjection]

An Hon. Member: What about collaboration?

Hon. Wayne L. Furbert: Because I believe you. Yes, collaboration. I have heard the Premier talk quite often about collaboration.

[Inaudible interjection]

Hon. Wayne L. Furbert: The country is under siege in so many aspects and this is probably one of the greatest times that we can work together. In many aspects. In many aspects.

I understand Ministries and Ministers and, *I have got my part and I am going to hold on to my power, and that Minister does not cross my Ministry, and do not touch this. I am making the decision.* But our leader has always talked about we are working together, and I have never heard a leader talking so much about working together as the Honourable Marc Bean. And it is as if they do not hear it or they maybe do not believe it.

[Inaudible interjection]

Hon. Wayne L. Furbert: But I really believe . . . I mean, he said something earlier when the Honourable Member said he is willing to come across the floor, but you have to get your act together first and all understand on one issue. Maybe that issue would have worked out. Maybe we can find some agreement on certain parts. He threw another olive branch out there.

[Inaudible interjection]

Hon. Wayne L. Furbert: You heard us this afternoon when we stood up and said, *Okay. We have some amendments. We are going to hold back our amendments.*

[Inaudible interjection]

Hon. Wayne L. Furbert: We heard what you said. We are going to hold back our amendments.

That is about working because right now people are looking for leadership. They are looking for direction. They are looking for individuals that are not going to continuously fight against each other. I said, as you know, I have not fought a toenail to the Honourable Tourism Minister, this whole . . . practically a whole year because I understand his challenges.

I was in his shoes. I understand those problems. I did not speak on the casinos on the ships and I am not going to reflect on a debate. I did not. I did not object to it. You did not hear me say too much about it but I understood because I had discussions with the former Minister of Transport, the Honourable Derrick Burgess, when the Bill was there, understanding some of the challenges.

So I did not speak up. I did not do it because I understand that some things we have to work together on. It's not about pointing fingers and, you know, talking about some wall coming down at Dellwood [Middle School] and [who] got it wrong. It is not about that. It is about finding solutions going forward, and the Corporation of Hamilton should not be a political football game that whoever wins takes the prize.

It has survived all these years from 1920-something (I believe it is) to now, and we are talking about changing back and forward only because it is about holding on to power. Power and not allowing an entity that was given the power to do what they have to do.

I heard the Attorney General talking about, reflecting on the Good Governance legislation and that they have, because of the Good Governance legislation, that maybe the corporation has breached certain Acts or whatever it is. Well, go to court! We understand that. He has a right to challenge those particular things in court. But when you are talking about sending a message to the world that you can go back two years . . . well, what is stopping [us], when we get back in, [from going] go back 10 years? We have already set precedence. That is a Mickey Mouse jurisdiction.

Nobody goes back and talks about, *I am going to go back and get something that you should not have had because I thought you shouldn't have it.*

Where are we going? Where are we heading in that direction? It is not about that, Madam Deputy Speaker. We are a jurisdiction that has had good governance no matter which party has been in power. We have good understanding. The community understands us. The business community understands us. Governments around the world can trust us—governance goes on. Now we are going to send a message that the Bermuda Government can go back and undo or unwrap something. And by the way, yes,

we unwrapped it, but we can make . . . and yes, we are going to pay some money out. How much?

Madam Deputy Speaker, I do not believe that that is what the country is calling for at this hour. If there was ever a time that we need to find solutions to the problems that we have . . . and if there is a difference between who should be, how a person should be elected, yes, let us get around the table with our leader and others to discuss about a compromise. Instead of going back and forth . . . we win in 2017, they win back 2020, and the Corporation does not know what . . . they might as well say, *Look, I put my hands up, and say, Parliament decide. You make the decision.* After all these years, I do not believe that if the Gosling group was in we would be here today talking about any amendments to any Act.

[Inaudible interjection]

Hon. Wayne L. Furbert: It would never have happened.

[Inaudible interjection]

Hon. Wayne L. Furbert: Never, never, never, never happen.

[Inaudible interjection]

Hon. Wayne L. Furbert: And we believe that is right? Why do we not go back five years when they were in control and change some things back from there?

[Inaudible interjection]

Hon. Wayne L. Furbert: Let us go back some more. Why stop there? Let us go back 400 years and undo some of the problems that we did have.

An Hon. Member: And fix it!

[Inaudible interjections and laughter]

Hon. Wayne L. Furbert: You know that there was . . . the Honourable Members on that side know that land was taken from certain people in this community over the years. Let us go back and undo that! Let us go back and undo Tucker's Town—

[Inaudible interjections and crosstalk]

Hon. Wayne L. Furbert: You want some justice done. Let us go back there! All our hands go up—probably besides the Honourable Member Michael Dunkley.

An Hon. Member: Except Michael Dunkley.

[Laughter]

Hon. Wayne L. Furbert: And the Honourable Member Grant Gibbons.

An Hon. Member: Of course not.

Hon. Wayne L. Furbert: Let us go back and open up those beaches around Tucker's Town so people can go out and swim.

An Hon. Member: Public beaches!

Hon. Wayne L. Furbert: Public beaches—those beaches that belong to the people.

An Hon. Member: Yes.

Hon. Wayne L. Furbert: I remember once when I was sitting in another room I promised I was going to bring a ferry around the corner by Tucker's Town, drop it in the water there where the high mark is and have some fish fries and peas, rice and chicken.

[Laughter]

Hon. Wayne L. Furbert: Because the law allows us to go to the high water mark. Maybe we should all do that. Let Michael drive the boat—the Honourable Member Michael Dunkley.

Let us go back! How far do you want to go back to correct some of our problems?

An Hon. Member: How far back?

Hon. Wayne L. Furbert: The problem only started when the Honourable Members from this new corporation got in?

An Hon. Member: Of course it did. Had to.

[Inaudible interjection]

Hon. Wayne L. Furbert: And why is it for some reason that when people of certain complexions have things wrong?

[Inaudible interjections]

Hon. Wayne L. Furbert: When the PLP were in power, because of their complexions something is wrong! There is a corruption.

[Inaudible interjections]

Hon. Wayne L. Furbert: Now, because the honourable people who are in this Corporation of Hamilton that are a little darker than me, Madam Deputy Speaker, there is corruption. Why do we always have this problem?

[Inaudible interjection]

Hon. Wayne L. Furbert: We have some challenges. We have some challenges, and we are willing to work with the Government. I was just speaking to (and I still call him my good friend), Shawn Crockwell, about you know he is going somewhere at the end of the month. I said, *Man, go here and do this because these are the things we need to work on.* It is about . . . there are people hurting and there are more people hurting now than ever before, now that the Government has cut back certain hours for some of the civil servants.

I would like to bring some amendment to that Bill and say, bring some amendment and say let us put together a committee to look and see what those individuals who have to be knocking off, I think, one day—

An Hon. Member: Furloughed.

Hon. Wayne L. Furbert: Yes, furloughed.

Get them and see how they are hurting. Young lady told me she hardly had . . . she cannot even pay some of her bills now because there are three members in her household. These are the issues that we should be looking at. But, no, we are going back and talking about the corporation. *Something is wrong with you. You did not get in because those people in back of town voted for you.*

[Laughter]

Hon. Wayne L. Furbert: Something is wrong with them. Something is wrong with those people back in town! They did not make the right decision.

[Inaudible interjections]

Hon. Wayne L. Furbert: They are not intelligent! Something is wrong with them.

[Inaudible interjections and crosstalk]

Hon. Wayne L. Furbert: But only when a certain group within the Corporation can . . . because, because—

An Hon. Member: They got the wrong DNA.

[Laughter and crosstalk]

Hon. Wayne L. Furbert: Madam Deputy Speaker, we understand Parliament is supreme. And I heard the Honourable Member, Glen Smith, over there mumbling under his breath. All right?

We just had a debate on the Tourism Authority and we took away, I am not reflecting, but we felt that it was important that we give up, and now we are sucking in. We are taking in a larger body who has

probably control of larger, more money, than the . . . I mean, for years the Corporation has done quite well. It is only since this group has come into control that something is wrong.

[Inaudible interjection]

Hon. Wayne L. Furbert: It is only since them. Only since they have been in charge that something is totally wrong but they have done some good things for the Corporation.

They have had a, I would call, a personal touch. Certain things they have done that you say *These guys are reaching out to just the ordinary people*. All I am saying is that I believe that we could work out some things and get around the table. I remember I said to the Premier once, I said, *Premier, not honour and glory for us, but why don't you bring a motion so that we can all find a way to—I call it a retreat, some Members from the PLP, some Members from the OBA, and maybe some from the business community—lock ourselves in a room for a weekend and then come out with some solutions that we can agree with*. We come out holding hands, *Kumbaya*, and say we agree on one, two, three, four, five.

What is wrong with that? It is different. No, but we want to be combative. This Parliament causes us to have division, this centre line, where we go across each other. But maybe there are individuals out there—not maybe, there are individuals out there—who say that they do want us to get together sometimes. What I would like is if we can say . . . I tell you the stocks would go up in a hurry, if we can find some things together.

I have to tell you, I have heard over and over, our leader talk about, *Let's do it. Let's do it. Let's do it*.

Madam Deputy Speaker, how much time do I have left?

[Crosstalk]

Hon. Wayne L. Furbert: Ten minutes.

I find it quite extraordinary that we want to go back to what . . . matter of fact, it is probably. The election is probably worse than it was before. The way the method of picking individuals—moving away from deputy mayor and moving this person and moving around.

The Corporation of Hamilton and the Corporation of St. George's are different also. You could have handled—it is different. The majority of people in St. George's are residents. There are not too many people in the St. George's area that are business people, so you would always have the residents outnumbering significantly that group that we are putting in. So maybe the Corporations of Hamilton and St. George's could be different. But these ideas we are putting before the Minister. He had a one track mind. A one track mind—I am going to take that thing from those

guys, who don't know what they are doing, I am going to take it away from them and make sure that they are—and then I am going to go back two years.

I am concerned because that is what we are fighting over. We are fighting over the rights for individuals to govern within the corporation, one; two, the control over who controls that waterfront. Nothing more, nothing less.

[Inaudible interjection]

Hon. Wayne L. Furbert: There are no other reasons. But these things could have been worked out around the table with all of us, finding some reason.

Now we ask the Government, How much do you think the arbitration is going to be? I have heard millions of dollars! Millions! If I was a developer I would walk away and say, *Thank you for my \$40 million. Goodbye. Goodnight*. You think the taxpayer wants to pay out all that money? Yes, we understand that the arbitration will be all these things. We understand that. But as lawyers know—lawyers have different opinions. I heard the Honourable and Learned Attorney General stand on his feet just now, first thing, we are not in court. We are not arguing, but yet he started arguing about different things and legal opinions.

We have a responsibility, Madam Deputy Speaker, to make sure that this country works. And, yes, we will not always agree on everything but there are some basic principles, and I hope that when we get back in in the next couple of years that we abide by what we are saying now, that we are going to reach out to the Opposition and make some things and move this country forward.

We are too small. Everything, I mean, we really have not beat up on the Government much this year on most issues. Because most of the programmes were put forward by us and carried out by us anyway. So we are willing to work with the Government. But this particular one, I am asking the Government to rise and report progress. Just on this one particular issue, and stretch out by faith and say like my honourable good friend, Shawn Crockwell says, *We are willing to meet with you*, But as my leader said, *Get all your people to agree first. Stand up in front of that camera for us and say I do, I do. And then we will come and say, Kumbaya, and we will sing with you, too.*

[Inaudible interjections and laughter]

Hon. Wayne L. Furbert: So, my honourable friend, if you can do that, then bring that. Sign it, put it on the [Table] of the House. And I want everybody to sign it by their blood and I will say, *Okay, you may even have me, Shawn*. You may even have me do that one. I am sorry, not Shawn—the Honourable Member, Shawn Crockwell.

Because we want to move forward. It is not a matter of fact *if* we are there, because we know we are getting back there, so that is not an issue. That is not an issue. This is going to be a short term for them, one term. Making it harder for them—

[Inaudible interjections]

Hon. Wayne L. Furbert: Yes. And a week after and the Minister, whoever the Minister is going to be, well, that is going to reverse.

Madam Deputy Speaker, what my message is basically from here is that I believe that the Minister could have worked out some things better by incorporating the Opposition in a room to find solutions or concerns that they may have with the corporation so we do not have to be doing this year after year. This corporation has worked hard—one of the hardest working corporations I have seen which has, and I say, just a touch for the common man, which I think has been missing all these years. I think that is what is different.

So we are going to be fighting after this thing passes and we know what we are fighting over. Over a contract that sends the wrong message to the business community—that will send the wrong message to the business community, and I do not think it is right.

Thank you, Madam Deputy Speaker.

[Desk thumping]

The Deputy Speaker: Thank you. The Chair recognises the Deputy Opposition Leader.

You have the floor, Honourable Burgess.

Mr. Derrick V. Burgess, Sr.: Thank you, Madam Deputy Speaker.

What is the rush on this Bill? Why? I mean, this is not critical. What is the rush? There are so many other things that the Government should rush to assist the people. They have disregarded that.

We have many . . . all of the government workers have received pay decreases in the last couple of days and they need assistance. There is no rush to get the retailers to put a control on the prices of food. There is no rush to get BELCO to bring their rates down. There is no rush for the health insurance—that has increased by 20 per cent. You know, and there is no rush to go to the banks and say, *Look, you guys need to lower your interest rates so people can pay their mortgages*. No rush there! Those are the critical things that we should be addressing in this House!

An Hon. Member: Amen!

Mr. Derrick V. Burgess, Sr.: That is what we should be really . . . in these difficult times we need to be

concentrating on the people, because I would say what I have seen from the present administration of the Corporation of Hamilton—they are doing a great job, despite the history of the previous. They are doing a great job. Yet everybody wants to investigate them and box them in a report like there is some corruption going on out there.

As has been said before, every time the complexion of the administration changes in this country, there is corruption.

An Hon Member: Yes.

Mr. Derrick V. Burgess, Sr.: It really annoys me because I seem to think that everybody is honourable. But when it comes to us, you are either incompetent or you are corrupt.

Mr. Speaker, you know, the previous administration of the Hamilton Corporation, they moved \$1 million and put it in a trust. They removed all the assets to put it under trust because they anticipated we were coming to take over. But now, you know, it is different. I mean, anybody that has two eyes that could see, particularly when we brought that Bill here some years ago.

I will never forget. I guess the Lord spoke to me that day and told me to go to my office for lunch early.

[Laughter]

Mr. Derrick V. Burgess, Sr.: Well, I went to my office. And I happened to look out of the window. I saw Minister Zane De Silva in his car with his wife and son. And the way he was harassed . . . thank God for Zane, because it would not have . . . not me. They are not going to do that to me. I am telling you. I am from Devil's Hole. That is not even going to happen to me. I will tell you right now. Because that is when the Holy Spirit comes out on me.

[Laughter, desk thumping and general uproar]

Mr. Derrick V. Burgess, Sr.: I can tell you right now. Straight up! You know when they talked about Jesus in the temple, he turned over the tables? Did you think he said, *Excuse me. I am going to turn over this table*. He did not say that. He turned those tables over! Like he was from Devil's Hole.

But let me say this here. To take, to try to undo something that happened in January 2012, to undo, it is criminal. Because if you want to undo some things . . . and I am okay with that, right? Let us [undo] some injustices that happened to the people before that. Let us undo that. Let us not just pick this particular project.

And I do not want to go back there, because I believe that most people in this country, in the world, want to see things right. But there are a few that

strayed. And that is why you have the devil. God's people, [and] people going to hell. Right? And I guess that is why it is. And nobody wants that. God wants to save everybody. But people practice that . . . they do not want that. They do not want to be saved. And some do not believe there is no . . . after death, that is it. That is the end. And that is the way some people live. Because you have got to pay for this here.

Just like you can try to take the contract that was given to a contractor via this administration, the Corporation of Hamilton. They are trying to take it from him. Because he happens to look like me and he will be in charge? I do not know. I hate to think that. But what other alternative do I have, for anybody to think? They do not do it to anybody else. Why do it to this fellow? He is competent. He has got the backing. We need a hotel there. He has got the support of the administration of the Hamilton Corporation. So why do you want to undo that? What you are really telling the Hamilton Corporation right now, the administration, is that, *What you did was wrong, and everything you have done there, we're going to take from you. We're going to correct it, because you were wrong, you were incompetent. Obviously, you were corrupt.* That is what they are saying! That is the message I get.

I hate . . . You know, every day seems like I am reminded of who I am and what I am. And I am judged. But, you know, I say to those who judge me, *Do not judge me if you haven't walked in my footsteps, or you haven't come from where I came from.* I am not going to judge anyone else. But I am going to call a spade a spade when I see it.

But, Madam Deputy Speaker, this is unjust. And nobody is protesting. I mean, the protest that we had, it was almost violent. I mean, in fact, I saw it. They had his car up and down while his wife and son were in the car. I remember looking out of my window when he drove out and came to the stop for pedestrians. One person ran right up to the car on the side his wife was in.

An Hon. Member: And kicked it.

Mr. Derrick V. Burgess, Sr.: I do not want to say what they did.

An Hon. Member: They kicked the car!

Mr. Derrick V. Burgess, Sr.: Why did they do that? That is not right.

An Hon. Member: I saw it myself.

Mr. Derrick V. Burgess, Sr.: And I am going to tell you, Madam Deputy Speaker, this is wrong. Because if you try to take from what has been done already, it is going to cost the taxpayer a lot of money, lots of money! And because what happens, because somebody does not like who has got the contract, who has

got this here and who gave the contract . . . I have got to go back there. I do not mind if you want to put something in place and you want to go forward. But that, the administration of the Hamilton Corporation, was democratically elected to serve. And I think they are doing a great job. They listen.

Not everything they do, or not everything everybody does we agree with. They are doing a great job, as Trevor Moniz has said, the Honourable Member Trevor Moniz. He is agreeing with me.

Hon. Trevor G. Moniz: Madam Deputy Speaker, we cannot allow any more lies here tonight. I asked him to repeat his statement!

[Inaudible interjections and general uproar]

The Deputy Speaker: Ah! Ah! Ah! That is not Parliamentary language!

Hon. Trevor G. Moniz: No, but it was an untruth; he knew it is untrue. I asked him to repeat his statement.

Mr. Derrick V. Burgess, Sr.: I would ask, Madam Deputy Speaker, that the Honourable Member retract that statement, please. It is un-Parliamentary.

[Crosstalk]

The Deputy Speaker: Please, proceed.
That was un-Parliamentary.

Mr. Derrick V. Burgess, Sr.: Will you ask him to retract the statement, please?

The Deputy Speaker: By all means.
Minister, would you like to retract that un-Parliamentary statement?

Hon. Trevor G. Moniz: It was an untrue statement, which he knew to be false. But I will withdraw the word "lie."

The Deputy Speaker: Thank you.
Member?

Mr. Derrick V. Burgess, Sr.: That is honourable of you, Trevor. Next time when you are out there elucidating, well, you need to make sure I clearly hear what you are saying. Because I took it that you were supporting me.

[Inaudible interjections and laughter]

Mr. Derrick V. Burgess, Sr.: You know, because you are a nice fellow, you know.

So, again, Madam Deputy Speaker, we had a Member that sits on that side of the House that was a member of the former administration. And I think it

was a day or two days before we signed, gave a contract to a Member of their party.

An Hon. Member: Oh, yes. That was corruption there.

Mr. Derrick V. Burgess, Sr.: But that is not corruption; that is legal. It is okay. It is okay. It is good business practice. Had we done it, it would have been, *Oh, my God!* Right? So, that is fine. But do not let us do it, do not let us do it. Right?

So, we cannot support this Bill in the form that it comes in, because it discriminates against the work that the Corporation has already done. And it really makes them . . . It is insulting to them. It is disrespectful to them, that you are going to come along, you get voted in on December the 17th, and you are saying, *Well, oh, because I don't like this. I'm going to bring a Bill to Parliament and undo that.* Like they have all the brains? Like the administration of Hamilton Corporation does not have any business acumen?

Uh-uh, no. That is not the way it is supposed to go, Madam Deputy Speaker. So, Madam Deputy Speaker, with that, I close. Thank you.

The Deputy Speaker: Thank you, Member.

Are there any other Members that would like to speak?

Thank you. The Chair recognises the Member, Mr. Scott, constituency 36. You have the floor.

Mr. W. Lawrence Scott: [Constituency] 24.

The Deputy Speaker: [Constituency] 24.

Mr. W. Lawrence Scott: Yes, thank you, Madam Deputy Speaker.

One thing, I was not planning on speaking. But I have listened to what the Government has had to say, what my colleagues have had to say, and I feel compelled to actually speak. And it is actually the Attorney General that inspired me to speak, because I remember during the election that the Government ran on a platform of change. *Vote for change, vote for change.* And the country did.

The thing is that this change, this change is not for the better, Madam Deputy Speaker. And you know what? I now see why the current *One Bad Administration* has changed their name from the Bermuda Democratic Association, because they are not democratic. And this is proof. The proof is in the pudding, because it used to be one man, one vote—but no, not anymore. That is not the way that things work under this administration.

It seems as though, under this administration, it is, you know, what we want to do. If we want somebody to have a contract, then we are going to make sure that we do put the policies, procedures and legis-

lation in place that will help that person or entity get that contract.

And it just, once again, goes into the whole, the word that was brought up earlier, “oxymoronism.” Because it seems as though they talk about change for the better, talk about the Bermudian people, talk about making it better for the country. How does this piece of legislation help the average person? How does this piece of legislation help the average person, Madam Deputy Speaker?

And the thing is that what I see here is, I see this as being just basically political risk. It is politically risky because now you have people, or in this case entities, that will look at this country and say, *You know what? If I want to do a big project, if I want to invest heavily in this country, in Bermuda, the Government could grant a contract and then turn around and take it away!* So, and that is the risk. So, therefore, you have international entities having no faith in this Government.

And if they have no faith in this Government, then it would probably be because it would seem as though the situation, the air is ripe for corruption. Because what happens is that, *I do not want Lawrence Scott to have the contract. I want Wayne Furbert to have it! But yet, Lawrence Scott has it. He got it before we could get to him. So let us go and retroactively pass a Bill so that Lawrence Scott's contract is now null and void!*

Madam Deputy Speaker, if we are going to go back in time and be retroactive, why do we not give everybody reparations? Why do we not give them their 40 acres and a mule? You know, I understand now, and things are slowly . . . This past year in this House has opened my eyes to many a thing, Madam Deputy Speaker, and put a lot of these campaign slogans into clear context. Like how the Government said, *Oh, let us make sure that the international community knows that we are open for business, wink-wink nod-nod. Because if somebody comes in and we like them better than the person that has the current contract, you know what? We will give it to them. And we will pass legislation for that.*

And you know what, Madam Deputy Speaker? It sort of reminds me of, I was looking at YouTube. And I was looking at YouTube, and there was a segment on about a big drug dealer and the police and stuff like that. And it shows about how the small guy, the small guy actually does not make the big decisions. He can make a decision up to a certain amount. But then the big boys come in. And when the big boys come in, they deal with the big contracts. You know? They deal with the big contracts.

[Inaudible interjection]

[Hon. K. H. Randolph Horton, Speaker, in the Chair]

Mr. W. Lawrence Scott: And, Mr. Speaker, I heard the Government Members and Ministers saying, *What is my point?* All they need to do is listen, Mr. Speaker. Listen! All right? Because the thing is, my main point is this, that they do not want things to be done democratically! They do not want things to be one man, one vote. They want things to be, *Hey, you know what? Friends and family!* They want things to be the big businessman and hope that big business—

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

The Speaker: What is your point of order, Honourable Member?

POINT OF ORDER
[Improper motive]

Hon. Trevor G. Moniz: He is suggesting an improper motive, saying we want things to be *friends and family*. There is no indication of that, and it is not true. He should withdraw that.

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

I do not think they want things to be *friends and family*.

[Laughter]

Mr. W. Lawrence Scott: Okay. Okay. Okay, Mr. Speaker. It seems as though this Government [errs on the side] of big business. And families do not matter. All right? Because big business is what supposedly drives things. And we are going to make sure that big business gets what they want regardless of whether it is democratic or not! Forget the vote! Forget it! We do not need people to have one man, one vote. We will make the decisions as Government so that we can make sure that the people that we feel should get the contracts get them!

Mr. Speaker, there is something fishy going on, but there ain't no fish.

[Laughter and crosstalk]

The Speaker: Something fishy going on, but it is no fish. Wow.

Mr. W. Lawrence Scott: Right? And I say that in this context, because I never knew . . . You know what? Maybe we could take this as a positive, that we still . . . And we talk about being honourable. And legislation in this House has been done on the honour system, Mr. Speaker, because the Government has shown us no facts.

They just said, *Trust us. Trust us because we know what is right.* No facts for the \$800 million. No

facts for the raising of the debt ceiling. No facts for term limits. No facts for the Tourism Authority. *Just trust us.* So, we are Honourable Members in here because we have done everything by the honour system.

[Inaudible interjections]

Mr. W. Lawrence Scott: You see, Mr. Speaker, that is exactly what I am talking about, Mr. Speaker. I gave the Government a compliment about we are doing things on the honour system, about trusting them to guide us. And they are saying, *Oh, oh, yeah, yeah.* Okay, Mr. Speaker.

[Inaudible interjections and crosstalk]

Mr. W. Lawrence Scott: Mr. Speaker, I feel like I am in a Charlie Brown episode, *Wah, wah, wah, wah, wah.*

[Inaudible interjections]

Mr. W. Lawrence Scott: Mr. Speaker, the thing about this honour system is that it is going to take us years, years to find out whether they are right or wrong. Right? They came on. And I heard Members on the other side that have yet to stand to speak in a debate, yet still chirping. Right? Mr. Speaker, and you know what? Mr. Speaker, I am about to bring lightning to this thunderstorm.

The Speaker: Lightning! Oh, goodness!

Mr. W. Lawrence Scott: Because just like England is trying to reclaim the powers over the territories, it seems as though the OBA—One Bad Alliance—is trying to reclaim the powers over the municipality!

Hon. Michael H. Dunkley: Point of order, Mr. Speaker.

The Speaker: Yes. What is the point of order, Honourable Minister?

POINT OF ORDER
[Misleading]

Hon. Michael H. Dunkley: The Honourable Member is misleading this House. The One Bermuda Alliance, the name is clear. That other acronym he tries to use is out of order, Mr. Speaker! If I said something about the PLP, I would be stopped in my tracks, and rightly so! I demand that Honourable Member retract that statement.

The Speaker: Right.

Honourable Member, what was it that you said?

[Inaudible interjections]

An Hon. Member: The One Bad Alliance.

[Crosstalk]

The Speaker: Sorry?

An Hon. Member: One Bad Alliance.

The Speaker: One Bad Alliance, yes. All right. It is the One Bermuda Alliance. It is the One Bermuda Alliance. So, please, correct that right now.

Mr. W. Lawrence Scott: Okay. My opinion of the *One Bad Alliance* is not actually the name. Their name is the One Bermuda—

The Speaker: No! No, no! Just withdraw One Bad Alliance, all right? Withdraw One Bad Alliance.

Mr. W. Lawrence Scott: All right. Mr. Speaker, on your guidance—

The Speaker: You can make your point without going there.

Mr. W. Lawrence Scott: Mr. Speaker, on your guidance, I will withdraw the One Bad Alliance.

The Speaker: All right.

Mr. W. Lawrence Scott: All right? All right?

Mr. Speaker, I really wonder. I wonder what could be the motivation, because I listened and I am glad that the Honourable Attorney General got up and he actually clarified something for me. Because I thought it was that every contract was retroactive. But, no, it is the 21 years. Twenty-one years! A contract that is legal to drink in the United States, that is how long this contract has to be in place for. And that means I was like, *Well, what would be the motivation to target 21 years?* Has there been anyone or anything in the news lately that would possibly fit into a 21-year lease, 21-year contract, 21-year agreement? Has anyone challenged the Minister responsible lately, that could be going for a contract or an agreement for 21 years?

And the only thing that I can think of is the waterfront, Mr. Speaker! This Government, it seems, is doing all of this legislation, having us all come here for the urgency of now, which goes back to Martin Luther King, for waterfront? For one development? Because they are possibly, seemingly not happy with the person that could actually have the contract or agreement already?

Mr. Speaker, that does not sound democratic to me. And, Mr. Speaker, if we are doing all of this to

. . . Well, if they do not like the person who has the contract now or possibly could have the contract, who could they want to have the contract? Could it be somebody that is a—I do not want to say a *friend and family*—a member, an acquaintance, a supporter?

POINT OF ORDER

[Imputing improper motives]

Hon. Trevor G. Moniz: Mr. Speaker, this Honourable Member is going down the wrong road again. He is imputing improper motive on the part of the Government!

The Speaker: Yes. Thank you. Thank you, Minister. Thank you, Minister.
Carry on.

Mr. W. Lawrence Scott: Thank you very much, Mr. Speaker, because I wonder! Could it be that the person that they might want to have this contract for 21 years or more might possibly have ties to the One Bermuda Alliance? I mean, because this is a lot to go through. This is a lot. Why can we not do things democratically? Maybe that is the same reason why we cannot collaborate. Because whenever we on this side say we are willing to collaborate, then there is another stipulation. There is another hurdle that we have to jump through like we are part of a circus or something. *Jump through this hoop! Jump through that hoop! Oh, we are going to set him on fire this time! For our main event . . .*

You know, Mr. Speaker, this just . . . I do not understand. And then what I notice is that when we talk about collaboration, they get defensive all of a sudden. They get so defensive! Why? Why are [they] so defensive? We have tried. On this side, we have honestly and earnestly tried to work with this Government. The PLP has tried to work with the OBA, and yet, once again, another promise made, another promise broken. Thank you very much, Mr. Speaker.

The Speaker: All right. Thank you, Honourable Member.

Is there any other Honourable Member who would care to speak?

The Chair now recognises the Honourable Member from Pembroke [West Central], the Shadow Minister of Finance.

MP David Burt, you have the floor.

Mr. E. David Burt: Good evening to you, Mr. Speaker.

The Speaker: Good evening to you.

Mr. E. David Burt: Let me just get myself prepared.

The Speaker: Just so you know, you are number 13.

Mr. E. David Burt: Number 13?

The Speaker: Yes.

Mr. E. David Burt: Okay. I am not sure. What does that mean, sir?

[Laughter]

Mr. E. David Burt: Mr. Speaker, before I begin my remarks on the objects and principles of this Bill, I would like to start off by just asking a couple of questions to the substantive Minister, from his brief.

The first item that I wanted to ask to the Minister . . . Minister? Sorry, Mr. Speaker, I just want to make sure the Minister is—

The Speaker: Yes. Just carry on. And he will have to . . . He does not have to be looking at you to be listening to you.

Mr. E. David Burt: Okay. No problem. Got you, got you.

The question is, How much will this cost? And I think that is a very important question. And it is not so much, I do not want to get into the contingent liability question, because I think that is something that I will touch on later. But the question is, Mr. Speaker, How much will this cost? No one has said how much these changes will cost. Clearly, they are going to cost the Government some money. Clearly, new IT systems are going to have to be built to support the selection process. Clearly work that was done previously is going to have to be redone. It was work that was in 2010 to prepare for an election. Now there is going to have to be a new type of electoral that is going to be developed. So, how much is this all going to cost?

Mr. Speaker, last time I rose, last week, I raised the issue under Standing Order 27(2). We do not have a financial memorandum accompanying this Bill, so I was just hoping that the Minister could at least provide us an estimate of the capital cost for this. Because clearly, there is going to be some cost. And I am sure that when the Ministers went through Cabinet, I am sure that this was ready. So in addition to the amount of money that is going to be lost to the treasury, going forward, there is a question of how much this will cost.

And also, I have read the Bill, of course, Mr. Speaker. And I just would hope that the Minister could give some clarification. And this is regarding the 937 ratepayers that the Minister said in his brief currently exist. I would wonder if you had the information to say, How many of them represent exempt companies? It is just a question I would like to have [answered]. And then, How many of them are or are not eligible to vote?

An Hon. Member: None.

Mr. E. David Burt: Okay. Because the question is, I understand that we have the ratepayers, and we have to make sure that we have individuals who are registered to vote. The question is, What companies are going to be the ones that are going to be, in essence, controlling these votes? And I think that it is a very good question overall to understand, Mr. Speaker.

But now, as I get into my substantive remarks, Mr. Speaker, I would say that there are some things to support in this Bill. There are some modernizations to the Corporation of Hamilton. And I think that some people could support those. After all, we did a large-scale modernisation in 2010, and there are certainly some modernisations that [they] are doing here. But let us be clear. This still is not a modernisation Bill as much as it is a takeover Bill. The previous Bill was a modernisation Bill that people called a takeover Bill. This is, for all intents and purposes, a takeover Bill.

Now, it is reforming the council, and it adds some checks and balances and some things for financial instructions. So that is a good . . . That is acceptable, Mr. Speaker. I can accept that. But what I think, Mr. Speaker, all of this [is] overshadowed by the madness that is at the heart of this Bill. And all this is done to put the establishment back in control of the Corporation of Hamilton. And there is absolutely no way around it! None whatsoever.

And here is why I say that, Mr. Speaker. Because if you do not like the results of an election, what we do here in 2013 Bermuda, under an OBA Government, is we change the rules of an election! *Oh! We do not like the results? Guess what? No. Guess what? You all are not allowed to vote. You can vote, but we are going to bring in a whole [lot of] more people that are going to dilute your voting power. That's it!*

Mr. Speaker, under the construct of which they have here, these 937 ratepayers will always have the majority say on the council! And why is that? It could be all well, you know, nice break-up, and say that there are four persons for the ratepayers, and four persons representing the people. Well, guess what, Mr. Speaker? Everyone gets to vote for mayor! And who has the most say in the vote for mayor? Oh! The ratepayers. So, once again, it is the establishment that gets to be in control of the Corporation of Hamilton. No regard—and I say this with all respect—no regard for the residents of the city, none! Because once again, they are going to be overruled. Once again, they are going to be second class. Once again, they are going to be told, *You know what? Your votes do not count as much!*

To think that in 2013, we are actually standing up and debating the rolling back of democracy? I am wondering if people in the One Bermuda Alliance understand what democracy is! One of my colleagues made a comment earlier that, *No wonder why they got rid of the Bermuda Democratic Alliance, because*

clearly they do not understand what democracy is, Mr. Speaker! You do not roll back advancements in the franchise! I cannot even actually believe that we are being brought here to discuss this! And this Bill, as someone else said, it does not create a single job!

So we have the Premier of the country speaking about the urgency of now and how we need to make sure we create jobs, and this wonderful rushed piece of legislation that has us here for an extra session, Mr. Speaker, to debate until late hours of the night—does not create a single job for our people! This is about taking back power and returning it to individuals who have supported them electorally. That is what it is, Mr. Speaker.

And whatever they can say about it, it is nothing more than that. And it is a veiled attempt to undo the results of an election, of which people voted in, who were proud and happy to vote in. Some people lived in the Corporation of Hamilton for all their lives and never got to vote. And now we are going to turn the clock back, Mr. Speaker. It is an absolute travesty.

And this Bill makes a mockery of good governance. It makes an absolute mockery! And Wayne Furbert was right, the Honourable Member. How far back are you going to go? Here we have a reputable international jurisdiction. We are talking about reputational risk to the Bermuda Monetary Authority. Oh? Guess what? Parliament is about to pass a law that says we can invalidate private contracts. Oh! Sure! Why not? That is what we will do.

Do you know what they call that, Mr. Speaker? They call that expropriation!

An Hon. Member: That is what it is called!

Mr. E. David Burt: Expropriation! These are things that they associate with developing countries, Mr. Speaker! Countries like ours are supposed to have respect for property rights. And we are not supposed to have Parliaments or Governments interfere with those rights! But where we are right now is, we are about to walk onto that point, Mr. Speaker. We are about to tell the investors of this country, and there is this whole thing about political risk and political stability that one should, that one would believe that decisions which have been made lawfully under established rules of Government are respected by new Governments. That is the thing that underpins political stability, Mr. Speaker. That is where the basis of it is.

Investors must have confidence that whoever gets elected tomorrow is not going to go ahead and undermine what was done previously. And when we go down this road, Mr. Speaker, that is the true slippery slope.

Now, I want to go on to the next point, Mr. Speaker, on a general basis. The One Bermuda Alliance has absolutely no legitimacy to bring up this Bill. This Bill was completely . . . I have no idea where it came from, Mr. Speaker. Out of the blue! You would

think that on something so important as to say that we are going to erode the rights of voters that live in the municipalities, they would have said something about it in their election platform. Silence! Not a single word, Mr. Speaker, in their election platform! Nothing about it.

You think they would have had it in the Throne Speech? No! Where did it come from, Mr. Speaker? The Royal Bermuda Yacht Club? I mean, this just came out of nowhere. *Hey! Guess what? Let's go and take back the municipalities! Let's go do that!*

[Inaudible interjections]

[Gavel]

Mr. E. David Burt: Out of nowhere! Not in a single document. So, the voters of this country never had any idea that the One Bermuda Alliance had any intention of doing this. And the first time they get to hear about it, Mr. Speaker, is sometime in May when the Minister makes, I think, a Ministerial Statement and we said, *Wow. Out of the blue.*

We are talking about rolling back democracy in our country. And the voters do not even get to have a single say about it. It just gets rammed through under an emergency session of Parliament. Well, Mr. Speaker, I know for a fact that the people on this side of the House are not going to stand up for this land grab and this taking back and rolling back of democracy! And we are going to fight it tooth and nail!

I was inside, Mr. Speaker, and one of the Honourable Members from that side asked me, *Do you think that your argument is more effective the more times people get up and repeat it?* Well, Mr. Speaker, we will get up, and we will stand, because we will defend democracy because democracy needs to be defended. And what we are seeing right now, Mr. Speaker, is a rollback of democracy, which is not right.

And it shocks me that there is not a single protest. We have silence from the masses. And I wonder why, Mr. Speaker. Could it possibly be that the protests which were engineered last time were the last grasp of a dying breed of the establishment that wanted to make sure they maintain control? That is what it was, Mr. Speaker!

[Desk thumping]

Mr. E. David Burt: Spending Corporation money, running full-page ads and newspaper ads and on the radio and full public relations campaign, calling this a land grab! And nothing inside of that Bill in 2010 took any land! Now, when the Government is actually giving itself the power to invalidate the decisions of the corporation, [there is] complete and absolute silence.

You know why, Mr. Speaker? The establishment is not going to organise a march. You know why, Mr. Speaker? Because it is the establishment which is going to be benefitting from this Bill. And that is why they are not saying anything, Mr. Speaker.

Now, Mr. Speaker, I spoke about political risk and property rights. And I mentioned the word “expropriation.” This is dangerous, Mr. Speaker. And it is a very dangerous thing for the Government to be doing. To think, to think that the Government would actually contemplate bringing before Parliament something to give them the power to retroactively invalidate leases which were legally made should make anyone shudder. And it is certainly, certainly questionable constitutionally, without question.

But when I was listening, Mr. Speaker, I heard somebody on that side speak about contingent liability. And so I want to ask the direct question to the Minister responsible: What is the estimated contingent liability that the Government is exposing the people of Bermuda to? What are they exposing the Consolidated Fund to?

We all know what this is, Mr. Speaker. So, we will call it what it is. This is about the One Bermuda Alliance Government uncomfortable with who has the lease and wants to go ahead and revert that process. That is what it is. That is what it is, Mr. Speaker.

So, let us be clear. How much, how much are the people of Bermuda on the hook for? And the reason why I say it, Mr. Speaker, is because someone has the lease. It was given lawfully. If that lease is invalidated under the Constitution, that individual has a right to sue, or that company has a right to sue. How much is this Government willing to pay for its return of power for the Corporation of Hamilton to the establishment? So I am hoping we will get that.

Because the Honourable Attorney General, when he stood up, Mr. Speaker, you know, he sounds nice all the time. But it was all his opinion, Mr. Speaker. And that is why I rose on a question and points of order. Because it sounded as though he was reading from an ad. He read from the Public Treasury (Administration and Payments) Act. We have got that. But that applies to the Government. And that does not apply to the corporation, Mr. Speaker. And that is his opinion.

The fact is that any point in time that the Government will get up and do something that leads legal minds to say (and I quote, Mr. Speaker), “The effect of the provisions therefore is to give the Minister, the Cabinet and the Legislature a power to invalidate a private agreement with retroactive effect.” Mr. Speaker, this is not right. And this is the farthest thing from good governance. This is what they call *expropriation*.

Now, Mr. Speaker, I want to make this point because I think it is very important. And I am going to read, with your permission, what other organisations say about political interference. Because this is very

key. Now, we have a company, those people, I guess, who are Manchester United supporters, they might be crying again today. But Aon does an annual thing of political risk. And they rate countries on the level of political risk. And one of their things they talk about, they talk about political interference. And here is what it says: Bermuda currently has a medium to low rating on political interference. And it says [in defining “Political Interference” in general], and I quote, “The risk of host government intervention in the economy or other policy areas that adversely affect overseas business interests; e.g., nationalization and expropriation.”

I go on insofar as saying the next one would be what we have in Bermuda currently right now, low legal and regulatory risk. And now it says [in defining “Legal and Regulatory” in general] that “The risk of financial or reputational loss as a result of difficulties in complying with a host country’s laws, regulations or codes. This risk comprises measures of government effectiveness, rule of law, wider property rights . . .,” Mr. Speaker.

When we go to what the ratings agencies, who rate us all the time, they look at this, too, Mr. Speaker, because property rights and respect for contracts is sacrosanct. And it is what underlines good governance. And here is what it says. This is what S&P [Standard & Poor’s] says, and this is part of their methodology when they rate countries. They look at this, Mr. Speaker. “The unbiased enforcement of contracts and respect for the rule of law (especially in the area of property rights), which correlates closely to respect for creditors’ and investors’ interests.” That is S&P, Mr. Speaker. That is not me. That is not, as the Honourable Attorney General would say, someone’s opinion, the legal opinion of lawyers. That is actually what they look at when they rate countries.

This action by this Government is putting our reputation at risk, Mr. Speaker. And it is clear as day because people are watching to see what this Government is doing. And it is not right, Mr. Speaker.

Now, Mr. Speaker, I have spoken about political risk. Let me then move on to the next item, which for me is more important than political risk, because I am actually shocked that a Cabinet would allow such a thing to come before this Honourable House, Mr. Speaker. But the next thing I want to talk about, Mr. Speaker, is the franchise.

And I said it in my opening remarks, Mr. Speaker, that it is sad to think that in 2013, we are sitting here and rolling back the democratic progress and reforms which we have made. Now, during our election campaign, as I said before, Mr. Speaker, none of this was mentioned. The only things that were mentioned were possibly mooting of re-registration of voters, a little bit speaking about maybe absentee ballots and fixed term elections. Nothing in regard to reforming the way that the corporations worked. Now, outside of that, we are now rolling it back.

Now, Mr. Speaker, let me put it this way. I would support the complete dissolution of the Corporation of Hamilton and St. George's before I would support what we have here before us today, Mr. Speaker. Because it is absolutely wrong to return the votes to businesses. I do not get it! Mr. Speaker, if we are so concerned about business votes, why does not the Government give business the right to vote in our national elections? I do not get it! I do not get it. I mean, when I said I do not understand, if the Government understands what democracy says, let me, please, read definitions for them, Mr. Speaker, just so we are clear! The definition of democracy is, Mr. Speaker, "a form of government in which people choose leaders by voting." Not corporations.

The Speaker: Where is that definition?

Mr. E. David Burt: That is from *Merriam-Webster's Dictionary*.

The Speaker: All right.

Mr. E. David Burt: It goes on to say, government—

Hon. Mark J. Pettingill: Point of order, if I may, Mr. Speaker.

POINT OF ORDER
[Misleading]

Hon. Mark J. Pettingill: The Honourable and Learned [*sic*] Member is in fact misleading the House.

The Speaker: Yes. Please take a seat, Honourable Member.

Hon. Mark J. Pettingill: And perhaps he could take some advice on this. But the law internationally, as it applies to the concept of municipalities and corporations, is, candidly, different to the position that he is putting forward. And there are different sets of circumstances and different legal rules that apply to municipal elections, across the globe! Across the globe.

The Speaker: All right. Thank you, Honourable Member. But that is the Honourable Member's opinion. So, it is his opinion.

Mr. E. David Burt: Mr. Speaker, I will continue. Thank you, Mr. Speaker.

With your indulgence, I am happy that the Attorney General would like to school me on democracy. But I can be very clear with you, Mr. Speaker, that there are a great many people who understand that democracy is about people. It is not about businesses. It is about people. That is where it comes from, Mr. Speaker.

And the Honourable Member can say all he wants about municipal elections and rules. In the United Kingdom, in the [Representation of the People] Act, which happened in 1969, they took away rate-payers' votes across the entire country, with the single exception of the City of London, not the Greater London Authority, with that massive city with all those people, which only has residents voting! They took that away, Mr. Speaker.

So, I am happy that the Honourable Attorney General would like to lecture me on this point. But, Mr. Speaker, I have done my research. And I stand firm in my position that democracy is government by the people. And that is clear. Another definition says, "a government in which the supreme power is"—and I quote again, Mr. Speaker—"vested in the people . . ."

Now, I understand that the One Bermuda Alliance is a business party. But we cannot have Mitt Romney's definition of "corporations" being people as well! Because that is not what we have here. We passed a law that said that only people can vote. And now they are rolling it back. And I will not, Mr. Speaker—I will not be deterred from speaking on it, as many people have said. I am not going to be upset about repeating the same thing. Because this Government, the people need to understand what this Government is doing.

Now, Mr. Speaker, I heard earlier today, and it was the Honourable Member from constituency 20, I think it is Pembroke South West, Mrs. Susan Jackson, when she was talking about the corporations. And I was listening, Mr. Speaker. And she said, when talking about corporation, you know, this story about Dellwood and everything else, and said that we are not getting the reputation we deserve. She then said, *Something needs to be done*. Oh, my goodness, Mr. Speaker! I said, *Wow*. I said, *I am at a loss*. Okay? There was an election. People won in a fair and free election. You do not like the representation that you are getting? Okay. I understand that. Something needs to be done? Okay.

It is not, *Change the rules of the election*, Mr. Speaker! It is, *You have another election!* That is what it is! That is the point of democracy! When the term ends and people are not serving your purpose, they are replaced at the ballot box! We did not replace the ballot box, Mr. Speaker! We know it is about democracy! So to imagine, imagine that an Honourable Member would be in this House and say, *Something needs to be done!* It is called *elections*, Mr. Speaker! And we do not get to rewrite the rules of how to run elections because we do not like who the people selected!

Now, I have to give credit, and he is not here today, Mr. Speaker. I have to give credit because the person who sits next to the Attorney General in this Parliament does not necessarily agree with him. Because in 2010, he says, and I quote—

The Speaker: 2010? Who is that?

Mr. E. David Burt: In the municipalities debate that was held in 2010, I am reading from the ¹Hansard, the Honourable Grant Gibbons—

The Speaker: Oh, okay. Dr. Gibbons.

Mr. E. David Burt: “Mr. Acting Speaker, I have to say that if anybody who looks at any city around the world right now, any city around the world, with a couple of small exceptions, will see that businesses or those who rent properties as businesses do not get the right to vote. That is just the way it is. So I do not have a problem with that, personally.”

Well, good to know! That is what he said! That is what the Honourable Grant Gibbons said in 2010.

Well, Mr. Speaker, I am guessing that he lost out in Cabinet. And one would think that that would not be the opinion that he would have. But people understand democracy, Mr. Speaker. People understand the evolution of democracy. People understand that we took away the property vote way back in the 1960s and removed the business vote in the municipalities to fully democratise them to how cities should be by the residents and electors of the city—not introducing a whole new class of electors, Mr. Speaker.

Now, I could honestly stand by and say that, you know, the One Bermuda Alliance could have the support of this Bill. You know why? Because they asked the people first. But they did not even do that, Mr. Speaker. This is backhanded, underhanded, very sly. Nobody knows it. Never discussed at any point in time during the election campaign, never discussed at any point in time in the Throne Speech, nothing at all and just thrown at us at the last minute, Mr. Speaker. It is wrong!

So, what I will say is this, Mr. Speaker, that it appears to me that the One Bermuda Alliance have returned to its roots. And that is its roots of the United Bermuda Party and Bermuda’s dark past.

[Desk thumping]

Mr. E. David Burt: Political enemies of the “Forty Thieves” had their mortgages pulled, called and their property rights infringed much of the same way that we are seeing done in this Bill. Mr. Speaker, they are using political power to change rules. They are using political power to put the establishment back in control. They may have the votes in this House, Mr. Speaker. But they do not have the moral high road on this issue. It is wrong, and we do not support it!

Thank you, Mr. Speaker.

[Desk thumping]

The Speaker: All right. Thank you, Honourable Member.

And there should be no clapping in the Gallery. Otherwise, I will ask you to leave.

The Chair now recognises the Honourable Member from Pembroke [South East], MP Rolfe Commissiong. You have the floor.

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

Mr. Speaker, the American Declaration of Independence had a well-known axiom that states that they were going to create a government of the people, by the people and for the people. Well, the OBA has turned that on its head. They are determined to create governments of the oligarchs, by the oligarchs, for the oligarchs! Do we need any more evidence of that than what they have come here today with?

Well, I think I would term an expression of naked aggression on behalf of private interests, otherwise known as the Municipalities Amendment Act 2013, although it should do with a religion in terms of title. I think perhaps they may have considered and called it, more appropriate, the Sir John Swan Act 2013!

[Inaudible interjections]

Mr. Rolfe Commissiong: As I said, Mr. Speaker, I think it would probably be more accurate to refer to this Bill as the Sir John Swan Act 2013!

[Inaudible interjections and crosstalk]

Mr. Rolfe Commissiong: No, I do not think it bears repeating again.

You see, Mr. Speaker, the clue as to motivation here was encapsulated in the said Act. You see, when you saw the provision for retroactivity, as it relates to the signing of leases, one could only then surmise that this Bill is specifically targeted against certain individuals who have gone and entered into business with the corporation over the last year. You know, I always wondered why, despite the fact that it appeared to have been settled with respect to the corporation’s agreement with the developers for the waterfront, that we still had another spurned developer (my terminology) who was still going in the public as if his development plan would be the one that would be ultimately chosen. This is despite the fact that the corporation had already settled the matter with respect to another developer.

But it did not seem to deter him. Did he know something that we did not? Obviously, he did. The evidence is right here. Mr. Speaker, the Bill of indictment that has been laid here, particularly by the Shadow Minister of Finance, bears listening to, bears reflection. And I hope that the people out there will understand that we have a Government that is more interested in advancing the interests of its privileged

¹ [Official Hansard Report](#), 23 July 2010, page 961

base than doing what is right for the Bermudian people.

This Bill is a regression for all the reasons cited by previous speakers on this side of the House! Mr. Speaker, this reminds me of Obamacare [US Patient Protection and Affordable Care Act] and how you have privileged elements within the American system of government and their supporters who refuse to accept the fact that Obamacare, so-called, the Affordable Care Act, is settled law, passed in both Houses of Congress, adjudicated by the highest court of the land, the Supreme Court! Mr. Obama himself ran largely on that issue at the last election. But yet still today, they are seeking to overturn it by any means possible! By any means necessary?

Certainly, this law that created the current landscape by which the Corporations of Hamilton and St. George's operate, one could make the analogy that this, too, has been settled law, only recently passed. Certainly, Mr. Speaker, I do not know about those on the other side. But on the night that the corporation elections were held in Hamilton, I took that as an historic milestone that all of Bermuda should be proud for, because we have seen the fact that mostly black residents of the back of town have finally come out of marginalisation with respect to city voting and got a vote and were able to exercise self-determination!

Mr. Speaker, it was a great night for Bermuda, notwithstanding that it corrected historic wrongs! I know it is unfashionable, Mr. Speaker, to speak of these matters nowadays. Certainly, the One Bermuda Alliance, they believe in colour blindness. I contend that colour blindness will only perpetuate the inequities that have beset Bermuda for all of these years. Certainly, colour blindness must be what occurred here in the production of this document.

Mr. Speaker, the retroactive provision in this document is egregious. It certainly lends credence to the view that this Bill was designed to undo what had already been settled in terms of agreement with the said corporation. The Bill also seeks to undo what was already settled in terms of the franchise for the corporation.

Mr. Speaker, this reminds me of the old adage from a time when we were little boys and girls that, *if I could not get my way, I will take my marbles and go home!* Symbolically, the marbles in question are right here in this Bill, Mr. Speaker! This is an abomination with respect to our democratic culture and values, repugnant to everything that we believe in, in terms of fairness and equity!

I question, Mr. Speaker, the democratic credentials of the OBA, certainly their commitment to democratic values and norms. Certainly, maybe they could not help themselves. Maybe it is enshrined in their DNA. After all, we know that it is an alliance between the BDA and the UBP. Certainly, Mr. Speaker,

the UBP part of that alliance is certainly shining through here, quite brightly.

Mr. Speaker, in closing, as I said, this Bill is abominable. It is not worthy of this deliberative body established, as it has been, upon democratic principles and values. This clearly is an abuse of Parliamentary supremacy and is perverse in its intent! Mr. Speaker, might does not make right, although the OBA Government would seem in this regard to make it so.

Imagine, Mr. Speaker, this respective Bill arising only because the privileged sought to reverse a democratically held vote that had ended centuries of inequities that were engendered by race and class with respect to the City of Hamilton. This is shameful and extremist. And I would lend my voice before I sit down to also ask, as my Shadow Minister for Tourism did, that they take this Bill back and seek to reconsider before they enter into what I think will be a serious error of judgment.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

The Chair now recognises the Leader of the Opposition, from Warwick [South Central], MP Marc Bean.

The Honourable Marc Bean, you have the floor.

Hon. Marc A. R. Bean: Good evening, Mr. Speaker.

The Speaker: Good evening to you.

Hon. Marc A. R. Bean: And good evening, honourable colleagues, and good evening to the listening public. And I certainly hope that the public has been listening to this debate, one of the most crucial, critical debates that I think we have had for some time in this Honourable Chamber.

I am looking around now, Mr. Speaker, and I am hoping to hear the comments of the MP for St. George's, Mr. Kenny Bascome, since he is so vociferous on anything to do with St. George's. And as the former Mayor of the Corporation of St. George's, I certainly will welcome his commentary on this piece of legislation. And so I hope that is an encouragement to hear his voice. Yes, he is conspicuous by his absence.

Mr. Speaker, the Act that we are going through right now has got to be one of the most shameful days in the history of this Honourable Chamber. And as I reflected and looked at this so-called piece of legislation, my mind went back to when I made a statement to the PLP's Founders Day. And I described the One Bermuda Alliance in what is un-Parliamentary language. So it is not worth repeating, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Hon. Marc A. R. Bean: But certainly, Mr. Speaker, one thing I can say is I call it as I see it. I call it as I see it, and it is what it is. You judge a man not by his words, but by his actions.

And right now, the One Bermuda Alliance is standing in judgment. They might not like it because their consciences might have been pricked. It is almost as if in describing them that way, a veil was lifted. And what was hidden is now revealed. But let us reveal a little bit more.

As I stand here to discuss this so-called legislation, my mind goes back to the late President of Venezuela, Mr. Hugo Chávez, as he addressed . . . And, yes, he is a socialist, Simón Bolívar adherent, which I am not. But he addressed the United Nations General Assembly, Mr. Speaker. And as he approached the rostrum, he looked. And you know what he said? *I smell sulphur in this place!* And then he described where the sulphur was emanating [from].

Mr. Speaker, this is a sulphuric piece of legislation. It smells worse than the worst days of my constituency in Warwick Pond. It stinks [to] high heaven, Mr. Speaker! It is unbelievable.

This is the worst and lowest form of governance that we have seen for some time. This is a legislative travesty of epic proportions. The great Dr. Roosevelt Brown, Dr. Pauulu Kamarakafego, would have turned this Honourable Chamber, Mr. Speaker, upside down! If they would have dared bring such a piece of legislation like that to this Honourable Chamber, it would have been turned upside down! The Mace would have left its sacred place, such is the gravity of what is being proposed today.

Mr. Speaker, when I first became a Member of Parliament, I was invited to have a discussion with what many consider in this country to be a statesman, a former Member of this Chamber and former Premier of Bermuda, the Honourable Sir John Swan.

[Inaudible interjection]

Hon. Marc A. R. Bean: I have not said anything!

When I was an MP, I had the opportunity to have a chat with the Honourable Sir John Swan, and he gave me a salient piece of advice. He actually made a statement that has stood in my mind to this day. He said, *You know what, Marc? The biggest problem facing politics in Bermuda, from my experience, is that everything is a zero-sum game. Winner takes all.* And I said, *Really, Sir John?* I said, *Yes, that must be the problem, you know.* Winner takes all, with collateral damage, if required!

[Inaudible interjection]

Hon. Marc A. R. Bean: Yes, a scorched earth. But the winner takes all.

So, it resonated when the MP Rolfe Commission described this piece of legislation as *the Sir John Swan Bill*. Hmm. I am sure that resonated with a lot of people. Why? Because we know, separating the two corporations from one another, this is really, as has been repeated over and over this evening, about the waterfront. Now, since I was the Minister at that time, I could report, I will get up and tell you that Sir John Swan was one of the first visionaries in this country for that waterfront. And he participated; he has participated in waterfront steering committees. He participated in Bermuda First. And when it comes to the waterfront development, I can honestly say that he genuinely has skin in the game. And he wants to get on with that waterfront. I understand that. I have to give credit where it is due.

But I would have thought, Mr. Speaker, because I know the partner in Allied Development Partners, I know the young man, Mr. Speaker. He comes from Somerset. It is Churchill Nita's nephew, Mr. Speaker. I know him. He is a 38-year-old entrepreneur, Mr. Speaker, one of the best in his field. I would have thought that a person of the stature of a Sir John, who has accomplished so much and has built so much, would see this young man as a reflection of himself when he was that age! And so he would have taken him and said, *Come close, and let me mentor you. I am not going to live forever! At some point, the baton has to be passed on. And you seem to have the willingness and ability where I can pass some of my wisdom on!*

[Inaudible interjection]

Hon. Marc A. R. Bean: Oh, he does have a track record, too. I would have thought, from the perspective of statesmanship, that that is what would have occurred. I am thinking collaboration and cooperation. I am thinking, *Well, you have the lease. I have the concept. Let's combine. Let's make it happen.* Okay?

We have seen the complete opposite. So, from January, there has been a concerted, coordinated effort led by the substantial Minister, who is in or was in the Chamber, to undermine or allow himself to be utilised as a political henchman to carry out the dirty work. And we have seen it. It has been coordinated. It started in the middle of January. And it is having its culmination point today. And I have never, ever seen anything like that in my life, an absolute legislative travesty. I have a word to describe it, too. And I will describe it a little later on, Mr. Speaker.

Being that it was the first item on the OBA's radar screen, it really sent up alarm bells. Because we never heard anything about it in their . . . Well, they never had an election platform. But we had never heard anything about it, Mr. Speaker. And all of a sudden, within 14 days, the aircraft carrier rode right up on City Hall. Yes, coercion and force started to be implemented. Your undermining, the innuendoes, the

destruction of people's personal integrity and credibility—that all kicked into motion. We saw it! A coordinated deliberate attack, the Government being used by special interests for what amounts to be a power grab, because they do not have the humility or the wisdom to pass the baton.

We honestly feel, some of us in this country, that we could take everything with us! What a fallacy. And sooner or later, all of us realise that it is a fallacy, sooner or later.

Mr. Speaker, this business vote is a relic of our colonial past. And when I hear a comparison to the City of London to justify it, I have to wonder, How many people on the One Bermuda Alliance side actually know what or where the City of London is? Because I know that the general public would be mistaken into thinking Greater London, Hackney, you know, Peckham, Harrow, Brixton, Cannington, Kensington—right. That is Greater London, Mr. Speaker, as you will know. But the City of London is that square mile, that square mile. The City of London, Mr. Speaker, is a sovereign city-state.

Hon. Trevor G. Moniz: No.

Hon. Marc A. R. Bean: *No, it is not.* This is a Learned Member, the Honourable Minister, Trevor Moniz, saying, *No, the City of London is not a city-state.* A learned member of the bar. And all the temples of the bar are located in the City of London.

[Laughter]

Hon. Marc A. R. Bean: But he does not know it is a city-state. When Her Majesty, Queen Elizabeth, goes to visit the city, she just cannot walk up in through the gates. She has to wait at the gates to be met by the Lord Mayor. Because they have their own sovereignty. They have their own police force. It is similar to the Vatican and Washington, DC. They are city-states. They cannot be compared to this! Oh, the ignorance of not knowing, but acting like you do, does not escape me! It does not escape me, Mr. Speaker.

So, in a nutshell, the United Bermuda Party, Bermuda Democratic Alliance, One Bermuda Alliance—a leopard cannot change his spots. A zebra cannot change his stripes. You can do all the theatrical masquerades, but you are what you are. And by his deeds a man shall be known. By its deeds, an organisation shall be known, Mr. Speaker. And so, there is nothing new under the sun.

I need to let Bermuda understand and reiterate this zero-sum game. What does this mean? We heard about the marches, not as bad as the Uighur march, but close to it, all the way from City Hall. We heard about the city expenditure to launch that propaganda campaign. I have noticed time and again, but especially this last two, three weeks, Mr. Speaker, there have been no protests whatsoever, none. No

marches, little media attention. I can even accuse the media, some media, of aiding and abetting in this process, which is not surprising to us. It is not surprising to us at all.

But, Mr. Speaker, in the absence of all those things, I have seen plenty of appeasement! And if it is one thing I do not like, it is appeasement. And I do not like appeasers. I do not like people who would sacrifice long-term objectives for short-term goals. And that is what is being rolled out today for the people of Bermuda to consider. And the people have been muted! Discussion has been suppressed! And when I say *suppressed*, it is because the information has not been provided! Do a comparative analysis between now and then. It quite literally is night and day. And we know it!

I wonder if our words are reaching out into some of the consciences of the One Bermuda Alliance! I know as human beings they have consciences! But I wonder if they are being pricked! I wonder if they realise that they are putting ourselves on a path that strikes at the very foundation of our society, Mr. Speaker. I wonder if they have given that consideration, or are they so hell-bent on being the henchmen for special, narrow interests in this country that they would sink the country to be able to appease—hmm—*certain people*? Parliamentary language. Because I am feeling to go up, Mr. Speaker, but I am going to be respectful.

Mr. Speaker, this concept of retroactivity on contracts . . . MP David Burt described Aon's assessment and the rating agency's assessment. I think I am going to reiterate it as simply as I can. This is the worst possible signal that you can send to local and foreign investors and external observers! The worst possible signal! MP David Burt described it as the hallmark of a developing nation! Do not be so disrespectful to the developing nations, MP Burt! It is worse than that. It is called Mickey Mouse government! Developing nations are actually trying to improve their governance! And we are taking one step forward on December 17th, apparently, and twenty steps backwards within 11 months. Absolutely a travesty.

The biggest issue is that it is political risk, as already described! Reputational risk is one thing, but political risk is everything—everything! Any risk manager would tell you that that is the first risk that has to be mitigated. The Minister of Finance will concur. Political risk is everything. And we are not taking a chisel and chipping at it, you know. We are taking a bazooka and trying to blow it up. And it is like the One Bermuda Alliance do not even care! Really, is it a case of the end justifies the means. If that is the case, then why do not they just get up and say that? But then again—again, that is not their MO. Right, right, right. I am sorry. I forgot.

So, what this amounts to is Government . . . And I am going to speak from my position as an adherent to classical liberalism. Wikipedia it if you want,

anyone who is listening—“classical liberalism.” Mr. Speaker, the use of Government coercion and force for special interests is something that I will fight [against] to my grave. I think that the intervention of governments who are only run by us human beings, who are not angelic, is the greatest incursion of human rights on the earth today. And to use the Government to force and to take contracts and go backwards for special interests is . . .

[Inaudible interjections]

Hon. Marc A. R. Bean: Yes! It is sickening! Yes, it is sickening, Mr. Speaker. I do not know if the Premier really wants to rise and report or not. But I would encourage him. And at the end, I am going to explain why. And I am almost finished.

How much time do I have left, Mr. Speaker?

[Inaudible interjections]

Hon. Marc A. R. Bean: Oh, okay, I have got some time. Five minutes? Twelve minutes? I will be finished before then.

See, the fundamental precept, the whole purpose of human beings getting together to order society and the creation of government . . . If Government was to do anything, the fundamental responsibility is to uphold contracts, protect people and their property. Otherwise, anything else that Government involves itself is in an add-on. But without those three fundamentals of upholding contracts, which are agreements which are the basis of all human relations, protecting people and their property, then we do not have a government.

So, I question the OBA: Do you really want to jump off the cliff without looking, and sacrifice the reputation of our Government and our country, to defend and serve narrow interests? And I am saying *narrow interests*. I am being very, very polite, Mr. Speaker. I am being very polite. But they would sacrifice it, apparently. And as a result, our entire society, the foundation stones, are at risk. For all the lack of ideas that they have brought since they have been Government, this has done more damage. Even if the great Lord sent gold coins out of the sky like manna, this would still be an equaliser today. Even if wealth fell out of the sky, this would take us back 20 years, Mr. Speaker, or more.

Whatever they think they have done, what they are doing now is a grave miscalculation, very grave. And so, I was thinking. Because it troubles me. And from a philosophy perspective, I was saying, *Well, man, this borders on the farthest left of communism*. You know how I go. But then I thought about it. I said, *No, this isn't communism*. This is actually the opposite of the spectrum, the opposite polarity, Mr. Speaker. This is so far right wing that some could accuse it of bordering on fascism, which when you com-

pare to communism is just two sides of the same coin. It is the two isms that I cannot stand.

But both isms rely on the state, the government, to use force and coercion. There is no other description that can be offered. There is no other title to describe this behaviour [other] than *borderline fascism*. Whereas corporate-ism on steroids, in other words, corporate welfare on steroids, and really an insult to true capitalism.

Mr. Speaker, in fact, the two are similar in nature, just different in degree. And I hear them yawning and the substantial Minister, he is smiling. And you have a few, the Honourable and Learned Member Moniz, who is a learned member of the bar, but does not realise—

[Inaudible interjection]

Hon. Marc A. R. Bean: Right. He does not realise the City of London is the seat of the bar. You know.

But let me leave the OBA with this stark warning: And you could heed it if you like. I already described you one way, and that has manifested now, and it is going to manifest more in the future. Okay? It has been spoken, and it will be manifested. I described their behaviour. I described the nature of the UBP/BDA/OBA. You are what you are, a leopard with spots. But let me say. Mark my words. Mark my words! From what I know, and I hope the Premier is listening, and I hope the substantive Minister is listening. From what I know, this is not going to just be costly to our country. This has the potential to bring down the One Bermuda Alliance Government.

And you can laugh all you like, Honourable and Learned Member. But I dare you play chicken. Play chicken with us and see. But do not think, right, because you are excited because in the Euchre game you are sitting on five trumps, ace to nine. And you need three books. Mr. Speaker, we are sitting on boo left and right. So, I dare you take the lead and play chicken with us! But we are sitting on something. And all that you accused us of in the past . . . Boy. Hmm. This cannot compare. It pales in comparison.

My mind is starting to shift to TCI [the Turks and Caicos Islands]. I just had a meeting with the FCO [Foreign and Commonwealth Office]. You know. But my mind is shifting! My mind is thinking, *Oh, what is Government House going to think about this? What is the US consul going to think about this?* Because—

An Hon. Member: What would America think?

Hon. Marc A. R. Bean: Yes! What would America think, because they are observing, they are listening right now! And they are saying, *What is this Mickey Mouse business going on right here? What is this political appeasement that we see going on in Bermuda? Why is such a high level of jurisdictional risk being put on this country?*

Do they not realise, the OBA, that they are putting everyone at risk? Going to hell in a handbasket. That is where they are looking to take us.

But I want you to think about it. I have boo in my hand, and I have got two books. The Honourable Member is still laughing. But I know they have such a lack of coordination on just about every topic, he is laughing in ignorance, he just does not know what I am talking about. But I have got boo in my hand. Okay?

So I want the Premier and the Minister who is bringing this Bill on behalf of the substantive Minister, to reconsider. Reconsider. Now, you can sit there boasty ego, ego gassed up and everything. But in the end, it is going to lead to self-destruction, you know. It will lead to self-destruction. If there is one thing I realise you have not learned, it is the mistakes of the Progressive Labour Party in the past. And only a fool, Mr. Speaker, repeats other people's mistakes. And this is the path that the One Bermuda Alliance have set themselves upon.

I am not even talking about the Corporation of Hamilton, the Corporation of St. George's. I am talking about the spirit behind this action! I have to repeat, it is a legislative travesty. And going forward, this will be a noose around the neck of the One Bermuda Alliance. Okay? And do not ever get up in this House and pontificate and give us any more theatrical renditions, acting like you are something that you are not. Do not talk to me about being pro-business and free market when you are going to use the power of Government to expropriate people's property or leases and break contracts! Figure out your ideological compass before you take us to hell!

[Desk thumping]

Hon. Marc A. R. Bean: Because right now it seems like the One Bermuda Alliance is rudderless. And that is not just a reflection on the Premier; that is a reflection on the entire Cabinet. It is rudderless! If I asked you *Who are you?* or *What are you?* you would look at me with a blank stare! Because they know not what they are! Because they are a manifestation of something else!

When you saw the fruit on that tree, it did not come from a seed! It just magically appeared! It was a hybrid. And that is what the One Bermuda Alliance is. So I stand, and I conclude our discussions on this debate, Mr. Speaker, to register our grave, grave reservations on what is possibly the worst piece of legislation that we have ever had in this Honourable Chamber post-integration.

[Inaudible interjections]

Hon. Marc A. R. Bean: Well, post-desegregation, whatever the myth was. Right? But it is terrible. I feel for my favourite PS [Permanent Secretary] in the

world, the PS of the Ministry. I feel, I can imagine—man! I feel for her. I feel for everyone in this country, man! Yes! But of course, they will get a free pass, right? They will get a free pass until the rudderless ship runs up on the reef. Because of that retroactive clause, which is the worst form of government on earth today. You can now call the OBA, you could compare them to North Korean governments, Mr. Speaker, and all forms of totalitarian governments in this world! I have no tolerance for it! I have no tolerance. I love freedom within human beings. I do not like people using government and ego-tripping with power. I do not like people like that. I do not like political parties like that.

And, trust me. I do not permit it in the Progressive Labour Party. You think we are going to sit up and watch this skulduggery go on in 2013? And think it is just cool? While half of that backbench just sits and acquiesces and appeases their leaders? Not fulfilling their own responsibility to their voters? Getting paid for what? Who knows? But to toe the line. Again, a rudderless ship heading towards the rocks, Mr. Speaker, that will get smashed and will then disappear and become what it always was—nothing.

So, I ask the Premier to reconsider, to rise and report. Unless the pressure is that high to do the bidding of others that sit outside this Chamber, unless the desire to appease is so great that one cannot rationally look and say, *Listen. We need to have another look.* Unless the desire to jump off the cliff, to show off and say, *Listen, I could dive,* is that important, without looking at the depth? Then go ahead and break your own neck. But do not think you are going to break the neck of this country. Do not think you are going to break the neck of this country.

The Speaker: One minute, Honourable Member.

Hon. Marc A. R. Bean: Thank you.

And all the giddiness that I am seeing from across the floor, I want you to go home, and I hope that your conscience pricks you, I really do, to the point that you even lose sleep. Because what we are dealing with right here today is the worst possible piece of legislation that any government could bring to any Honourable Chamber in the Commonwealth or outside the Commonwealth.

Mr. Speaker, it is disgraceful. We reject it. We reject the premise that it is based on. And we hope that it recedes from whence it came—[into] nothingness.

[Desk thumping]

The Speaker: Thank you, Honourable Member.

The Chair now recognises the Honourable Minister.

[Inaudible interjections]

The Speaker: Be careful, gentlemen.

[Crosstalk]

[Gavel]

The Speaker: Members must remember.

[Crosstalk]

The Speaker: I recognise now the Honourable Minister for Health and Seniors.

Minister Gordon-Pamplin, you have the floor.

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

Mr. Speaker, I hope I can bring some calm and some sensitivity to this debate that we have heard today. Because I have listened to every Member. And this is not meant for appeasement. I have listened to every single Member on the other side of the aisle. And to a person, there has been a presumption that the actions of the members of the corporation have yielded a result that would not withstand the scrutiny of good governance. Because every person stood and assumed, by suggesting that leases come to this Honourable House, that they would be turned back.

We heard from the Honourable Member, the Shadow Attorney General, about the in-the-park concession stand for which she would have had a 21-year lease, and made the assumption that it is going to come to this Honourable House for scrutiny and it would be turned back. And every lease or every sale that would have come to this Honourable House will not withstand scrutiny.

I find that offensive and insulting to the members of corporation. I do.

Now, let me just say, Mr. Speaker, that one of the challenges that we have looked at is that of retroactivity. And I know that, notwithstanding that the Members of the Opposition would stand and wax lyrical in terms of their concerns for this Act, let us not be mistaken. Not one of them—not one is concerned with whether the One Bermuda Alliance passes good legislation or not. We have seen that on every single Bill. Perhaps maybe one or two, they may have come along and said, *Okay. We concur.* But for the most part, it is in their best interests to ensure that everything that is done on this side of the aisle fails. That is their mantra. That is the manner in which they operate. That is how they approach every debate that we have.

Mr. W. Lawrence Scott: Point of order! Point of order, Mr. Speaker!

The Honourable Member—

The Speaker: I have not asked you to speak yet. .

What is your point of order?

POINT OF ORDER

[Misleading]

Mr. W. Lawrence Scott: The Honourable Member is misleading the House in saying that we hope that the OBA fails. No. That is an untruth. We do not hope that they fail.

The Speaker: Thank you. Thank you. I certainly can accept what the Honourable Member said.

Hon. Patricia J. Gordon-Pamplin: Let me say that it is my impression.

The Speaker: Okay.

Hon. Patricia J. Gordon-Pamplin: It is my impression.

The Speaker: Thank you.

Hon. Patricia J. Gordon-Pamplin: Because let me just say that the Good Governance Act that was passed by the former administration came into being in October of 2011, or thereabouts. And let me also say that if you give it a couple months to take traction, for things to get on an even keel and for people to understand the implications of that Bill, then it brings us to January of 2012.

And why would we suggest that January 2012 would be a good time to start to look at ensuring that the corporation and its activities are embraced by the concept of good governance? Why would we say that?

Well, you will know, Mr. Speaker, that we have heard allegations that the administration prior to the present administration and the Corporation of Hamilton did some things, as we heard earlier tonight, like transferring some leases into some trusts, and the like. Would this House suggest that we would not expose ourselves to the possibility of looking at those things, which we might also have found egregious? It is not about . . . You know, had we been picking on this particular administration, we would have said, *Let this legislation be effective, if we are going to go retroactively, to whatever date that they came into office.* That is not the case.

If you want to be fair and to look at that which is right, you must be able to examine those things which were perhaps egregious right across the board, not just for the present administration, but for that administration that came before. Did anything go wrong? And if something went wrong, would we not be justified in wanting to have a look at those things and say, *Let's re-examine it and bring it to the Honourable House for scrutiny?* Why wouldn't we? Why wouldn't we?

And I am not going to be so presumptuous or so rude and disrespectful to suggest that everything that the present administration did would not withstand scrutiny. But what I will say is that, with good governance and the necessity for us to recognise that we are spending the people's money of this country, we have an obligation to ensure that we leave no stone unturned in ensuring propriety. And that is what our intention is to do with this Bill.

Now, we have looked at, we have heard Honourable Members opposite indicate that on this side, we need to be able to . . . Or let me just make the point this way. As Members of Parliament, we stand here and we appropriate funds according to monies that we have collected from the public, when they have paid their taxes. And we stand, on an annual basis, with an \$800 million, or thereabouts, budget of revenue and \$1 billion worth of expenditure.

But every one of us, as we stand and go through the Appropriations Act at budget time, we are authorised to do so because—we are authorised to do that because each of us has been elected by the people of our constituency to represent their interests in this Honourable Chamber. So, we come here knowing that we have levied tax on our people, and that we, on their behalf, make the determination as to how their money is spent.

And then, we get to the corporations. Now, I heard the Honourable Member, the Honourable Wayne Furbert, who stood to say, *I used to have a vote in the City of Hamilton. I don't have one now under the legislation that was passed in 2010* (I believe was the Act). And his comment was, *Oh, well. I just don't.*

Now, if we had taken away and disenfranchised Members in this exercise, would we have heard, *Oh, well. I had it and I don't now?* But that comment would be made because that Honourable Member supports a party and an Opposition that was determined to vote against this Bill. Nothing to do with that which is right!

And, you know, when I wake up in the morning and I come to this Honourable Chamber, I want to go home at the end of the day and know that I have had deliberate, thoughtful debate on issues that are of interest to the people of Bermuda, and that we have come out with the right result. Do we do that every time? Perhaps not. Do we have to listen to recommendations made by the Opposition? Yes, we do. And at times, we take those things under consideration, and we act accordingly. Because collectively, we ought to make things right.

But what we are saying is that we want, for the Corporation of Hamilton and its executive, to be able to collect millions of dollars of taxes from ratepayers and have absolutely no regard to account to them as to how their money is being spent. Because they do not have a vote. We have a body of people who are making decisions on money that *they* have

expropriated from the ratepayers of the municipality, and they have no say.

Now, I do not know how right the Honourable Opposition Members believe that to be. But in my book, if I am going to pay some money, I want to know how it is going to be spent. I want to have a voice in saying that, *You've collected this much money from me. I want to have a say.* And the only way that they could have a say as ratepayers would be the same manner in which the taxpayer of this country at large has a say. And that is by being able to elect representatives that will help to advance their interests and to listen to their voices.

And how do you do that? Ensure that your elections are open to those people who are paying their money. Now, it is standard throughout that if you are going to be taxed, you ought to be able to be represented. But it is a concept that seems to have been lost on the Opposition.

[Inaudible interjection]

Hon. Patricia J. Gordon-Pamplin: The Honourable Member is asking whether I want to do that on a national level. And let me say, Mr. Speaker, in response to that, on a national level, as I said, we all get to have a say in how our money is being spent, because we go to the polls and we vote for people who are going to appropriate our funds. It is the same concept.

But, you know, I do not want to . . . I think that in the accounting world, the issue of accountability was brought to the fore under a Bill that was passed in the United States legislature by Sarbanes and Oxley. And it is known as the Sarbanes-Oxley Act. And it is the Bible and the standard under which accountants operate, a degree of accountability that is inalienable. You absolutely are required to ensure that whatever you do, that you have proper internal controls that can withstand the scrutiny of any external body or any internal body.

And all we are saying in this Bill, by looking at retroactivity, is anything that has come down the pipeline recently, we want to ensure that it comes to Parliament for Parliamentary scrutiny. Now, if every Member on the other side—and I heard no difference in any of the presentations—is honestly and truly convinced that nobody did anything well within the corporation, then I believe we have more reason to be here to discuss this particular legislation. Because it cannot be right that there is no level of accountability or no trust on that side that they have done anything that would be able to come here, be discussed and stand up to scrutiny. That cannot be right! I do not want to believe that. And I do not believe that, Mr. Speaker.

I think that, as we go about pontificating on the other side, because it suits their purpose to ensure that (in my opinion) the One Bermuda Alliance does not make effective inroads into what is happening and how the people's money is spent, then I just think that

they have done a disservice to their voters and they have done a disservice to this country. And I do not wish to be the one to say that we have done all manner of things, and we have nothing to show for it with respect to accountability and effective scrutiny. That is not right.

And what we are attempting to do here is, recognising that the previous Government, in bringing the Municipalities Act, as they brought it, and the amendments thereto when they brought them in 2010, that there were some things that were woefully inadequate. They took away some people's business votes. And what was interesting is that many of the people who became disenfranchised were many of the people for whom that Government, when they were Government, espoused that they were concerned about the people in North Hamilton. Now, what do you have? The people who were in North Hamilton who had votes no longer have them under the legislation that went through before.

So, now what are we trying to do? It is to bring something into place that says, allow ratepayers, who are paying the lion's share of the money, to be able to have some say and be represented. That is all! There is nothing sinister about it. It is pretty straightforward if you look at it from a point of view of propriety. It is pretty straightforward, as I see it, Mr. Speaker.

Mr. Speaker, let me just say that if we want to accept the fact that it is okay for only the residents of the city to vote, then, on the other side of the equation, make only the residents of the city the ones to pay the tax. They are the ones that are going to have the representation; maybe that is what they need to do. And that is not going to happen, because the city . . .

[Inaudible interjection]

Hon. Patricia J. Gordon-Pamplin: And the Honourable Member says, *Stop being ridiculous*. Well, if you cannot do it on this side of the coin, how can you, on the other side of the coin, then say, *It is okay to collect money from people and not give them any representation?* Absolutely crazy. You will know that the Boston Tea Party was created based on that principle, a revolt against taxation without representation. Taxation without representation.

Now, the Honourable Members have spoken to the waterfront and whether this party—whether *this party* is looking at catering to needs or to demands. I think he put it, *the desire to appease people outside of this Chamber*. Well, I do not know if that is the manner in which the other guys acted when they had the helm. But that is not the way we do business. That is not the way to run a railroad. We need to be able to ensure that what is being done in this country is done for the better good of everybody. I do not want to see anybody disenfranchised. I do not want to see anybody's lease being ripped away from them.

But I do believe that Parliamentary scrutiny should be a matter of course. I believe Parliament is sacrosanct. And if Parliament is sacrosanct, we want to ensure that that degree of accountability is exceeded to at every point, every step of the way. Is there something wrong with that? And if the Opposition believe that that will be the downfall of this administration, because we want things to be fair, because that is the way we want things to be done . . . We want things to be fair. And if that is a foreign concept in the eyes of the Opposition, then we are in a really sad state in this country, a really sad state!

Now, the Honourable Members asked the question, *How urgent is this?* Now, if we can put all of the ducks in a row and get everything that we need to have put together, that is step one to make sure we have got good governance. Step two then becomes, how do you turn good governance into opportunities for our people? And clearly, having major construction in order to be able to ensure that we put our people back to work, that is the purpose of this Government. It is where we start! And we have said that, in the course of our five-year administration, we will come up in the first five years, we will ensure that we create 2,000 jobs.

And we have to do that. What is urgent is getting things in place so we can start down that path. And if anybody is satisfied that we can sit back, go rise and report progress, sit on this for the next 20 years and hope that it all goes away, well, they are whistling *Dixie*, because it is not going to happen! We are going to ensure that we go down every possible avenue to make sure that all of our i's are dotted, our t's are crossed, and that we put processes and laws in place to ensure that better opportunities exist for our people, whom we have to put back to work.

The Opposition does not want to see it? Maybe it does not suit their purpose. Maybe it does not feed into the rhetoric. That is on them. But it is not going to be on this administration to say that we have sat back and waited because somebody shouted louder than the person before, because of something that they deemed to be some ulterior motive. That is not where we are going on this one.

And let me just go to the understanding as to why they would want to do it. Because if one brings an amendment to this Honourable House that does not go down well, that does not have the right result, that says that 180 people can be the ones voting for the entire Corporation of Hamilton . . . And I am not faulting the residents at all. We heard from the Honourable Member Roban that maybe they did not know. But then we heard, on the other hand, that there was a lot of money expended in advertisements and ensuring the people knew what was going on. So you cannot have it both ways. Either they knew or they did not. If they did not know, they probably did not show up.

And I am not faulting the people who have been elected. The people who have been elected

were elected legitimately based on the rules of engagement under which they operated. There is absolutely nothing wrong with abiding by the rules.

But one has to query, when those rules came into being, what was then the ulterior motive? You know, we hear a lot about, *Let us ensure that we get the oligarchy out of the way* and the *Forty Thieves* and all. You know, if we were having this conversation in the 1950s, then, yes, I can agree with you 100 per cent. This is 2013! This is 2013! And we want to ensure that the things that existed before do not happen again—do not happen again! By ensuring that everybody is embraced to be able to have the benefits of the money that they are spending in our economy, that is being levied on them by way of taxation with no agreement from them. They have got to pay it whether they want to or not. And we want to make sure that they have representation.

[Inaudible interjection]

The Speaker: You are not even in your seat! All right? So, please. Thank you.

Hon. Patricia J. Gordon-Pamplin: I think what is also being missed in the arguments that have been articulated thus far is that the voting people, or the people eligible under this amendment, have to be on the electoral register. So we are not bringing in a whole lot of foreign businessmen to take control of the city! That is not what we are doing. We are ensuring—we are ensuring that there are Bermudians, legitimate Bermudians, who are voting in municipal elections. What is wrong with that?

To hear the Opposition tell it, we are going to have these aliens coming in and making sure that, you know, the city flies up on some cloud and that there are no controls by anybody who is right-thinking. That is not what we are doing! We are saying, *Allow people who are paying to have some representation*. And answer me: What is wrong with that?

The one challenge that we have as the Government is that one of the pressures of Government is that you are required to make difficult decisions that may not go down well. But you have to do that which you honestly and fervently believe to be in the best interests of all the people. Is every decision that we are going to make going to be a popular one? No. Is every decision that we are going to make going to be an easy one? No. It will not.

But I can tell you that, if we can leave here at the end of any day and know that the decision that we have taken is the right one, then notwithstanding the unpopularity, you can be assured, we can all put our heads on our pillow at night and sleep comfortably. And the benefits that will inure to the people based on the decisions that we take will benefit not the One Bermuda Alliance, not us as an administration, not the Opposition who choose to go against it, but the entire

Bermuda. We want to be able to ensure that property that exists is properly scrutinised, that it is properly made available to those people who are legitimately able to advance the cause of ensuring that that property is well developed and properly developed, and that there is a collaboration, as we have heard the word being used and bandied about tonight, that there is a collaboration to ensure that we get the best out of what we are trying to do.

You know, I heard the Honourable Leader of the Opposition. And I agree with him that when you have individuals who have a position of authority and influence, and they can assist others who have influence and who have authority and who have ideas, then we have an obligation to work together in that collaborative spirit.

But I also heard both the Honourable Member Furbert and the Honourable Member Lawrence Scott indicate that we on this side do not wish to work with the Government, notwithstanding how much they offer collaboration. Well, let me just say that nothing warms my heart more than to be able to walk hand in hand, notwithstanding the adversarial style of politics that we have to endure because that is the system. But nothing would warm my heart more than to know that we can reach across the aisle and walk hand in hand.

But when you are called in one breath Princes of the Dark Night and evil and all that stuff, and on the next hand to say, *Why can't we work together?* You cannot trust that! You cannot trust that schizophrenic type of approach. And it is very difficult for us on this side of the aisle to know that we are doing the best that we can, and we get nothing but pushback and disagreement. That is what we get. Nobody wants to have to live in that type of environment! But if that is what we have to do, that is what we have to do.

And as I said, Mr. Speaker, if the decisions that we make are less than popular, so be it! If it is the best decision that we can come to for the better good of all the people—all the people. The Opposition queried, *Where are all of the dissenters? Where are the marchers? Where is everybody protesting? Where are they?* Well, it might just very well be that the legislation that was brought by the former administration did not strike a resonant chord with the people of the time. And it could very well be that what we are attempting to do here today, maybe it strikes a better balance in their minds and in their ability to process what is happening here. And as a result, perhaps they do not feel that there is any need.

But you can be assured that if there is a problem, our BlackBerries—they are cracking. Because nobody sits back and permits us to go off the reservation and not have a level of accountability. We are not permitted to do that.

So, I would just like to take us back to the attitude of saying that it is important to underscore that this motion will not automatically vitiate a contract! It will not! Will not! And I believe that the way that the

Opposition had, to a person, projected this Bill, it was as though everything that we want to do, that we are going to bring these contracts here. And even the little granny who has the hotdog stand with the 21-year lease is going to have her 21-year lease cancelled! Retroactively! It is not going to happen! It is rubbish!

If—if the corporation did things the right way, if all of their actions could withstand the necessary scrutiny of good governance, I am not going to believe that it could not. But in the interest of ensuring that the country has access to everything that is being done in this Honourable House and in any sphere in which their money and their concerns lie, we owe them a debt to ensure, Mr. Speaker, that they are considered and that they have full access to whatever information is required in order for them to make good decisions, in order for them to know that they are a part of our economy, in order for every one of them to know that we in this Honourable House are looking out to protect their best interests, notwithstanding what the Opposition has said.

I do not mind the scaremongering when you want to politic on little things. But when you want to come and start talking about big and important things, and come with the type of nonsense and rhetoric that we have heard, to a person, on that side today, I think we need to stand up and say, *Enough is enough!* Put the facts out. And let the facts state that this Government will continue to make those difficult decisions, irrespective of what the Opposition feel. We will accept constructive criticism—never been averse to that.

We actually had perhaps, notwithstanding all the rancour that has happened over time, we probably saw the best in terms of cooperation and collaboration earlier today, when the Opposition (I do not wish to reflect, but I just wish to refer for a quick second) chose to put a couple of amendments to the floor, and in retrospect, looked at the amendment and decided that it was inappropriate to advance a vote on their amendment, and therefore, they withdrew them. That was good collaboration. And that is the kind of spirit that we expect and that we need in this Honourable House. Not to do that this afternoon, and to come back tonight . . .

And I do not have a problem if they disagree with what we are trying to do with the Bill. That I do not disagree, that they have that right. You know, they are there. They are there to put their position forward. They are there to scrutinise that which we are doing. They are there to critique, and they are there to offer resolution. Their resolution was for us to take this away, to rise and report progress.

I do not see it quite that way. I see it as a matter of urgency, because we want to make sure that we have the ability to put our people back to work! And in order to do that, we just want to make sure that whatever agreements have been made, that we are not going to have them challenged somewhere else down the road. We want to bring them to this Honourable

House so that every single Member has the capacity and the ability to look at what is being tabled, to evaluate it for what it means to the people of Bermuda,—

The Speaker: You have one minute.

Hon. Patricia J. Gordon-Pamplin: —to vote on it with good conscience, and to ensure that we come up with the right and proper resolution. It is as simple as that, Mr. Speaker.

And I certainly hope, sincerely hope, that the Opposition will realise that everything we do on this side, there is nothing sinister about it. We are open. We are transparent. And we will continue to look out for the better good of the people of this country.

Thank you, Mr. Speaker.

[Desk thumping]

The Speaker: Is there any other Honourable Member who would care to speak?

The Chair will recognise the Honourable Deputy Speaker, Mrs. Suzann Roberts-Holshouser. You have the floor, from constituency 4.

Mrs. Suzann Roberts-Holshouser: Thank you, Mr. Speaker. It is good to stand up every now and then, especially when you have been sitting so long. I thought I would take this opportunity, before we go into Committee, which of course is the only opportunity that I get to speak.

I want to say, first of all, thank you very much for those individuals who . . . We have got the Mayor from the City of Hamilton present. I think throughout the day we have seen different aldermen and councilmen. I want to say thank you. Thank you for being here and spending the time in the House.

I also want to say thank you for your dedication, your dedication, be it in Hamilton or in the Town of St. George's. I would like to, if I may, focus more on St. George's because that is, of course, where I spend more of my time.

I can say that I have seen—

The Speaker: This really does not deal with St. George's, though.

Mrs. Suzann Roberts-Holshouser: The municipality of St. George's; sorry.

The Speaker: Yes.

Mrs. Suzann Roberts-Holshouser: The municipality. I have had the pleasure of being around many—

[Inaudible interjection]

Mrs. Suzann Roberts-Holshouser: I do. I am the gossip and the nag.

The Speaker: I know you love St. George's.

Mrs. Suzann Roberts-Holshouser: I will have to say. But I have seen councilmen out there watering their plants, putting in new plants. I have seen them . . . I have participated in storybook readings that they have had on weekends. This is out of their own time and from their own pocket.

And I am pleased to say, with the new Bill that we have in front of us, it is not for naught. Your dedication to the municipalities which you represent will now be recognised, be recognised with a form of money to say, not just, *You are doing a good job*. But to show the position has some form of accountability to it.

One of the things I was a little bit disappointed in, and of course I did have the opportunity to mention this in caucus, was that, while St. David's, of course, falls under the remit of St. George's, unfortunately, the people that are residing across the water do not have the opportunity to vote. However, of course, I was assured by the Minister in charge of this Bill that at least we could run if we choose to. So, while we cannot vote, we can actually run.

With that being said, some of the comments that I heard and have listened intently to throughout the day were about land grab. I think that that statement really pulled a little of my heartstrings. And the reason for that is that this part of history in Bermuda, we have seen—and I am not going to deny it, although I had nothing to do with it—land grabs. We have seen individuals lose what is theirs, lose what they have worked for, in fact, lose their livelihoods because where they lived, they had to move. And, of course, these are some of the people of St. David's. So, we understand what land grabs are.

We are not talking about land grab with the Bill that we have in front of us. Indeed, with the municipalities, what we are looking at is the reality that this land belongs to the people. It does not belong to a corporation. It belongs to the people of Bermuda. And woe be to anyone to think that they are above the people of Bermuda! And I think, through this Bill, that it is beneficial to the people of Bermuda that anything that we plan to do with their land for a period of 21 years or longer is brought to this very House so that the very people who have stood to their feet today to talk about why we should not pass this Bill will have an opportunity to speak to the issues that arise through each segment of the Bill, should contracts come available. It is not because we want to distract or deter. It is because we want to bring it in line with other facilities across the Island that have control and care of the people's land.

I think sometimes we forget that this is not about political parties. It is about the people! And this

is exactly what this Bill does. It takes, I think, care of the people's property, which is what we are supposed to do. So if you are looking at putting our reputation at risk, I think what we are doing here is ensuring that our reputation is not undermined, by bringing online the people's property.

One of the things I also would like to speak about is the word "democracy." I think we all can say that we support democracy. In fact, I was not quite sure, so I actually made a phone call. I was listening to my colleague, Member of Parliament, Glen Smith, when he was talking through his experience of being a common councillor in the City of Hamilton and how there were situations where you can have five common councillors and three aldermen and one mayor. Five common councillors may vote on one thing, but can be overruled by the three aldermen and one mayor. That does not sound like democracy to me. It does not. When you have five versus four? And then the five win out? You tell me what type of democracy that is.

So, I am sorry, Mr. Speaker. I just had to add those few words to what we have before us today. And I look forward to the remainder of this evening's conversations.

The Speaker: All right. Thank you, Honourable Member.

Is there any other Honourable Member who would care to speak?

The Chair will recognise the Honourable Minister of Public Works, Minister Trevor Moniz.

Minister Moniz, you have the floor.

Hon. Trevor G. Moniz: Thank you, thank you, Mr. Speaker.

This debate has been a long one. From the Opposition, we have seen a lot of histrionics. They have been . . . Or they have disappeared at the moment. They have whipped themselves into a frenzy, and they have gone down the route, in some cases, of racial theories, of conspiracy theories, of all sorts of strange behaviour. In some cases, they have even suggested that they have secret knowledge that is going to bring down the Government, and in the due course of time it will be revealed. If we do not behave in the appropriate way, they will pull out this secret weapon, and that will destroy everything that we know.

We get a little bit tired of that up here. And it is very bipolar behaviour. It is—

Mr. E. David Burt: Point of order, Mr. Speaker.

The Speaker: Honourable Member, withdraw that. Withdraw that "bipolar" statement, if you would. Honourable Member.

Hon. Trevor G. Moniz: I will withdraw that. I will withdraw that.

The Speaker: Thank you, Honourable Member.

Hon. Trevor G. Moniz: We hear some strange suggestions, you know, secret knowledge, *et cetera*. It is very strange stuff. And we see people whipping themselves up into a state of some excitement.

But what I saw was, I saw the PLP trying to defend the indefensible. I did not see . . . And that is why I was so interested when the Honourable Member Derrick Burgess on that side said that he thought the Corporation of Hamilton were doing a good job. And I asked if he would repeat that because he was the only one I heard say that. Maybe some other Members said it, but I did not hear it.

An Hon. Member: What did you think?

Hon. Trevor G. Moniz: I am going to tell you. Yes.

That rude gentleman is there. I am going to tell him a few things.

[Laughter]

Hon. Trevor G. Moniz: Mr. Speaker.

The Speaker: Speak, speak. Stay focused. Stay focused on the Speaker.

Hon. Trevor G. Moniz: Yes, yes, yes, yes.

But they did not try to stand up and defend it. They tried to present it as either some . . . that the new Act would be some failure of the grand principle of democracy. There was the interesting theory that the City of London was actually a country and not a city.

[Inaudible interjections]

Hon. Trevor G. Moniz: But they were putting forward all sorts of strange ideas. But they did not defend the behaviour of the Corporation of Hamilton. That is why I was very interested. They did not defend that. You know, I was interested to hear that in the last election when over 600 people were eligible to vote, there was a great lack of interest, and only over 100—I think 108 people—actually voted. And from the behaviour we have had, it is beginning to look like it was an experiment by the PLP which was, in fact, a failed experiment. It has not gone well.

It is not something in a sense that this Government do happily. You know, my own position that I have put to some of the Members is that it could have gone a different way. If people had behaved in a better fashion, it could have gone a different way. But that was not what happened. I mean, what concerns me . . . And it is interesting that the Members on that

side say to us, *Well, nobody is demonstrating against the legislation today. Nobody is interested. Nobody cares out there. Nobody.* And why is that?

Well, I think if you took a poll, I would venture that most people in this country are unhappy with the way in which the Corporation of Hamilton has been running its affairs in the past year. Most people are unhappy. And I did not see the Members on that side jumping up and defending it in their speeches today when they were given the chance. I would have thought they would have said, *Oh, they have done a good job! And even if they haven't, I'm sure they will do better.* What they seem to have done is to embarrass themselves through a series of missteps and misstatements and decisions, quite frankly, that were questionable.

It is not only the Government who were concerned about that. The Ombudsman also has an own motion investigation as to whether or not there have been maladministration in the Corporation of Hamilton. Unfortunately, they did not see their way even to be positive to cooperate with that, to say, *That is a good thing, and we will cooperate with it.* There was resistance there. And that gave greater concern to the people of Bermuda in the way in which the corporation is run.

Throughout the course of the year, it was not just the Government, but it is also the public [who were concerned]. When they were asked to reveal how certain decisions were made, they were very reluctant. They were extremely reluctant. And one wonders, well, what is there to hide? Why are they hiding from the sunshine of public scrutiny? Why would they hide from that? Why would they just . . . You know, the analogy was being used by the Honourable Leader of the Opposition about a card game. Well, it comes a point when you flop your cards on the table and you say, *Well, that's what I have, that's what I've done.* The corporation, unhappily, have been unwilling to do that. And that gives concern, not just to the Government, but to the people of Bermuda.

Therefore, really, we have had to take the hard decision, make the tough decision, as my honourable colleague, Pat Gordon-Pamplin, said, the Minister of Health. We have had to make some very hard decisions. And we know, we all know in this House that the PLP administration were looking at making the corporations into quangos, which would bring them directly under Government direction. They encompassed that. And they spent a lot of money investigating that.

Mr. Zane J. S. De Silva: Point of order, Mr. Speaker. Point of order! Point of order, Mr. Speaker! We—

The Speaker: Just a minute. Carry on.

POINT OF ORDER

[Misleading]

Mr. Zane J. S. De Silva: The Honourable Member is certainly misleading the House, Mr. Speaker. I can assure you we were not looking at making the corporation a quango—not!

The Speaker: All right. Thank you. Thank you, Honourable Member.

Honourable Minister, carry on.

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

That was certainly one of the options which were available.

Now, in this case here, the other spectre was, again it was on these . . . I liken it to the conspiracy theories of saying, *Oh, the political risk will increase*. Well, the submission from this side of the House is that the political risk factor for Bermuda has increased by having the Corporation of Hamilton that we have that is so opaque, that is so unpredictable, that lacks the obvious good governance that is required in the making of its decisions. And this is at a crucial time when the economy of Bermuda has been suffering for some years in a state of recession, and we are trying to encourage businesses to come here. And the decisions that are being made do not appear to bear scrutiny on the side of good governance.

That is why this legislation is being brought into place so that, in the case . . . and just to make it clear. We have had much discussion on it today, and my other colleagues have mentioned it, that if you get a lease that is over 21 years, it will have to come here to be examined. So that that lease may not proceed if this legislature, which includes those Members on that side, do not approve of it. That land is not expropriated to the Government. That lease is not expropriated to the Government. That lease is not handed over to somebody of anybody's choosing. If the lease is not able to go ahead because this legislature does not approve of it, then the land is still the corporation's land. And they can go about making an appropriate decision.

Mr. E. David Burt: A point of clarification, if I could, please.

The Speaker: You are giving a clarification?

Mr. E. David Burt: I just want to be clear that I heard the Minister just say that if we do not approve of something—

The Speaker: Honourable Member, you have got to listen to what people say. And then you get up and call a point of order if you do not think it is right. But are you going to sleep? Because you usually understand very clearly what people say.

[Laughter]

The Speaker: Honourable Minister, make yourself clear so that the Honourable Member can understand you.

Hon. Trevor G. Moniz: Mr. Speaker, I do not wish to waste the time of this Honourable House or the people of Bermuda. But I think I have tried to explain in clear and calm terms where this Government stands. I am willing to engage that Honourable Member in discussion outside of the House.

But, you know, we are taking the tough decisions, and we are making the right decisions for Bermuda. This is something which is supported by the people of Bermuda and which will be supported by the business community, who will be glad to see things put on a sound footing.

Thank you, Mr. Speaker.

[Desk thumping]

The Speaker: And thank you, Honourable Minister.

The Chair now recognises the Honourable Minister from constituency 31, the Learned Member, the Minister for Tourism.

Minister Shawn Crockwell, you have the floor.

Hon. Shawn G. Crockwell: Thank you, Mr. Speaker.

Mr. Speaker, once again, we have come to this Honourable Chamber and we have had to hear a barrage from the Opposition attacking individual Ministers, attacking the Premier of this country and attacking the integrity of this Government. We hear it time and time again. And I had no intention of speaking. But I have a responsibility as a Member of this Cabinet to get up and defend the honour of this Government and of the particular Ministers in this Cabinet.

I can inform the people of this country that the Minister responsible for this Bill before the House is a Minister who is committed and dedicated to ensuring that what occurs in this country is in the best interest of all Bermudians. And I can assure the people of this country that this Government, as articulated by the Minister of Health and by the Minister, the Honourable and Learned Member who just took his seat, that this Government is committed to ensuring that what we do is for the best interests of the country.

What is interesting, you know, I would accept some of the criticisms from this [former] Government if I believed it was sincere and genuine in relation to a particular piece of legislation. But the reality is we hear this same rhetoric, this same argument, the exact same argument every week! For every single Bill! Okay? They came up here and said the same thing about the Authority Act. They said the same thing about every Act we bring up here: *It is a noose around our neck*. Okay? Every week!

You know what, Mr. Speaker? You know what it is? It is the wishful thinking of the Opposition! The

Honourable Member, Mr. Lawrence Scott . . . I know, Mr. Speaker, and I apologise. I do not want to offend you, because I know you addressed the Honourable Member who calls this party the *One Bad Alliance*, he says. Well, you know what? The PLP has proven to be the Poor Losing Party.

Some Hon. Members: Ooh!

Hon. Shawn G. Crockwell: They are the Poor Losing Party, because from day one, from December 18th, the PLP have not accepted the fact that they lost the election!

[Inaudible interjections]

Hon. Shawn G. Crockwell: They lost the election! They are now sitting on that side. Get used to those seats, Mr. Speaker! Okay? They need to get used to those seats, because we have heard the Opposition Leader come here week after week, and talk about, *You only got 14 months*. Well, Mr. Speaker, he is running out of time. And just like the Minister of Finance had to come and get an extension for the SAGE Commission, he is going to have to adjust his timeline. Because 14 months is coming. And the One Bermuda Alliance will still be the Government.

And we hear him talking about how we are going to lose the next election, that every piece of legislation we bring up here is a noose around our neck and we are going to lose the next election. Well, guess what, Mr. Speaker? I heard that same thing before December 17th. Everybody on that side said it was impossible for the OBA to win the election. Well, guess what? Guess who is the Government, Mr. Speaker? Guess who is the Government?

And we heard time and time again that *We have drawn the red line. Don't cross this line! And now you've destroyed yourself! And we know the plan!* We are tired of that nonsense. And you know what, Mr. Speaker? This is the fact: The fact of the matter is they want to know why the people are not marching? That should tell you something!

[Inaudible interjections and laughter]

Hon. Shawn G. Crockwell: That should tell you something! You should wonder why is it that when you brought similar legislation, they marched up and down the streets? That should tell you something, Honourable Members! The people of this country have confidence in this Government. That is what it tells me, Mr. Speaker. Okay? So you want to wonder why they are not marching? It is not the message, Mr. Speaker. It is the messenger!

Some Hon. Members: Yay!

[Desk thumping]

Hon. Shawn G. Crockwell: It is the messenger! Okay? So, week in and week out, we have got to come up here and hear this foolishness.

Now, let us put some facts in the argument, Mr. Speaker. First and foremost, many of the changes that we are discussing today, not only were the corporations consulted, that was an incorrect . . . They said it multiple times. The corporations were consulted. But in addition to that, Mr. Speaker, many of the changes, and some of the salient changes, including the retroactivity clause, the Government was lobbied by members of those bodies! And they made the recommendation that we need a retroactivity clause. So we did not just do this on our own.

What is interesting is that we have a Minister who insisted on having public meetings. He had two public meetings. And yet, the Honourable Members still come here and complain because they did one on a Friday night. It is evident that they are going to complain no matter what we do.

But you know what, Mr. Speaker? We will come to this House, week in and week out. We know what the Opposition Leader is going to say. They are going to call us all kinds of names, *evil* and all sorts of stuff, talking about we are worse than North Korea, and all sorts of rhetoric. But we are going to come here, week in and week out, and we are going to pass legislation that is in the best interests of this country.

Mr. Speaker, the residents are protected in this Act. The residents have not lost their right to vote. And if there was to be an election today, I am advised, based on the structure that is in place, that the residents will have equal representation in the election.

Now, we have always maintained that taking the vote from those who are paying the taxes was not fair. We have always maintained that. So, it should not come as a surprise to the other side that, now that we are the Government, we are going to rectify that situation. But we have not taken anything from the residents! The residents have the right to vote in a municipal election.

Mr. Rolfe Commissiong: The Member is misleading the House.

The Speaker: I do not think so. He is not.

Mr. Rolfe Commissiong: I do.

The Speaker: How is he misleading the House?

POINT OF ORDER

[Misleading]

Mr. Rolfe Commissiong: He is misleading the House by the fact that he is saying that the residents have not lost anything. Certainly, they have lost something through the dilution of the franchise!

The Speaker: All right. Thank you. Thank you, Honourable Member.

Hon. Shawn G. Crockwell: Mr. Speaker, the residents maintain their right to vote in a municipal election. Their representation has not been lost. And they—

Mr. E. David Burt: Point of order, Mr. Speaker.

The Speaker: Yes.

POINT OF ORDER
[Misleading]

Mr. E. David Burt: The Honourable Members is misleading the House. To say that the residents have not lost their representation when they only have half of the representation on the council, as before they had the entire, is a complete falsehood.

The Speaker: Thank you.
Minister?

Hon. Shawn G. Crockwell: Mr. Speaker, I made the point clearly.

The Speaker: Make it clear.

Hon. Shawn G. Crockwell: That we never supported the withdrawal or the removal of the right to vote for those who are ratepayers. Okay? We did not support that. Now we are rectifying what we think was an inequity. And the Act continues to allow residents to vote! They have representation. Okay?

Now, whether or not . . . But you know, it is interesting. We hear chuckles. And there is this presumption on the other side that all ratepayers or business owners in town, somehow or other, are the white oligarchy. There are black businesses in Hamilton! There are black businesses in Hamilton! We make this assumption that somehow there is this clear demarcation that the businesses in Hamilton are at odds with the residents! And that feeds into the DNA of the Opposition.

I find it personally disturbing that everything that we do in this Government is viewed by the Opposition in a cynical way. It tells me something about how the Opposition thinks. We passed the Authority Act, and they think that somehow or the other we have now got a mechanism to give millions of dollars to our friends and family. Why would you automatically think that? That is how the Opposition thinks!

Now, today we are passing this Act, and all of a sudden, *It is a land grab*. Why would the Opposition automatically think that? Because that is how the Opposition thinks! That is how the Opposition thinks! Okay? That is all that they focus on, corruption and

cronyism. That is how they think! That is the first conclusion they draw. And I always wonder why.

[Inaudible interjections]

Hon. Shawn G. Crockwell: Yes, it is history. It is the history of the last 14 years, Mr. Speaker! That is the history!

[Cheers and desk thumping]

Hon. Shawn G. Crockwell: The last 14 years, that is the history. And so it is telling when everything that we do, they view it through the lens of something cynical and something corrupt.

Mr. Walter H. Roban: Point of clarification, Mr. Speaker?

Hon. Shawn G. Crockwell: I am not sitting down, Mr. Speaker.

The Speaker: He does not want to give in [to] a point of clarification.

Carry on, Minister.

Hon. Shawn G. Crockwell: Mr. Speaker, as it relates to retroactivity and as it relates to the position, which seems to be the most controversial issue in this Bill, the disposition of land . . . In fact, before I go into that, there is one other piece. Because I believe the Honourable Member who just took his seat referred to the fact that—again, the hypocrisy of the PLP, when we know they were considering subsuming the Corporation of Hamilton within Government. We know that! Turning the corporation into a quango-type entity.

And I am going to tell you how we know.

[Inaudible interjections]

Hon. Shawn G. Crockwell: No, I am going to tell the Honourable House how I know, Mr. Speaker. I am referring to a document dated August 2009, entitled *The Municipal Reforms: Government of Bermuda*, submitted by Hines Consultants and Trott & Duncan.

Now, the first thing I am going to say about this, because the Opposition kept beating me up over the fact that we hired MJM and they wanted to know if that was put out—

Mr. Walter H. Roban: Point of order, Mr. Speaker.

The Speaker: What is the point of order?

POINT OF ORDER
[Misleading]

Mr. Walter H. Roban: The Honourable Member is misleading the House.

The Speaker: How?

Mr. Walter H. Roban: Hines Consulting was not hired by the Government to do anything. They were one of the proposed bidders who put forward proposals. They were not whom the Government selected.

The Speaker: All right.

Carry on. Carry on, Minister Crockwell.

[Inaudible interjection]

Hon. Shawn G. Crockwell: I am not apologising. I am referring to a document that—

The Speaker: What is the document?

Hon. Shawn G. Crockwell: The document was a response by the Government for a Request for Proposal [RFP]. And it was produced by Hines Consultants and Trott & Duncan.

Now, the first question I want to ask is, Was this put out to tender?

Mr. Walter H. Roban: Point of order, Mr. Speaker.

POINT OF ORDER

Mr. Walter H. Roban: Is not the Honourable Minister supposed to know the answers? He is in the chair! He is asking myself [for] the answers? I gave the answer, Mr. Speaker!

[Inaudible interjections]

The Speaker: That is not a point of order, though.
Carry on.

Mr. Walter H. Roban: I gave the answer. I gave the answer.

The Speaker: Quiet down, Honourable Member.

Hon. Shawn G. Crockwell: On page 5 . . . No, I am going to refer to this particular document, which was put out by the Government. This was the Request for Proposal for this particular initiative.

“In pursuance of its municipal reform objective, the Government of Bermuda” (the then-PLP Government) “has issued a Request for Proposal which will be required to identify the relevant legislation, ordinances, regulations and other governing rules related to the municipalities that will require repeal; develop a simultaneous process for drafting any new legislation and/or regulations required to seamlessly absorb the operations currently performed by the municipalities . . .”

To absorb the operations. This is what the Government was seeking, to develop a process for drafting new legislation to absorb the operations, “identify the function and operations that would transfer from the municipalities to the Government of Bermuda.”

That would transfer from the municipalities to the Government of Bermuda, Mr. Speaker . . . “produce a plan with specific recommendations describing the process, sequence and timelines for the absorption of municipal functions”—

Mr. Zane J. S. De Silva: Point of order, Mr. Speaker.

The Speaker: Yes. What is your point of order?

Mr. Zane J. S. De Silva: He is misleading the House, Mr. Speaker.

The Speaker: How is he misleading? Just tell me how he is misleading the House.

Mr. Zane J. S. De Silva: He is misleading the House, Mr. Speaker, because he started off that statement by saying, *I'm going to show you that the former Government, we are going to make a quango*. He has been talking for about 45 seconds, and that is not true. So, if you are going to make that statement, let us [hear you] back it up.

And that is an RFP, Mr. Speaker! It is not a document that this Government—it is an RFP!

The Speaker: All right. Thank you. Well, he is reading from the . . . I agree. He said it is an RFP.

Mr. Zane J. S. De Silva: Right!

The Speaker: He did not say anything different.

Mr. Zane J. S. De Silva: So the document really is immaterial to this conversation!

The Speaker: So, there is no point of order, Honourable Member.

Mr. Zane J. S. De Silva: No, but it is immaterial! That document is immaterial!

The Speaker: Honourable Member, please. There is no point of order. He has indicated that it is an RFP. And I think that we . . .

[Inaudible interjection]

The Speaker: Absolutely! Absolutely! But he has indicated that it is an RFP. So, take it for what it is.

Hon. Shawn G. Crockwell: Mr. Speaker, [Thou] doth protest too much! This is a request from the [former]

Government. The [then-]Government was seeking this service. And the [then-]Government was looking for a plan to absorb the municipal functions within specific Ministries, departments and administrative entities of the [then-]Government of Bermuda!

Now, if the Honourable Member does not want to call that a quango, that is fine. But it was clear, it is clear by this document that the [then-]Government, the PLP Government, was considering taking over the municipalities! It is clear! It is in black and white, Mr. Speaker.

[Inaudible interjections and general uproar]

Hon. Shawn G. Crockwell: And I believe that if you were going to take over, what would have happened to the residents' vote then?

The Speaker: Hold on. Hold on.

Honourable Members, please. Please. All the noise, both sides, not just you, Honourable Member. It is not just you. So do not think I am just talking to you, Honourable Member.

An Hon. Member: Thank you, Mr. Speaker.

The Speaker: All right. All right.

Hon. Shawn G. Crockwell: Mr. Speaker, what would have happened to the residents' vote then? There would have been no vote. Yes, it was a hypothetical question, Honourable Member. Okay?

So, we just find it ironic that the [then-]Government, the PLP Government, was seriously considering, to the point where they spent a lot of money at looking at plans . . . They were considering, we have heard \$800,000. And that has been disputed here; it is probably \$799,999. But a considerable amount of money was spent on these initiatives, and we know that they were seriously considering taking over the municipalities. And yet, they come here, self-righteously talking about the residents' right to vote when they were going to take it away completely!

Mr. E. David Burt: Point of order, Mr. Speaker. Point of order. The Honourable Member is misleading the House.

The Speaker: Yes?

POINT OF ORDER

[Misleading]

Mr. E. David Burt: The Honourable Member is misleading the House. For him to get up and say that *We were going to take the right away completely*. Hold on a second. You said, *They were going to take the right away completely*, Mr. Speaker. We did not, and we

came here with a Bill. He can say whatever he wants about what may have happened.

The Speaker: I agree.

Mr. E. David Burt: But he should speak to the facts!

The Speaker: All right. Thank you.

Mr. E. David Burt: We did not do that.

The Speaker: Thank you. I think the Honourable Member is correct, Minister Crockwell.

Hon. Shawn G. Crockwell: Yes, Mr. Speaker. We know they did not do it. But we also know they were seriously considering it.

Now, Mr. Speaker, in closing, let me just say that the Members of the Opposition have been saying, time and time again, how this Bill is so frightening and this Bill is so damaging. What is frightening, Mr. Speaker, is the tone and the language that has been emanating from that side of the House since we won the election. That is what is frightening! Week in and week out, we have heard some scary stuff, some scary stuff from the Opposition, Mr. Speaker.

I have to say this, that then we hear some . . . They allude to the fact that they are interested in collaboration. But yet, they call us every name in the book, week in and week out.

Well, Mr. Speaker, this legislation is good legislation. This legislation is about accountability and good governance. This legislation is about the supreme body in this country having the authority to vet and approve major transactions that affect every individual in this country. I support the Minister who has sponsored this Bill. I support this Government for having the fortitude and the focus to get it done.

And you know what, Mr. Speaker? The Honourable Member, the Minister of Health, last week said something very important. Because we hear week in and week out about, you know, what is going to happen at the next election. And you know what, Mr. Speaker? We are not focused on the next election. That is all that the PLP sees. They are very good at worrying about elections. We are not focused on the next election, Mr. Speaker. We were elected to do the right thing. And, Mr. Speaker, we shall do the right thing.

Thank you, Mr. Speaker.

[Desk thumping]

The Speaker: Thank you, Honourable Minister.

There is no other Member to speak. So, the Minister bringing the Bill forward can now respond.

Minister Dunkley.

Hon. Michael H. Dunkley: Thank you, Mr. Speaker.

Some of my colleagues are saying, *Go straight to Committee*. And after the performances of my colleagues on this side recently, it might be a wise idea. But I have a couple of things that I want to say.

Mr. Speaker, I have listened since quarter to six tonight. The Honourable Member who just took his seat, Minister Crockwell, hit the nail on the head a number of times, as many of my colleagues have done. I have made notes as I have listened, Mr. Speaker. I have heard *communism, fascism, establishment, Forty Thieves, corruption, lies, race, yacht club, Mid Ocean, sink the country!, takeover Bill, OBA doesn't care, What would America think?*, Mr. Speaker.

Here is an Opposition, now across the 10 feet of the floor after losing the election in December 17th, and all they said about the Opposition before December 17th they are saying the same things about this new Government. Well, Mr. Speaker, as my colleagues have said very clearly, they need to understand the people spoke. And they must listen.

We have a job to do. And I do not care how much passion, how much volume they crank up in here, this Government is resolute in doing what we have to do. We are going to restore confidence in Bermuda again. We are going to track inward investment of capital. We will create jobs. And we will make Bermudians safe.

So, they can rack it up, pump it up. We are not going to back away. We will take it, and we will deliver, Mr. Speaker.

Now, there was one comment that really struck me, amongst all those adjectives and all that nonsense I heard. One comment that really struck me, I wrote it down. And I just thought for a couple of moments: *What would America think?* I think America has already made up their mind about Bermuda. Our best friend, our closest neighbour, has dealt with us for many years. They have been with us, supported us, through thick and thin. They have seen some good decisions we have made, and they have seen some bad decisions we have made.

Friends do not leave you without asking questions. So, what would America think? They would call this Government, because this Government would answer the call and answer the questions. Now, I am not going to go back and talk about what that Government did there, because I jotted down about six things: *What would the Americans think?* And the first thing that popped to my mind is the only one I will give. What would the Americans think about the Uighurs? I will let the people of Bermuda think about that: What would the Americans think about the Uighurs? When you have a Government that violates the Constitution, what would the Americans think about that, Mr. Speaker?

So you want to trot out all this nonsense they trotted out tonight. Just go back to our Constitution and think what we should do about that, Mr. Speaker.

Now, Mr. Speaker, because this is an important debate, I am still going to go over some of my points. I think it is important. I think we owe that to the substantive Minister who sits in another place and has done a lot of work to get this here today. Consultation, Mr. Speaker. The Members who sit on the other side have a lot to learn about consultation. And in spite of saying that, *The discussion was compressed . . .* I thought those two words were pretty cool, you know. *The discussion was compressed*. Come on, Mr. Speaker! When you advertise that you are going to have a couple of town hall meetings? That is not [compressing] any discussion, Mr. Speaker.

And clearly, the Opposition Member said, *Well, it was at five o'clock in the afternoon, when we were here*. Well, the Honourable Member who made that comment is not even here now. So he could have gone to that meeting if he wanted to. It is just talk, absolute talk, Mr. Speaker.

My honourable colleague who just spoke before me, he said that even members of the corporation had lobbied this Government to make those changes. *Discussion compressed?* Give me a break, Mr. Speaker. This Government listened. We consulted. And we act. We are not afraid to make those tough decisions, because we knew bringing a piece of legislation like this tonight, we would hear it from the Opposition. Because that is their job. That is fine. I have got no problem with that, Mr. Speaker. But we listen. And we will act.

Now, Mr. Speaker, MP De Silva made a few comments about, *Take us back 40 years*. And before I get into that, let me just say the MP De Silva talked about the last time there were challenges with the Corporation, and there was a march on this House, and there was an incident with his car. And I want to publicly say that I do not think anybody in this House would support the actions of those individuals. And I think the Attorney General spoke at that time about that, Mr. Speaker. So let us be very clear about that.

But, take us back 40 years, without substantiating everything about it? And, Mr. Speaker, if the [former] Government wants to show that their best intention is something other than divide-and-conquer, then they should put some actual meat on the bone and not just come up with fancy sounding adjectives to make a story, and not to just ramp up the volume. But there is no meat on the bone.

Now, Mr. Speaker, the Honourable Members, Furbert, who is not in his seat; the Opposition Leader, who is not in his seat; and the Opposition Member Roban, referred to the lack of comment by people and to the lack of people criticising this Bill, and no marches on the House. And as my honourable colleagues have already said, that speaks volumes. Because they must be comfortable with what is going on. Mr. Speaker, we know clearly—

Mr. Walter H. Roban: Point of order, Mr. Speaker.

POINT OF ORDER*[Misleading]*

Mr. Walter H. Roban: The Honourable Member is misleading the House on what I said. I specifically referred to the lack of comment from the respective corporations, not just people.

The Speaker: All right. Thank you, thank you.

Hon. Michael H. Dunkley: Mr. Speaker, I appreciate that clarification, but there were three people I referred to. So, they were all wrapped up in that.

But, Mr. Speaker, I find it quite interesting with all the bravado that we heard tonight coming from across the red carpet here, that other than a late letter delivered by the Corporation just as the debate started, there has been no other comment. I think we have to read into that, Mr. Speaker.

Because we know Bermudians are not afraid to speak up, not in this day and age. Bermudians will speak up. Bermudians will march. Even if there are only two or three of us, we will march. We are used to that. We have got a long history doing that. We have learned how to do it pretty good. We will call the talk shows. We will do everything we can.

So, for them to come here today and to question, for the Honourable Members to question why there is no kickback? I think you have the answer. As Minister Crockwell and others have said, the people trust us to do the right thing, and they support us in this. And you guys are going to have to get used to that.

Now, Mr. Speaker, the Honourable Attorney General dealt very clearly with the Good Governance Act. And I am quite surprised that not one of the Honourable Members in that side even referenced a piece of legislation which they enacted in October 2011. I am surprised even further, Mr. Speaker, by the fact that because it was enacted, it was never even looked at to see if people were falling in line with it. Two Members on that side have talked about the work that the corporation did. I think it was Honourable Member Burgess and the Honourable Member Blakeney. One of them said they are doing a great job. Well, we all have our opinions.

But, Mr. Speaker, if the Ombudsman is investigating maladministration and RFPs, there must be some concern about it. And I would have suggested that if the former Government had taken a look at the Good Governance Act and made sure that legislation that people in the Attorney General's Chambers had drafted and put countless hours into was enforced in the appropriate way, we would be in a better position, Mr. Speaker.

I am quite surprised they want to come up here and talk a lot of nonsense about the potential for lawsuit and exaggerate numbers—millions and mil-

lions of dollars, like that. Mr. Speaker, let me be very clear. This legislation calls for the leases to be tabled in this House. Let me also be very clear, Mr. Speaker, that no leases are being tabled tonight. And furthermore, Mr. Speaker, if there is any lease that is in compliance with the Good Governance Act, what do people have to worry about?

Now, good governance goes to the very heart of making sure things are done in the appropriate way. So, while I can appreciate that if you are on thin ice, you make a lot of noise and you have a rope to pull yourself to the edge of the lake. But, Mr. Speaker, at the same time, if you are the Government that has imposed legislation, you would at least look at it and make sure that it was doing what it is supposed to be doing. And do not cry Wolf that the next guy is going to do something worse.

The other thing, Mr. Speaker, that I think is very interesting about this is, here is a [former] government that has been crying Wolf all night. And the same [former] Government, in 2010, gave the Minister responsible for municipalities the authority over them. So, why are we not hearing criticism about that? Simply, because the Government gave the permission at that time. It was them. So, everything is cool. But because we are doing something, we are trying to move towards better governance all around Bermuda, they want to complain. Now, Mr. Speaker, you cannot have your cake and eat it, too.

Mr. Speaker, let me deal with voting for a moment. Opposition Members have said that this legislation is the re-introduction of the property vote. That comment is incorrect. This is a ratepayer vote, which I detailed clearly in my brief. You can spin what you want. But I have to just correct you.

Let me correct something else that the Opposition Members have stated incorrectly. In a municipal election, they are not Parliamentary elections. They are not Parliamentary elections. So the argument of one person, one vote does not hold. Because in municipal elections, a voter can have multiple votes. And you are also voting in a public authority. So, your argument just does not hold on that. It is not one man, one vote.

Now, MP Roban also talked about the number of voters.

An Hon. Member: Spurious, spurious, spurious.

[Inaudible interjections]

Hon. Michael H. Dunkley: MP Roban, in my brief, I covered the number of registered voters and ratepayer voters in both municipalities. There were 637 registered voters in Hamilton, 938 ratepayer voters. In St. George's, it is 1,216 registered residential voters and 227 ratepayer voters. We feel the new voting system is both fair and offers a unique balance.

A couple of other things to consider about voting, Mr. Speaker. The Opposition fails to acknowledge in any way that there are many ratepayers in the EE [Economic Empowerment] Zone. And currently, they lost their vote. In addition, Mr. Speaker, the Opposition has clearly stated tonight that they believe 28 per cent of the just over 600 voters who cast their votes in the last election, they believe it is fair for them to decide and to determine the fate of the entire capital city of Bermuda. Clearly, that is what the Opposition argued tonight.

And when you look at that, we heard one feeble argument about a low turnout. Mr. Speaker, we clearly know a low turnout in Bermuda is 75 per cent. We had 28 per cent in the capital election. That is not a low turnout. That is not a turnout, Mr. Speaker.

Another point that I think Members should consider is that if you took the time to examine the residential voters and the ratepayer voters in both municipalities, St. George's and Hamilton, and actually where they lived, you would clearly see that in both municipalities, a small number of concentrated voters in one area will control the majority. And their decisions could impact the council to focus on taking care of their area to the neglect of the other areas. Take a look at that, and you will see it clearly.

An Hon. Member: Yes, we took a look at it. Historically, we took a look at it.

Hon. Michael H. Dunkley: This unique balance of ratepayer and residential provides the opportunity where everyone can have the say and nobody will be overlooked in council decisions. I am happy to share some information with Honourable Members on that side to show them that that is the case. And this is all about getting the unique balance that is important as we move forward.

So, Mr. Speaker, there were a few questions that came during the general debate, and I think I have answered them, and my colleagues have answered them as we have gone forward. The one question the Honourable Member Burt mentioned was, How much would elections cost? I think you asked that about four hours ago? I have been told by the Parliamentary Registry that the estimated cost of the next election will be \$98,000, the same as the current cost. So there is no increase in cost.

So, Mr. Speaker, with that said, and with my enjoyment of debate and thank you to my honourable colleagues for support, I move that the Bill is now committed.

The Speaker: Thank you.

It has been moved that the Bill be committed.
Are there any objections to that?

There are no objections. At ten to twelve, we go into Committee.

[Pause]

House in Committee at 11:49 pm

[Mrs. Suzann Roberts-Holshouser, Chairman]

COMMITTEE ON BILL

MUNICIPALITIES AMENDMENT ACT 2013

The Chairman: Honourable Members, we are now in Committee of the whole [House] for further consideration of the Bill entitled the [Municipalities Amendment Act 2013](#).

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

Hon. Michael H. Dunkley: Thank you, Madam Chairman.

I would like to move Part 1, which would be clauses 1 through 12.

The Chairman: Please proceed.

Hon. Michael H. Dunkley: Thank you. Part 1, clauses 1 through 12 relates to the constitution of the corporations and to municipal elections.

Clause 2 provides for the commencement of Part 1.

Clause 3 inserts a new definition into section 1 of the principal Act.

Clause 4 repeals and replaces section 7 of the principal Act to provide that each corporation will consist of a mayor and eight councillors, and those five members constituted a quorum. It also makes provision, Madam Chairman, for an acting mayor in circumstances where the mayor is absent or unavailable, is incapacitated, resigns or passes away.

Clause 5 inserts new section 7A and 7B into the principal Act. Section 7A provides for fees to be paid to members of the corporation for attendance at meetings. And section 7B contains good governance measures under the section 7B(1) and section 7B(2). Madam Chairman, the corporations are required to submit to the Minister a Code of Ethics and Conduct and Meeting Guide, both of which the Minister will either approve, with or without modifications, or substitute if he considers the Code or Plan to be inadequate.

Subsection (3) allows the Minister to require proof that Government grants are used as directed. Subsection (4) requires a corporation to submit a Municipal Asset Management Plan, and subsection (6) provides for the Minister to assume temporary stewardship of a corporation infrastructure function or service in circumstances as set out. Subsection (7) applies the financial instructions to the corporation with necessary modifications.

Clause 6 replaces section 9 in the principal Act and provides for the next municipal election to be held in 2015, and every third year thereafter, and makes provision as to the closure of the register.

Clause 7 inserts new section 9A in the principal Act, which deals with the eligibility to vote.

Clause 8 amends section 9B of the principal Act to provide that the Municipal Order which modifies the Parliamentary Election Act 1978 may make different provisions for the different types of municipal elections.

Clause 9 inserts a new section 9C in the principal Act, which relates to the registration of business ratepayers.

And clause 10 repeals the Deputy Mayor Act 1935.

Madam Chairman, somebody is using a video camera in the Gallery.

The Chairman: Thank you.

Sergeant-at-Arms . . .

There is a rule and a policy that no video cameras or cameras or iPhones are allowed to be accessible for those members sitting in the Gallery. You may not be aware of that, as it is not written.

Thank you.

Minister?

Hon. Michael H. Dunkley: Thank you, Madam Chairman.

Clause 11 confirms that two sections of the Emancipation Act (which contained a property qualification for voting) have ceased to have effect and are repealed.

And clause 12 makes general consequential amendments in all enactments to replace expressions such as "alderman" and "common councillor," as these expressions will no longer be used.

Thank you, Madam Chairman.

The Chairman: Thank you.

Are there any Members that would like to speak to clauses 1 through 12?

The Chair recognises the Shadow Minister of Home Affairs. Mr. Walton H. Roban, you have the floor.

Mr. Walter H. Roban: Thank you very much, Madam [Chairman]. It is Walter Roban, not Walton. Thank you.

I wish to make comment on a couple of clauses as it relates to this. We have made it very clear, Madam [Chairman], that the clauses that incorporate 6, 7, 8 and 9 which deal with the creation of the business ratepayer classification of voter is offensive to us. It is not in keeping with the principles of democracy that we on this side subscribe to.

We appreciate that perhaps this is one of those areas that is just going to be clear blue water

between us and the Members of the Government. We understand what the Government is attempting to do. We have heard from the Honourable Minister who is carrying this Bill that somehow this is not a return of the previous votes. But in essence, it is. It is a return of a vote classification that is based on commercial rights and property rights, not just on universal franchise and a person resident in the vote.

So, irrespective of what the Minister has said and how [clauses] 6, 7, 8 and 9 bring that particular classification of vote into this, it creates three areas of voting, a mayoral vote, a business ratepayer vote and a residential vote.

We stand by our position, which is classified in clauses 6, 7 and 9, that this is not what we would appreciate. And irrespective of, we understand what the Government is trying to accomplish with this particular provision, they are bringing back, in our view, something which was removed, that it is a dilution of the voting rights of the citizens who live there. They now have to essentially share a proportion of their voting strength with a group, some of which do not necessarily live in the area that is the corporation.

We do not see this as corresponding with the universal principles of the franchise. We made the changes in the 2010 Act because it enhanced the voter and participation of those who live in the corporations, of which there were nine.

Arguments have been put as relates to these particular clauses, well, one of the reasons that the Government is changing this complexion of the voting process is because there was so little participation by persons in the last, particularly, I guess, Hamilton being their example. Well, it was the first time. Perhaps, as is the case, the more you do something, you get more comfortable with it or you get more used to it. That people perhaps were just appreciating the value of that level of participation in the process. They were new. Many of the people who became even representatives in the corporation were people who had never participated before. So there was a newness to it. And just these couple of years on, the Government is feeling that the low turnout is a rationale for a dilution of the vote? That is not a credible argument, in our view.

But we have made our points clear. We understand the Government's position. But as it relates to [clauses] 6, 7, 8 and 9 and the creation of this business ratepayer, we are not for it. And the arguments that we have heard from the Minister and the respective Members on the Government [side] just are not satisfactory to us. But we just wanted to clarify our position on this. And we had contemplated putting amendments. But we have decided not to. We have issues with the Act in general. So, why amend something that is, from our principles, flawed in the first place? You cannot, you know, change something into something that it can never be.

So, those are our comments, my own comments, on [clauses] 6, 7, 8 and 9 of this particular

[Act]. And we just hope the Government does consider those arguments. Thank you.

The Chairman: Thank you.

Are there any other Members?

Thank you. The Chair recognises the Shadow Minister of Finance, Mr. David G. Burt. You have the floor.

Mr. E. David Burt: Thank you, Madam [Chairman].

I just want to make sure that I go on record as not supporting this. I did in the full House, but I think what is also important is to note that, although the Government continues to say that the residents will get an equal share, it is clear that because of, in the Corporation of Hamilton, that the council will technically have nine members and five of them will be dominated by the business vote and only four of them will be dominated by the residential vote, that means that the business vote will always win out. And I think it is very clear to note.

We are not doing amendments, but I would actually ask if the Government would consider, in the simplest form, of making sure that the mayor, at least, was directly elected only by the people and not by the business vote. So at least there would be some semblance of democracy.

But as I said, we are not offering any amendments. I just want to put that on the table. This is a flawed Bill. It is a reverse of democracy. It is rolling back of progress, and it is a very sad day for this country. Thank you.

The Speaker: Thank you.

Are there any Members?

Thank you. The Chair recognises the Shadow Minister of Home Affairs. You have the floor.

Mr. Walter H. Roban: One of the other concerns . . . I am sorry, Madam Chairman.

The Chairman: No. That is fine.

Mr. Walter H. Roban: One of the other concerns we have, which I think we would have . . . which was not in any way addressed by the Minister in his submission, but particularly to this issue that is created by [clauses] 6, 7, 8 and 9, is that there was no wider consultation directly with the voters themselves who are going to be impacted by this particular provision.

I hear, I know that there were meetings held, and perhaps those that held the meetings felt that it was voluntary for them to come and gain some sort of information on what has happened.

But perhaps some of the concern that we are expressing is that those who live in the Corporation who are specifically going to be impacted by what changes these four [clauses] (6, 7, 8, and 9) bring

were not directly themselves consulted in a certain way by the very Government that is bringing this.

So we understand what the Government is attempting to, like I said, again, with these changes but in the spirit of wider consultation and transparency, we just do not feel that that has been abided by this. This is going to change the relationship specifically that those voters who had just received the opportunity to directly participate fully in the election of the governing body of the Corporation of Hamilton will now be diluted and they are going to lose something irrespective of the hybrid, the explanation about this hybrid, proportional representation model. I do not think this takes place anywhere else in the world where we have this sort of configuration.

Clearly, the Government cannot show us where this has worked anywhere else, but we shall see what happens after this as it actually comes into play in 2015.

Thank you.

The Chairman: Thank you, Member.

Thank you. The Chair recognises the Shadow Minister of Workforce Development.

You have the floor.

Mr. Rolfe Commissieng: Thank you Madam Chairman.

I am just echoing the comments of my colleague, Shadow Minister of Home Affairs, and [will] reference the same clauses in terms of the ratepayers. Again, I want to reiterate that this seems to me to be an attempt by way of the back door to legislatively restore a sense of privilege and entitlement to the upper echelons of the city's establishment in a way that subverts the democratic culture—that recipient democratic culture—that was beginning to take root.

I am very disturbed that particularly—with respect to our Premier and others—we should, in my opinion, be more sensitive to this issue but none of them stood up to ensure that we do not roll back the clock with respect to the city's franchise to the 1950s.

I think that the franchise that they are proposing here does, as I mentioned earlier, dilute the rights in terms of voting rights and the power of that community in the back of town, again, on behalf of groups that are obviously allied, privilege groups with the Government. I would ask once again for the Government to take a rethink on this proposal.

The Chairman: Are there any other Members that would like to speak to clauses 1 through 12?

The Chair recognises Mr. T. E. Lister, Sandys South, constituency 33.

You have the floor.

Hon. Terry E. Lister: Thank you, Madam Chairman.

Clause 5 . . . I think it must be on page six . . . this is the clause that talks about the Corporation's

infrastructure and services being taken over by the Government. I have a lot of discomfort with this.

The reasons, the terms and conditions never refer . . . this is the only reference as far as I can tell in this one paragraph. So when you read through it simply says that if the Minister believes that it is in the public interest for the Government to temporarily assume stewardship of a corporation's infrastructure, function or service then he will go to Cabinet, present it, if the Cabinet accepts it then it will move in that direction. How long this will go on for? We do not know. What would cause it? We do not know. You know, when I think of infrastructure . . . if we are talking about buildings and things like that, I would encourage the Government not to go anywhere near the Corporation's buildings on the basis that money is limited and we have Government buildings that need attention.

I have been particularly concerned, as you will know Madam Chairman, about the old cottage hospital which was last used by the prisons as their headquarters, now sitting vacant. Not a good thing. We know what happened under the PLP with regard to Tuecar House for instance, which is an absolute disaster today. So rather than be idiots, so rather than biting off something else that cannot be chewed, I think Government should really focus on what it has and try and get that sorted out as soon as possible.

With regard to services . . . let us take a service. Government needs to be sure that all of its services function properly before looking at somebody else's. I think I can speak for many Bermudians who can tell you that on many occasions [there is] no trash pickup. Put the trash out on Monday in my area, it will get picked up on Wednesday—sometimes. So we do not have that one mastered by the Government yet.

But if the Corporation does not get the trash picked up are we going to take the Corporation's trash over? Are we going to take that on? If we take over these services on a temporary basis, at what point does the ownership of the people transfer over? In other words, if my service is going to be directed by the Minister of Works or by the Permanent Secretary in Works and he is going to tell my team what to do, is my employer now Works? Or is my employer still the Corporation? All of those considerations become part of the problem.

As I said, for the life of me, I cannot appreciate why the Government would be in the least bit interested in getting involved in this. It makes no sense to me.

Madam Chairman, on page nine, clause 9C(2), this is one for clarity. We can all guess what it means, and we can all claim whatever we want but I was always taught that lawyers work really hard just to get it right. So here it comes. "The Secretary of a Corporation" (meaning St. George's or Hamilton) "and the Parliamentary Registrar may request such information from the Tax Commissioner as he believes necessary

to compile and keep the business ratepayers' register up-to-date, and the Tax Commissioner shall furnish him with such information."

Who is the "he" and who is the "him"? because it says the Secretary and the Parliamentary Registrar. Really it should be saying "they" or "them." It certainly cannot be "he" or "him." So just a simple little thing, but it is incorrect to write it this way and, as I said, the lawyers have always told me that they want it right. So if they want it right, they need to do something with that.

Moving on to page 11, clause 10. Clause 10 blows me away. I really do not have an appreciation of why we do not want a deputy mayor anymore. The Corporation of Hamilton has been going since 1790 they claim. The Corporation of St. George's probably started long before that. There is a structure that has worked for 300 years and 200 years and all of a sudden we feel the need to repeal the Deputy Mayor Act 1935. I would like the Minister carrying this Bill to give us an appreciation for why this is necessary, why the Corporation . . . and, as you see in the earlier clauses, clause 5, we have to talk about who is going to be in charge when the mayor is not there. One of the councillors will be selected out of the other councillors and if something important is done, people sign councillor acting as mayor or some such thing. Why not a deputy mayor? What is this all about?

Thank you.

The Chairman: Are there any other Members that would like to speak to clauses 1 through 12?

There are no Members.
Minister?

Hon. Michael H. Dunkley: Thank you, Madam Chairman.

In connection to the question posed by the Honourable Member who just sat down, the Member from the West End of the Island, in regard to clause 6 [there are] two points I want to make here, Honourable Member. The first point is that I accept that some of the comments you have to say, but when we are looking at the City of Hamilton as our capital, if things are not going right, we need to deal with those types of challenges. But the most important part of that clause is it is a temporary function that would be taken over just to get it to a position where you would want it to be.

In regard to the comment about a mayor, simply with an organisation this size we feel very comfortable with eight councillors and a mayor that that is sufficient to run the business in a very effective and efficient way.

So, Madam, I would like to move—

The Chairman: Are there any other Members that would like to speak to clauses 1 through 12?

Member?

Hon. Terry E. Lister: I heard the Minister say we feel comfortable. Well, so what? What do the corporations feel? It really is not what the Government feels on this. If the corporations have had a mayor and a deputy mayor for several hundred years and the consultation process, which I am going to say happened, I am going to vote that it really happened, . . . in that consultation process I have a hard time accepting that the members in the St. George's Corporation and the members of the Hamilton Corporation looked across at the Minister and said, *Right, we do not need a deputy mayor! We are okay! Yes, let us go this way.* I do not accept that. So I need something better than that, if possible.

The Chairman: Thank you.

Any other Members would like to speak to clause 1 through 12?
Minister?

Hon. Michael H. Dunkley: Thank you. I will move on the Part 2?

[Inaudible interjections]

Hon. Michael H. Dunkley: I already answered it before, and you said there was consultation and I have been informed by the Minister involved that the corporations were agreeable to this type of change. Maybe not all of them—

[Inaudible interjections]

Hon. Michael H. Dunkley: Maybe not all members.

[Inaudible interjections]

An Hon. Member: We can't trust what they said.

Hon. Michael H. Dunkley: Honourable Member, I ask the Opposition Leader to retract that comment when he said that you cannot trust what a Minister of this Government says—that comment should be retracted!

The Chairman: Member, I did not actually hear it.

[Inaudible interjections]

The Chairman: I honestly did not actually hear it. You have my full attention.

Now, Member, I would—take a seat, please. I would ask that as we go through the late hours we will proceed smoothly.

Thank you. Minister?

Hon. Michael H. Dunkley: I am in your good hands, Madam Chairman.

But if the Honourable Member, the Opposition Leader, wants to spout trivial trash, I will deal with it. If he wants to shout insults, I am not backing down from it.

The Chairman: Well, we are not going to have any of that.

Hon. Michael H. Dunkley: He has a respected position, he should act—

[Inaudible interjections and crosstalk]

The Chairman: Member! Member!

[Gavel]

The Chairman: I will have respect regardless of the hour. We will not be calling individual's names. We will respect the positions that people of Bermuda have put us in to.

Minister, will you continue to speak?

Hon. Michael H. Dunkley: Thank you, Madam Chairman.

We must have had some bird seed a little earlier, huh?

An Hon. Member: Mm-hmm.

Hon. Michael H. Dunkley: I would like to move on to Part 2, clauses 13 [through] 15.

The Chairman: [Clauses] 13 through 15.
Minister, you have the floor.

Hon. Michael H. Dunkley: This relates—

An Hon. Member: Excuse me?

Mr. Rolfe Commissiong: Chair?

[Inaudible interjections]

Mr. Rolfe Commissiong: Chair? I had a—

Hon. Michael H. Dunkley: I thought we had moved on to [Part] 2.

Mr. Rolfe Commissiong: What do you mean? I was trying to get her attention.

[Inaudible interjections]

The Chairman: I am sorry. We did actually move—

[Inaudible interjections]

The Chairman: —but Minister if you would . . .

I would like to entertain your question.

Mr. Rolfe Commissiong: Thank you, Madam Chairman. Only that the Minister and some of his colleagues keep mentioning the fact that corporations were consulted.

I can speak quite confidently and reliably that the Corporation of Hamilton (they were only speaking of one elected member, not the corporation formally) had any presentations on the part of the Minister in this regard. One member of a corporation does not the corporation make, in other words.

The Chairman: Thank you, Member.
Minister?

Mr. Rolfe Commissiong: Can you confirm that you met with the whole Corporation of Hamilton on this matter?

Hon. Michael H. Dunkley: I did not meet with anybody. I am not the substantive Minister.

Mr. Rolfe Commissiong: But you have been making the claim here this evening.

[Inaudible interjections]

Mr. Rolfe Commissiong: One member does not a corporation make.

The Chairman: Member? You have—

[Inaudible interjections]

The Chairman: Minister?

[Inaudible interjections]

Hon. Michael H. Dunkley: Madam Chairman?

Mr. Rolfe Commissiong: Can you ask the Minister for the answer to that?

Hon. Michael H. Dunkley: Madam, who is on their feet?

The Chairman: Well, both of you are actually right now.

[Laughter]

The Chairman: If you would like to take your seat for a moment.

Member, I think you have concluded with your question. Am I correct?

You have asked your question?

Mr. Rolfe Commissiong: Only that the Minister is in the House and he can consult with the Minister to get a response, I would appreciate it.

The Chairman: You have asked your question.
Thank you.

Mr. Rolfe Commissiong: Thank you.

The Chairman: The Chair recognises the—

Hon. Mark J. Pettingill: There was the attempt to [have] inclusiveness. The Corporation was invited to come to a meeting with the Minister to discuss these very issues. The mayor came, as I understand it, with the secretary. That is their choice. If the invitation is made and you choose not to come and you miss the party, you miss the party.

[Inaudible interjections]

Hon. Mark J. Pettingill: If they are away, they are away. But they were invited. The mayor came with the secretary. That is consultation.

[Inaudible interjections]

The Chairman: Are there any other Members that would like to speak to clauses 1 [through] 12?

There are no other Members that would like to speak to [clauses] 1 through 12.

We are now moving on.
Minister?

Hon. Michael H. Dunkley: Part 2, Madam Chairman.

The Chairman: [Clauses] 13 through 15.

Hon. Michael H. Dunkley: [Part 2,] Clause 13 amends section 20 of the principal Act. New subsections (1A) and (1B) require the corporations to submit in draft to the Minister any agreement for the sale of land or any lease or other disposition longer than 21 years, and any related agreement. New subsection (1C) provides that if such agreements are entered into without being approved by Cabinet and the Legislature they will be void *ab initio*.

Clause 14 applies to agreements made by the corporation for the sale of land and any lease or other disposition longer than 21 years made since the last municipal election on 1 January 2012. Any such agreement will be void *ab initio* if not submitted to the Minister and approved by the Legislature. Provision is made for persons aggrieved by the voiding to apply to the Minister, and for arbitration of disputes with an appeal to the Supreme Court.

Clause 15 provides for commencement of Part 2.

The Chairman: Thank you. Are there any Members that would like to speak to clauses 13 through 15?

Please proceed, Minister.

Hon. Michael H. Dunkley: Part 3, clauses 16 through 18 relate to powers and duties of the corporations.

Clause 16 amends section 37 of the principal Act to provide that guarantees made by the corporation and approved by the Legislature do not fall within the statutory borrowing limit (which is set at \$20 million for the Corporation of Hamilton and \$1 million for the Corporation of St. George's).

Clause 17 amends section 38 of the principal Act by substituting subsection (3) which applies conditions to the making of ordinances by the corporations. Ordinances must be submitted in draft to the Minister and the Attorney General and will be subject to parliamentary procedure. Paragraph (d), which applies the affirmative resolution procedure to ordinances levying wharfage, port dues, taxes et cetera, was repealed by the Municipalities Reform Act 2010 and is now re-enacted. All other ordinances will be subject to the negative resolution procedure. The Minister is given a general power to amend or repeal ordinances. Any ordinances made or purported to be made before commencement which were not made in accordance with the Statutory Instruments Act 1977 are declared to be null and void.

Clause 18 provides for commencement of Part 3.

The Chairman: Thank you. Are there any Members that would like to speak to clauses 16 through 18?

Thank you. The Chair recognises the Shadow Minister of Home Affairs.

You have the floor.

Mr. Walter H. Roban: Madam Chairman, we do not have any questions, and we are not feeling that we are getting satisfactory answers for the ones that we are addressing, so we can move forward.

The Chairman: Thank you, Minister.

Hon. Michael H. Dunkley: Part 4 (clauses 19 to 24) restore the power of the corporations to collect wharfage and port dues.

Clause 19, subsection (1) repeals sections 5 and 11 of the Municipalities Reform Act 2010 which repealed the power of the Corporations of Hamilton and St. George's to levy wharfage and port dues and repealed various enactments in consequence. Subsection (2) provides that, notwithstanding section 14 of the Interpretation Act 1951 (which provides that the effect of the repeal of an enactment which itself repealed another enactment is not to revive that other enactment), the various provisions and corporation ordinances repealed by sections 5 and 11 are expressly revived with effect from 1 April 2014 or such

later date as the Minister may, on or before that date, appoint by notice published in the Gazette, and are set out in Schedules 1 and 2.

Clause 20 amends the Customs Tariff Act 1970 to repeal section 2(3) inserted by the Customs Tariff Amendment Act 2011, which introduced a 1.25 per centum duty in lieu of wharfage in consequence of the repeal of the power of the municipalities to levy wharfage. The Eighth Schedule which contained exemptions is also repealed, and a consequential amendment is made to section 12(1).

Clause 21 amends section 31 of the Municipalities Act 1923 (revived by section 2) to provide for exemptions to wharfage for goods specified in the new Third Schedule which re-enacts (with amendments) the exemptions previously listed in the Eighth Schedule to the Customs Tariff Act 1970 (repealed by clause 20). The Minister of Finance is given power to amend the list, by order subject to the negative resolution procedure.

Clause 22 inserts section 2A into the Corporation of St. George's (Dues on Air Freight) Act 1952 (revived by clause 19 and set out in Schedule 2) to apply the exemptions listed in the Third Schedule to the Municipalities Act 1923 (inserted by clause 21).

Clause 23 makes a consequential amendment to the Revenue Act 1898 by repealing section 52(2) (which related to duty in lieu of wharfage).

Clause 24 provides for the commencement of Part 4.

The Chairman: Are there any Members who would like to speak to clauses 19 through 24?

The Chair recognises the Shadow Minister of Home Affairs.

You have the floor.

Mr. Walter H. Roban: We have no further questions to those areas, Madam Chairman. We are not getting answers that we are happy with so, again, the Minister can move on.

The Chairman: Thank you.
Minister?

[Inaudible interjections]

Hon. Michael H. Dunkley: I move clauses 1 through 24, as printed.

The Chairman: It has been moved that clauses 1 through 24 be approved, as printed.

Are there any objections to that motion?

Thank you. The Chair recognises the Shadow Minister of Health and Seniors—

An Hon. Member: He sat down.

The Chairman: You sat back down again?

[Inaudible interjections]

The Chairman: It has been moved that clause 1 through 24 be approved.

Are there any objections to that motion?

Some Hon. Members: Yes.

[Crosstalk]

The Chairman: We can do the Schedules separate—

[Crosstalk]

The Chairman: You want to do the Schedules now?

[Crosstalk]

The Chairman: We will do the Schedules now. Minister?

Hon. Michael H. Dunkley: I move the Preamble and the Schedules—

The Chairman: No, we are just going to do the Schedules 1 and 2.

Do you want to talk about them?

Are there any Members that would like to speak to Schedules 1 and 2?

There are no Members that would like to speak to Schedules 1 and 2.

Minister, we will now pass the clauses and the Schedules together.

Hon. Michael H. Dunkley: I would like to pass the clauses and the Schedules together.

The Chairman: It has been moved that the clauses 1 through 24 be approved with the Schedules.

Are there any objections to that motion?

Some Hon. Members: Yes.

The Chairman: Those in favour, say Aye.

AYES.

The Chairman: Those against, say Nay.

NAYS.

The Chairman: We see more than three Members have stood, we will call names.

The bell will ring.

[Pause for the ringing of the bell]

The Chairman: The doors will be locked after two minutes.

[Pause]

The Chairman: A minute and a half.

[Pause]

The Chairman: One minute.

[Pause]

The Chairman: Time is up. Doors will be locked and we will now proceed to call names.

The Clerk:

DIVISION

[Municipalities Amendment Act 2013, clauses 1 through 24]

Ayes: 16

Mrs. Jeanne J. Atherden
Hon. L. Craig Cannonier
Hon. Shawn G. Crockwell
Hon. Michael H. Dunkley
Hon. P. J. Gordon-Pamplin
Mrs. Susan E. Jackson
Hon. Trevor G. Moniz
Mrs. N. Outerbridge
Hon. Mark J. Pettingill
Hon. E. T. (Bob) Richards
Hon. Sylvan D. Richards, Jr.
Hon. Leah K. Scott
Hon. R. Wayne Scott
Mr. N. H. Cole Simons
Mr. Glen Smith
Mr. Jeff Sousa

Noes: 15

Hon. Marc A. R. Bean
Mr. Glenn A. Blakeney
Mr. D. V. Burgess, Sr.
Mr. E. David Burt
Mr. Rolfe Commissiong
Mr. Zane J. S. De Silva
Ms. Lovitta F. Foggo
Hon. Wayne L. Furbert
Hon. Dennis P. Lister
Hon. Terry E. Lister
Hon. Walter H. Roban
Mr. W. Lawrence Scott
Hon. Michael J. Scott
Mr. Michael A. Weeks
Mrs. Kim N. Wilson

Abstained: 1

Mr. Kenny Bascome

Absent: 2

Mr. Walton Brown
Dr. E. Grant Gibbons

[Pause]

The Chairman: The results are the Ayes have it at 16 and the Noes were 15.

[Desk thumping]

[Motion carried by majority on division: Clauses 1 through 24 with the Schedules passed.]

The Chairman: Minister, if you would move the Preamble.

Hon. Michael H. Dunkley: Madam Chairman, I move the Preamble.

The Chairman: It has been moved that the Preamble be approved.

Are there any objections to that motion?
Agreed to.

[Gavel]

Hon. Michael H. Dunkley: I move that the Bill be reported to the House.

The Chairman: It has been moved that the Bill be reported to the House, as printed.

Any objection to that motion?
No objection.
Agreed to.

[Gavel]

The Chairman: The Bill will be reported to the House as printed. Thank you.

[Motion carried: The Municipalities Amendment Act 2013 was considered by a Committee of the whole House and passed without amendment.]

House resumed at 12:29 am

[Hon. K. H. Randolph Horton, Speaker, in Chair]

REPORT OF COMMITTEE

MUNICIPALITIES AMENDMENT ACT 2013

The Speaker: Members, that is the Second Reading of the Municipalities Amendment Act 2013.

The Second Reading has been approved and we move now to the next order on the orders for the day, Order No. 4, the Corporation of St. George's (UNESCO World Heritage Fund and Levy) Act 2013 and this, too, in the name of the Minister of Public Safety, Minister Michael Dunkley.

Minister Dunkley, you have the floor.

Hon. Michael H. Dunkley: Thank you, Mr. Speaker.

I move that the Bill entitled the Corporation of St. George's (UNESCO World Heritage Fund and Levy) Act 2013 be now read a second time and be committed.

The Speaker: Thank you, Minister. Are there any objections to that?

Minister, please carry on.

BILL

SECOND READING

CORPORATION OF ST. GEORGE'S (UNESCO WORLD HERITAGE FUND AND LEVY) ACT 2013

Hon. Michael H. Dunkley: Thank you, Mr. Speaker.

Mr. Speaker and Honourable Members of this House, I rise this morning to introduce the Bill entitled Corporation of St. George's (UNESCO World Heritage Fund and Levy) Act 2013.

Honourable colleagues will know of the historical significance of St. George's. The town in all measurable terms is where Bermuda first began. In December 2000, Bermuda's historic Town of St. George's and related fortifications were designated a World Heritage Site by the United Nations Educational Scientific and Cultural Organisation (UNESCO) in recognition of outstanding value.

The historic Town of St. George's is one of nearly 1,000 World Heritage Sites on the list of 145 countries on the UNESCO list. The UNESCO website described the Town of St. George's as an outstanding example of the earliest English urban settlement in the New World. Its associated fortifications graphically illustrate the development of English military engineering from the 17th to the 20th century being adapted to take into account the development of artillery over this period of time.

Mr. Speaker, Bermuda has long struggled to maintain its World Heritage Site to the standard that is set out in the criteria associated with the designation and to effectively leverage the site in the best interest of Bermuda. The UNESCO World Heritage Fund and Levy Act 2013 arises out of a policy decision to modernise the Government structure around various aspects of the care and maintenance of parcelled land that falls within the municipalities. The Municipalities Amendment Act 2013 requires the establishment of an asset management plan. Such a plan is intended to aid in planning, maintenance and long-term management of municipal assets.

Unique to St. George's is the World Heritage Site. The UNESCO World Heritage Fund and Levy Act 2013 seeks to establish the UNESCO World Heritage Fund to be administered by the Corporation of St. George's for the specific purpose of maintaining, developing and promoting the UNESCO World Heritage Site. As part of the establishment of the fund, there are various provisions that address the financial management and reporting related to the fund.

The most notable provision set out the source of the funding that will be the levy which shall be collected on petroleum products under the first schedule of the [Customs Tariff Act 1970](#) from the specific location of the Oil Docks, St. George's. The levy of one-quarter of a cent per litre on oil imports is a minimal increase and we realise in tough times an impact will be felt. However, this will provide much-needed fund-

ing to help revitalise the Town of St. George's into a centre that Bermuda can be proud of.

Mr. Speaker, it is acknowledged that any measures that result in even the slightest increase in cost during these economic times creates an atmosphere of tension and impacts all consumers. But this Government is not about to let the east end or anywhere else on the Island slide even further.

We must arrest the tough times at St. George's and we will reverse the decline here and Island-wide. That was our commitment in 2012 before the election and we are making the tough decisions and we will deliver on that promise. We will restore and we will rebuild Bermuda.

It should be noted that there was a period when the Corporation of St. George's collected wharfage from the oil companies directly. This practise was discontinued several years ago. This Act provides for a new levy that will be set aside for the specific purposes of ensuring that Bermuda's World Heritage Site gets the necessary financial support and the attention that is in the best interest of the people of Bermuda. Care will be taken to ensure there are no missteps associated with the implementation of this fund. There is a commencement day order provision and the Act will not come into force until such time that a full analysis has been undertaken by the Ministry of Finance and work has been done to reconcile outstanding matters with the oil companies.

It has already been established that there will be certain tax exemptions, and such exemptions will be set out prior to the launch of the UNESCO World Heritage Fund. This Government is committed to making this fund a success—not only for St. George's but for Bermuda's tourism product as a whole. We have incorporated the necessary good governance, transparency and oversight requirements into the Bill to ensure that these funds are used accordingly.

Mr. Speaker, this concludes my brief presentation of the Bill entitled the Corporation of St. George's (UNESCO World Heritage Fund and Levy) Act 2013, and I invite Honourable Members to participate.

The Speaker: Thank you, Minister Dunkley.

The Chair now recognises the Shadow Minister for Finance, MP Burt.

You have the floor.

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

I will hope to be as brief as the Minister was, but I find it very interesting that in the Minister's brief he said an impact would be felt. Now, because it is material to my presentation, what I will do is . . . I will please ask the Minister if he could . . . I do not mind yielding but I am just hoping that he could say when he says that an impact will be felt, is he then saying that it is going to be passed on to the consumer?

I will yield if he . . . because he did not make it clear during his Statement and I do not want to go off on the wrong track.

The Speaker: All right.

Mr. E. David Burt: So I will just ask if he can—

The Speaker: Minister, would you care to clarify that before he goes on?

Hon. Michael H. Dunkley: The Minister of Finance will speak to that later.

The Speaker: All right, Minister of Finance do you want to clear it now before the Member . . . yes, why don't you make the point now.

Hon. E. T. (Bob) Richards: Thank you, Mr. Speaker.

It is proposed that the levy be one-quarter of a cent per litre volumetrically which, according to the calculations that we have done in the Ministry, will result in about \$400,000 a year.

Insofar as to what the impact on the consumer is that we calculate that for an average person to fill up his tank with gas, the impact on a full tank will be 11 cents. We still have not figured out what effect that will have on BELCO because that obviously is something that is a bit more complicated. But insofar as the impact on the motoring public, the impact will be approximately 11 cents. If you fill up the average car, I think it will cost between \$65 and \$70 for a full tank of gas.

The Speaker: Thank you, Minister.

MP Burt, carry on.

Mr. E. David Burt: Thank you very much, Mr. Speaker, and I am happy that civility reigns in this House.

I appreciate the Honourable Minister of Finance, my opposite, for clarifying that fact because what it seems to indicate (from what he is saying) is that this will be passed on to the consumer, and this is a tax that is going to be passed on to the consumer.

Now, I understand that the Government is saying that this is a small amount, and some may argue that, yes, it is a small amount. But our argument on this side, Mr. Speaker, is that any amount of tax that is put on to the consumer at any point in time during a recession is wrong.

In my Budget Reply one of the things which I said was a mistake of the former PLP Government was that we raised taxes during a recession. I said it during my Budget Reply. I have said it now. I am sure the Minister of Finance agreed with me then, and I do not understand why he is going along with this tax increase now.

I do have a question, Mr. Speaker, I know that the Minister of Home Affairs and the Minister who speaks for Home Affairs stated that they do not know when this will go into effect, or they are not going to put it into effect until they are ready. I was hoping that he could provide an estimation to the House as to when they will be ready. What are the items that need to be done in order for them to be ready? He said they are not going to put it into place until it is going to be ready, and I would just like to know when it will happen.

Just a little [few] things also because I think that it is very important. I think we have had a few debates here and we talk about consultation and we talk about openness and we talk about transparency. I would like to understand from the Minister, when he has a chance to answer the question, as to when exactly the consultancy took place. Because the media reporting after the fact seem to indicate that some companies that this will affect were blindsided and other companies were not consulted prior to the Government approving this move.

If you will allow me, Mr. Speaker, because I think there were a few quotes from the [Royal Gazette \[24 September 2013\]](#) and when we say David Rose, who is the CEO of RUBiS, he said that, "We can't absorb any more costs in this financial climate. We as oil companies simply cannot pass on a tax. It's the Ministry of Finance which allows for any new tax being re-couped."

To explain that, Mr. Speaker, the thing is that we do have price controls in the Bermuda economy. We have price controls on the price of fuel and we have price controls on the price of energy. So we do have price controls. And in order for the energy companies to pass this on it is one of two things: if this tax is levied, it is the energy companies that will absorb the costs, or it is the consumers that will absorb the costs. What we seem to indicate right now is it is the consumer that is absorbing the costs because I guess the energy companies when the consultation—whenever that took place—the energy companies are like, *No, we are not going to suck it up*. Probably with threats of, you know, *We cannot afford it. We will have to lay off people*, and then it just gets passed on to the consumer of which we all know are already hurting but are now going to have another \$400,000 taken out of their pockets.

Other quotes were given. And this is the one that surprised me—well, not so much—but BELCO, one of the people that you would certainly think would understand exactly what was happening, you know, would be consulted with in advance. Huge energy; the biggest energy company on the Island, the power producer, et cetera. Hear what we have from a spokeswoman from BELCO, and I quote, "We're just trying to get some information on it at the moment—we're trying to get some clarity. We're looking into it to

see what it means and we're reserving comment until we do."

Now that statement makes it clear that there was no consultation in advance before this happened. So this is the pattern of rush.

As I say again, Mr. Speaker, we are here at 12:44 in the morning on an emergency session for a rushed Bill that the Government does not even know when they are going to implement. They said that it might be—they do not know because they are not going to put it into place until later.

[Inaudible interjection]

Mr. E. David Burt: Well, hopefully they will say. But what I am saying is, Mr. Speaker, we see the rush, we see the lack of consultation. [That is] not the way to do business with people who are important inside of our economy. And then in the end what we see is that \$400,000 is told to the consumers who are already struggling—the same consumers who just had to take a 4.6 per cent pay cut. They are saying you need to find another \$400,000 to pay up. That is what we are doing, Mr. Speaker.

So I want to make it very clear that this is a tax hike on consumers, bar none, however small it is, it is something that we do not support.

Now, the final thing is . . . and I am happy that the Minister of Finance and I do not want to get too political because I think that the Minister of Finance and I are getting into a better working relationship. I talked to his technical officers, we are able to do things in advance so we make things go quicker in the House. But I was stunned, Mr. Speaker, absolutely stunned that in the same *Royal Gazette* article the Minister of Finance was quoted in saying, "Government was still in the process of working out how much cash the move might raise."

He said "his Ministry had been in contact with oil importers. Mr Richards said: 'We're still organising the particulars and exact arrangements haven't been finalised yet. We wanted to get the legislation through so we can get things going.'"

Understood, understood. But here is the question, Mr. Speaker, and this is the only . . . I cannot imagine that 13 Cabinet Ministers sat around the table and approved a new tax without knowing how much money it will raise. If the Minister was reported and quoted correctly at that point in time, then it would seem to indicate that this was a rush job through Cabinet, for what reason I do not know, for a Bill that they are saying they do not know when they are actually going to put it into effect. A rush job where Cabinet was not even aware of how much this tax would have cost consumers.

Mr. Speaker, I have said on many occasions today, it seems as though the priorities of this Government at this point in time are a challenge. It is the same OBA Government that raises taxes on single

mothers while cutting taxes for international business; that increases taxes on job seekers while cutting taxes for PRCs; increases the taxes on our senior, while cutting taxes for hotel owners and increases taxes on working families (as we are seeing today) while cutting tax for ICOL holders.

Mr. Speaker, I will submit one more time that this Government has the wrong priorities.

Thank you, Mr. Speaker.

The Speaker: Thank you Honourable Member.

The Chair now will recognise the Member from Sandys South, constituency 33, MP T. E. Lister.

You have the floor.

Hon. Terry E. Lister: Thank you, Mr. Speaker.

I agree with this in principle. I think it is a good idea. St. George's has the status of the World Heritage Site. As the Minister has said, there are only 1,000 such sites throughout the world. I think we are fortunate to have been selected in this way. However, it must be maintained. It must be upgraded. There is much to be done in St. George's and so if this is a way of getting to that that is fine.

I think we would all agree that there is a certain amount of disappointment in that cultural tourism in Bermuda has not taken off the way it should have. We talked about cultural tourism for over 20 years but it is still not there. So anything that can be done to help to stimulate, to build, and to get St. George's and this animal called "cultural tourism" going we should do.

When I think of St. George's I think of Gates Fort and places like that, that just sit there with very little use being made of them, very little done about the historical value. We have had to send Dr. Ed Harris all the way from Somerset down to St. George's to look at forts, to look at the history, to help people understand the value of what is there. We need to capitalise on it.

I heard the Minister say it was going to be used for certain infrastructure projects. I would like to have an idea what those projects are so we know what the priorities are over the next year or so. Additionally, I would be keen to know how this will translate into jobs. How are people going to be put back to work through this? Also, in the consultation process, what amount of money was "guaranteed" or "agreed" (in quotes) with the Corporation of St. George's?

What did they think they would get out of this tax, given as the last speaker has said the amount was not actually worked out until a couple of days ago, so no one really knew what it was. But in the consultation between the two, the parties must have been talking about an amount. So, I would be interested to know what that was.

Lastly, what we have here is a national tax affecting a local area. It is St. George's that will get the benefit. It is the taxpayers of Bermuda that will write

the cheque. Given where we are, I am going to go along with it and say, *Yes, let us do it*, but for the future we need to figure out for the Corporation of St. George's, what are the additional revenue sources? What else can St. George's do to pay its own way without just resorting to taxation of the people living in the corporation area but what can you do to make that are produce cash so that cash can be reinvested in the area and making it more attractive?

Thank you.

The Speaker: Thank you, MP Lister.

The Chair will now recognise the Honourable Member from Southampton [East], MP Zane De Silva.

You have the floor.

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

I support this Bill. And the reason I support this Bill is there may be some Members in this House that remember just a few years ago that I was the one that actually floated the idea of a tax on fuel. In fact, at the time, it was one cent on behalf of the former Premier Brown. So let us set that marker down. I supported it then. I support it now. When I say I support it now, though, I support the concept. I do not support implementation at this time or in the near future.

As my colleague, Mr. Burt, very articulately outlined some of his concerns with regard to the recent cuts that the civil servants have taken, we know that many of the employees and businesses have taken cuts, we have given concessions to hotels, to businesses—all for good causes. But we have seen a lack of what we are doing for the man on the street in terms of helping them.

It seems like everything is a double negative when it comes to our people. People are hurting! With this cut, and I have heard . . . and I do not know if Members opposite have heard. We have certainly heard. I saw the e-mails floating around on our system today that we have had people that have said that they cannot make their mortgage payments. They have four and five family members that work for Government—it is affecting their mortgage payments, Mr. Speaker.

And 11 cents may seem very small but what concerns me, Mr. Speaker, is this: When the Government . . . I am disappointed that again there has been no consultation. No consultation with the Corporation of Hamilton like it should have been. Now it is no consultation with this. This Government seems to just be steamrolling through. They are just going to do things.

What concerns me is after they say to RUBiS and Esso, *Listen, this is what we have decided*. And I think (I stand to be corrected) I believe the Finance Minister said this is going to raise about \$400,000. Now, if that is correct and the Honourable Member Terry Lister asked the question, What jobs is this going to produce? Well, I ask this question, What jobs are we going to lose? Are Esso and RUBiS going to

say, *Listen, okay. We are going to pay up \$200,000 each. Well, we have to look at our staff. Are they going to make cuts? Are we going to see layoffs from that side because of this tax?*

They have not had any consultation with them so we do not know what is going to happen. That is my concern. It would be a different story if the consultation took place and they were on board and they said, *Okay, listen. We can take this hit to the bottom line. No problem.* But I have not heard that, Mr. Speaker. That concerns me. Are we going to have another family that is going to struggle to make a mortgage payment or struggle to put food on the table? Are we going to have layoffs, redundancies at these two companies? That is the question I ask, and I would implore the Minister and the OBA Government to listen. Before you make this move you better sit down and have some serious conversations with these fellows.

The Speaker: Thank you, Honourable Member.

Are there any Honourable Members who would care to speak?

The Chair recognises the Honourable Member from constituency 1, MP Bascome.

MP Bascome, you have the floor.

Mr. Kenneth (Kenny) Bascome: Good evening, Mr. Speaker.

The Speaker: Good evening.

[Inaudible interjections]

Mr. Kenneth (Kenny) Bascome: Good morning! Thank you for this opportunity.

I want to thank the former Minister Zane De Silva. It was not his idea because when he was the Minister I had spoken to the Premier (who was the Honourable Dr. Ewart Brown). And the Honourable Dr. Ewart Brown suggested that I speak with the municipal Minister and it was the Corporation of St. George's who brought this to the Government over 25 years ago.

An Hon. Member: I was not born yet.

Mr. Kenneth (Kenny) Bascome: That is no fault of mine. I was. I just celebrated the golden birthday.

So at this time, Mr. Speaker, understanding that the country is in a financial crisis, however, I believe that St. George's deserves the opportunity to be able to rejuvenate itself. The World Heritage status was obtained under the PLP and then the PLP dropped the ball. We have a jewel in the Town of St. George's. I love when people call it a ghost town because it only makes me more passionate about that wonderful place that I have the privilege of living in.

Understanding, once again, that we are in an economic crisis, however, I believe that this is something that will help the Corporation of St. George's. First of all, we at one time had 27 workers. We now have 13 and they do an outstanding job of keeping the municipal area in a pristine state and then they have a wonderful person, like myself, who goes outside of the perimeter of the municipality—

[Inaudible interjections and laughter]

Mr. Kenneth (Kenny) Bascome: And they will all be aware that I carry a pair of clippers in my car, a saw, trash bags, and I have three pairs of shoes. One for when it rains and the grass is high and the others to profile when all the visitors come walking about.

[Laughter]

Mr. Kenneth (Kenny) Bascome: So I am going to say to all those Honourable Members who believe that this is going to be a burden on the taxpayers, there is an opportunity for us to use the World Heritage status to encourage visitors to come to our Island.

Before I leave this place, Mr. Speaker, I am going to teach all of these Members here that we do not have tourists. We have visitors who come as our guests. I will make this point, Mr. Speaker, if you and I were to introduce our friends who were visiting from overseas would you say that this is my tourist friend? You would say that this is my houseguest who is visiting from Philadelphia. So I will teach all of these Honourable Members that the terminology should be visitors and when you refer to people as visitors they get a glow and they say, *Thank you, it makes me feel extra special.*

[Inaudible interjection]

Mr. Kenneth (Kenny) Bascome: That is the Honourable Minister Crockwell that you are referring to, so I think you should use the proper terminology.

[Inaudible interjections]

The Speaker: Thank you, Honourable Member. You are very correct.

Mr. Kenneth (Kenny) Bascome: Well, you can try to hype me up but as I—

[Laughter]

Mr. Kenneth (Kenny) Bascome: I am a master at the trade, Mr. Speaker.

The Speaker: Yes, sir.

Mr. Kenneth (Kenny) Bascome: You understand?

[Inaudible interjection]

Mr. Kenneth (Kenny) Bascome: And as I said previously, St. George's is an elusive town and we will make it an illustrious town.

As I said previously, when I said "elusive," they all giggle. But I set them up so beautifully because it appears that St. George's is hard to find. You will be aware that I have been speaking about moving the gravel dock from St. George's over to Marginal Wharf because I believe that St. George's has the opportunity to be the jewel that we all know that it can be. We need to go after cultural tourism. We need to understand that Bermuda cannot cater to mass tourism. Our infrastructure does not allow for us to cater to mass tourism.

I am going to speak now about genealogy tourism. Bascome—B-A-S-C-O-M-E—which is British. B-A-S-C-O-M, which is American.

An Hon. Member: Is this a Tourism Bill?

Mr. Kenneth (Kenny) Bascome: B-A-S-C-O-M-B-E which is Irish. And B-A-S-C-O-M-B, which is Scottish. I am just using my surname as an example of how we have such a close connection with the United States of America and we should be going at tourism with the genealogy aspect—

[Inaudible interjections]

Mr. Kenneth (Kenny) Bascome: I said tourism, I did not say tourist.

The Speaker: Speak to the chair, Honourable Member.

Mr. Kenneth (Kenny) Bascome: I do not want to speak to the Chair, Mr. Speaker. I want to speak with you.

[Laughter]

The Speaker: I am the Chair whether you want to call it "you" or what. I am the Chair.

[Laughter]

Mr. Kenneth (Kenny) Bascome: You are the Chairperson.

The Speaker: I am the Chair.

[Laughter]

Mr. Kenneth (Kenny) Bascome: Okay, you are the Chair.

The Speaker: Absolutely.

Mr. Kenneth (Kenny) Bascome: I am going to show R-E-S-P-E-C-T to you.

The Speaker: Thank you, Honourable Member.

[Laughter]

Mr. Kenneth (Kenny) Bascome: You and I even had the opportunity to travel—

The Speaker: Absolutely.

Mr. Kenneth (Kenny) Bascome: And you were the coach of the team that I sponsored and managed.

The Speaker: Absolutely.

Mr. Kenneth (Kenny) Bascome: So we have a great relationship.

The Speaker: Washington DC, was it not, Honourable Member?

Mr. Kenneth (Kenny) Bascome: Yes, sir.

The Speaker: Yes.

Mr. Kenneth (Kenny) Bascome: But then I found out that you were going back home.

But, anyhow, Mr. Speaker, we want to acknowledge that we had the naval bases here. So we are now going to look at nostalgia tourism, Mr. Speaker. We are going to attempt to encourage all of the guests that were on the bases and all of the young people that were born on this Island . . . we are going to encourage them to come back to the place of their birth.

The Speaker: And the tax is going to help provide the place for them to come to, right?

Mr. Kenneth (Kenny) Bascome: Because we are going to be able to enhance the UNESCO site and with that, Mr. Speaker, we will then have a fully functioning police station in the Town of St. George's.

We understand that with the economic downturn we are not able to have a fully functioning police station. In another place yesterday a young man told me that I am full of folly. I let him say what he had to say and then I responded. [I said], "I respect your opinion, however, I differ." And I am saying at this particular time, Mr. Speaker, that that tax will help the Town of St. George's, which happens to be a part of Bermuda. And when I listen to people call my town a ghost town sometimes I would like to skirt them so that they would be out of my sight.

The young lady, Ms. Quinell Francis, just had the opportunity to visit Lyme Regis. And I said to her, "Make sure you go and see the signs," because they actually do, Mr. Speaker, ghost tours in the time of Lyme Regis. And we in the Town of St. George's are in the process of doing something similar because we have a lot of historical properties and I am going to say, again, Mr. Speaker—

[Laughter]

Mr. Kenneth (Kenny) Bascome: You all better be careful because I will use the A-double-S word on you.

The Speaker: Honourable Member—

Mr. Kenneth (Kenny) Bascome: But it is a shining star, Mr. Speaker—A Shining Star—A-double-S, Mr. Speaker. Okay?

[Laughter]

The Speaker: Thank you, Honourable Member.

Mr. Kenneth (Kenny) Bascome: Thank you, sir, Mr. Speaker.

And as I made the point on the talk show yesterday . . . they call me a loose cannon, Mr. Speaker, but I will guarantee you and anyone else I will never make a public statement that I have to apologise for. I am quick on my feet, and when I am sitting down I am more articulate.

S, Mr. Speaker, as I continue to say, I am an orator by nature. I do not need notes because it comes from the heart so it is never hard for me.

[Inaudible interjection]

Mr. Kenneth (Kenny) Bascome: We are speaking to the tax. It is going to help the St. George's Corporation to increase the work crew. It is going to help the St. George's Corporation to improve the infrastructure. And with that, Mr. Speaker, so I do not school them up too much, I will take my seat.

The Speaker: Thank you, Honourable Member.

Thank you, Honourable Member.

Are there any other Honourable Members that would care to speak?

The Chair recognises the Honourable Member from Devonshire [North Central], MP Blakeney.

You have the floor.

Mr. Glenn A. Blakeney: Thank you, thank you, Mr. Speaker.

I think, you know, it is a situation where we are between a rock and a hard place. I do believe as the former speaker just, pretty much, very passion-

ately articulated that St. George's deserves the attention as a World Heritage Site. And we do have to find the funding from somewhere.

I am also aware that the Government has borrowed some \$800-plus million, and it is for the country to be spent in ways that the Government feels it is most appropriate. With that in mind, and given the economic climate, I would have hoped that there would have been some kind of creative way where there would not be a direct impact on the consumers who are, obviously, feeling every single penny that they have to incur as an additional expense impacting their disposable income—if they even have disposable income.

The real concern I have is where a lot of that \$400[,000] will be passed on and substantiated with some level of argument. And I say that to say public transportation, for instance, uses gas. Will the Government then expand the revenue stream with regard to raising bus fares, raising ferry? I mean, that is a very plausible consideration. It may not be included. It may not even be intended right now. But it could be justified at some point in time. Is this increase going to last forever, where there will always be an allotment from the fuel consumption that goes toward St. George's? Or will the Government look at other ways? There might be consideration where some of the expense could be borne by people visiting the Island if it is going to be negligible, if it is going to be negligible.

One idea could be an Airport Toll Tax, an Exit Tax coming out of the airport. So everybody who drives into the airport . . . they don't have to, but when they are coming out five cents, a dollar, or whatever, and it all goes to the Town of St. George's. That way the taxi driver passes it on to a tourist or any other passenger.

Now, you might consider, okay, people that have to go and pick up their supplies from the airport or those that are the truckers and that kind of thing and they might get the exemption or waiver, but people that are going in to drop off passengers, people that come in to the Island that are leaving the airport by any level of transportation there is an Exit Toll at the airport. And that way you have the capability and it could be more than the 11 cents.

For the average consumer, I think, the average car may be 12 to 14 litres, so that is somewhere in the region of \$1.32 to fill up your car additional to what we are paying now. And I think everybody in this Honourable Chamber who has a personal vehicle understands from experience that we have some of the most expensive fuel in the world. Where does it stop? We also have a very small (and I would declare my interest) number of special vehicles for physically challenged individuals who need transportation. And most of those vehicles are SUVs. And I can tell you to fill up an SUV it is about \$160 for those that are most vulnerable to absorb. So would there be any consideration to waive that? And how would you do it? Very,

very difficult unless there is going to be a rebate voucher with a receipt that you take either into the Ministry of Finance or the Tax Office and get some kind of a rebate on something.

But these are the kinds of things that will concern people who may have unique concerns or challenges. So to start it here is one thing, but where will it end? I do not think anyone will speak against St. George's being the benefactor of the tax because they need to upgrade the infrastructure and other areas of concern in that municipality because of its very special and unique significance in the country—being designated as a World Heritage Site. So I do not think we get any arguments there.

But I do believe that there is some concern. And the individual impact might be seen to be negligible, but in the current economic climate every single cent that makes up that dollar has become very, very significant, especially for those who already are engaging out of necessity in being frugal with their dollars because they are in deficit, especially if they are redundant. There could be families that have two adults who are parents subjected to being redundant or without work right now who need to get their children to school, afterschool programmes, soccer, and the like depending on that transportation. It is going to impact one way or another the individual. And I think that is where the concern comes.

I do not know what kind of creative ingenuity the Government could look at in addition to it being a direct taxation that hits the average person in the country where they could derive the kind of resources to make up that \$400,000 projected amount that they are looking to provide to the Town of St. George's.

I think the concerns that have been raised are very considerate concerns. And I think that as I began my contribution to this particular debate the fact [is] that we are in sort of a rock-and-hard-place because somebody is going to feel the pain when you pass the taxes on to consumers.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Is there any other Honourable Member that would care to speak?

The Chair recognises the Minister of Finance, Minister Bob Richards.

You have the floor.

Hon. E. T. (Bob) Richards: Thank you very much, Mr. Speaker.

I am grateful for the, albeit conditional, agreement of the Opposition with this Bill. It is very important to the Town of St. George's that we have one of the great champions of St. George's here in the House with us who spoke very eloquently on his town.

There has been a bit of rhetoric here in the House on this \$400,000 that will be tacked on to the

cost of fuel. I thought it would be important to put this in perspective, Mr. Speaker.

This \$400,000 tax increase represents a .047 per cent increase in taxation for Bermuda—.047 per cent. All right? Half of a tenth of 1 per cent. So it is virtually negligible. And for the Honourable Member—particularly the Honourable Shadow Finance Minister—to talk about how we are increasing taxes on people, increasing taxes on single mothers and, you know, giving money to corporations, Mr. Speaker, that Honourable Member . . . on his watch, they had a huge increase in taxes while he was Junior Minister of Finance. And the increase in tax was so big the Finance Minister had to retrace it the next year because it crippled an already crippled economy. So he knows about increases in taxes, and knows that this is negligible, it really is.

And insofar as jobs are concerned, which we have reiterated innumerable times over here, at the very least, Mr. Speaker, this measure will save jobs in St. George's—at the very least. I am not sure if it will enable them to increase the number of jobs and, quite frankly, it will be up to the Corporation of St. George's. But it will certainly save jobs, it will help them to replace that ageing garbage truck that they have been on to me about, seemingly forever, and things that are really in desperate need of attention down there they will be able to get some attention. So this is very important.

Insofar as when this will be implemented, Mr. Speaker, I expect that this will be implemented and announced in its fullest context during the next budget. So the Honourable Member was—

[Inaudible interjection]

Hon. E. T. (Bob) Richards: Excuse me?

[Inaudible interjection]

Hon. E. T. (Bob) Richards: Because we want to get all the matters as it relates to municipalities approved, that is why. Okay?

We are addressing municipalities here tonight and we wanted to make it very clear right now—here and now—that we have the municipality of St. George's in great need and we have already given thought to how we were going to help to meet that need. So it is very, very important that we do that.

So, as I said, we will be looking at that in the next budget, Mr. Speaker. And also I had to take umbrage at the remarks of the Honourable Member Mr. Burch—Mr. Burt, excuse me (you are not Mr. Burch you are Mr. Burt)—about [how] we have been talking about creating jobs but we have not done so. That is not true, Mr. Speaker. I stood up in this House and I said that—

Mr. E. David Burt: Point of order, Mr. Speaker.

The Speaker: Yes.

POINT OF ORDER

Mr. E. David Burt: I do seem to remember my statements relatively correctly and I do not believe I said anything about the Government, the Minister, not creating jobs in this statement that I just made.

The Speaker: All right. Thank you.

Hon. E. T. (Bob) Richards: I am pretty sure what I heard, Mr. Speaker, and my hearing is not that good but it is good enough.

An Hon. Member: Yes, but you are old.

Hon. E. T. (Bob) Richards: That is right. I am old but I still know what I heard.

And the fact is that we have already created jobs as a Government. I reported to this House some time ago that the tax holiday that we passed in the budget in the spring, in the first quarter, has created 226 jobs. So we have—

Mr. E. David Burt: Point of order, Mr. Speaker.

Hon. E. T. (Bob) Richards: Now how could that be a point of order? Those are facts.

The Speaker: I do not know.
Yes?

POINT OF ORDER

[Misleading]

Mr. E. David Burt: Point of order, Mr. Speaker.

The Honourable Member is misleading the House. The Member is saying that the policies created 226 new jobs. I think it would probably be more accurate to say that there are 226 people that were unemployed that were hired during that period.

The Speaker: All right.
Carry on, carry on, Minister.

Hon. E. T. (Bob) Richards: Mr. Speaker, I do not have any patience with nonsensical statements.

The Speaker: Just carry on. Carry on, please.

Hon. E. T. (Bob) Richards: I have no patience with it. We put in a policy and the Tax Commissioner tracks these things. All right? When I say that we put in a policy that created 226 jobs, that is exactly what happened.

[Inaudible interjections]

Hon. E. T. (Bob) Richards: They can talk . . . because, Mr. Speaker, they did not create any jobs. They lost thousands of jobs. I know the knowledge of this sort of phenomena of creating jobs is alien to them—I know this. So it is not surprising that they did not understand the concept.

[Inaudible interjections and general uproar]

Hon. E. T. (Bob) Richards: Not surprising. It is not surprising that they do not understand the concept.

The Speaker: Order, order, Members! Order.

Hon. E. T. (Bob) Richards: But I just thought it is important for these things to be . . . I am not going to allow Members to say things that are not factually correct and not put the record straight. So that is a very important thing to say.

Also [they] say that we are giving breaks to big corporations and we are not giving breaks to the man on the street. I have said what we are doing here, Mr. Speaker. I said it this morning; I will say it this evening. We are taking measures to grow the economy to create jobs.

The greatest thing we can do for the man on the street is to give the man on the street the dignity of gainful employment—the dignity and the money from gainful employment. That is what we are here to create and we are doing that. And hopefully we will do a little bit of it in St. George's with this. I do not know how much so do not ask me how many jobs we can create in St. George's. I do not know. I do know that we are saving jobs, which is very important. I know that we are going to save jobs with this and hopefully create some more jobs.

But the dignity of gainful employment is a serious problem in this country and that is our focus. And the only way to do it in an economy that is not a command economy (an economy that is a free enterprise economy) is to encourage employers to grow and grow jobs. That is where our focus is. All of this nonsensical rhetoric we have from the other side here is just trying to score some sort of political brownie points; it is not going to create jobs. What we are doing here is to try and create jobs.

So with those comments, Mr. Speaker, I will take my seat.

The Speaker: Thank you, Honourable Member.
Minister, do you want to reply to?

Hon. Michael H. Dunkley: Thank you, Mr. Speaker.

I think my honourable colleagues have . . . the Honourable Finance Minister answered some of the questions, and I appreciate the support from colleagues at this early stage of the morning.

Just to reaffirm, Mr. Speaker, that this Bill is for the maintenance and upgrade of the World Heritage Site and the very work itself will create jobs. And when the Honourable Premier and I went down with MP Bascome and had a tour of the Town of St. George's a couple of months back, we saw a couple of jobs that were in need of attention for some time. And one of them was the dock right down there on the waterfront that was damaged with . . . what hurricane was it MP Bascome?

[Inaudible interjection]

Hon. Michael H. Dunkley: With [Hurricane] Fabian, 10 years ago, and it still has not been fixed. And when the next hurricane comes in it could rip up a great deal of the dock. So, Mr. Speaker, that is one example of work that needs to be done.

The other example is the warehouse there that needs some attention paid to it so it can be a contributing factor to St. George's.

So having said that, Mr. Speaker, I would like to move that we now go to Committee.

The Speaker: All right. Thank you, Honourable Member.

It has been moved that the Bill be sent to Committee.

Are there any objections?

There are none.

So I would like to ask the Deputy Speaker to please come [and take the Chair of Committee].

[Pause]

House in Committee at 1:21 am

[Thursday, 3 October 2013]

COMMITTEE ON BILL

[Mrs. Suzann Roberts-Holshouser, Chairman]

CORPORATION OF ST. GEORGE'S (UNESCO WORLD HERITAGE FUND AND LEVY) ACT 2013

The Chairman: Honourable Members, we are now in Committee of the whole [House] for further consideration of the Bill entitled [Corporation of St. George's \(UNESCO World Heritage Fund and Levy\) Act 2013](#).

I call on the Minister to proceed.

Minister, you have the floor.

Hon. Michael H. Dunkley: Thank you, Madam Chairman.

I would like to move clauses 1 through 6—sorry—1 through 7.

The Chairman: Please proceed.

Hon. Michael H. Dunkley: Clause 1 is self-explanatory.

Clause 2 provides definitions.

Clause 3 establishes the UNESCO World Heritage Fund to be administered by the Corporation of St. George's and used to maintain, develop and promote the UNESCO World Heritage Site in St. George's.

Clause 4 makes provision for the management of the Fund.

Clause 5 provides for annual audited reports on the Fund to be prepared by the corporation, submitted to the Minister and laid before this Legislature.

Clause 6 imposes a levy of one cent per litre on the specified oil and petroleum products landed at the Oil Docks . . . sorry, 1.25—

Some Hon. Members: One quarter [of a cent].

Hon. Michael H. Dunkley: —0.25 [cent] . . . (it is getting late at night) 0.25 [cent] per litre on the petroleum land at the Oil Docks, St. George's (Ferry Reach). The Minister of Finance may amend the amount of the levy by order subject to the affirmative resolution procedure.

Clause 7 provides for commencement.

The Chairman: Thank you, Minister.

Are there any Members that would like to speak to clauses 1 through 7?

The Chair recognises Mr. T. E. Lister from Sandys South, constituency 33.

You have the floor.

PROPOSED AMENDMENT TO CLAUSE 4

Hon. Terry E. Lister: Good evening.

Yes, in speaking with the Minister I discussed with him the time tabling of this whole event and after consultation we agreed that we would bring an amendment. And the amendment is being passed out at the present time.

The amendment affects clause 4(2) which in the Act reads, "The financial year of the Fund shall end on 31st December each year." The amendment that we are proposing is that that be replaced with March 31st each year.

PROPOSED AMENDMENT TO CLAUSE 5

Hon. Terry E. Lister: Also, further on in clause 5(1) it requires that the corporation forward statements to the Minister who, in turn, will table them in Parliament. In the Act June 30 [is the date] that the statement should be forwarded, and we would like to change that to September 30. This will allow the Minister to table, soon after the House opens or, you know, the tabling to take place soon after he receives them, and not a

long drift of time which would happen if we stayed to the same dates.

So this amendment is being proposed to allow for a better flow of information into the House of Parliament.

The Chairman: Thank you, Member.

We have . . . does everyone have their copy now of the amendments that are being proposed?

Are there any Members that would like to speak to the two amendments?

Thank you.

Minister?

You still do not have your copies?

Hon. Terry E. Lister: Here, you can have mine, partner.

Hon. Michael H. Dunkley: Madam Chairman, just for the record, we appreciate the Honourable Member Lister's communication on this and we fully support the amendments.

[Pause]

The Chairman: Thank you.

Are all Members now in possession of the amendments?

[Pause]

The Chairman: Now, do all Members have before them the amendments that have been proposed?

Are there any Members that would like to speak to the two amendments?

Minister?

Hon. Michael H. Dunkley: Madam Chairman, I guess, I need to move the Preamble now.

The Chairman: You need to approve the amendments.

Hon. Michael H. Dunkley: Madam Chairman, I already signified our agreement.

[Pause]

The Chairman: Thank you.

We propose that the amendment to be made which should be before you, the amendment to clause 4(2) deleting the date, "31st of December," and replacing it with the 31st of March, and amending clause 5(1) deleting "30th of June" and replacing it with the 30th of September.

That is the motion before us.

Minister, we have to approve it.

Hon. Michael H. Dunkley: Madam Chairman, I already made it very clear we support the amendments so I think you just have to ask the full House if they support it.

The Chairman: It has been moved that the proposed amendment to clauses 4(2) and clause 5(1) be approved.

Are there any objections?

No objections.

Agreed to.

[Gavel]

[Motion carried: Amendments to clauses 4(2) and 5(1) passed.]

The Chairman: Minister?

We have to do the remainder of the clauses.

Hon. Michael H. Dunkley: Madam Chairman, I moved all seven clauses at one time, so I assume, since nobody is speaking . . . I would like to move all the clauses and move the Preamble.

The Chairman: It has been moved that clauses 1 through 7 be approved, with amendments.

Are there any objections?

Some Hon. Members: No.

The Chairman: No objections.

Agreed to.

[Motion carried: Clauses 1 through 7 passed, as amended in clauses 4 and 5.]

Hon. Michael H. Dunkley: The Preamble.

The Chairman: It has been moved that the Preamble be approved.

Is there any objection to that motion?

No objection.

Agreed to.

[Gavel]

Hon. Michael H. Dunkley: Madam Chairman, I move that the Bill be reported to the House.

The Chairman: It has been moved that the Bill be reported to the House—

Hon. Michael H. Dunkley: The amended Bill be reported to the House.

The Chairman: —as amended.

Are there any objections to that motion?

No objections.

The Bill will be reported to the House with amendments.

[Gavel]

[Motion carried: *The Corporation of St. George's (UNESCO World Heritage Fund and Levy) Act 2013 was considered by a Committee of the whole House and passed as amended in clauses 4 and 5.*]

[Pause]

House resumed at 1:30 am
[Thursday, 3 October 2013]

[Hon. K. H. Randolph Horton, Speaker, in the Chair]

REPORT OF COMMITTEE

CORPORATION OF ST. GEORGE'S (UNESCO WORLD HERITAGE FUND AND LEVY) ACT 2013

The Speaker: Members, we have had the Second Reading of the Corporation of St. George's (UNESCO World Heritage Fund and Levy) Act 2013. The Second Reading has been approved as amended in [clause] 4(2) and [clause] 5(1).

We now move to Order No. 5 [which] is carried over.

Order No. 6 is in the name of the Member from Sandys South, MP T. E. Lister.

You have the floor.

MOTION

MOTION TO APPROVE AND ADOPT STANDING ORDERS

Hon. Terry E. Lister: Thank you, Mr. Speaker.

Mr. Speaker, I move the following motion, notice of which was given on the 19th July 2013:

"That this Honourable House approve and adopt the revised Rules of the House of Assembly, now known as the Standing Orders first adopted provisionally by the Honourable House by motion from the 22nd of March 2010, and further, that the Standing Orders be amended by the adoption of new Standing Order 56 and, in consequence, the remaining Standing Orders be renumbered 57 through 59."

Mr. Speaker, you will recall that—sorry, you will recall the debate on March 22, 2010 in this Honourable House, led by the Honourable Dame Jennifer Smith, on the Standing Orders, formerly known as the Rules of the House of Assembly. The motion read "this Honourable House examines the proposed amendments to the revised Rules of the House of Assembly now known as Standing Orders for consideration and adoption by the House."

During that debate you may remember that I proposed an amendment to the motion and asked the

House to provisionally accept the Standing Orders, which was agreed. In making my amendment it was my intent that Members should have the opportunity to operate under the new Standing Orders for a trial period, and in due course the Standing Orders would be accepted, rejected, or accepted with amendment.

For our listening audience, the Standing Orders are the formal rules that govern the proceedings of the House and set out the agreement of the business to be conducted, as well as the practice and guidelines for debate. In 2009 a sub-Committee consisting of former Members Dame Jennifer Smith and the Honourable John Barritt was established to update, amend, and revise the Rules of the House. I might add, Mr. Speaker, that these two veteran Members of the House were committed to the modernisation of our Parliament. Tonight I pay tribute to their work and for their love for this Honourable Parliament.

In keeping with other Commonwealth legislatures our Standing Orders are based on the Commonwealth Parliamentary Association template, the House of Commons Procedure and Practice, and Erskine May's *Parliamentary Practice*. Additionally, the Standing Orders are governed by section 45 of the Bermuda Constitution. To that end the Standing Orders and Privileges Committee met on several occasions since 2010 to review and make changes to the Standing Orders. Members had more than ample time to read these Standing Orders.

Mr. Speaker, there have been considerable developments concerning the application and use of the Standing Orders. For example, there is now a provision for all questions to be answered following Minister's statements—that is Standing Order 17. Currently, Members enjoy the benefit of asking questions without notice in the following two cases: (1) where the question arises out of the Ministerial Statements; and (2) where questions are on the Matters of Urgent Public Importance (which we actually saw quite recently). In both cases the new procedures have been very helpful in ensuring that information is shared in a timely and open manner.

Mr. Speaker, a number of Standing Orders have been effectively used by Members, including yourself. You have insisted that during debate Ministers shall be referred to by the designation of their office while the remaining Members shall be referred to by the name of the constituency which they represent.

The use of technology during proceedings of the House or in Committee is also allowed under our new Standing Orders. It is now common practice for Members to use their laptop computers, iPads, and cell phones for the purpose of taking notes or for consulting reference materials, though Members should be reminded that the technology is not there to allow Members to read their speeches as this remains contrary to our Rules.

Mr. Speaker, in May 2010, we took another step forward in the modernisation of Parliament. The

first Official Hansard [Report] of the House of Assembly was launched. Standing Order 55 speaks to the responsibility of the Clerk of the House to provide a record of all speeches made in the House. The Hansard has been a success—so much so, that Members quote from it often when raising a matter during debate. Also our Parliamentary Information Officer continually sends proofs of our transcripts for minor editing. Members no longer can claim that they have been misquoted or that they have not made the statement in question at all.

Mr. Speaker, I am also pleased to report that under Standing Order 56, Members now have access to e-mail. This facility is being provided to each Member for the purpose of communicating with their constituents whom they serve.

Recently, we have seen a number of committees such as the Public Accountants and the Select Committee on Elections open to the public. Members on the former Committee have now increased from five to seven under the new Standing Orders. This increase has strengthened the Committee and will see far greater scrutiny of the Public Accounts as a result. This only serves to enhance democracy in our Island home.

Mr. Speaker, under Standing Order 38, Select Committees have the power to send for persons, papers, and records and may make a special report relating to its powers, functions, and proceedings on any matter that it sees fit to bring to the notice of the House. However, this provision is pursuant to a resolution passed by either House with respect to the proceeding and the course of action of a legislative committee.

Mr. Speaker, many international parliaments are striving to work in a paperless environment. Standing Order 46 makes provisions for Bills and other documents to be circulated electronically to Members. Currently, paper Bills are still tabled during the sitting of the House. Mr. Speaker, it is my wish that this process will end in the near future, and that legislation will be distributed electronically prior to the House sitting. The Minister will go through the formality of tabling the Bill, but all other Members will have received the Bill previously and the Sergeant-at-Arms will no longer distribute Bills in the manner currently done. The same process would also apply to Ministerial Statements. It is my hope that in due time Members will be able to access all legislation and other parliamentary documents online with just the click of a button.

Finally, the Budget Debate gets an additional 14 hours—two days—in light of the growth in both budgetary terms and as well as in Ministerial responsibility. The additional time spent on the Budget, again, increases both transparency and accountability. The true beneficiaries are the people who have greater information shared as a result.

There is also a provision to allow for the election of the Speaker and Deputy Speaker to be conducted by secret ballot. This is a move which will create more “competition” (in quotes) for the position of Speaker as Members can quietly secure support from other Members while seeking this important office.

Members are aware that they are now required to notify and explain their absences to the Speaker and that there is a penalty for prolonged absence. This allows the listening public to know when their MP is away from the House and not doing the people’s business.

Mr. Speaker, to conclude, Members need to be familiar in understanding with how the Legislature works and its rules and procedures. Members must use this knowledge to operate more effectively within the legislation. Members have had sufficient time to study these Standing Orders, and we have had what I believe to be an extended and successful trial run of the new procedures.

I therefore invite Members to approve the Standing Orders as presented by the Standing Orders and Privileges Committee.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

[Desk thumping]

The Speaker: Is there any other Honourable Member that would care to speak?

The Chair recognises the Whip for the Government, MP Cole Simons.

You have the floor.

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

Mr. Speaker, at this late hour I rise to basically confirm Government’s support and approval and adoption of the revised Rules of the House of Assembly, known as the Standing Orders, that were tabled in the House on the 22 of March 2010. Further, we also approve the amendment and the adoption of new Standing Order 56 and, in consequence, the remaining Standing Orders be renumbered 57 through 59.

Mr. Speaker, we in Government support these new Standing Orders because Parliament is the only forum for the introduction—

[Gavel]

Mr. N. H. Cole Simons: Mr. Speaker, we support these new Standing Orders because Parliament is the only forum for the introduction, discussion, dissemination of matters affecting the sovereign rights of the people of Bermuda.

Mr. Speaker, as the previous speaker said, at this point we would also like to recognise and commend the contributions and hard work done by the previous Committee—the Honourable John Barritt and

Dame Jennifer Smith. They did a sterling job in crafting this document. Their commitment to better governance should not go unnoticed. So we support their endeavours and we commend their contributions.

Mr. Speaker, as was said previously, these provisional orders have been a long time coming. They were first tabled in the House of Assembly in December 2009 and they were debated in 2010. And [now] three years later—September 2013—they are finally being adopted by the House of Assembly under the OBA Government.

Mr. Speaker, as Chairman of the Joint Select Committee of Parliamentary Governance Reform, these new House Standing Orders help Bermuda meet the standards prescribed by the CPA Parliamentary Benchmarks that were approved by the Caribbean Region of the CPA. It brings our Parliament in line with the advanced parliaments. And our Standing Orders will help our Parliament adopt new practices and standards to improve the efficiency—

[Inaudible interjections and crosstalk]

[Timer beeps]

Mr. N. H. Cole Simons: —the efficiency and legitimacy—

The Speaker: Carry on, Honourable Member. That was not for you. That was for everybody else who was making noise.

[Laughter]

Mr. N. H. Cole Simons: So, in essence, Mr. Speaker, I will just repeat . . . I said that—

[Laughter]

Mr. N. H. Cole Simons: These . . . See? That is what happens when you make noise, I have to repeat so that people hear and understand.

The Speaker: That is right.

Mr. N. H. Cole Simons: Mr. Speaker, these Rules bring our Parliament in line with other advanced parliaments in regard to our Standing Orders. Our Standing Orders will help our Parliament adapt new practices, standards, and improve the efficiency and the legitimacy of Parliament. It will also help the parliamentarians and guide them in their deliberations and their behaviour in this Parliament, Mr. Speaker.

It will also address the various parliamentary House committees and it will also ensure that Bermuda gets the best parliamentary service that it deserves, Mr. Speaker.

Mr. Speaker, as you know, Government consists of the Executive, Parliament, and the Judiciary.

Mr. Speaker, it is important that the Parliament be independent to ensure that they provide the best parliamentary service to this country. And we have to make sure that the separation of duties are clear and distinct, Mr. Speaker. And this will help us provide an efficient Parliament where its business is operated in a manner that will be second to none and meet the world's benchmarks as prescribed by Erskine May and other advanced parliaments, Mr. Speaker.

[Crosstalk and laughter]

Mr. N. H. Cole Simons: Mr. Speaker, as was said earlier, this draft Standing Orders has been in effect since 2010 and some of the practices that have arisen as a result of the Orders I would like to also expand upon. I think the Honourable Terry Lister touched upon it earlier and, as a consequence, I would like to add just a few more.

Mr. Speaker, I will just give you three or four of these provisions that are in place that have resulted because of the Orders.

[Inaudible interjections]

Mr. N. H. Cole Simons: The first one, Mr. Speaker, is the secret ballots for the appointment of the Speaker.

Mr. Speaker, the second item that I would like to address is the fact that we have limited the speakers during the House and during debates. The Government and the leading Opposition will get 60 minutes, and any subsequent speakers will get a half hour. There was a 60-minute limit on the Congratulatory and Obituary Remarks and there was a 30 minute . . . the Budget was extended, as the Member said, for another two days, which is 14 hours (which is 2 days). And then they had the introduction of Hansard and other e-commerce initiatives.

Mr. Speaker, the other issue that was implemented under the new provisional Standing Orders was the fact that the Public Accounts had to amend the quorum because previous Ministers from Eugene Cox to our Shadow Minister Pat Gordon-Pamplin, the Honourable Grant Gibbons had problems getting quorums for the Public Accounts Committee meetings. So, as a consequence, this Committee decided that we had to adjust the quorum. This adjustment has been made and the Public Accounts Committee is currently working more efficiently than ever.

So I would like to commend the crafters of this document, and I commend Mr. Lister for bringing the resolution to the House. As I said, we and the Parliament of this country have a very important role to play in the sovereignty of Bermuda's Government and the people of this country. And so we endorse this completely and look forward to its full implementation.

I would like to also mention before I take my seat, Mr. Speaker, this document is a living document—

[Inaudible interjection]

Mr. N. H. Cole Simons: —and because it is a living document changes may be made, and the changes that will be made will have to be presented to the Standing Orders Committee of the House. So I am just making that point that this—

[Inaudible interjection]

Mr. N. H. Cole Simons: I am just making this clear in that this is not a final document. It is a living, ever-evolving document that is in place to support Bermuda's parliamentary service.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

[Desk thumping]

The Speaker: Thank you, Honourable Member.

We now have the Whip from the Opposition to give her presentation. We recognise the Honourable Member, Lovitta Foggo.

You have the floor.

Ms. Lovitta F. Foggo: Mr. Speaker, I just want to go on record on behalf of the Opposition that we are very much in support of the motion that the Honourable Member, Mr. Lister, brought to this House. And we too are happy to see the changes which have taken place which are in keeping with best practices of the CPA and are designed to ensure that this parliamentary body is always engaged in advancing democracy. And we want to see the best democratic practices in place, so we start here in this House.

With that said, Mr. Speaker, and given what my honourable colleagues have already said, I will take my seat. I just say "Yay" to advancement in democracy.

[Desk thumping]

The Speaker: Thank you, Honourable Member.

Honourable Member Lister, would you care to just wrap up and take us . . . so then we will have a vote on it.

Hon. Terry E. Lister: Mr. Speaker, I just want to thank those who spoke and voiced their support. I would invite Members at this time to exercise approval of what we have done here tonight.

The Speaker: Thank you, Honourable Member.

We have got the motion. Members will know what the motion is . . . I do not think I need to read it again.

All those in favour, say Aye. Those against, say Nay.

AYES.

The Speaker: The Ayes have it. The Rules have been accepted by the House.

[Motion carried: The Honourable House approved and adopted the Standing Orders, as amended, in section 56.]

The Speaker: The Chair now will recognise, first, the Minister of Finance.

SUSPENSION OF STANDING ORDER 21

Hon. E. T. (Bob) Richards: Thank you, Mr. Speaker.

Mr. Speaker, I move that Standing Order 21 be suspended to enable me to move that the Bill entitled the Customs Tariff Amendment (No. 2) Act 2013 be now read a third time by its title only.

The Speaker: Are there any objections?

Carry on, Minister.

[Motion carried: Standing Order 21 suspended.]

THIRD READING

CUSTOMS TARIFF AMENDMENT (NO. 2) ACT 2013

Hon. E. T. (Bob) Richards: I move that the Bill do now pass.

The Speaker: Thank you, Minister.

All those in favour, say Aye. Those against, Nay.

AYES.

The Speaker: The Ayes have it.

Thank you. The Bill is passed.

[Motion carried: The Customs Tariff Amendment (No. 2) Act 2013 was read a third time and passed.]

The Speaker: The next one is the Cruise Ships (Casinos) Act 2013. I recognise the Minister of Tourism and Development, the [Honourable and] Learned Member, Minister Shawn Crockwell.

SUSPENSION OF STANDING ORDER 21

Hon. Shawn G. Crockwell: Mr. Speaker, I move that Standing Order 21 be suspended to enable me to move that the Bill entitled the Cruise Ships (Casinos) Act 2013 be now read the third time by its title only.

The Speaker: Are there any objections?
Carry on.

[Motion carried: Standing Order 21 suspended.]

THIRD READING

CRUISE SHIPS (CASINOS) ACT 2013

Hon. Shawn G. Crockwell: I move that the Cruise Ship (Casino) Act 2013 do now pass.

The Speaker: Thank you.
All those in favour, say Aye. Those against, say Nay.

AYES.

The Speaker: The Ayes have it.

[Motion carried: The Cruise Ships (Casinos) Act 2013 was read a third time and passed.]

The Speaker: Minister Dunkley?

SUSPENSION OF STANDING ORDER 21

Hon. Michael H. Dunkley: Mr. Speaker, I move that Standing Order 21 be suspended to enable me to move that the Bill entitled the Municipalities Amendment Act 2013 be now read the third time by its title only.

The Speaker: Are there any objections?
Carry on, Minister.

[Motion carried: Standing Order 21 suspended.]

THIRD READING

MUNICIPALITIES AMENDMENT ACT 2013

Hon. Michael H. Dunkley: I move that the Bill do now pass.

The Speaker: All those in favour, say Aye. Those against, say Nay.

AYES AND NAYS.

The Speaker: The ayes have it, the Bill is passed.

[Motion carried: The Municipalities Amendment Act 2013 was read a third time and passed.]

The Speaker: Minister Dunkley, again.

SUSPENSION OF STANDING ORDER 21

Hon. Michael H. Dunkley: Mr. Speaker, I move that Standing Order 21 be suspended to enable me to move that the Bill entitled Corporation of St. George's (UNESCO World Heritage Fund and Levy) Act 2013 be now read for the third time by its title only.

The Speaker: Are there any objections?
Carry on, Minister.

[Motion carried: Standing Order 21 suspended.]

THIRD READING

CORPORATION OF ST. GEORGE'S (UNESCO WORLD HERITAGE FUND AND LEVY) ACT 2013

Hon. Michael H. Dunkley: I move that the Bill do now pass.

The Speaker: All those in favour, say Aye. Those against, say Nay.

AYES AND NAYS.

The Speaker: The Ayes have it.

[Motion carried: The Corporation of St. George's (UNESCO World Heritage Fund and Levy) Act 2013 was read a third time and passed.]

The Speaker: That concludes our agenda.
Mr. Premier?

ADJOURNMENT

Hon. L. Craig Cannonier: Thank you, Mr. Speaker.
I move now that we adjourn until November 8th.

The Speaker: November the 8th.

Hon. L. Craig Cannonier: November the 8th. With that in mind, I would also like to thank you, Mr. Speaker, and this whole House for the last three weeks. I know it has been rather interesting for all of us, but good legislation, we believe, has been pushed through to move Bermuda forward.
Thank you, Mr. Speaker.

[Gavel]

The Speaker: The House is adjourned until Friday, November the 8th.

[Gavel]

[At 1:53 am, [on Thursday, 3 October 2013], the House stood adjourned until, Friday, 8 November 2013.]

**BERMUDA HOUSE OF ASSEMBLY
2013 SESSION**

**OFFICIAL HANSARD REPORT
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