



GOVERNMENT OF BERMUDA

## **The Ministry of Finance**

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### **Ministry of Finance Headquarters**

#### **Ministerial Statement**

To the House of Assembly

By

**The Hon. David Burt, JP, MP**

Premier and Minister of Finance

#### **Supplementary Estimate 2017/18 (No.1)**

Date: 15<sup>th</sup> September, 2017

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Mr. Speaker, I rise today to provide Honourable Members with information on Supplementary Estimate No. 1 for 2017/18 which was tabled in this Honourable House earlier today.

Mr. Speaker, the Ministry of Finance policy is to place supplementary estimate requests before the Legislature just prior to the conclusion of the financial year. However, considering that there has been a change in Government, it is prudent to table a supplementary estimate at this time in order to highlight the supplementary estimates that were the responsibility of the former Government.

Notwithstanding that these items will be debated at a later date, I can advise that Supplementary Estimate 2017/18 (No. 1) is a combination of

unbudgeted expenditure items which were incurred by the previous administration. This Supplementary request directly relates to contractual commitments of the former Government for the America's Cup, World Triathlon Series, Bermuda Casino Gaming Commission, Bermuda Airport Authority Capital Grant, the redevelopment of the airport and a Memorandum of Understanding for the St. George's Hotel development. Specific details of some of the Supplementary Estimates are as follows:

- An additional \$4.3 million in sponsorship guarantees paid to the America's Cup Event Authority (ACEA) in addition to the under budgeted amount of \$15 million; this under-budgeting occur despite the advice of the ACBDA to budget at least \$18 million. The total \$19.3 was paid to the ACEA last month;
- \$2.9 million to host the World Triathlon Series events in 2018;
- \$1.6 million to fund the operations of the Gaming Commission;
- \$1.7 million to provide additional ferry services for the America's Cup as no additional funds were included in the budget for the additional ferry service for the America's Cup.
- \$1.9 million to undertake certain infrastructure works as part of an agreement with the Desarrollos Hotelco Group, the developers of the proposed St Regis Hotel in St. George's;
- \$290,000 to fund the relocation of the Post office mail facility from the airport to avoid penalties and having to pay rent to AECON.

Mr. Speaker, as I mentioned these items will be debated in detail including input from the relevant and accountable Ministries and Minister at a later date.

Mr. Speaker, this Government will try its utmost to ensure that the projected deficit for 2017/18 does not worsen, but we cannot let past lapses with regard to handling the public purse by the former Government hamper our efforts to establish a better and fairer Bermuda that was promised in our election platform.

**Thank you, Mr. Speaker**