



**2018/19 SESSION  
of the  
BERMUDA SENATE  
OFFICIAL HANSARD REPORT**

**24 July 2019**

*Sitting number 19 of the 2018/19 Session  
(pages 589–608)*

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

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**BERMUDA SENATE****OFFICIAL HANSARD REPORT****24 JULY 2019****10:02 AM***Sitting Number 19 of the 2018/19 Session*

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

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

**PRAYERS**

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

**CONFIRMATION OF MINUTES***[Minutes of 17 July 2019]*

**The President:** The Minutes of the 17<sup>th</sup> of July 2019.

**Sen. James S. Jardine:** Madam President.

**The President:** Senator Jardine, you have the floor.

**Sen. James S. Jardine:** Madam President, I move that the Minutes of the meeting of Wednesday, the 17<sup>th</sup> of July 2019, be taken as read.

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

**Sen. James S. Jardine:** Madam President.

**The President:** Senator Jardine, carry on.

**Sen. James S. Jardine:** Madam President, I move that the Minutes of Wednesday, the 17<sup>th</sup> of July 2019, be confirmed as the correct record of that meeting.

**The President:** Is there any objection to that motion?  
No objection. The Minutes of the 17<sup>th</sup> of July 2019 are confirmed.  
Thank you, Senator Jardine.

*[Minutes of 17 July 2019 confirmed]*

**MESSAGES**

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

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

**REPORTS OF COMMITTEES**

**The President:** There are none.

**ANNOUNCEMENTS**

**The President:** There are none.

**NOTICES OF MOTION**

**The President:** Senator Campbell, you have the floor.

**MERCHANT SHIPPING (FEES)  
AMENDMENT REGULATIONS 2019**

**Sen. Vance Campbell:** Thank you, Madam President.  
Madam President, I hereby present for the consideration of Senate the draft Regulations entitled the Merchant Shipping (Fees) Amendment Regulations 2019, proposed to be made by the Minister responsible for maritime administration under the provisions of section 250 of the Merchant Shipping Act 2002.

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

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

**Sen. Vance Campbell:** Thank you, Madam President.

**PETITIONS**

**The President:** There are none.

**STATEMENTS**

**The President:** There are none.

**INTRODUCTION OF BILLS**

**The President:** There are none.

**FIRST READING OF PUBLIC BILLS****PUBLIC SERVICE SUPERANNUATION  
AMENDMENT ACT 2019**

**FUND ADMINISTRATION PROVIDER  
BUSINESS ACT 2019****EMPLOYMENT (WAGE COMMISSION) ACT 2019****DENTAL PRACTITIONERS  
AMENDMENT (NO. 2) ACT 2019**

**The President:** The following public Bills have been received from the Honourable House of Assembly and are here read for the first time. Their titles are, respectively, the Public Service Superannuation Amendment Act 2019; the Fund Administration Provider Business Act 2019; the Employment (Wage Commission) Act 2019; and the Dental Practitioners Amendment (No. 2) Act 2019.

**FIRST READING OF PRIVATE BILLS**

**The President:** There are none.

**QUESTION PERIOD**

**The President:** There are none.

**ORDERS OF THE DAY**

**The President:** The first Order of the Day is the second reading of the Medical Practitioners Amendment Act 2019.

Senator Richardson, I think this is your Bill. You will be presenting.

**Sen. Anthony Richardson:** Good morning, Madam President.

**The President:** Good morning.

**Sen. Anthony Richardson:** Fellow Senators and those in the listening audience.

Madam President, I move that the Bill entitled Medical Practitioners Amendment Act 2019 be now read a second time.

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

**BILL****SECOND READING****MEDICAL PRACTITIONERS  
AMENDMENT ACT 2019**

**Sen. Anthony Richardson:** Madam President, I am in the Senate today to present the Bill entitled the [Medical Practitioners Amendment Act 2019](#).

Madam President, the Ministry of Health (the Ministry) is responsible for the legislation that provides the framework for the regulation of health care professionals. The Medical Practitioners Act 1950 [the Act] is the legislation that establishes the Bermuda Medical Council and the Medical Practitioners Professional Conduct Committee, and guides the regulations of doctors.

The council is the regulatory authority charged with ensuring high standards of professional competence and conduct for the medical profession. The committee is responsible for receiving and investigating complaints against any doctor registered with the council in order to determine whether a complaint should be referred to the council for possible disciplinary action.

Madam President, currently, the Act allows seven members on the council, with one alternate each. It also provides for the committee to be comprised of three members and three alternates. This number of alternates has proved unworkable due to the intensity of the work involved in investigating complaints and conducting disciplinary hearings.

Madam President, both the council and the committee comprise members with full-time commitments within their respective professions, and securing their engagement for complaints is unreasonably onerous and unworkable. On average, the committee receives about 10 complaints per year. Most complaints are dismissed, while only a few have been mediated due to a misunderstanding. Each complaint is investigated in order to determine whether an allegation sets out grounds for disciplinary action. The investigation of a complaint can be a lengthy process and can require intensive consultation, coordination and research.

It is also important to note that, during an investigation, committee members are coordinating and balancing their personal and professional schedules in order to ensure a thorough investigation.

Madam President, in our small community, persons are often conflicted. And establishing a committee that can meet the particulars of a complaint is challenging with the current membership structure. The changes proposed today are small, but necessary, to improve the timeliness and efficiency of complaint-handling for both the person making the complaint and the registered doctor who is the subject of the complaint.

Madam President, the Bill entitled the Medical Practitioners Amendment Act 2019 proposes to improve the administrative handling of complaints made against doctors by increasing the number of alternate members available for both the council and the committee. Additionally, the Bill proposes a provision for an ancillary committee to be constituted when the committee is unable to deal with all of the complaints before it. It is important to note that the reason for constituting an ancillary committee can be due to the

volume of complaints received, time constraints and conflicts of interest.

The proposed amendments for ancillary committees regularise what has been in practice over the past few years and makes provision for decisions of such committees to be the decisions of the committee. Overall, Madam President, the Bill entitled the Medical Practitioners Amendment Act 2019 will improve complaint-handling so that the council and the committee can continue to uphold high standards of professional competence and the conduct essential for the safeguarding the public.

Thank you, Madam President.

**The President:** Thank you, Senator Richardson.  
Would any Senator care to speak on this Bill?  
Senator Robinson, you have the floor.

**Sen. Dwayne Robinson:** Thank you, Madam President. Good morning, colleagues and listening audience.

**The President:** Good morning.

**Sen. Dwayne Robinson:** We on this side of the table definitely support all amendments that are based on efficiency and making things much more streamlined. For me, I believe a framework of regulations was necessary for this particular thing because I have heard in my own research how conflicts of interest and how complaints are not necessarily processed in a timely manner, and this has been causing angst for many in the community. So, it is good to see that this is being addressed and that the complaints are being handled properly. And that has become of paramount importance to uphold the complaint-handling process and also the standards of how they are handled.

And also, for me, as somebody who, you know, had grandparents who were within this system, it is very personal to me to see that this particular thing is being taken very seriously, as we all know that we take the care of our loved ones very seriously. And regarding health, especially, complaints should be efficiently handled.

So, we support this Bill 100 per cent. Thank you so much, Madam President.

**The President:** Thank you, Senator Robinson.  
Would any other Senator care to speak on this Bill?  
No? Then, Senator Richardson.

**Sen. Anthony Richardson:** Madam President, thank you.

I move that Standing Order 26 be suspended in respect of this Bill.

*[Inaudible interjection]*

**The President:** Do the second reading first.

**Sen. Anthony Richardson:** Oh, sorry, Madam President.

I move that the Bill entitled the Medical Practitioners Amendment Act 2019 be now read a second time.

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

## SUSPENSION OF STANDING ORDER 26

**Sen. Anthony Richardson:** Madam President, I move that Standing Order 26 be suspended in respect of this Bill.

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

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

## BILL

### THIRD READING

#### MEDICAL PRACTITIONERS AMENDMENT ACT 2019

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

I now move that the Bill entitled the Medical Practitioners Amendment Act 2019 be now read a third time.

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

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

I move that the Bill do now pass.

**The President:** It has been moved that the Bill entitled the Medical Practitioners Amendment Act 2019 do now pass.

Is there any objection to that motion?  
No objection. The Bill has passed.

*[Motion carried: The Medical Practitioners Amendment Act 2019 was given a third reading and passed.]*

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

I do believe that the next Bill is also yours, the Health Insurance Amendment (No. 2) Act.

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

**The President:** You can carry on.

**Sen. Anthony Richardson:** Madam President, I move that the Bill entitled the Health Insurance Amendment (No. 2) Act 2019 be now read a second time.

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

*[Noise from electronic device]*

*[Crosstalk]*

**Sen. Anthony Richardson:** Technology, Madam President.

**The President:** Sorry.

**Sen. Anthony Richardson:** Rules.

*[Laughter]*

**The President:** I broke the rules. I thought I turned it off. I am sorry.  
Sorry. Carry on.

**Sen. Anthony Richardson:** Levity is always good, Madam President.

*[Laughter]*

**The President:** Indeed. This is a first for me.

**Sen. Anthony Richardson:** Okay. So, sorry, Madam President.

**The President:** I beg your pardon.

## **BILL**

### **SECOND READING**

#### **HEALTH INSURANCE AMENDMENT (NO. 2) ACT 2019**

**Sen. Anthony Richardson:** Madam President, I am in the Senate today to present the Bill entitled the [Health Insurance Amendment \(No. 2\) Act 2019](#).

Madam President, the Ministry of Health is responsible for providing the health insurance plans, HIP and FutureCare, to ensure that there are affordable and accessible options for health insurance for the people of Bermuda.

The Health Insurance Act 1970 is the Act that establishes these plans, and the benefits that they are legislated to provide are the standard health benefits and any additional benefits specified in an additional Benefits Order made by the Minister under section 13(2)(b) or 13B(2)(b) in respect of HIP and FutureCare, respectively. An additional benefit, for example, currently provided is the personal home care benefit, which allows persons to be compensated whilst caring for elderly and the disabled in their homes. This is an additional benefit that HIP and FutureCare provide its clients to help them stay in their homes longer and get the care they need when they need it.

Therefore, Madam President, the Ministry of Health has to ensure that the additional benefits are available for those persons who need them the most. To do that, the Health Insurance Amendment (No. 2) Act 2019 allows the Minister, in an Additional Benefits Order, to make an additional benefit subject to certain criteria, such as means test criteria. The Health Insurance Committee could also be authorised by the Order to determine what the criteria will be for these benefits.

In the case of the personal home care benefit, it is being added to the Additional Benefits Order for HIP and FutureCare by this Act. And the means testing will only apply to those policyholders who apply for HIP and FutureCare after the commencement of this Act. Madam President, I will just repeat that so that those in the listening audience understand that this is not for those who are currently enrolled. It is for those who will enrol in the future. And it says that the means testing will only apply to those policyholders who apply for HIP and FutureCare after the commencement of this Act.

Madam President, currently, there are 341 participants who are using the personal home care benefit, which costs approximately \$6 million per year. And we want to ensure the viability and sustainability of these plans. To do so, it is ensured that the population that needs them the most have access to them. We cannot do that without establishing some criteria and ensuring that there is a process for persons to show that they are eligible. The Amendment Act today allows the Health Insurance Committee the ability to do just that.

Madam President, it would be best if persons could receive the health care that they need on Island to remain with their family and friends. However, we know that there are times when travelling overseas is warranted, and the Ministry wants to ensure that HIP and FutureCare patients have access to quality care. Providers within the Health Insurance Department approved preferred networks provide a proven high quality of care. And HIP and FutureCare policyholders also experience lower co-pay rates when using providers inside the Health Insurance Department's pre-

ferred network. As you know, this is a standard process of all insurance providers.

As such, the Amendment Act reduces the amount reimbursed for HIP and FutureCare for services provided by overseas providers outside of the Health Insurance Department's preferred network to encourage in-network usage. Again, that is standard for insurance companies. Reimbursement for providers inside the Health Insurance Department's approved network will remain the same.

Providers are selected to be on the preferred network based on quality clinical outcomes and reasonably negotiated rates. The Health Insurance Department has a process by which overseas providers are researched, based on clinical outcomes first, and once proven to have a good clinical outcome, a negotiating process begins.

Madam President, it is important for us to remember that HIP and FutureCare plans are heavily subsidised by the government to maintain reasonable premiums, and therefore, while we are ensuring that the overseas providers in the preferred network have proven quality clinical outcomes, we must also manage cost containment for the plans. Again, there is no reduction in the amount reimbursed from HIP and FutureCare for services by overseas providers within the preferred provider network.

Madam President, the Health Insurance Amendment (No. 2) Act 2019 will also align the legislated dental benefits, which are currently offered to HIP clients, and increase the coverage slightly for dental implants for FutureCare patients.

Overall, Madam President, the Bill entitled the Health Insurance Amendment (No. 2) Act will allow the Ministry to continue to provide all persons in Bermuda access to health insurance by ensuring that the plans we provide are affordable, are focused on quality and ensure access to benefits.

Thank you, Madam President.

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

Would any Senator care to speak on this Bill?  
Senator Robinson, you have the floor.

**Sen. Dwayne Robinson:** Thank you, Madam President.

So, regarding health care, most of the pressing things that we hear about are whether or not the costs will increase. And being as though this is something that is subsidised by the government, and we have an ageing population currently, it begs the question of how will this be maintained without increase? So, I just wanted to kind of get a gist on how the Government intends to maintain the costs for the current co-pays with this ageing population.

And my other question, as far as means testing goes, is this something that we should be expecting to see across other government systems, as far as being a new practice? Or is this simply going to be

isolated to the new folks who are signing up with HIP and FutureCare now?

I am also a little foggy on the definition of "companions" in the legislation. Like, how are we defining *companions*? Are they people who are family members? Are they folks who are qualified in just stay-at-home caregiving? I just wanted to have a bit more clarification on that.

So, regarding this amendment, I am supportive of the intent of the amendment. But I do feel as though there are things that are not quite being outlined as far as the sustainability, going forward. Thank you.

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

Would any other Senator . . .

Senator Jardine, you have the floor.

**Sen. James S. Jardine:** Thank you, Madam President, and good morning.

**The President:** Good morning to you, Senator Jardine.

**Sen. James S. Jardine:** I have had, obviously, a good look through this Bill. I think there are two small errors on page 2. In clause 4(2), it says, "Subsection (1)(a) shall be deemed to have come into operation on 1 July 2018 . . ." I think that is 2019 unless I have an old copy of the Bill.

*[Inaudible interjection]*

**Sen. James S. Jardine:** Bottom of page 2, you will see in clause 4(2), it says, "Subsection (1)(a) shall be deemed to have come into operation on 1 July 2018 . . ." I think that should be 2019.

And then, further on, it says, "immediately after the coming into operation of the Health Insurance Amendment (No. 2) Act" 2019, not 2018.

**An Hon. Senator:** Fine.

**Sen. James S. Jardine:** It should be 2019, unless there is a . . .

*[Crosstalk]*

**Sen. James S. Jardine:** I mean, I do not think there is any need to spend a lot of time on this. If it is correct for a particular reason, then that is fine.

*[Crosstalk]*

**Sen. James S. Jardine:** Just carrying on, with respect to the Bill itself, on clause 4, it says, Amends Health Insurance (Health Insurance Plan) (Additional Benefits) Order 1988 with respect to dental benefits. I am pleased to see that because it has taken away not

only the limit on the amount that is paid for each treatment, but it has also removed the annual aggregate limit. So, there are two parts to that. One is the cost to actually carry that, and the other is the aggregate. So, that is a very worthwhile change for those requiring dental treatment. I was pleased to see that.

The means testing, I do not have a problem with that at all. On the Efficiency Committee, we did talk to persons who handle a lot of the claims, or a lot of the expenses that are covered under this. And certainly, there was a concern that certain individuals have property which could generate income, and yet they were receiving this benefit under FutureCare. So, I was pleased to see the means testing. Obviously, it will be important to see what criteria are generated to determine whether or not they meet the test. But I think that that is extremely important.

So, I think with those few comments, Madam President, I was very pleased to see some of the changes. Cost containment is important, and I understand that. But also is providing reasonable benefits. I think one of the problems is that, as we all get older, speaking for myself, that is just the time where you need additional health benefits. And it is the time when everybody is trying to cut back on expenses. And in fact, you find that you are not covered for it, or maybe you are only covered for part of the cost. So, I think it is important with respect to FutureCare and HIP that there is that additional benefit there for dental treatment, should it be required.

So, with those few comments, Madam President, I support this Bill.

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

Would any other Senator care to speak on this Bill?

Senator Kempe.

**Sen. Nicholas Kempe:** Yes. Thank you, Madam President.

I guess I just have a couple of questions as to where the Government sees this going, because the concepts are set out in the Bill, but they are not defined. And it comes down to the means testing. Are the actual recipients of FutureCare going to be means tested? Or are their children going to be included, as well? I remember some talk last year in a legislative session where children and parents were going to somehow be merged together in the consideration of who is responsible for funding things that are subsidised by government otherwise.

Also, obviously, with demographics the way they are, a shrinking working-age population, a declining birth rate and a baby boomer generation that is more and more shifting into retirement, means testing as a way to restrict Government's responsibility for subsidy is all good and well. But I do not understand why it would just be to the new clients. I would think what is good for the goose is good for the gander. And

if someone does not need to be subsidised by government, then they should not be. And just because they got in before the means testing was introduced, if they do not need government subsidy because they have their own savings and wealth, then I do not see why they would be excluded from that means testing.

But I would like to hear what the Government's thinking was around that.

I am also curious as to whether the means testing will be an all-or-nothing approach, i.e., you qualify or you do not qualify. Some of these things are subsidised, I believe, up to about \$1,000 a month per recipient. So, would that be a sliding scale of subsidy and means testing? Obviously, the more complex the system, the more administrative effort that is going to need to be put into this. And do we have the people and the resources allocated to do this financial auditing?

Are we doing a liquid savings or investment approach to determine the means? Are cashless assets going to be included? Are beneficiaries of trust—are, again, the children who have the money because assets are passed on? What is the . . . You know, there are a number of complexities around this means testing. I just want to know what Government's direction is on that.

And again, when we are talking about sustainability, it is all good and well to restrict people's access to services based on their means to provide it themselves. But it feels like this is kind of yet another piecemeal bit to addressing the health care. But we have yet to see anything that is really addressing the cost of the inputs to the system. And I would want to know when Government plans on tackling those challenges with overuse and this kind of stuff, and where services are out of line with global standards, based on a cost-of-living adjustment.

So, I guess those are my main questions. It is, you know, ensuring that taxpayer money is being used efficiently and that those who do need it get their coverage, great. But I just wanted to get some more meat on the bones around those questions.

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

Would any other Senator care to speak on this Bill?

No?

## ANNOUNCEMENT BY THE PRESIDENT

### SENATE VISITORS

**The President:** Then, before I hand over to Senator Richardson to respond to some of the questions, I would just like to acknowledge in the Chamber the presence of the Acting Permanent Secretary for Health, Ms. Shivon Washington, as well as the Parliamentary Counsel, Mr. Brian Eaton.

Welcome to both of you.

*[Health Insurance Amendment (No. 2) Act 2019, second reading debate, continuing]*

**The President:** Senator Richardson, it is over to you to respond to the questions you have.

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

Madam President, there was a question from Senator Robinson generally in terms of how the costs will actually work, how the Government overall will minimise the costs as much as possible. The essence of what is being done here, in terms of there are obviously persons . . . there are going to be more persons who are going to be making the application for the benefit. And in order to ensure that the future escalation of costs are minimised as much as possible, there will be a process put in place to only allow those who “need it” to benefit; thus, the proposed means testing.

And as I said as I was going through the brief, there is a standard process whereby the insurers do develop a network. And if you get assistance within the network, the cost to you and the insurer is less than if you are outside the network. And so, in that sense, what is being proposed is standard practice for the insurance industry.

And then, I want to, Madam President, address all the questions that relate to the means testing by emphasising the fact that the details of the means testing have not yet been finalised. And the process to finalise the means testing is being undertaken by the Health Insurance Committee, which is being developed in conjunction with the other government departments, including the Department of Financial Assistance. And so, even to address some of the detailed questions from Senator Kempe, the collaboration between all those departments should result in an appropriate process for the means testing, even to the extent whereby . . . there was a question about, does the recipient or do the children get means tested? That will all be factored into the process.

And there was one other question.

**Sen. Nicholas Kempe:** Just a point of information.

**Sen. Anthony Richardson:** Sure.

#### POINT OF INFORMATION

**Sen. Nicholas Kempe:** Obviously, means testing is already a part of the Financial Assistance programme and benefits. Does the Government believe there is going to be something radically different? Or would the FutureCare means testing seek to mimic what is already in place with Financial Assistance?

**Sen. Anthony Richardson:** Madam President, to try to answer that would require speculation. And I would rather defer, as I said, to the process that I have been

made aware of, which is that [which] is going to be developed by the Health Insurance Committee. And then let us comment if appropriate once that decision has been made. That would be the best thing to do.

**The President:** I see.

**Sen. Anthony Richardson:** I believe I have answered all the questions, Madam President.

**The President:** Except Senator Jardine’s question.

**Sen. James S. Jardine:** The one question, Madam President, was the dates in clause 4(2).

**Sen. Anthony Richardson:** Yes. Thank you. Thank you.

The dates, Madam President, are in fact correct. And what is happening is the amendment that we are proposing today is actually intended to amend or have impact on the Health Insurance Amendment (No. 2) Act 2018. And so, that is why the date that is in the 2019 Act is relevant. So, it would be effective that day.

**Sen. James S. Jardine:** So, just for a point of clarification, there was another Act that was passed last year called the Health Insurance Amendment (No. 2) Act 2018?

**Sen. Anthony Richardson:** Madam President, that is correct.

**The President:** Yes.

**Sen. James S. Jardine:** Thank you very much.

**The President:** Thank you, Senator Jardine.  
Senator Richardson, carry on.

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

I now move that the Bill entitled the Health Insurance Amendment (No. 2) Act 2019 be now read a second time.

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

#### SUSPENSION OF STANDING ORDER 26

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

I move that Standing Order 26 be suspended in respect of this Bill.

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



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

## BILL

### THIRD READING

#### HEALTH INSURANCE AMENDMENT (NO. 2) ACT 2019

**Sen. Anthony Richardson:** Madam President, I move that the Bill entitled Health Insurance Amendment (No. 2) Act 2019 be now read a third time.

**The President:** Is there any objection to the third reading?

No objection.

Carry on.

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

I move that the Bill do now pass.

**The President:** It has been moved that the Bill entitled the Health Insurance Amendment (No. 2) Act 2019 do now pass.

Is there any objection to that motion?

No objection.

The Bill is passed.

*[Motion carried: The Health Insurance Amendment (No. 2) Act 2019 was given a third reading and passed.]*

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

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

**The President:** We have the third item on the Orders of the Day, which is the second reading of the Public Access to Information Amendment Act 2019.

I think that is your Bill as well this morning.

**Sen. Anthony Richardson:** Yes, Madam President.

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

**Sen. Anthony Richardson:** Madam President, I move that the Bill entitled the Public Access to Information Amendment Act 2019 be now read a second time.

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

No objection.

Carry on, Senator Richardson.

## BILL

### SECOND READING

#### PUBLIC ACCESS TO INFORMATION AMENDMENT ACT 2019

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

Madam President, the Government wishes the Senate to give consideration to the Bill entitled the [Public Access to Information Amendment Act 2019](#).

The purpose of the amendment is to amend section 4 of the Public Access to Information Act 2010 to exempt the records obtained or created by the Financial Policy Council in the course of carrying out its functions from the provisions of the Public Access to Information (PATI) Act.

For the record, Senators are advised that the following records are currently exempt from PATI: records relating to the exercise of judicial or quasi-judicial functions by any court, tribunal or other body or person, or records obtained or created by any of the following public authorities in the course of carrying out their functions—the Office of the Auditor General; the Human Rights Commission; the Office of the Information Commissioner [which is PATI]; the Office of the Ombudsman; and the Department of Public Prosecutions.

Senators are advised that the Financial Policy Council [the FPC or the Council] was established by the Ministry of Finance and the Bermuda Monetary Authority [BMA] to provide a framework for financial stability policy in Bermuda, with the objective of identifying, monitoring and responding to emerging vulnerabilities and risks in the Bermudian financial sector and in the Bermudian economy as a whole.

The Council was established under a memorandum of understanding between the Ministry of Finance and the BMA, and signed by the Minister of Finance and the CEO of the Authority. The Financial Policy Council met for the first time in December 2015. There is no legislation governing the Council.

Madam President, the role of the Council is to ensure the overall coherence of financial policy in Bermuda and to provide a channel through which, as necessary, financial policy issues can be exposed to and assessed by Cabinet. The Council is responsible for ensuring that agreed actions are carried through effectively and in a timely manner.

The Council is chaired by the Minister of Finance. Its members are the Minister of Finance, the Chief Executive [Officer] of the Bermuda Monetary Authority, and such other persons as the parties mutually agree. The Council is supported by an analyst and a research undertaken at the Ministry of Finance and the BMA.

The Council meets three times a year in Bermuda with a mandate to advise the Ministry and the

BMA on matters relating to the maintenance of financial stability in Bermuda.

Senators are advised that the Financial Policy Council qualifies as a public authority under paragraph 14 of the Schedule to the Public Access to Information Act 2010 if it is controlled by the Government. The Financial Policy Council is chaired or controlled by the Minister of Finance. Accordingly, as Chair of the FPC, or the Council, the Minister is head of the Authority and must ensure that an information statement is prepared in accordance with section 5 of the Act.

The head, who is the Minister, must also ensure that the Financial Policy Council complies with the provisions of the Act. All records produced and held by the Council, which include emails, minutes and other records, are subject to disclosure under PATI, unless they fall within the category of records which are exempt under Part 4 of the Act.

In summary, there is no blanket exemption that applies to the records of the Council. Requested records must be analysed by the Council information officer and decisions made in accordance with the provisions of the Act.

Madam President, the records of the Council contain very sensitive technical matters which could have adverse effects on Bermuda and be subject to misinterpretation or rumour if released under PATI.

The Council, the BMA and the Ministry of Finance have major concerns with regard to the possibility of Council records being disclosed under PATI. Examples of adverse effects include, but are not limited to, the undermining of the Bermuda dollar pegged to the US dollar, or a sharp and sudden withdrawal of deposits from Bermuda banks (i.e., a run on a Bermuda bank in the event of adverse circumstances).

Madam President, the Government recognises that some of the exemptions in Part 4 of the PATI Act, which are "Exempt Records," for example, sections 29 and 30, which relate to deliberations and operations of public authorities, and the financial and economic interests of Bermuda may already apply to exempt some or all deliberation of the Financial Policy Council. However, those exemptions are not absolute, as records are not exempt if disclosure is (in quotes) "in the public interest" (end quote), which is defined in section 21 as follows, as applied by the Commission:

"Public interest test

"21 For the purposes of this Part, the test of whether disclosure by a public authority of a record or the existence of a record is in the public interest is whether the public interest would, on balance, be better served by disclosure than by non-disclosure."

Madam President, to address this problem, it is proposed to amend the PATI Act to provide a PATI exemption to the Financial Policy Council.

Senators are advised that an exemption was provided to the Tax Reform Commission. The Tax Reform Commission Act [2017] contains a blanket

exemption in section 16(2), which is as follows: "The provisions of the Public Access to Information Act 2010 do not apply to the Commission."

The Ministry of Finance, BMA and the Financial Policy Council are looking for a specific exemption to avoid any debate on what is in the "public interest." Therefore, it is proposed to insert an exemption in the Act itself because the Council is not a statutory body whose Act could be amended, like the Tax Reform Commission provision; it is an advisory body falling within section 61(4) of the Constitution.

Madam President, the BMA and Ministry of Finance have conducted some research on this matter, and consulted with the Commissioner and provided rationale for seeking this exemption.

The Commissioner, Madam President, has expressed her position on this matter recently in a press release dated July 5<sup>th</sup>, 2019, which the Government respects. Notwithstanding the Commissioner's position, the Government is of the view that it is prudent to make this exemption for the reasons provided above. Accordingly, it is proposed to amend the PATI Act to provide a PATI exemption to the Council.

Madam President, it must be noted that the Council publishes a communique following each of their meetings, which includes key issues discussed at the meeting. I can also confirm that, in order to provide additional publicity, the Council will consider appropriate additional transparency arrangements, which will be discussed during upcoming Council meetings.

Madam President, it should be noted for the record that the former chair of the Council, which was, of course, the former Minister of Finance, also supports this amendment.

In closing, the Government reiterates its full support for the Office of the Information Commissioner and the Public Access to Information Act 2010. Bermuda has a long-standing dedication to international tax cooperation, transparency and enforcement standards. The sole purpose of this amendment is to protect the financial stability of the country, and to suggest otherwise is without merit.

With those introductory remarks, Madam President, I will now conclude.

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

Would any Senator care to speak on this Bill?  
Senator Kempe, you have the floor.

**Sen. Nicholas Kempe:** Thank you, Madam President.

I can understand the desire to, I guess, make the exemptions more watertight for fear of frank discussions causing economic panic or turmoil, certainly in these telling times. I guess my concern is, right now, the economy is on everyone's mind. But in the future when it is something else, what would stop the same justifications being used to avoid the public in-

terest clauses for disclosure in PATI being eroded there?

I find it curious that in the Senator's statement, he said the Government offers its full support to the Information Commissioner, when we have heard repeated complaints about PATI and the requests for information forthcoming under the Act in another place. So, if the Government is offering their full support to the Information Commissioner, to the PATI Act, to the principle of transparency, then it is somewhat misleading when we hear the type of rhetoric against PATI requests and the supposed nuisance this is causing in debates in another place.

So, we understand the need to allow frank and wholesome advice to the Government on financial matters without fear of this Council being misinterpreted in the public sphere. However, we do note that there is that balance. And the public interest disclosure should always be kept in the forefront, as well, because the public does have a right to know. Thank you.

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

Would any other Senator care to speak on this Bill?

No?

Then, Senator Richardson, it is over to you. I am not sure you had a question.

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

I just wanted to reiterate that the Government does support the Office of the Information Commissioner, notwithstanding, you know, that sometimes there are differences of opinion. And in my brief, I talked about the fact that Government did consult with the Information Commissioner and did receive the officer's comments and addressed them, as appropriate. But as we all know, sometimes matters are discussed in order to have free and frank discussion. The challenge of having information disclosed does sometimes cause a challenge. And so, as I have said already in the brief, the intention of Government is to ensure that there is a blanket exemption for the Financial Policy Council. And then, those who are involved in the meetings and the research can operate more freely to assist the country.

And so, with those comments, Madam President, I move that the Bill entitled the Public Access to Information Amendment Act 2019 be read a second time.

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

No objection.

Carry on, Senator Richardson.

## SUSPENSION OF STANDING ORDER 26

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

I move that Standing Order 26 be suspended in respect of this Bill.

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

No objection.

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

## BILL

### THIRD READING

#### PUBLIC ACCESS TO INFORMATION AMENDMENT ACT 2019

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

I move that the Bill entitled the Public Access to Information Amendment Act 2019 be now read a third time.

**The President:** Is there any objection to the third reading?

No objection.

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

I move that the Bill do now pass.

**The President:** It has been moved that the Bill entitled the Public Access to Information Amendment Act 2019 do now pass.

Is there any objection to that motion?

No objection.

The Bill is passed.

*[Motion carried: The Public Access to Information Amendment Act 2019 was given a third reading and passed.]*

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

**Sen. Anthony Richardson:** Thank you.

**The President:** Item number 4 is the second reading of the Superyachts and Other Vessels (Miscellaneous) Act 2019. And I believe this is Senator Caesar's Bill?

**Sen. Crystal Caesar:** Yes, Madam President.

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

**Sen. Crystal Caesar:** Madam President, I move that the Bill entitled the Superyachts and Other Vessels (Miscellaneous) Act 2019 be now read a second time.

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

## BILL

### SECOND READING

#### SUPERYACHTS AND OTHER VESSELS (MISCELLANEOUS) ACT 2019

**Sen. Crystal Caesar:** Thank you, Madam President.

Madam President, the purpose of the [Bill](#) before the Senate today is to make amendments to a series of Acts in order to create a tourism product that makes Bermuda more attractive as a destination for yachting, and for superyachts in particular. This Bill is intended to move superyachts from vessels that attend a single event for a limited time to vessels that stay in our waters and in that way create a charter industry. This Bill will also streamline processes for permissions to conduct business. Government anticipates Bermudians will benefit through jobs associated with businesses that support the charters and from fees that will go into the Consolidated Fund.

Madam President, the legislative framework sets in motion a series of measures to assist the development of a superyacht industry for Bermuda. In particular, Madam President, this framework outlines the required legislative and policy changes to our existing regulatory framework and puts in place the permissions, licensing concessions and release necessary to allow both local and international participants to operate with the same set of rules. It also seeks to address a number of operational challenges that have historically impacted the local tour boat industry. Some of the legislative proposals will directly and positively impact this industry to facilitate its commercial sustainability.

Madam President, this initiative is one that has been considered for a number of years and has been thoroughly researched, since the AC (or America's Cup) 35 event held in 2017, with the aim of allowing the people of Bermuda to take advantage of any benefits of the industry and all that it has to offer. In the process, it was determined that a restructured legislative framework would be needed to establish and support a sustainable superyacht industry in destination Bermuda, while also protecting, stimulating and enhancing the business of local vendors.

First, Madam President, amendments will be made to include a definition of "superyacht" and exempt them from compulsory pilotage with provisional conditions. This objective is to allow the superyachts to be operated with their crew as they do internationally and to operate in alignment with industry best practice.

Madam President, the second set of amendments relates to the addition of charges for new trans-

it, cruising and charter permits, and to repeal the passenger departure tax. Further, an exemption is required for the period of time a vessel may be in port to facilitate the purchase of needed goods and services.

Madam President, visiting yachts will be eligible for transit and cruising permits. In addition to transit and cruising permits, the superyachts will also be permitted to charter and provide a range of chartering services, all of which will be charged to their charter guests and managed by a local agent.

For edification, I will outline what the differences in those particular types of permits are. A transit permit is a pleasure class, or superyacht, which has been granted a transit permit and shall not remain in Bermuda in excess of five days or provide chartering services. A cruising permit allows a visiting vessel to remain in the waters of Bermuda for more than five days and no more than six months. The cruising permit holder is not permitted to charter. And finally, a charter permit shall be valid for a period not to exceed six months. A charter permit is issued to a superyacht under this section and shall apply to any smaller vessel on board that superyacht if the proposed usage of the smaller vessel has been disclosed in the application for the charter permit for the superyacht. In order to protect the local tour boat operators, a charter permit must be issued for a maximum of 12 passengers and for a minimum of 24 hours.

There are, however, some exemptions for pleasure crafts and superyachts in respect of the following:

- arriving in Bermuda solely by reason of distress or emergency;
- traveling on behalf of or at the expense of the Government of Bermuda or the Government of the United Kingdom or any foreign government;
- for the time being, used solely for scientific research or nautical exploration;
- a sail training pleasure craft or superyacht;
- participating either as a competitor or super-vessel in a sailing race or event approved by the Minister;
- arriving solely for the purpose of obtaining fuel, water or ship stores; or
- arriving solely by reason of assisting in the salvage of another vessel.

Madam President, the third set of amendments pertains to the provision of new fees for superyachts and yachts that will transit or cruise [and] for superyachts that will charter. The new permit fees will replace the passenger departure tax for pleasure craft. While it may seem that there will be a loss of revenue for the government by eliminating the departure tax, in actual fact the benefit of a 6 per cent charge on the charter's gross fee, as well as permit fees based on the size of the vessel, significantly offset the departure tax.

Currently, the passenger departure tax that is applied to all boating visitors, in particular, yacht arrivals, is the same, \$35 per person, whether they arrive on a 50-foot yacht or a 150-foot superyacht. The amendments will make it fairer to the smaller yachts, but at the same time generate more revenue for the government by charging a fee based on the size of that vessel. To illustrate this, Madam President, the passenger departure tax for all yachts over 24 metres visiting in April, May and June of 2018 totalled \$21,105. Potential cruising permit fees for those same yachts over the same period would have been \$25,194. So, the difference would be \$4,089, and that is in favour of the new cruising permit fee. However, once charters commence, the government can expect to see a significant increase in that revenue.

Madam President, the fourth set of amendments pertains to the Customs Procedure Codes, or CPCs, in the Customs Tariff Act. The proposed changes to the CPCs reallocate and recode the items necessary to operate commercial boats by reducing the duty rate on parts, equipment, furnishings, et cetera, and extending the fuel rebate from the current period of the 1<sup>st</sup> of May to the 31<sup>st</sup> of October to year-round for commercial boat operators.

Madam President, the proposed amendments to the code will also remove the import duty requirement for superyachts owned by Bermuda residents when it is imported to Bermuda for six months or less, and remove the duty requirement for equipment, furnishings, fittings, fixtures and parts to equip, furnish, refit, repair, maintain or provision for visiting superyachts, with attached importation restrictions.

Madam President, the objective of the changes to the Customs Tariff current duty rates is to position Bermuda so that it simplifies the cost of doing business in this industry and, by extension, stimulates the local economy. The changes will enable Bermuda residents to bring their superyachts into our waters to operate in the same way that we are welcoming non-resident owners to come and enjoy the Bermuda superyacht product.

The current duty requirement for Bermudian superyachts has the unintended consequence of preventing expenditure in the local economy. By removing the duty barrier and encouraging the yachts to arrive, there are several economic benefits for small businesses that provide goods and services to this industry. Additionally, these amendments demonstrate that this Government has listened to the smaller Bermuda-based tour boat operators. As mentioned, this Government is making adjustments, in particular, duty rates, that will directly benefit this category of small business to assist owners in being competitive in a struggling industry.

Madam President, the fifth and final set of amendments relates to Customs supervision fees. Yachts are already exempt, so we are including "superyachts" in the exemption to simplify and stream-

line transactions. Again, it is anticipated that the 6 per cent fee on gross charter fees will compensate for this exemption.

Introducing this initiative represents the Government's commitment to diversifying Bermuda's economy. Also, it provides the Bermuda Tourism Authority and the Bermuda Business Development Agency with a new product to take to the marketplace for ultra-high net-worth individuals [UHNWI].

Madam President, potential employment opportunities for Bermudians will also be created. Consultations revealed that the captains of the superyachts often ask their guests or agents for assistance in finding a crew for a variety of duties while they are in Bermuda waters.

In 2018, a total of 957 yachts arrived in Bermuda. Of this number, 68 were of the superyacht size; that is, more than 24 metres in length. This legislative initiative seeks to grow those numbers and encourage those yachts to stay for longer periods.

Madam President, the Government consulted widely with all major stakeholders, internally and externally of the government, on this very important initiative. Stakeholders included relevant government agencies, marine and yacht clubs, dock managers, private sector service providers, local tour boat operators and environmental agencies. And we would like to take this opportunity to thank them for adding to the value of this work.

Madam President, I therefore conclude my remarks.

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

Would any Senator care to speak on this Bill?  
Senator Jones, you have the floor.

**Sen. Marcus Jones:** Thank you, Madam President. Good morning to you.

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

**Sen. Marcus Jones:** And good morning to my colleagues around the table. And good morning to the wider audience who are listening.

I will say right off the bat that I am very happy about this particular legislation that the Government has put forward. I think it is definitely timely. One of the major reasons why I am pleased with it is because the yachting industry is not new to Bermuda. This legislation, as I read it and interpret it, will simply expand and enhance the existing industry with the changes and the amendments that have been made.

Having been exposed to some of our neighbours to the south of us who have a booming yachting industry in their jurisdictions, we have observed that this industry, of course, develops supporting businesses, which is very important. So, we are looking at job creation and opportunities for the next generation to get involved in the shipping business. We know that

Bermuda has a time-honoured tradition of shipbuilding, merchant marines and all the rest of it. So, I think this is very important.

As I looked at this particular legislation, I took the time to actually look to see how many superyachts are actually in existence around the world. And approximately, there are 10,000 superyachts that are in operation around the world, and approximately about 150 are built every year. That is a large net of business that Bermuda can definitely be able to try and capture.

As a side note, the largest, the biggest superyacht in the world right now is a ship named *Azam*, which is 590 feet long, 180 metres. That is pretty large. And the second-sized superyacht is a yacht that Bermudians are very much familiar with, which is the superyacht [*Eclipse*], owned by Roman Abramovich, the owner of the Chelsea Football Team, who has visited Bermuda on many occasions. His particular superyacht is actually 533 feet long. So, we surely get it that this is a lucrative business that we are looking at. My concern would be that we, as a jurisdiction, need to ensure that the supplementary amenities and services are going to be in keeping, Madam President, with this new . . . well, this enhanced tourism product that we are trying to promote.

One of the questions that I had that sort of caused me to pause was that part of the amendments to this legislation was to change the name of the Minister who is going to be responsible for this particular enterprise, being the Minister of Transport, and changing it from the Minister of Tourism to the Minister of Transport. Now, I know that as it exists today, that Minister is responsible for both transportation and tourism. But we know in our past that those two ministries have been split at some point. I would hate to think that, in the event that these ministries are in fact separated . . . I would have preferred that this very important fledgling, with high potential to the country, still be under the watchful eye of the tourism department, [Tourism] Minister. But if I could have some understanding of the reasoning behind that, I would appreciate that.

Then, of course, it raises the question about marinas. We have heard that . . . we know that St. George's is very keen on getting their marina done, which I think this may, in fact, create a little bit more urgency and energy around the idea of actually getting the marina in St. George's. I will say that I do have my favourite, which would be to consider Cross Island up there in Dockyard. I believe that that area is a prime spot to have a world-class luxury five-star marina. But I do not want to upstage my friends in St. George's. So, I can appreciate the fact that they were first in line.

But we do support this legislation. We see this as an opportunity for Bermuda's tourism product to be enhanced. We also took note of the intent to level the playing field between locals and those internationally

coming on their yachts. Now, I do not know how many of us around this room or in Bermuda actually have superyachts that are tucked away in their docks and their private homes. But I see the intent there to make it amenable to anyone.

So, with those words, Madam President, I thank you for the time.

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

Would any other Senator care to speak?

Senator Jardine, you have the floor.

**Sen. James S. Jardine:** Thank you, Madam President.

I certainly support this Bill. And I was pleased to hear the Senator talk about the amount of consultation that went on, because I think it was extremely important that that take place so that the local service providers, tourist providers had an opportunity to give their input before this was put together. So, I was extremely pleased to hear about the degree of consultation.

Madam President, a couple of years ago, as we all know, the Caribbean area was devastated by hurricane damage. And I understand that the superyachts and cruising yachts that went through there were looking for alternative sites while the area rebuilds. And there was some substantial damage to areas that, typically, these yachts went to. And so, this provides us an opportunity to perhaps pick up some of that business while that area looks to rebuild and be competitive with that area, going forward in the future. So, I was pleased to see this initiative take place.

The one question I had was on the fees. I notice that, for example, for the visiting yachts, the transit permit and the cruising permit, it is so much per metre. And I guess the one question I had is, Is that a one-off fee? Or is that a weekly fee? I mean, I know the transit permit is only granted for five days. I was just curious to know whether that was just a one-off fee, five dollars times the length of the vessel—that is it, one fee. And I notice that for the charter permit, obviously, in addition to that fee, there is the 6 per cent of gross charter income, which again is good for Bermuda. So, that was the only question I had with respect to the fees that are charged.

But I do support this Bill, and thank you very much for the time, Madam President.

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

Would any other Senator care to speak on this Bill?

Senator Kempe, you have the floor.

**Sen. Nicholas Kempe:** Thank you, Madam President.

So, this is certainly something that the OBA has been clamouring for since the election. It was well in train at the time of the election, and it seemed that

the PLP was intent in throwing out the baby with the bathwater in order to not continue any momentum or impetus of any single initiative that could possibly cast the OBA's economic stimulus programmes in good light. The BTA [Bermuda Tourism Authority] had done presentations in the lead-up and shortly after the America's Cup, where they had been going through all the research and pre-planning they had done for superyacht legislation. And I know they had really started their work when the America's Cup was bid on. Legacy economic impact was a key feature.

And on the presentation that is still on the BTA's website, it speaks about a timeline for future events. And June 2017 was the stakeholder consultation. October 2017, Cabinet was slated to green-light a policy paper. [In] 2019, we were anticipating two superyacht events and potentially a J class event return, as well as a new superyacht regatta was being contemplated.

Now, we have voiced our concerns about essentially walking away from building on the America's Cup legacy for the last two years. The fact that the Government has finally decided that (for using another metaphor) cutting off their nose to spite their face was not a good idea, we are seeing that this has been returned. I think it really shows how, I guess, desperate the Government must be with the economic indicators, with the business confidence, with shareholder confidence, that they are going back to ideas they walked away from with a certain level of contempt some two years ago.

So, the OBA certainly supports this being tabled. It is something that we have been clamouring for for the last two years. And it is unfortunate we could not have had this delivered and the economic momentum built on some time ago.

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

Would any other Senator care to speak?

Senator Richardson, you have the floor.

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

On this topic, I want to say good morning to Mr. Bean and the fellow taxi drivers, who I know are in the listening audience, because this is an initiative that will have an impact, a positive impact, on Bermuda. I just made a quick list. For example, in terms of those who will be impacted would be restaurants, water sports, local residents, again, who drive taxis, accommodations generally, [such as] Airbnb, and raise our overall profile.

And what people may not appreciate is that a lot of times, whether it be superyachts or large yachts come to Bermuda, the owner does not come on the actual yacht. And so, the yacht will come down with its crew and what have you. The owner will come later on a flight, sometimes commercial, sometimes private. And what also happens very often is that they have

their guests who come down, sometimes without them. And so, in terms of the impact on the economy, this is almost . . . well, I will not say unimaginable. It is a very exciting opportunity, for sure.

And my comments are for us to really prepare ourselves for almost what we do not know, but get ready, get ready, get ready. And I also smile because right now what might be recently finished, there is a fishing tournament that takes place every year in Bermuda. And for that, many fishing boats come to the Island. And we see the same impact in terms of, once they are here, the owners will fly in, again sometimes on private jets, sometimes on commercial. But then, they do have a relatively large spend on the economy

And just, I think last week, actually, I was going home down North Shore there, and I stopped. It was close to five. And it was pretty to see all of the fishing boats. It was close to five. They were racing in for weigh-in. And I am saying that to say that sometimes, we get caught up in, you know, I guess in negativity, almost. But this is a very good opportunity for Bermuda. And again, I hope that all of us, old, young and in-between, do prepare ourselves for this. Because even for the one-man band, sometimes they can have a special offering that will appeal to some of these guests. And it may be a special artefact that they are selling. For example, I know in St. George's there are the walking tours that are very, very popular.

And I will say, based on my own experience, before the America's Cup and all the rest of it, I was on the Corporation of St. George's. And even before my time, one of the strong emphases was trying to develop the criteria for a marina in St. George's. It has not yet come to fruition, but as I put on my hat as the Junior Minister for Home Affairs, that is one of the things that the Government will continue to look to do, which is to bring to fruition a marina in St. George's. And in doing so, Bermuda will take advantage of the transit yachts that do pass by, especially during the summertime.

But even for St. George's as a community, once there are several yachts in, to have the crew just in St. George's, you see them sitting around sometimes, doing different things. You interact with them. I know there is a laundromat down there that benefits [them]. So, all of these things are definitely a good sign, a good opportunity, for everybody to start getting themselves ready to participate. I mean, it is virtually limitless in terms of how you can benefit from doing these things.

And the other comment I will make is for catering. There is a huge amount of food that is required once these boats are here. And they want to get it from all kinds of places. And sometimes, not the so-called name-brand caterers; it is the local persons who may do fish a certain way or do conk or whatever the case may be. And so, again I will say for all of us to be excited, to get ready, get ready, get ready. This



is a wonderful opportunity. Thank you, Madam President.

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

*[Inaudible interjections and laughter]*

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

Senator Campbell, you have the floor.

**Sen. Vance Campbell:** I just have some brief comments, Madam President.

Madam President, superyachts have been coming to Bermuda for quite some time. They did not start to come to Bermuda two years ago. But, you know, I think it is a great opportunity, as has been said. The Progressive Labour Party Government has always said that it intended to try to diversify the economy here in Bermuda. So, it is nothing new or surprising with opposition having been taken that we would move in this direction. Our timetable might not meet the needs of others. But it is better to arrive here now than never to arrive here with this piece of legislation.

As Senator Richardson said, we must prepare, take advantage. These opportunities come, but you cannot take advantage of them if you sit on the bench in the park. You must get up, you must get active, you must prepare.

I like to look at it from the perspective that if I personally was to receive \$1,000, I would prefer to receive one dollar from 1,000 people. That way, if one person changes their mind, I still have \$999, as opposed to receiving \$1,000 from one individual. So, again, just going to the diversification, Madam President, that Bermuda is better receiving little pockets of revenue from multiple sources than relying heavily on just two. Thank you, Madam President.

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

No other Senator wants to speak?

Therefore, Senator Caesar, it is over to you for your final comments.

**Sen. Crystal Caesar:** Yes. Thank you, Madam President. I am glad to hear that there is some excitement around this particular Bill and potential business opportunities for Bermudians.

There were a couple of, just two questions, from what I could surmise from my colleagues. And if I could, Madam President, just to answer, the fees that have been mentioned are actually an annual fee. So, it is not a one-time fee. It is actually going to be an annual fee.

Further to that, to answer the question with regard to why the Minister changed from the Minister of Tourism to the Minister of Transport, and that is because the Minister who has oversight of marine ac-

tivities falls under the Minister of Transport. So, it makes sense that this particular legislation would fall under that particular Minister's purview. So, it all sort of lines up. It just makes sense for that. And, obviously, colleagues would, I guess, confer with one another to do what is best for the superyacht and yacht industry in any case if for any reason those ministries were, in the future, to be split. But, as we know, today they are not.

So, with that, Madam President, I would like to move that the Bill entitled Superyachts and Other Vessels (Miscellaneous) Act 2019 be now read a second time.

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

No objection.

Carry on, Senator Caesar.

### SUSPENSION OF STANDING ORDER 26

**Sen. Crystal Caesar:** Thank you, Madam President.

Madam President, I move that Standing Order 26 be suspended in respect of this Bill.

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

No objection.

Carry on.

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

## BILL

### THIRD READING

#### SUPERYACHTS AND OTHER VESSELS (MISCELLANEOUS) ACT 2019

**Sen. Crystal Caesar:** Thank you, Madam President.

Madam President, I move that the Bill entitled Superyachts and Other Vessels (Miscellaneous) Act 2019 be now read a third time.

**The President:** Is there any objection to the third reading?

No objection.

**Sen. Crystal Caesar:** Madam President, I move that the Bill do now pass.

**The President:** It has been moved that the Bill entitled the Superyachts and Other Vessels (Miscellaneous) Act 2019 do now pass.

Is there any objection?

No objection.

The Bill has passed.

*[Motion carried: The Superyachts and Other Vessels (Miscellaneous) Act 2019 was given third reading and passed.]*



**The President:** Thank you, Senator Caesar, and all Senators. That concludes our orders of the day.

## MOTIONS

**The President:** There are none.

## CONGRATULATORY AND/OR OBITUARY SPEECHES

**The President:** Would any Senator care to speak?  
Oh, Senator Simmons.

Senator Michelle Simmons, you have the floor.

**Sen Michelle Simmons:** Good morning, Madam President and colleagues and the listening audience.

**The President:** Good morning.

**Sen Michelle Simmons:** My comments are going to begin with a statement. I believe that there are more than 400 young people who recently graduated from high school in Bermuda, both public and private schools. Some of those students are still uncertain about future plans. And I just want to encourage those who may not have definite plans right now for progressing on their educational journey to consider the fact that, nowadays, tertiary education is so critical to their future success.

And tertiary education takes on many different appearances. It could be in the technical area. It could be in academia. It could be, perhaps, some form of apprenticeship. It could be a mentoring programme. Whatever it looks like, it is important for our young people not to stop at the end of high school. A very good option right here in Bermuda is our community college—i.e., Bermuda College.

And Bermuda College has just announced some exciting news. And so, I am congratulating the President, Dr. Duranda Greene, and the Vice President, Dr. Phyllis Curtis-Tweed, who have recently achieved something that I am sure they have been working on for a while. Even though Bermuda College has had, or I should say, Bermuda has had a 150-year relationship with Mount Allison University in Canada, it is only now (i.e., starting in September of 2019) that students who are enrolled in and complete the Associate of Science Degree, or associate degree, at Bermuda College will be able to transfer those credits into a Bachelor of Science Degree programme at Mount Allison.

And so, in four years, students will have studied for two years at Bermuda College, obtaining an Associate Degree in Science, and then they will enter the third year of university at Mount Allison, where they will only have to take two years to complete their Bachelor of Science Degree. And the science degree

programmes that they will be able to enrol in are psychology, biology, math, environmental science, or chemistry. I think that is exciting news.

But it also led me to want to use this opportunity today to encourage students to look at Bermuda College if they have no plans right now for continuing their education, because Bermuda College has many pathways for students to achieve their career success. For example, they have more than 30—they call them agreements or partnerships with overseas institutions in Canada, the United States and the United Kingdom. It is far too many for me to read out the list to you today. But if you go to the Bermuda College website, you can see the full list of . . . they used to call them “articulation agreements.”

The financial savings to families for students who do take this two-plus-two pathway are huge. For example, I looked up Bermuda College fees on their website. And for 2018 (I could not find 2019), if you take 18 credits, which seem to be the maximum in any given year, your tuition fee will be \$2,790. Compare that with . . . Gosh! I do not know what the cheapest university overseas is charging. But I can start at \$30,000, go up all the way to \$70,000. Wow! Look at that. What a huge difference, \$2,790 versus (I will go in the middle of the range) about \$50,000 per annum.

There is still time for students to register for the current academic year, which starts in August, late August. So, if anyone out there is listening and you are interested, that option is definitely available to you. Go to the Bermuda College website, [www.college.bm](http://www.college.bm), and see the opportunities that are available.

Once again, I would like to congratulate Bermuda College on this milestone, really, and to encourage them to continue to seek more partnerships and articulation agreements with institutions overseas. The whole community benefits when our young people continue this journey so that their success becomes our success. Thank you, Madam President.

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

Would any other Senator care to speak on the congratulatory and obituaries?

Senator Richardson, you have the floor.

**Sen. Anthony Richardson:** Madam President, I am going to smile because Senator Simmons always tempts me to comment. I was not going to say anything during this motion.

*[Laughter]*

**Sen. Anthony Richardson:** I just want to underscore, though, that the idea of going to Bermuda College is not second-best or anything second. It is first-rate. It was a while that I went there, but, having said that, the idea of going to Bermuda College is a tremendous benefit. And to those in the listening audience, the

parents in particular, I want to encourage you to encourage your young people to not consider Bermuda College in any way to be second to anything because many persons do attend for two years, get full information, learn what they have got to learn, and certainly when you transfer to the Canadian college and the US also, you go straight into your third year.

As children, what happens is it allows you to transition between high school, whereby someone checks on your homework and what have you, into Bermuda College, whereby you can do it if you want. But it is up to you. It is a level of maturation that takes place while at Bermuda College. And certainly, even me now as a parent, there is a huge financial benefit in having your child go there before they go overseas. And I know that, from some young people I have talked to, they think of it as being a negative, *Oh, well, I have got to go to Bermuda College*. No, no, no. It is a positive. It definitely allows persons to settle themselves down, sometimes to be more fine-tuned into what they want to pursue when they go overseas. And as Senator Simmons has said, it definitely saves everybody a lot of money.

And as I was driving this morning, Senator Simmons, I also heard the announcement in terms of Bermuda College and Mount Allison. Like, it is tremendous! And sometimes, I think we do not fully appreciate what Dr. Greene and others do at the college to make these things happen, because it is a lot of work, as you can imagine.

And so, again, I want to add my comments to those of Senator Simmons and to all those in the listening audience, in terms of continuing education. Bermuda College is first-rate. And it does not just apply, by the way, to those who are graduating from high school. You can be any age you choose and go to Bermuda College and transition, change your skills, upgrade your skills, whatever the case may be. Because I will maintain that there are options in Bermuda to those who are prepared to avail themselves of what is necessary to change or upgrade their skill set. Thank you, Madam President.

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

Would any other Senator care to speak on congratulatory and/or obituary speeches?

If not, I will just make a comment myself, in terms of I would like to congratulate Ryan Robinson Perinchief for the Future Leaders Programme, which is in its third year. I think Senator Kempe and I had the opportunity to attend Berkeley school last week, for the induction and the closing ceremony, which was held in their upper atrium. And there were 23 students. And it was not the first time I have been to the closing ceremony. But it always amazes me how many students—and it is increasing each time—but also the amount of work that Ryan Robinson Perinchief puts into the programme.

And it was just a joy to see them and to hear that when they first entered the programme, they did not know what they were in for. And at the end of it, they were confident. They were able to talk about what they went through in the three-week period. And I just think it is really a wonderful programme that he has put through. And it is going to get international recognition. His name has been put forward for an international award, actually. So, we will see what happens.

But I just wanted to send congratulations to him and to all of the students, the 23 students. And they did come from quite a number of schools here, Berkeley, BHS [Bermuda High School], CedarBridge, Bermuda Institute, Somersfield Academy, Warwick Academy, T. N. Tatem Middle School and Dellwood. I mean, it was just amazing to see that our young people are responding to this programme, and they are benefiting from it.

So, with that said, now we will move on to adjournment, Senator Kathy Lynn Simmons, Attorney General and Government Leader.

## ADJOURNMENT

**Sen. the Hon. Kathy Lynn Simmons:** Thank you, Madam President.

I move that the Senate do now adjourn until Monday, July 29<sup>th</sup>.

**The President:** Would any Senator care to speak on the motion to adjourn?

Senator Jones, you have the floor.

## 2019 BERMUDA BUSINESS CONFIDENCE INDEX REPORT

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

Thank you for the opportunity. Just for a few moments, I would like to have an opportunity to bring to the attention of this Chamber a report that was made public a few months ago, the 2019 Bermuda Business Confidence Index. I realise that we are about to adjourn for the summer session. But I surely would like to leave, before we do adjourn for the summer session, my encouragement and observations in regard to this report.

Now, for the listening audience, those who may not know the genesis of this particular report, it was originally launched in 2014. It is a report that is sponsored by the local bank, HSBC. And this particular summary report is a survey of business owners, executives, both within the local and international companies.

We know that our guest executives who are working here in permits, they tend to be very polite and do not want to rock the boat and make too many public statements that could be misinterpreted as being, let us say, unfriendly. But this particular survey

that is conducted allows friends within, not only the local business, but within the international business companies to express their opinions and whether they are confident and happy about what is happening within the business of our environment, what changes can be made, what improvements can be made.

We know that this particular survey helps give the Government an indication of what current business conditions are like, whether the businesses feel good about purchasing and hiring more people in their businesses. We found that over the last two years, this Bermuda business confidence index has been trending down. Now, the benchmark index grading started at 100 back in 2014, and now we see that here in 2019, that business confidence index is now down to its lowest, at 63. Now, that is down 24 points from last year, and 38 cumulative points from 2017.

So, having this information, we definitely need to make a clarion call to this present Government to ensure that its policies are in sync and lined up, that this Government is listening and responsive, Madam President, to the concerns of the business community. Three things that they indicated in this survey that had their concern were taxes increasing, the general cost of business increasing, and, of course, they are concerned about Government and its policies in general.

And I believe that it will be good for the Government to take on some of the concerns, Madam President, that these businesses have actually voiced. Some of the improvements that they suggested could be made were the immigration policy . . . I was very much encouraged by statements made by the Minister responsible for National Security. Earlier in the year, he did make the statement that something will be coming out this summer. And I am encouraging him and looking with great expectation, knowing that behind the scenes his group is working on this immigration reform. So, I would encourage him to definitely make the necessary moves to cause that to be a reality.

But in listening to the business community, as we know, the cost of business is so difficult and so hard for business both locally and internationally. And I would suggest that, if the Government wants to be a listening Government and be a responsive Government, their policies be in sync. If the objective is to lower costs, then raising taxes does not help the situation at all. Having amendments, for example, we saw here recently with health insurance amendments that looked to disperse costs for health insurance from the private sector back to the hospital, under the Government's watchful eye, had some unintended consequences. We find that, through our community, some companies have had to . . . Some health insurance companies have had to increase their premiums to compensate for these changes that are being made.

So, what I am saying is that not all is well out there in the business community. With the trending down of business confidence, we also learned that the

consumer confidence index is at its lowest that it has been in five years. Having also experienced 13 consecutive months of declining volume sales within the retail industry, it makes us on this side want to sound the alarm. Even though we are recessing for the summer and there is going to be a little lull, and Members of Parliament and Senators, everyone is going on their vacation and doing what they need to do, we do not need to lose sight of what we need to do to ensure that we create a business environment that is conducive to lowering costs, to meeting the businesses halfway to ensure that we can invite and encourage as much business to come to Bermuda, because policies are in sync with bringing prices down.

And we know that the minimum wage initiative that is being championed, we need to ensure that everything is in sync in ensuring that the cost of doing business in Bermuda comes down.

Thank you, Madam President.

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

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

Senator Robinson, you have the floor.

#### ADDRESSING THE HIGH COST OF LIVING

**Sen. Dwayne Robinson:** Thank you, Madam President.

This particular topic has weighed on me, and I felt the need to bring it to this Chamber. Every day, now that my profile has risen, I guess, a bit and my face has been out there and all that, people have been coming up to me more and more and expressing, *Oh, yeah! You're the young Senator. What are you going to do about cost of living? What's the Government doing about this and that?* And it prompted me to do a little bit of like canvassing, so to speak, as far as going around and just speaking to people at my workplace and speaking to those of my family members about how they feel about the cost of living and whether or not it is being aggressively addressed. They have seen things pop up.

I am just concerned that the cost of living may become like the elephant in the room, where we all know it is a big thing that we need to address, but yet have not exactly looked at it as keenly as we should. A member of my family, who I hold very dearly, let me know that they intend to emigrate to Barbados because they feel as though the cost of living there is a bit more suitable for them.

And as there is no empirical evidence to support why, what the main reason is that people are leaving Bermuda, I will not state that it is a fact. But I will say that in my opinion it is because of cost of living. That is the main reason.

And the reason why I was concerned about whether or not this particular Government is as focused on cost of living as it should be is due to com-

ments made in another place by the Premier, stating that he believes that gang violence and education are the main reasons why Bermudians are leaving. The response on social media, the response of people reaching out to me and my personal response is that he sounds extremely out of touch with what Bermudians are grappling with every day—that folks are weighing the options of whether or not they are going to get groceries or handle their health care costs. And I do understand that things have been said, and platitudes have been made. But this is a dire situation, and in my opinion, it is the *main* situation for Bermudians—lowering costs so that they can thrive and survive in their country, Madam President.

So, I simply bring this to the Chamber to urge that our country's leader focus on that issue vehemently. Gang violence and education opportunities are important. And they are things that should be addressed. In my humble opinion, I feel as though the main beast that Bermudians fight every day is cost of living. And it should be at the tippity-tippity-top of our agenda as legislators, and not dismissed like it was in another place during the Premier's Question Period.

Thank you, Madam President.

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

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

Senator Richardson, you have the floor.

#### ADDRESSING THE HIGH COST OF LIVING

**Sen. Anthony Richardson:** Madam President, I will do my best to be very, very brief. And really, in terms of the current Government's focus on the cost of living, Senators will be aware that I am the Chair of the Cost of Living Commission. And it is, I want to say, Madam President, a complete misstatement if anybody believes that the current Government is not focused on looking at the cost of living. In my role, the Premier speaks to me directly. And there is absolutely no question that he is keenly focused on the cost of living and what we are going to be doing about that.

And for the general information of members listening and also around the table here, there are many factors that go into the cost of living in Bermuda. And, yes, what we individually experience almost immediately is the cost of food prices. And we are doing some work to research that, as a general comment. But some of the underlying structural challenges in Bermuda in terms of cost are (and I think I have said this before in the Chamber), for example, the cost of rent, whether it be a mortgage or literally paying rent, which is underscored by the prices of accommodation—i.e., buying a house or an apartment or a condo, thereabouts, which is also then underpinned by the cost of loans, some of them have mortgages, rates, lending and all the rest of it. So, it is that.

From a business perspective, there is the cost of electricity, which has to be addressed. And the Minister actually spoke on that publicly on the news again today, and I guess yesterday also. So, with that, and then what really factors into the overall cost of Bermuda would be even issues around employment and wages. We know that the Government, or the House of Assembly, really, talked about the living wage, effectively, and a commission being set up for that. So, that will be part of the way by which we start to address some of the structural challenges that Bermuda currently has.

But to be honest, on a positive note, the work that I am doing and is being done assisted by others is that, yes, there is work to be done in terms of the cost of living in Bermuda. And some of it is for us to start to make decisions that will impact ourselves personally, and to still focus on the idea of, as best we can, making healthy choices so that we can positively impact our families, especially our young people.

And there has been some conversation in the community even in terms of, say, right now. In the heat of summer, we need to ensure that we make sure that we are hydrated and do so with water as opposed to some of the drinks and stuff to be used, because these are some of the things that can impact ourselves in a more immediate way. And do some things for natural exercise as opposed to some of the things that we do. And just walking sometimes, you know, parking your car further away than normal, these are things that we can do.

But I can assure, and I will summarise by saying that there is absolutely no truth to the fact that the Premier and the current Government are not focused on the overall cost of living in Bermuda.

Thank you, Madam President.

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

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

Senator Kempe, you have the floor.

#### DEPARTMENT OF CHILD AND FAMILY SERVICES INVESTIGATION

**Sen. Nicholas Kempe:** Thank you, Madam President.

Seeing as questions I have asked in the last few motions to adjourn remain unanswered, I am going to change tack and ask two different questions of the Attorney General this week. And the first one is, Were the allegations of child abuse in the Department of [Child and] Family Services reported to Bermuda Police Service? And two, Were the victims interviewed as a part of either investigation? And if so, which one? Thank you.

**The President:** This is the motion to adjourn, and you have raised a question. And I suppose my question to

you is, in terms of raising that question on the normal . . . putting the questions directly to the Attorney General during Question Period. That is just my question to you.

**Sen. Nicholas Kempe:** They were questions on a Statement.

**The President:** Okay.

Anybody else want to speak or comment on the question?

Madam Attorney General . . . ?

Or motion to adjourn?

If no one else wants to speak on the motion to adjourn, the Senate is adjourned until Monday, July the 29<sup>th</sup>. And that will be the last meeting that we will have prior to our recess and Cup Match period.

Thank you all.

*[At 11:44 am, the Senate stood adjourned until 10:00 am, Monday, 29 July 2019.]*