



2018/19 SESSION
of the
BERMUDA HOUSE OF ASSEMBLY
OFFICIAL HANSARD REPORT
November - December 2018

Sittings 1 through 7 of the 2018/19 Session
(pages 1–524 and INDEX)

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

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BERMUDA HOUSE OF ASSEMBLY**OFFICIAL HANSARD REPORT
9 NOVEMBER 2018
10:00 AM***Sitting Number 1 of the 2018/19 Session**[Hon. Dennis P. Lister, Jr., Speaker, in the Chair]***PRAYERS***[Prayers read by Mrs. Shernette Wolffe, Clerk]*

The Speaker: Good morning, Members. Welcome back after your summer recess.

*[Gavel]***ANNOUNCEMENT BY THE SPEAKER**

The Speaker: Members, you know that we have a brief waiting period as we go through the formalities, [before we] go down below for the formalities. As you know, the Senate is now officially in this building in their Chambers. So, the Senate is doing their process of swearing in their new Members. And then, they will proceed down. And once they have proceeded down, we will send for the Black Rod.

There will be two Members from this House who will take the message down to the Governor. They will go out and deliver that message and come back with the Black Rod. And then, we will orderly file out from here for the convening of Parliament on the Cabinet lawns.

You can be relaxed at this moment.

*[Pause]***HOUSE VISITORS**

The Speaker: Members, you will note that we have Youth Parliament Members with us this morning. I see Ms. Lightbourne, the Youth Deputy Premier. And the Youth Speaker is supposed to be joining [us]. I am looking; I do not see him at the moment. I am sure he will be with us as we prepare to go down.

[Pause]

The Speaker: Members, we will take order again.

We have just received the signal that the Senate is on its way. So, we can start our proceedings.

We will start with the Deputy Speaker, who is going to make his motion.

SUSPENSION OF STANDING ORDERS 14 AND 21

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

Mr. Speaker, I move that Standing Orders 14 and 21 be suspended to enable me to move that a message be sent to His Excellency the Governor, Sir John Rankin.

The Speaker: [Are there] any objections to the Deputy's asking for suspension of the [Standing Orders]?
No objections.

[Motion carried: Standing Orders 14 and 21 suspended.]

The Speaker: Proceed, Deputy.

**DEPUTY SPEAKER'S MESSAGE
TO THE GOVERNOR**

Hon. Derrick V. Burgess, Sr.: May it please Your Excellency. We are directed by the House of Assembly to inform Your Excellency that the House has met.

The Speaker: Thank you, Deputy.

The two Members who have been selected to take the message to the Governor can now proceed down to the Cabinet grounds. It is Minister Dickinson and MP Pearman.

You can proceed down now.

[Inaudible interjection]

The Speaker: You have the message.

[Inaudible interjections and laughter]

The Speaker: Proceed . . . hold on one second, gentlemen.

[Pause]

The Speaker: Members, again, as we are waiting, just a bit of housekeeping. You will note that the air quality in the building seems much better than what it used to be. We now have screens in the windows on the porch, and the air circulates regularly, which means, Members, when you are out on the porch, be

mindful that your conversation will flow into the building. So, just be cautious [with your] conversation and keep your tone . . .

[Inaudible interjection]

The Speaker: Yes, yes. And keep your tone and content of your conversation at the right measure.

We have now received the letter from . . . I am sorry. No, no.

[Inaudible interjections and laughter]

[Pause]

MESSAGE FROM THE GOVERNOR

The Speaker: Members, as we wait for the next portion, I will read out the letter that has come from the Governor.

The letter indicates:

"I have the honour to inform the House of Assembly that I will deliver the speech on the occasion of the Convening of Parliament at 11:00 am today, Friday, the 9th of November 2018, on the Cabinet Lawn."

That is signed by Governor John Rankin.

[Pause]

Black Rod (Superintendent Inspector Troy Glasgow): Good morning.

Mr. Speaker, I have been commanded by His Excellency the Governor to request the attendance of your Honourable House on the Cabinet lawns forthwith.

The Speaker: Thank you.

Members, we will now proceed down to the Cabinet lawns. I believe you have been given an order we are to follow. And we will follow that order.

Proceedings suspended at 10:41 am

Proceedings resumed at 12:15 pm

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

The Speaker: Members, [as] per normal, the first Order will be that we will take the official photo. And then we will proceed with the business of the day.

So, Mr. Photographer, once the Sergeant-at-Arms and Ms. Place finish distributing the Throne Speech, we are in your hands as to how you want us to organise ourselves for the photograph. Okay?

[Pause]

The Speaker: Members, the photographer is going to provide instruction as to how he wants us positioned for this photograph. So—

The Photographer: So, well, first, hopefully, we can clear off the desks so we can get a great photo. Just declutter the desks.

The Speaker: Yes. Clear your desks off so the photo looks nice and clean.

[Pause]

[Group photo by DCI and LookBermuda]

The Speaker: Members, we are just waiting for the Sergeant to secure the House and the photographer to clear out his items, and we will be ready to start today's proceedings.

[Pause]

The Speaker: Mr. Premier, would you like to move your motion?

SUSPENSION OF STANDING ORDERS 14 AND 21

Hon. E. David Burt: Good morning, Mr. Speaker . . . Or, sorry. Good afternoon.

Mr. Speaker, I move that Standing Orders 14 and 21 be suspended to enable me to move a motion related to the Governor's Speech from the Throne.

The Speaker: Continue.

[Motion carried: Standing Orders 14 and 21 suspended.]

MOTION THAT THE GOVERNOR'S SPEECH BE TAKEN AS READ AND SET DOWN FOR CONSIDERATION AT THE NEXT DAY OF MEETING

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

Mr. Speaker, I move that the Speech with which His Excellency the Governor was pleased to present to open the present session of Parliament be taken as read, and that the said speech be set down for consideration as the first Order of the Day for the next day of meeting.

The Speaker: Thank you, Mr. Premier.

Any objections to that?

No such objections. It will be tabled for the first Order of Business at the next sitting.

[Motion carried: Speech from the Throne taken as read and set down for consideration at the next meeting.]

CONFIRMATION OF MINUTES

[Minutes of 10 August 2018]

The Speaker: The Minutes of the 10th of August 2018 to be confirmed.

[Minutes of 10 August 2018 confirmed]

[Crosstalk]

MESSAGES FROM THE GOVERNOR

The Speaker: There are none.

ANNOUNCEMENTS BY THE SPEAKER OR MEMBER PRESIDING

50TH PARLIAMENTARY PRAYER BREAKFAST

The Speaker: There are two announcements this morning.

Just a reminder to all Members: Next Friday, November the 16th, is actually the 50th Parliamentary Prayer Breakfast. So, Members if you have it in your calendar, it is just a reminder for you to be present for next week's prayer breakfast.

APOLOGY

The Speaker: The other announcement is that we have received notice from the Honourable Michael Dunkley that he will be absent today. He is the only Member who has given any indication.

An Hon. Member: He is going to pay for it, too.

MESSAGES FROM THE SENATE

The Speaker: There are none.

PAPERS AND OTHER COMMUNICATIONS TO THE HOUSE

The Speaker: We do have papers to be communicated to the House today. I believe there are some five papers on the Order [Paper]. I will call on the Honourable Minister of Finance as the first Minister to table his matters at this point.

Minister.

Hon. Curtis L. Dickinson: Mr. Speaker.

The Speaker: Yes.

MUTUAL RE-INSURANCE FUND AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDING 31 MARCH 2016

Hon. Curtis L. Dickinson: I have the honour to attach and submit for the information of the Honourable House of Assembly the Mutual Re-Insurance Fund Audited Financial Statements for the fiscal year ending 31 March 2016.

The Speaker: Thank you.

Minister Wilson, I believe you have the next [paper].

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

The Speaker: Good afternoon.

HEALTH INSURANCE FUND AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDING 31ST OF MARCH 2016

FUTURECARE FUND AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDING 31ST OF MARCH 2016

BERMUDA HOSPITALS BOARD (HOSPITAL FEES) REGULATIONS 2018

Hon. Kim N. Wilson: I have the honour to attach and submit for the information of the Honourable House of Assembly the following: Health Insurance Fund Audited Financial Statements for the fiscal year ending 31st of March 2016; FutureCare Fund Audited Financial Statements for the fiscal year ending 31st of March 2016; and the Bermuda Hospitals Board (Hospital Fees) Regulations 2018.

The Speaker: Thank you.

Minister of Works.

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

The Speaker: Yes.

LAND TITLE (STAMP DUTIES ACT) AMENDMENT REGULATIONS 2018

Lt. Col. Hon. David A. Burch: I have the honour to attach and submit for the information of the Honourable House of Assembly the Land Title (Stamp Duties Act) Amendment Regulations 2018.

The Speaker: Thank you.

The Clerk: As a note for Members of Parliament, the Bermuda Hospital Regs and the Bermuda Land Title Regs will be circulated electronically to Members.

PETITIONS

The Speaker: There are none.

STATEMENTS BY MINISTERS AND JUNIOR MINISTERS

The Speaker: There are none.

REPORTS OF COMMITTEES

The Speaker: There are none.

QUESTION PERIOD

The Speaker: No. There are none.

CONGRATULATORY AND/OR OBITUARY SPEECHES

The Speaker: There are none this morning. We are carrying that over until next week.

MATTERS OF PRIVILEGE

The Speaker: There are none.

PERSONAL EXPLANATIONS

The Speaker: There are none.

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

The Speaker: There are none.

INTRODUCTION OF BILLS

GOVERNMENT BILLS

The Speaker: Yes. I believe we have five Government Bills to be introduced this morning. Again, we call on the Minister of Finance first.

Minister Dickinson, you have the floor.

FIRST READINGS

INVESTMENT FUNDS AMENDMENT ACT 2018

CUSTOMS TARIFF AMENDMENT (NO. 3) ACT 2018

Hon. Curtis L. Dickinson: Mr. Speaker, I am introducing the following Bills for their first readings so that they may be placed on the Order Paper for the next

day of meeting: the Investment Funds Amendment Act 2018; and the Customs Tariff Amendment (No. 3) Act 2018.

The Speaker: Thank you.

Deputy Premier, you can do yours next.

DEBT COLLECTION AMENDMENT ACT 2018

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

I am introducing the following Bill for its first reading so that it may be placed on the Order Paper for the next day of meeting: Debt Collection Amendment Act 2018.

The Speaker: Thank you.

Minister Wilson.

NURSING AMENDMENT ACT 2018

Hon. Kim N. Wilson: Mr. Speaker, I am introducing the following Bill for its first reading so that it may be placed on the Order Paper for the next day of meeting, namely, the Nursing Amendment Act 2018.

The Speaker: Thank you.

Minister De Silva.

BERMUDA TOURISM AUTHORITY AMENDMENT ACT 2018

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

Mr. Speaker, I am introducing the following Bill for its first reading so that it may be placed on the Order Paper for the next day of meeting: the Bermuda Tourism Authority Amendment Act 2018.

The Speaker: Thank you.

OPPOSITION BILLS

The Speaker: There are none.

PRIVATE MEMBERS' BILLS

The Speaker: There are none.

NOTICES OF MOTIONS

The Speaker: There are none.

ORDERS OF THE DAY

The Speaker: Orders of the Day. I think we have gone through the cycle of the Orders for today.

Mr. Premier, would you like to move another motion for us?

ADJOURNMENT

Hon. E. David Burt: Thank you very much, Mr. Speaker. It would be my pleasure, Mr. Speaker.

I move that this Honourable House do now adjourn until Friday, November 16th.

The Speaker: Any objections?

No objections to that. The House will now stand adjourned until Friday next at 10:00 am.

As I close, I would like to just thank the Members of the Youth Parliament—again, the Youth Deputy Premier, Ms. Lightbourne; and the Youth Speaker, Mr. Thomas—for their assistance today.

[Desk thumping]

The Speaker: Members, remember, this is the veterans' memorial weekend, [Remembrance Day]. And there are many activities that we have been asked to participate in, and it would be nice for our presence to be felt. Thank you.

Enjoy your weekend and your holiday.

[Gavel]

[At 12:20 pm, the House stood adjourned until 10:00 am, Friday, 16 November 2018.]

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BERMUDA HOUSE OF ASSEMBLY**OFFICIAL HANSARD REPORT
16 NOVEMBER 2018
10:04 AM***Sitting Number 2 of the 2018/19 Session**[Hon. Dennis P. Lister, Jr., Speaker, in the Chair]***PRAYERS***[Prayers read by Mrs. Shernette Wolffe, Clerk]***The Speaker:** Good morning, Members.*[Gavel]***CONFIRMATION OF MINUTES***[Minutes of 9 November 2018]***The Speaker:** Good morning, Members. The Minutes of November 9th, 2018, have been circulated. Are there any omissions or corrections?

None. The Minutes are confirmed as printed.

*[Minutes of 9 November 2018 confirmed]***MESSAGES FROM THE GOVERNOR****The Speaker:** There are none.**ANNOUNCEMENTS BY THE SPEAKER
OR MEMBER PRESIDING****The Speaker:** There are none.**MESSAGES FROM THE SENATE****The Speaker:** There are none.**PAPERS AND OTHER
COMMUNICATIONS TO THE HOUSE****The Speaker:** We have papers this morning, and communications, from the Ministers. And we will call on the Ministers as indicated on your paper, the first being the Minister De Silva.**MERCHANT SHIPPING (CARRIAGE OF
PASSENGERS BY SEA) ORDER 2018****Hon. Zane J. S. De Silva:** Thank you. Thank you, Mr. Speaker.

I have the honour to attach and submit for the consideration of the Honourable House of Assembly

the Merchant Shipping (Carriage of Passengers by Sea) Order 2018, proposed to be made by the Minister responsible for maritime administration under section 179(3)(b) of the Merchant Shipping Act 2002.

The Speaker: Thank you, Minister.The next paper or communication is in the name of Minister Foggo.
Minister.**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE BERMUDA SPORT ANTI-DOPING
AUTHORITY FOR THE YEAR ENDING
MARCH 31ST, 2018****Hon. Walton Brown:** Yes, good morning, Mr. Speaker. I am standing in for Minister Foggo.I have the honour to attach and submit for the information of the Honourable House of Assembly the Annual Report and Financial Statements for the Bermuda Sport Anti-Doping Authority for the year ending March 31st, 2018.**The Speaker:** Thank you, Minister.

Are you going to stand in for the Minister on the next one, as well?

The Clerk: We combined the motion, Mr. Speaker.**The Speaker:** Oh, you combined the two?**The Clerk:** Yes.**The Speaker:** Okay. Good. All right.
Minister of Education.**BERMUDA COLLEGE ANNUAL REPORT
2017/2018****BERMUDA EDUCATORS COUNCIL (EXEMPTION)
(2018 TO 2019 SCHOOL YEAR) ORDER 2018****Hon. Diallo V. S. Rabain:** Good morning, Mr. Speaker.

I have the honour to attach and submit for the information of the Honourable House of Assembly the following: the Bermuda College Annual Report 2017/2018, and the Bermuda Educators Council (Exemption) (2018 to 2019 School Year) Order 2018, to

be made by the Minister responsible for Education acting on the advice of the Exemption Committee under sections 5 and 23 of the Bermuda Educators Council Act 2002.

The Speaker: Thank you. Okay, so you combined the two? Good.

Members, we are just going to seek your indulgence at the moment. The Junior Minister of Finance wants to table a report that should be associated with a Statement that is coming from the Minister of Finance.

With the House's indulgence, could you just table that at this time?

TAX REFORM COMMISSION REPORT 2018

Hon. Wayne L. Furbert: Mr. Speaker, I appreciate what you have done. I also appreciate the House for allowing the Ministry to lay this report.

Mr. Speaker, I have the honour to attach and submit for the information of the Honourable House of Assembly the Tax Reform Commission report that was done for 2018. Thank you.

The Speaker: Thank you.

PETITIONS

The Speaker: There are none.

STATEMENTS BY MINISTERS AND JUNIOR MINISTERS

The Speaker: We have a number of Statements this morning. I am appreciative of Ministers who have indicated they may carry theirs over; there are a couple, I believe. We will deal with that when we get to it. So, we are appreciative of that.

But the first Statement this morning is in the name of the Minister of Finance, who, as we all know, is with the Premier, stuck in the US in the snowstorm.

So, Junior Minister.

That should be being circulated.

Hon. Wayne L. Furbert: Thank you, Mr. Speaker. I am glad to read this Statement on behalf of the Minister, the Honourable Curtis L. Dickinson.

The Speaker: Yes.

Hon. Wayne L. Furbert: Mr. Speaker, I rise today to advise this Honourable House and the public—

The Speaker: Junior Minister, hold off.

The delay is partly my responsibility, in that we were going to carry this over, being that the Minister was held over. But we decided the Junior Minister

can deliver the Statement and the report. So, it did not get circulated earlier; it is about to get circulated now. Okay?

[Inaudible interjections]

The Speaker: It is coming. It is coming now.

[Pause]

Hon. Wayne L. Furbert: Mr. Speaker.

The Speaker: Hold off. Hold off one second. Just hold off one second.

Hon. Wayne L. Furbert: Here it is coming now.

The Speaker: What we may do is . . . the others are all circulated. So, while this is being circulated . . . I am going to let the Clerk and the Sergeant-at-Arms go ahead and circulate it.

The Minister of Health, would you mind doing your Statement now, while this is being circulated? We will come back to yours afterwards.

PROTECTION OF PERSONS IN CARE

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

Mr. Speaker, I rise today to provide for this Honourable House and the listening public highlights and updates on the actions that the Ministry of Health is taking to ensure the health, safety and well-being of persons in care.

Mr. Speaker, this Government is committed to ensuring that [persons in care](#), including seniors and persons with disabilities, are protected from harm. The Ministry, through the Ageing and Disability Services [ADS], has taken strides in 2018 to improve how we operate to fulfil our protection and support roles. We have also moved forward key initiatives that help in the prevention, detection and addressing of abuse in care homes.

On average, each month, ADS receives three complaints of senior abuse and three complaints regarding care homes. We have been working hard not only to improve our responses to these complaints, but also to ensure that preventative methods are in place. You may have heard of the two recent cases before the courts regarding allegations of care home staff harming residents. Ageing and Disability Services was on top of these incidents and worked with the care homes, police and families to ensure that protection and appropriate remedial actions occurred.

Mr. Speaker, prevention is always better than reaction in such circumstances. A key preventative step that the Ministry took was the creation of service standards for registered care homes. Building on the legislative changes in 2017 that strengthened the regulation of care homes, a code of practice was pub-

lished and applies to the 21 regulated care homes, with nearly 400 residents.

Mr. Speaker, the 2018 Code of Practice, which can be located on www.gov.bm, is the first set of comprehensive standards to embrace quality of life and care, and includes a new Bill of Rights for Persons in Care. We are still in the implementation phase of the code and have completed the first round of inspections to see where homes stand and what is needed to improve. Central to the success of the code, improved care and protection are education and training. A new role was introduced this fall in ADS of an education officer. The education officer will provide and organise training for care home staff on the code and priority areas identified in need of improvement.

Protecting people in care, Mr. Speaker, includes those living in their own homes in the community who need support. Ageing and Disability Services is strengthening our support systems to improve case management and abuse investigation services. By January of 2019, ADS will have two new case managers, bringing the total up to four, with a range of responsibilities from basic client support to crisis intervention.

In addition, to help manage this caseload and ensure consistent access to case management services and supports to their clients, ADS will also introduce walk-in hours. Mr. Speaker, effective December 1st, 2018, walk-in and intake hours will begin to improve client access and office efficiency. From 10:00 am to 1:00 pm, clients will be ensured that a case manager will be onsite and able to see them during this period; and if they arrive or call outside of this time, they will be contacted by the office at the earliest opportunity.

Other operational improvements for the office include the following:

- the introduction of a new software program to improve case management and collect data to assist with future long-term-care system design and development, to go live in February 2019;
- improved communication and coordination with the Bermuda Police Services for abuse investigations.

Mr. Speaker, Ageing and Disability Services has been busy over the last year, and I want to acknowledge their hard work. I also want to thank the public for their patience with our efforts to improve our ability to protect and support our clients and the community. In addition, I would like to acknowledge the care homes, caregivers, community organisations, families and friends who all play an essential part in ensuring that persons with disabilities and seniors are respected and treated with dignity in our community. We must continue to work together to reach our vision of healthy people in healthy communities.

Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.
Junior Minister.

TAX REFORM COMMISSION REPORT 2018

Hon. Wayne L. Furbert: Thank you, Mr. Speaker.

Mr. Speaker, as I said earlier, I am standing in on behalf of the Minister, the Honourable Curtis L. Dickinson, in regard to this Statement.

Mr. Speaker, I rise today to advise this Honourable House and the public of the [Report of the Tax Reform Commission](#), which was tabled in this Honourable House earlier today.

Mr. Speaker, Honourable Members will recall, in the 2017 Throne Speech, this Government committed to creating a Tax Reform Commission, and as a result, the Tax Reform Commission was formed under the Tax Reform Commission Act 2017. The purpose of the Commission was to conduct a review of Bermuda's system of taxation and revenue collection, and make recommendations on tax reform to Parliament.

More specifically, the Tax Reform Commission was given the following mandate by the Minister of Finance:

- examine Bermuda's tax system, and determine any measures that may be taken to best enable a system of taxation and revenue collection that is equitable, effective, efficient, competitive and transparent;
- increase public sector revenue yield from 17 per cent of GDP to a minimum of 20 per cent to 22 per cent of GDP; and
- prepare and submit a report and recommendations in accordance with section 7 of the Tax Reform Act.

A seven-member team was assembled in order for the Commission to be able to carry out its duties. The names of these members are: Chairman, Mr. Ronald Simmons, a Partner at Moore Stephens & Butterfield, Chartered Professional Accountants; yours truly, Honourable Wayne Furbert, JP, MP, Junior Minister of Finance; the Honourable Jeanne Atherden, JP, MP, Member of the Opposition; Donald Scott, former Secretary to the Cabinet, Head of the Civil Service and Financial Secretary; Mitch Blaser, COO of Ironshore Inc. and CEO of Ironshore Bermuda; Economist Craig Simmons; and, MJM Ltd. lawyer, Brian Holdipp.

Over the past nine months, the Tax Reform Commission met, on average, twice a week, conducting extensive research and due diligence to understand what options were needed to modernise Bermuda's tax system and provide proposals for the administrative aid, which will be needed to support the recommendations contained within the Tax Reform Commission's Report. As a result, the commission determined that if the proposed tax policy recommendations are implemented, an additional yield of approximately \$147 million could be generated over the

next two- to three-year period, increasing government revenue to approximately \$1.26 billion, or 20 per cent of gross domestic product (GDP), by 2020, compared to 17 per cent of GDP in 2017.

Some of the more substantive proposed recommendations put forward by the Commission include the following:

- a progressive tax on commercial and residential rentals, yielding an additional \$41 million in revenue;
- introducing a general services tax, yielding \$27.5 million in new revenue;
- introducing a withholding tax on overseas services provided locally, yielding \$27.5 million in new revenue; and
- aligning company fees with a company's assessed capital, yielding an additional \$25.5 million in revenue.

Mr. Speaker, the Government will closely evaluate and consider all recommendations included in the report, and, as per this Government's normal custom and practice, the appropriate consultation with the various stakeholders will be conducted before any major changes are made to our tax system.

Mr. Speaker, I would like to formally give a special thanks to all of the members of the Tax Reform Commission for all the work that went into producing this report, and to also thank all of the experts who provided technical support to the commission, such as the Customs Department; the Caribbean Regional Technical Assistance Centre (CARTAC); the Ministry of Finance; the Association of Bermuda Insurers and Reinsurers (ABIR); the Association of Bermuda International Companies (ABIC); the Department of Statistics; and the 50-plus stakeholder groups, comprising over 500 individuals who attended these meetings. Also, Mr. Speaker, the commission is to be commended on the open and transparent manner in which it went about its business.

Mr. Speaker, in closing, the Government looks forward to implementing the appropriate recommendations included in the report in order to assist the Government in meeting our fiscal targets and also to ensure that we fulfil our promise to provide a better and fairer Bermuda. Thank you, Mr. Speaker.

The Speaker: Thank you, Junior Minister.

The next Statement is in the name of Minister Foggo. Minister Foggo, you have the floor.

**BERMUDA SPORT ANTI-DOPING AUTHORITY
FINANCIAL STATEMENTS AND
ANNUAL REPORT 2018**

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

Mr. Speaker, under the Anti-Doping in Sport Act 2011 (the Act) the [Bermuda Sport Anti-Doping Authority](#) (the Authority) was established to give effect to the International Convention Against Doping in

Sport of 2005, which came into force in Bermuda in June 2006. Prior to this, the Authority was set up as a charity and called the "Bermuda Council for Drug-Free Sport." The Authority's function is to facilitate the control and prevention of doping in sport and thereby enable all athletes to compete on the international stage, in addition to providing sample collection services for many international sporting events brought to our shores, namely, the International Triathlon, World Series Triathlon, the Bermuda Marathon and the Junior Caribbean Cycling Championships, just to name a few.

This is done through a programme of education and doping-control procedures, and results management. This includes following the World Anti-Doping Agency [WADA] standards to establish and implement the following:

- comprehensive anti-doping rules which must adhere to the WADA code, international standards and many guidelines;
- an extensive education programme for athletes, athlete support personnel, administrators, participants and the general public on anti-doping and the promotion of health, fairness and equity in sport;
- detailed protocols for results management;
- detailed protocols for therapeutic use exemptions;
- research relevant to anti-doping; and
- the development of an athlete testing programme, including the development of protocols governing the location and whereabouts of athletes, for the purpose of testing.

Bermuda Sport Anti-Doping Authority continues to ensure that all athletes are tested under the illicit policy, a domestic programme, prior to representing our Island either locally or internationally.

Mr. Speaker, the Act also establishes a board of the Authority, who shall monitor the administrative operations of the Authority; ensure that correct protocols are followed in the process of securing samples; ensure that the rights of everyone involved in the doping-control procedures are respected; and assist in ensuring that the Authority receives and manages funds in a prudent manner.

Mr. Speaker, Section 17 of the Act also requires the Authority to present to the Minister a report of its proceedings for the year, including the audited accounts, and for the Minister to lay the same within the House of Assembly, which was done today.

Mr. Speaker, the Auditor General has signed off on the Financial Statements, stating that they present a fair view of the Authority. I would like to take this opportunity to highlight a number of items from the report and audited accounts. The Authority continues to be fully compliant with the World Anti-Doping Agency requirements. Through their sample collections at local sporting events and in partnership with other national anti-doping organisations from around

the world, including Canada, Denmark, United Kingdom and United States, the Authority has been able to ensure that the testing requirements of both local and overseas-based Bermudian athletes have been fulfilled. Their educational initiatives continue to be of paramount importance, including providing advice to athletes and coaches on all aspects of the illicit and anti-doping programmes.

Mr. Speaker, under the performance-enhancing programme, some 57 samples were taken for testing during the year, 51 urine and six blood. There were two adverse analytical findings, both of which related to foreign athletes who competed in Bermuda. There were three positive results under the illicit drug policy, where the substance in all three cases was THC. The Authority's international doping-control partnership was expanded, with Mrs. Mariouette Zuill, a doping-control officer, representing Bermuda at the 2017 World Youth Commonwealth Games in Nassau, Bahamas, in July. The Bahamas Anti-Doping Commission commended Mrs. Zuill on her expertise and teamwork.

Mr. Speaker, the Authority's revenue for the financial year is mainly made up of a grant of \$650,000 from the Department of Youth, Sport and Recreation. Expenses include some \$256,672 for the performance-enhancement testing programme, and \$137,792 for the illicit-drug screening programme.

Mr. Speaker, I would to thank the board under the chairmanship of Mr. Michael Smith, and the staff of the Agency under the leadership of the Chief Executive Officer, Ms. Deborah Hunter, for their dedication and hard work during the year. With those words, Mr. Speaker, I thank you.

The Speaker: Thank you, Minister.

Minister, would you like to do your second Statement in reference to the Workforce?

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

The Speaker: Thank you. Go ahead.

UPDATES ON THE DEPARTMENT OF WORKFORCE DEVELOPMENT PROGRAMMES

Hon. Lovitta F. Foggo: Mr. Speaker, I am standing here to provide this Honourable House with an update on the various initiatives being undertaken by the Department of Workforce Development to assist and prepare individuals for the world of work. [The Department of Workforce Development](#) carries out two main operational functions, namely, career development and training. The Career Development Section provides assessments, employment assistance and job readiness training, while the Training Section administers educational funding programmes, manages the apprenticeship and trainee programs and regulates

certification standards in four designated occupational trades.

Mr. Speaker, in 2008, the national certification legislation came into effect. In December 2017, the Training Section of the department began national certification in four specific occupations, as required by legislation. This required welders, electricians, automotive service technicians and landscape gardeners to register with the Department of Workforce Development, and participate in occupational training and assessments in order to achieve the national certification designation.

As of October 1, 2018, the number of registrants for national certification totalled 226 electricians, 30 welders, 214 automotive service technicians and 575 landscape gardeners

Mr. Speaker, there has been a reputable shift in the number of Bermudians who achieved national certification since December 2017 in the four occupations, totalling 108 electricians, 15 welders, 143 automotive service technicians and 84 landscape gardeners. The remaining non-certified registrants are currently being assessed for approval by the Occupational Advisory Committee, as provided under the National Occupational Certification Act 2004.

Mr. Speaker, the Training Section has been diligently collaborating with the Department of Immigration to deliver an effective work permit policy with respect to national certification. This policy remains under review. However, this collaborative consultation process will ultimately result in alignment of the work permit policy with national certification to ensure (1) uniform advertising for positions that align with certification criteria, thus helping to level the playing field for Bermudians; (2) certified Bermudians are given a fair chance at any positions in that certified trade; (3) employers demonstrate that they interviewed certified Bermudian workers prior to being able to apply for a work permit, and (4) potential guest workers demonstrate competency in their respective occupational trade that will satisfy Bermuda's national certification requirements before a work permit is granted.

Mr. Speaker, the Training Section is also responsible for the establishment of apprenticeships. Apprenticeships combine full-time employment and training under a skilled journeyman and create a pathway for apprentices to acquire a qualification. Steady progress has been achieved, with a total of 47 apprentices and trainees registered with the Department of Workforce Development as at October 1st, 2018. Benefits associated with the establishment of an apprenticeship programme include payroll tax waiver for the employer, and apprentices receive paid work experience while pursuing a trade qualification.

Mr. Speaker, the Training Section awards scholarships based on Bermuda's workforce needs, particularly in occupations of underrepresentation by Bermudians. Scholarships awarded to date include 42 students for overseas studies, totalling \$385,000, of

which 29 were new and 13 are continuing students. Fifty-eight students were awarded funding for Bermuda College studies totalling \$170,000. Of these, 34 were new and 24 were continuing awards.

Mr. Speaker, the Training Section is currently expanding the apprenticeship and training schemes. To this aim, they have begun engaging employers to better understand their needs, and how to increase apprenticeship and training opportunities for Bermudians. As a result of collaborating with employers, five new companies have signed agreements with the department to train Bermudians in the field of medical coding and billing, computer programming, plumbing, air-conditioning and refrigeration, and heavy equipment operators. Additionally, efforts to assist employers by providing support to train their existing Bermudian staff for career progress within their respective companies are also underway. The intent is to encourage career advancement and increased entry-level opportunities for Bermudians.

Mr. Speaker, the Career Development Section prepares and supports individuals for work placement, particularly the vulnerable population group. Currently, a total of 1,452 persons are registered with the department as either unemployed or seeking alternative employment. Of the total persons registered, 360 received career development services during the five-month period May to September 2018. These services were varied and comprised interest and skill assessments, résumé development, employability training workshops, job search assistance, career guidance and case management towards job readiness. However, after receiving these services, only 50 individuals actually provided feedback of their success in finding employment in areas such as compliance, hospitality, construction and cleaning.

Recently, Mr. Speaker, the department has hosted an event in the West End community. There were general workshops on *Understanding What Employers Want: Employability Skills, Your Online Image and Employment, and Interview Skills: Winning over the Recruiter*. Participants also had the opportunity to visit breakout stations and consult one-on-one with professionals on résumé development and critique, Bermuda Job Board registration, job leads and future opportunities, national certification, apprenticeships, Bermuda College programmes, and funding.

Mr. Speaker, there has been significant follow-up with persons who attended the event in the west, assisting them with creating profiles on the Bermuda Job Board and arranging to meet further with staff to help them reach their career goals. Three more events of this nature are planned across the Island between January and March of 2019, taking the department's services to the community, Mr. Speaker. This will allow the department to capture details on persons who are unemployed, but who would not ordinarily come into the department to receive services. It is also an opportunity to increase awareness about

the department's services and empower individuals and equip them with strategies to obtain their employment and career goals.

As a requirement of the 2015 Work Permit Policy, the Career Development Section received requests for referrals relating to 285 positions which were restricted jobs since May 2018. There were 174 suitable candidates referred and 62 hires during the same period.

Currently, the referral process for restricted jobs is executed manually. In an effort to increase efficiency and shift to a paperless work environment, the department plans to adopt a fully electronic referral system by December 2018, utilising the Bermuda Job Board. The electronic job board will be upgraded to encourage and solicit constructive feedback from employers who consider or hire applicants through referrals from the department. The feedback on individuals who were not hired is vital to address any development areas applicants may have, and subsequently design development plans to position persons with the requisite skills set for future employment.

Mr. Speaker, presently there are 14,137 applicants registered on the Bermuda Job Board, 2,053 employers and 225 jobs posted. Since March 2016, there have been 2,204 hires through the Bermuda Job Board, consisting of 962 in 2016. There were 739 in 2017 and 503 in 2018, to date.

The Career Development Section regularly facilitates and offers employability skills workshops in the department's training room, to equip job seekers with the tools necessary for employment success. Since May 2018, only 59 persons participated in specialised workshops, such as interview skills, résumé development and self-presentation skills. The low attendance is primarily attributed to "no-shows" and low registration, Mr. Speaker.

Recognising the importance of marketable work skills, employers and human resource professionals have consistently indicated the need for applicants to develop and strengthen their soft skills and life skills. These are critical characteristics needed for employee hiring and retention in the workplace, apart from the requisite technical skills. As such, the Career Development Section plans to expand its offerings of employability skills training to include online and evening courses in community clubs, churches and schools. The department is presently working on a public relations campaign to increase awareness of the department's services and the advantages of being registered as a client.

It is the intent to continue to collaborate with the Department of Communications to develop a marketing strategy that will support and drive the work of the department. This strategy will focus on greater visibility, and engagement with employers and the community through outreach, satellite training, increased education and awareness, career fairs, town hall meetings and social media campaigns. A market-

ing strategy will be completed in December 2018 for immediate implementation. Much of this work is aligned with the National Workforce Development Plan, which the department intends to progress further as we continue to improve internal processes.

[Inaudible interjections]

Hon. Lovitta F. Foggo: The Department of Workforce Development will continue to assist and prepare persons for the world of work. The public relations strategy will support and drive the initiatives being undertaken by the department.

The Speaker: Members, we should only hear one voice.

Hon. Lovitta F. Foggo: Once again, Mr. Speaker, it gives me great pleasure at this time to have the opportunity to update this Honourable House about the progress within the Department of Workforce Development. Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

Minister Brown, would you like to put your Statement?

Hon. Walton Brown: Yes. Good morning, Mr. Speaker.

The Speaker: Thank you.

SUCCESSION PLANNING IN THE PUBLIC SERVICE

Hon. Walton Brown: Honourable Members will already know that the Bermuda Government is the Island's largest employer, and its workforce demographic is reflective of the wider society. That is, the workforce is ageing and there are skills shortages in key areas of the service.

Mr. Speaker, as Bermuda's largest employer, this Government is focused on developing its talent pool. We are committed to the training and development of all government officers, and [succession planning in the public sector](#) is fundamental to the sustainability of the delivery of public services.

Mr. Speaker, as at September 30th, 2018, there were 4,630 persons employed in the public service. An earlier report indicates that the number of non-Bermudians in permanent positions totalled 204, and of this number, 148 positions are deemed "hard-to-fill." Posts are considered hard-to-fill either due to the lack of available, qualified Bermudians or, in some cases, due to a worldwide shortage of qualified resources.

What's more, Mr. Speaker, according to the Government's Retirement by Age report, as at October 1st, 2018, there are 1,181 employees who will

have reached the minimum eligible retirement age of 60 in the next five years, and 515 of those individuals will attain the current mandatory retirement age of 65. The combination of an ageing workforce and resource limitations in certain areas of specialisation reinforces the need for the Government to place particular emphasis on succession planning.

Mr. Speaker, the aim is to identify and develop leaders within the service at both technical and professional levels who are ready and available to fill key roles in the future.

Mr. Speaker, to be clear, this is not a process of pre-selection wherein any one person is intended to assume a job once an incumbent is no longer available to fill the role either through retirement or termination of contract. Instead, we have committed to implementing a programme to assess the potential of our existing talent and strengthen the entire talent pipeline. Resultantly, Government has put in place a Succession Planning Framework to support a consistent approach across the organisation.

Mr. Speaker, the objective of the Succession Planning Framework is to ensure that the right people are in the right jobs at the right times to fill positions that are deemed critical, or key. The framework comprises seven steps:

Step 1. Identify critical positions. Without these roles, government departments will not be able to effectively meet their business objectives. Information on positions is currently being collected, using a customised post questionnaire in the Government's Human Resource Information Management System.

Step 2. Identify competencies. Mr. Speaker, knowledge, skills and abilities are essential for successful performance. They are important for guiding personal/individualised development plans, setting clear performance expectations and assessing performance. The post-questionnaire requires the identification of competencies for each position.

Step 3. The identification of succession management strategies. Such strategies include the following:

- developing internal talent pools for high-potential employees;
- employee development which allows individuals to express interest in leadership roles, career advancement, or lateral moves;
- retention and engagement, which provides employees the opportunity to develop in ways that stretch their capabilities, challenges and engages them;
- knowledge transfer that will enhance the orientation of persons coming into the role and ensure that employees in key positions do not leave with critical knowledge; and
- recruitment and selection, as time may be limited to build a talent pool.

Step 4. Requires the documentation and implementation of succession plans. Mr. Speaker, each

critical position will require the development of a succession plan. The plan will document the agreed succession management strategy to hire for the position and prepare for future vacancies.

Step 5. Involves assessing an employee's performance/potential. This will require managers to review employee performance, using performance management tools such as annual appraisals, personal/individualised development plans and any other agreed-upon assessments that will uncover potential.

Steps 6 and 7. Requires the identification of candidates. That is, the results of the employee potential will determine which individuals should be identified for succession planning. While step 7 is evaluating the effectiveness of the succession planning process to ensure success, where adjustments are necessary to move towards successful outcomes, they will be made.

Mr. Speaker, whilst the Government will take a more proactive and organised approach to succession planning, we will continue to administer existing programmes designed to prepare talent to take on progressively responsible roles in the public service. As at November 5th, 2018, there were 17 Bermudians on the Public Service Commission's (PSC) development plan status report. Employees are included on this status report because department heads have committed to developing Bermudians. The departments are required to submit the development plans to the PSC for review, to ensure the individuals' development is on track and to ensure any challenges are addressed early.

Of the 17 Bermudians, 12 are being developed for positions deemed difficult to fill and/or held by non-Bermudians. Eight of the twelve are trainees enrolled in the Professional and Technical Trainee Scheme. The remaining five are Bermudian employees who were approved for appointment to positions during this year, as these officers demonstrated, through the recruitment process, that they meet the majority of the experience requirements for the post, but need some continued development to ensure that they will be successful.

Mr. Speaker, this Professional and Technical Trainee Scheme provides Bermudians with the opportunity to obtain qualifications and/or work-related experiences, which enables them to fill professional and technical positions within the public service that are difficult to fill and/or held by contract officers. Trainees receive both practical work-related experience and specific academic experiences locally and overseas.

Mr. Speaker, the Government is actively working towards building capacity in the public service through the implementation of a strategic succession planning framework to meet the needs of a future-forward Government for the people of Bermuda.

Thank you, Mr. Speaker.

ANNOUNCEMENT BY THE SPEAKER

HOUSE VISITORS

The Speaker: Thank you, Minister.

Before we call on the next Minister to give his Statement, I would just like to acknowledge that in our Gallery today, in the inner chamber here, we have former Speaker Horton visiting us this morning.

And we also have the Senator Jones, and I believe it is the Opposition Senate Leader, Kempe, in the Gallery, as well. Welcome to the Chambers this morning.

[Desk thumping]

[Statements by Ministers and Junior Ministers, continuing]

The Speaker: We now call on the Minister of Education.

BERMUDA COLLEGE 2017–2018 ANNUAL REPORT

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

Mr. Speaker, this morning I am pleased to rise before this Honourable House to table the 2017–2018 [Annual Report of Bermuda College](#), as required under Section 8(2) of the Bermuda College Act 1974. Under the authority of the Act, the Bermuda College Board of Governors provides general management and administrative leadership to the college. The president and the staff of the college are responsible for bringing the goals, direction and approved policies of the board into action. These undertakings are reflected in the annual report and will be supported by the 2017–2018 audited financial statements, once completed by the Office of the Auditor General, which will be tabled at a later date. The Office of the Auditor General is currently working on the 2016–2017 statements.

Mr. Speaker, this has been a year of achievement and transition for the Bermuda College. Its 10-year strategic plan concluded with a number of accomplishments, including its institutional accreditation, the establishment of partnerships to provide baccalaureate and graduate degree programmes in business and education; partnerships with institutions in the United Kingdom; the establishment of the nursing programme; expansion of the dual enrolment programme; and an upgrade to its technology and facilities, to name a few.

Mr. Speaker, Bermuda College anticipates continued success as it looks towards the next five years under the guidance of its board. Certainly, global changes in technology, emergent industries, access to more learning options, and new student groups require that the college continues to evolve and transi-

tion proactively to this new landscape of pioneering change. In this vein, preparation for a new five-year strategic plan, *Vision 2023*, began in earnest last October.

Mr. Speaker, as critical as this adaptation is for the college to meet these new opportunities, it is equally critical that, as a country, we assist in providing Bermudian students equal access to higher learning opportunities and career success, whenever possible. No student should be denied access because of lack of financial resources. The government grant of \$300,000 instituted last summer proved to be a game-changer for many students to begin or continue pursuit of higher education, with 189 students assisted in the fall semester and 124 assisted in the spring semester.

Mr. Speaker, the college recorded an increase in male students directly related to the presence of dual-enrolled students in the Certificate in Applied Science programme housed at the Technical Education Centre, which saw its enrolment increase from 21 to 41 in fall 2017, as a result of the second cohort of students joining the programme. It also saw a record number of graduates as a result of increases in graduate numbers from business and hospitality programmes. During its 2017 commencement, the college graduated the first dual enrolment student from the Culinary Arts programme, and the first cohort of students from Miami University's Master's in Special Education programme, offered through Bermuda College.

Mr. Speaker, the college continues to seek to diversify its revenue and seek out independent revenue streams so that it will not be so reliant on government funding. During the past year, final preparations for the establishment of the Bermuda College Foundation continued with the approval of a Memorandum of Association for the incorporation of the foundation as a company limited by guarantee, along with draft by-laws.

Mr. Speaker, in response to the high demand for health care professionals globally and here in Bermuda, the Bermuda College established a new Division of Nursing and Allied Health at the college this past year. The first new associate degree programme in the division will be the Associate's in Pre-Health Science, which is expected to be on offer for fall 2019.

Mr. Speaker, student success underscores all pedagogical strategies and initiatives at the college. Student success stories are many and varied. The college's first nursing graduate of the Associate's in Science (Nursing) programme, Ms. Josephine Bean, RN, is now working in the Post-Anaesthetic Care Unit (PACU) of the hospital. Two other nursing graduates, Janai Caldwell and Waleed Lightbourne, are continuing their undergraduate studies towards their Bachelor of Science in Psychiatric Nursing at the University of

Northampton, in the UK, on full scholarships from the Bermuda Hospitals Board.

Mr. Speaker, culinary arts students were featured on the popular BBC World News Travel Show; and applied technology students hosted a series of "Walk-in Wednesday" public presentations to showcase their projects, which ranged from network security to app development. Environmental science students participated in a Greenrock project, earning one student, KyAsia Scott-Fishenden top prize and a trip to Portugal to attend a UNESCO conference on sustainable education. Students in the Literary Analysis class participated in a writing project with the Westgate Correctional Facility, and 14 students were sponsored to attend the Insurance Linked Securities Convergence conference.

Mr. Speaker, such is the calibre of learning and instruction at Bermuda College that it continues to be a very relevant institution for our students and our community.

Mr. Speaker, Bermuda College continues to establish partnerships . . .

[The audio recording ended before the Minister of Education completed the reading of his Statement.]

[The audio recording resumed as the Minister of Public Works was in the process of reading his Statement.]

KINGS WHARF REHABILITATION

Lt. Col. Hon. David A. Burch: . . . by the UK firm, Mott MacDonald, regarding the state of [Kings Wharf](#). Deck problems and other deficiencies were clearly identified. At that time, the cost of fixing the wharf and terminal building was estimated at more than \$20 million. In spite of the production of a 77-page report and recommendations, nothing was done.

Mr. Speaker, in 2017, the Ministry commissioned an underwater inspection of 27 structures across the Island, as part of a wider plan to investigate the state of our infrastructure. The Kings Wharf was included, and the inspection showed obvious signs of additional structural problems that needed further investigation. A concrete expert, Stantec, of Halifax, Nova Scotia, was hired to evaluate the state of the actual concrete and rebar, and to recommend the best course of action. The conclusion was that 80 per cent of the rebar were [delaminated], concrete was cracking and layers were separating. The visual inspection and laboratory testing showed that the actual concrete and rebar could not be salvaged. Additionally, since the building is sitting on the deck slabs, it too will have to be demolished and rebuilt.

Mr. Speaker, the net result is that the building and deck of Kings Wharf need to be completely rebuilt. The piles, however, are in good condition, so they will be reused. There is no immediate concern for ships berthing at Kings Wharf, as the lateral capacity of the

pier is not compromised. The dolphins require maintenance to prevent early corrosion, but are in good condition and will be addressed in the next phase. Obviously, construction needs to occur during the off-season, from November 2018 to April 2019.

So, with that background, the Ministry initiated an accelerated repair/replacement programme in order to meet the critical deadline of April 2019. The window of opportunity to construct the new deck is from mid-November 2018 to March 2019, during the non-cruise-ship season. Mr. Speaker, in order to complete the project in such a short window and to avoid potential delays due to the current high demand for concrete on Island, a method of precast concrete slabs and beams will be utilised for 85 per cent of the work. Using precast concrete will also increase the lifespan of the work, as low reactivity aggregates and fly ash (commonly used in Europe and North America, but not in Bermuda) will be added to the mix to minimise corrosion of the reinforcing steel and to preserve the concrete.

In order for the slabs to be available this month, the precast company needed to be contracted by the end of August. Due to this accelerated time frame, the department recommended Precast Systems, Inc., of New Jersey. They had previously supplied 25 concrete slabs to create a temporary pedestrian walkway atop the compromised deck at Kings Wharf earlier this year, following a competitive bidding process. The department also performed due diligence by inspecting the company's processing plant, in March this year, and confirmed that the necessary quality control systems were in place. The slabs arrived on time and were of a very high quality.

Mr. Speaker, having already gone through a competitive bidding process, the department entered into direct negotiations with Precast Systems for the supply of the deck slabs and beams for the complete refurbishment project. The Ministry then explored ways to transport the slabs and associated supplies to the Island to meet the very tight timelines. An agreement was struck with Bermuda International Shipping to transport a third of the supplies on three weekly sailings. Once the cargo ship has been unloaded on Hamilton docks and has left the port, a barge will come alongside to collect the supplies for transport to Dockyard, thereby avoiding unnecessary wear and tear on the roads.

Mr. Speaker, in January 2019, the remaining two-thirds of the shipment, which includes the slabs, will be transported to Bermuda on a cargo ship chartered specifically for this purpose, and unloaded directly in the [Royal Naval] Dockyard at the wharf adjacent to the cement silos. This proposed approach meets the demands of the construction schedule and results in a savings of approximately \$400,000 in transportation costs alone.

In August, experienced contracting companies were invited to bid on the project to demolish the exist-

ing building and concrete deck, and construct the new deck. The construction of a replacement deck will be done, using the precast concrete beams and slabs, along with contractor-supplied in-situ concrete, onto the existing steel piles.

Mr. Speaker, six local companies and one overseas company expressed interest in bidding on the project; however, only two local companies and the overseas one submitted bids. The lowest bidder, at \$2.97 million, a Bermudian company, was awarded the contract in September. To expand the life expectancy of the wharf, a number of other actions will be implemented during the construction process. Usually, for long-term corrosion protection, one of the following elements would be included in the design: fly ash, cathodic protection, corrosion inhibitor and low-reactivity aggregates. In this case, we are using *all* of those.

Strict quality control will be employed on- and off-site by an independent lab. Top-of-the-line 6,000 PSI concrete will be used. Corrosion inhibitor will be added to the concrete to make sure we will get the most durable concrete for our harsh environment. Cathodic protection will be added in critical locations to make sure we get a lifespan of at least 75 years for this new infrastructure. The new wharf will be built with proper loading to accommodate the next generation of cruise ships.

Mr. Speaker, there is a possibility that the replacement terminal will not be fully completed by the start of the 2019 cruise ship season. A contingency plan to accommodate this eventuality is in place that will not delay the start of the cruise ship season. The original budget for these works was \$20 million, but with savings on the piles and the use of precast slabs, our actual target price is in the region of \$15 million, including contingencies.

Mr. Speaker, finally, I am particularly pleased to announce that the project manager and director for this project is young Bermudian civil engineer, Ms. Carmen Trott. She was a trainee engineer with the Ministry a decade ago and subsequently left for the private sector. Since January of this year, Carmen has been seconded to the Ministry and will oversee the project to its conclusion. Works will commence tomorrow, Saturday, November 17th, and will rapidly gain speed as we move quickly to meet this critical time line.

Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

You will note on the Order Paper that the Minister also had a second Statement, which he has agreed to carry over for the time being. So, we thank you, Minister, for that.

The next Statement is in the name of the Minister for Tourism, Minister De Silva.

You have the floor.

VACATION RENTALS

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

Mr. Speaker, this House will recall that the Throne Speech included a short section on the issue of tax relief for [vacation rental](#) properties. I will now provide a detailed explanation of the reasons this Government will seek to amend the Tourism Investment Act, to implement a fair and equitable approach to the provision of tax relief on all vacation properties.

Mr. Speaker, this House will understand that the tourism sector and, more specifically, vacation accommodations, is an increasingly competitive market. Discerning tourists are driving this sector with an increasing demand for value across all available accommodations. In order to take advantage of the full cross section of tourist economics, destinations must offer a similar cross section of accommodations to suit tourists' budgets.

Mr. Speaker, this is about competition. As this Government recognises, Bermuda must be competitive with other destinations. The tourism sector, which is a vital contributor to Bermuda's economy, must be at the forefront of transitions and changes in the demographics and economics of our targeted audience.

Mr. Speaker, the tourism sector is in a constant state of flux, and it is true to say that *if you snooze, you lose*. This Government is committed to ensuring that Bermuda stays at the forefront of changes and transitions in the tourism sector. Therefore, Government will seek to amend the Tourism Investment Act to remain competitive without penalising an important element of our available bed inventory.

Mr. Speaker, the background to this matter started with the introduction of a visitor fee on tourists who stay at vacation rentals, which is consistent with the visitor fee imposed on tourists who stay in our hotels. The visitor fee does not directly affect the owners and operators of vacation rentals; it will encourage more homeowners to invest and add beds to Bermuda's inventory. I would also like to take this opportunity to reaffirm this Government's commitment to minimal regulation of vacation rentals.

And this brings me to another point, Mr. Speaker, the widely held misconception that the tax is directly on the owners of vacation rentals. I want to take this opportunity to dispel this misconception once and for all; this simply is not true. We seek to balance the need to protect our visitors who choose the vacation rental option, while avoiding red tape, bureaucracy or other impediments that might deter Bermudians from entering into, or continuing on, this growing facet of our tourism economy.

Mr. Speaker, in order to create an equitable marketplace, this Government has committed to develop options which allow some relief to be available to the owners of vacation rentals similar to that which is available to hotels. This Government understands that this is a complex subject, and it will undoubtedly

require a consultation period with key stakeholders. However, Mr. Speaker, be assured that it is being driven by this Government's recognition and desire for a fairer and more equitable approach on this matter.

Mr. Speaker, some in the wider public audience may criticise this initiative because of a misplaced conception that vacation rentals will remove affordable housing from the local market. To this, I would respond as follows:

- first, a property under rent control cannot be placed into the vacation rental market if it displaces renters;
- second, Mr. Speaker, this House will recall that a new initiative was announced in the Throne Speech relating to Bermuda Housing Corporation and the construction of residences in the City of Hamilton, which will provide affordable one- and two-bedroom apartments for rent or purchase.

Mr. Speaker, this will meet the Government's mandate of putting independent living within the reach of Bermuda's young people who wish to purchase a home or seek independence by moving out of the family home.

Mr. Speaker, I do not need to emphasise the high priority that this Government has always had on the provision of affordable housing. The vacation rental initiative clearly upholds this Government's support for *all* Bermudians.

Mr. Speaker, another issue that some have subsequently raised concerns the possibility that the owners of vacation rentals may falsely claim tax relief on materials imported to Bermuda that do not end up in the vacation rental. To that, Mr. Speaker, I would respond that appropriate safeguards will be included in the Tourism Investment Act to ensure eligibility for the grant of tax relief. Following the consultation period, this Government will ensure that detailed and specific requirements will be implemented to prevent any potential for abuse of the tax relief system.

On a broader level, Mr. Speaker, the realignment of the Tourism Investment Act, which this Government will now seek, is consistent with the "light touch" regulatory adjustment process, which has been adopted by this Government and which minimises unnecessary bureaucracy, with the intent of getting as many Bermudians as possible into the market.

In closing, Mr. Speaker, I would like to state that I am honoured to be a member of a government which is committed to creating a better and fairer Bermuda for all.

The Speaker: Thank you, Minister.

And, similarly, on your Order Paper, there was a second Statement by the Minister, and he has agreed to have that carried over.

So, I appreciate that, Minister.

The last Statement this morning is that of the Minister of National Security, Minister Caines.

Hon. Wayne Caines: If it pleases you, Mr. Speaker.

The Speaker: Continue.

ROADSIDE SOBRIETY CHECKS

Hon. Wayne Caines: Mr. Speaker, I rise this morning to provide this Honourable House and the public with an update on [roadside sobriety checks](#). The public will, undoubtedly, be aware of a Bermuda Police Service ongoing weekend presence at strategic locations in the central parishes. Since its launch in mid-September, the Bermuda Police Service has carried out roadside sobriety checks on 11 occasions.

Mr. Speaker, sobriety checkpoint locations have included Red Hole in Paget, Middle Road locations in Devonshire and in Paget, North Shore Road locations in Devonshire and in Pembroke, Crow Lane in Paget, South Roundabout in Paget, Marsh Folly Road in Devonshire, Palmetto Road in Devonshire, Rural Hill Road in Paget, Admiralty House in Pembroke.

Mr. Speaker, the locations of the checkpoints are strategic and assigned so that they are not easily avoidable. A location that falls within the parish is authorised by the Senior Magistrate and published in the official *Gazette*, and it is decided by the participating officers. These checkpoints differ from those for many other police road operations, as each vehicle that comes upon the checkpoint location is stopped. The Bermuda Police Service estimates that as many as 100 vehicles are stopped per location. It is very likely that even some Honourable Members have been stopped at these checkpoints as they are travelling along Bermuda's roads on weekends and evenings, and late into the night.

Mr. Speaker, carrying out road sobriety checkpoints is resource-intensive for the Bermuda Police Service. Each checkpoint is manned by eight to fourteen officers. And there are sometimes more than one active checkpoint at a time. There even have been officers dedicated from the Road Policeman's Unit, the Marine Unit, supported by Reserve Police personnel. And they all have been used to carry out the roadside sobriety checks.

At each roadside sobriety checkpoint, there are officers performing in the road as the assessing officers. These officers will ask the stopped motorists where he or she has been travelling from. The motorist will be asked if he or she had consumed any alcohol. The assessing officer will also be determining if the motorist has any physical cues of alcohol consumption, such as slurred speech, glazed eyes or the smell of intoxicants on their breath. Where any of these elements are present, the driver admits alcohol consumption, the motorist is then sent to a secondary officer. The secondary officer will perform a series of field tests that could include a demand for breath on the side of the road by a roadside sobriety testing device.

To date, Mr. Speaker, 49 people have failed testing at the roadside sobriety testing device and have been arrested as a result. Each of those individuals has been transferred to the police station and given the opportunity to take the alcohol analyser test. All of those tested have failed. Several have refused the additional test. All of the 49 arrested individuals were charged and are currently being processed through the court. Some of these individuals have already had a court appearance. And, as the public will know from the media, some have pled guilty, while others have given a not guilty plea and have elected to go to trial.

Mr. Speaker, it should be noted that the roadside sobriety checkpoints initiative has likely influenced an uptick in the number of impaired driving arrests in 2018. Since January 1st, 2018, there have been 243 arrests. In the same period last year, Mr. Speaker, there were 144 arrests.

Mr. Speaker, the age of those arrested at the checkpoints has ranged from 20 to 65. In addition, 71, or 35 of those arrested, have been Bermudians, along with several guest workers and visitors. At 85 per cent or 42 persons, the overwhelming majority of those who have failed the roadside sobriety [tests] and consequently were arrested are men. This is particularly concerning, as men are the most likely to be the victims of fatal road collisions.

Mr. Speaker, I am aware that these checkpoints may be considered intrusive and bothersome by some members of the public. However, in a country where the leading cause of premature death is road accidents, these checkpoints are a necessary inconvenience. I am hopeful that their continuance will lead to shifts in how Bermudians' thought patterns and behaviour patterns are to the drink driving culture. If the roadside sobriety checkpoint initiative will stop just one person per weekend from driving and operating a vehicle while under the influence of alcohol, I believe that the roadside sobriety checkpoints are worth the inconvenience.

Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

That brings us to the conclusion of Ministerial Statements this morning.

REPORTS OF COMMITTEES

The Speaker: There are no reports of committees this morning.

QUESTION PERIOD

The Speaker: There are some nine Members who have indicated that they have questions for the Ministers in regard to Statements this morning. And just to remind Members, this Question Period is a 60-minute period. So, the clock will start now.

And the first question will be in reference to the Junior Minister. You have a question from the Member from constituency 23.

Member Gordon-Pamplin, would you like to put your question?

QUESTION 1: REPORT OF THE TAX REFORM COMMISSION

Hon. Patricia J. Gordon-Pamplin: Yes. Thank you, Mr. Speaker. My question is a very brief one, just for clarity.

Will the Minister indicate, or will the Junior Minister indicate whether there would be a written sign-off by the members of the commission? They are listed, but there is no signature to say that they support the report that has been given. Are we going to have a report which shows that the members of the commission will sign off to show their support for the report?

The Speaker: Thank you, Minister.
Junior Minister.

Hon. Wayne L. Furbert: Yes. We can sort that out. I thought we did it, to be honest with you. But I will check that one.

The Speaker: Thank you.

Any supplementary?

No supplementary, no further question. We will move on to the next Statement.

The next Statement that there is an indication of a question is for the Minister of Health. And that Member who would like to ask the question is the same Member, from constituency 23.

Member, would you like to put your question?

QUESTION 1: PROTECTION OF PERSONS IN CARE

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

Mr. Speaker, I speak to the Minister's reference to registered care homes. And I wonder if the Minister could let me know how many of the homes have been inspected, from the nursing homes, since July of 2017?

The Speaker: Thank you.
Minister.

Hon. Kim N. Wilson: Thank you for that question.

There are 21 regulated care homes, with almost 400 residents. And actually, the Statement does refer to the fact that they have just completed the first round of inspection of all 21 of those homes. (I am just trying to find the page that speaks to that.) But they have just completed the inspection of all 21 homes.

The Speaker: Thank you, Minister.

Any supplementaries? Supplementary?

Hon. Patricia J. Gordon-Pamplin: Do you have a supplementary? I have a second question.

I have a second question, but I think my colleague had a supplementary.

The Speaker: Okay. Second question.

QUESTION 2: PROTECTION OF PERSONS IN CARE

Hon. Patricia J. Gordon-Pamplin: Okay.

My second question is, Could the Minister indicate the kinds of observations that, in general, have been found from the inspections that have been carried out?

The Speaker: Thank you.
Minister.

Hon. Kim N. Wilson: Yes. Thank you for that question.

They do range. Fortunately, there has not been anything too significant. However, you have seen that they have had observations of, perhaps, inadequate food supply. When I say "inadequate," I do not mean insufficient, but perhaps not necessarily meeting proper nutritional values. They have seen some observations with respect to certain persons who . . . I will refer . . . actually, if I can just provide further information from my technical team with respect to that.

I think the main point that I want to make is that, notwithstanding that all 21 homes have been inspected, fortunately there have not been any significant, alarming observations. And as I have indicated, we do now have an education officer who is working hand-in-hand with the homes to make sure that they are compliant with the codes, and if they have any questions that they need to work through.

But I will get further details. But I can say that it is fortunate that there have not been any significant observations with respect to the health and safety of either the persons in the homes or the care homes.

The Speaker: Thank you.

Supplementary? We will take a supplementary from the Honourable Member Jackson.

Honourable Member from constituency 20, you have the floor. Yes.

SUPPLEMENTARIES

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

My question to the Minister is, Does that inspection report include any identification or measuring

of capacity, or skills, to be able to meet the needs of, or the changing needs of, some of the clients in the homes? And what is being done to protect those who do have changing needs within the homes?

The Speaker: Thank you, Member.
Minister.

Hon. Kim N. Wilson: Thank you.

With respect to the homes, there are, as we can appreciate, varying levels of care that are required. Some nursing facilities have skilled care. And with that, there is a quota that needs to be established with respect to how many patients versus how many staff, as well as the level of skilled care that the staff has.

For example, they may require nurses because nurses are the only ones who can administer medications. However, there are some homes that do not require that same level of skill. So, the quota insofar as the ratio between staff and service providers is wider. However, part of that inspection does include, as well as the registration—it does include the number of staff, the qualifications of the staff. All of that is part of the inspection and is documented accordingly.

And as I indicated, I am not sure if I answered the question to the first Honourable Member, that the first round of inspections has been completed.

The Speaker: Thank you, Minister.

Any supplementary? Supplementary?

We will take your supplementary. (Turn your microphone on.)

Ms. Susan E. Jackson: At what point, Minister, then, is a home required to provide those changes or additions to care and skill, based on their client population? So, does the inspection report . . . if I am being specific, if I were to take a patient who has developed severe dementia, and there are some physical risks involved, is the inspection report going to identify that there is an acceleration in risk at the home? And is the home actually—

The Speaker: Ah! Ah! Ah!

[Inaudible interjection]

Ms. Susan E. Jackson: And is the home mandated to provide that additional skill in order to meet those needs?

The Speaker: Thank you, Member.
Minister.

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

When a home registers, they indicate the level of skill that this home is. If, unfortunately, a person's

medical condition changes where they require skilled nursing assistance, and the home does not provide that skill, then the patient will have to be transferred. But part of the registration includes the nature of the skill that this particular home will provide. Either it is specialised skill, i.e., where there are nurses where the medication can be provided, or, alternatively, if it is a less-skilled provision that is being provided by that particular care facility.

The Speaker: Thank you, Minister.

Any supplementaries or new question? New question? We will take . . . this is your third question, Member.

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

The Speaker: Yes.

QUESTION 3: PROTECTION OF PERSONS IN CARE

Hon. Patricia J. Gordon-Pamplin: Mr. Speaker, I wonder if the Minister could let the House know and the public know how many complaints have been registered?

As she mentioned on page 2, there were recent complaints of elder abuse, which is particularly egregious to all of us. How many complaints have actually been investigated to conclusion?

The Speaker: Thank you, Member.
Minister.

Hon. Kim N. Wilson: Thank you, Mr. Speaker, and thank you for that question.

With respect to the recent data, there have been those two complaints that I spoke about that were all publicised. However, not all of the reports are substantiated. So, when there are reports that are filed with the department, many of them, upon the investigation, they are either unsubstantiated comments that are made or reports that are made. Sometimes, there are challenges surrounding the establishment of sufficient evidence to proceed with an investigation. And/or, alternatively, sometimes there are, unfortunately, circumstances where the senior is not willing to pursue the investigation.

The Speaker: Thank you.
Supplementary?

SUPPLEMENTARY

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

Could the Honourable Minister advise us how many cases that we have that are outstanding that are

still in the process of investigation that have not reached their ultimate conclusion?

The Speaker: Thank you.
Minister.

Hon. Kim N. Wilson: Thank you, Mr. Speaker.
I can say that all complaints are investigated to conclusion. And I will stand by to see if I can receive any information to confirm whether or not there are any cases that are actually still outstanding.

The Speaker: Thank you.
Supplementary or . . . You are fine? Good.
That brings us to a conclusion on the questions in regard to the Minister of Health.

The next Statement that Members have indicated that they have questions about is that for the Minister of Sport.

Minister Foggo, you have a question I would like to put in regard to your Sports Anti-Doping Statement. And that is from the Member from constituency 31.

Honourable Member Smith, would you like to put your question?

QUESTION 1: BERMUDA SPORT ANTI-DOPING AUTHORITY FINANCIAL STATEMENTS AND ANNUAL REPORT 2018

Mr. Ben Smith: Good morning, and thank you, Mr. Speaker.

In the Statement, it is discussed that there is a grant of \$650,000. Is it possible for the Minister to let us know the last time this grant was assessed for effectiveness, as this particular grant takes up most of the budget of sport. Almost 50 per cent of the budget of sport goes to this authority.

The Speaker: Thank you, Member.
Minister.

Hon. Lovitta F. Foggo: Yes. What I will basically say is that, as you can appreciate, Member, without an anti-doping regime, most of our athletes would not be allowed to participate overseas.

And so, in answering that question, what I will say is that 39 per cent of the grant allocation goes to performance-enhancing tests, to check that; 22 per cent of that grant goes to illicit testing; and 39 per cent of that grant goes to administration.

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

Mr. Ben Smith: Well, just re-asking the same question because I am just asking if—

The Speaker: Supplementary then?

Hon. Lovitta F. Foggo: And I will undertake to get a more specific answer to that question.

Mr. Ben Smith: Okay. Thank you.

Hon. Lovitta F. Foggo: But I thought you would appreciate the other facts.

Mr. Ben Smith: Yes. Thank you.

The Speaker: So, are you satisfied?

[Inaudible interjection]

The Speaker: Next question. Does anyone else have a supplementary on that matter?

Hon. Patricia J. Gordon-Pamplin: I have a supplementary based on the Minister's answer.

The Speaker: Yes.

SUPPLEMENTARY

Hon. Patricia J. Gordon-Pamplin: That 39 per cent is going to administration. And my question to that 39, it is actually 40-plus per cent. It is 40.56 per cent that is going to administration.

And the question is, Is that an equitable balance between the cost of administration and the conduct of its mandate in respect of the anti-doping testing to conform with WADA [World Anti-Doping Agency] requirements?

The Speaker: Thank you, Member.
Minister.

Hon. Lovitta F. Foggo: There are strict . . . I basically have answered that question, saying that I will undertake to get further information. But, on top of that, there are strict international guidelines which require this authority to operate in a certain manner. And hence you will see why the expenses are broken down in the way that they are.

You have to have a certain level of manpower. You have to have people trained to do certain tasks. And that training takes place every two years. So, if I can get more specifics on that for you, I will.

The Speaker: Thank you, Minister.
This is your second question now?

Mr. Ben Smith: Yes. Thank you.

The Speaker: Continue on.

**QUESTION 2: BERMUDA SPORT ANTI-DOPING
AUTHORITY FINANCIAL STATEMENTS AND
ANNUAL REPORT 2018**

Mr. Ben Smith: Thank you, Mr. Speaker.

Just looking at the fact that there are 57 tests, which is costing us \$256,000, the reason I brought up the other sports is that if we are spending so much of our money on testing and not a lot of money on developing athletes, how are we going to develop athletes to test? So, we just need to have a better idea of what we are spending this money on.

The Speaker: Thank you, Member.
Minister.

Hon. Lovitta F. Foggo: The question does not pertain to the [Statement], and what is in here. And it was specifically about the financials and the anti-doping regime.

[Inaudible interjections]

Mr. Ben Smith: So, Mr. Speaker, I guess my question is, how much is a test? If it is 57 tests, \$256,000, it seems like we are spending a lot of money on these tests.

The Speaker: Yes. Go ahead.

Hon. Lovitta F. Foggo: To test one individual, and if you are testing them overseas, it costs about \$2,000.

An Hon. Member: What?

Hon. Lovitta F. Foggo: If a test is conducted locally, that test is about \$1,000. And I can say that many of our athletes operate overseas and live overseas. So, hence the task with financing some of those tests.

The Speaker: Thank you.
Supplementary? Supplementary? Okay. Yes, put your supplementary.

SUPPLEMENTARY

Mr. Ben Smith: Yes. So, I guess carrying on with this same line, what is the level of our athletes to warrant this level of testing? The reason [I] ask the question is, if we are paying this amount of money, do we have athletes of that calibre to continue to . . . Do we have the statistics to show us that the amount that we are spending on it is in line with what other jurisdictions at our level are paying?

[Inaudible interjections]

Hon. Lovitta F. Foggo: In order for any athlete to perform overseas—

[Inaudible interjections]

The Speaker: Ah! Ah! Ah! Ah!

Wait, wait, wait, Minister.

Members, the conversation is between the person who puts the question, the Member who puts the question to the Speaker, and the Minister to respond.

Minister, you have the floor.

Hon. Lovitta F. Foggo: In order for any athlete to be able to operate beyond this jurisdiction, they are subjected to this type of testing. The costs are the costs. And, certainly, we think it is important that our athletes be able to participate overseas to grow and enhance their skills as an athlete. So, thank you.

The Speaker: Thank you.

Any supplementary? Supplementary?

Hon. Patricia J. Gordon-Pamplin: Yes, I have a supplementary, Mr. Speaker.

The Speaker: Yes.

SUPPLEMENTARIES

Hon. Patricia J. Gordon-Pamplin: The Minister indicated in her response that if a test is conducted overseas, it is \$2,000, and if it is conducted locally it could be \$1,000 per test. So, the question is, Why do we have \$256,000 worth of tests for 57 samples if, at \$2,000 apiece, every one of them was an overseas test? That will come to \$114,000.

So, my question is, Where is the differential between the \$114,000 and the \$256,000 for only 57 tests, as articulated in the Minister's Statement?

[Inaudible interjections]

The Speaker: Thank you.

Minister, would you like to respond?

Hon. Lovitta F. Foggo: I would think that that former Minister can appreciate how these allocations come about. And, as you know, there are the specific tests and whatever else is involved in paying people who are associated with doing these tests. So, you know. And the number of tests that can be undertaken will vary from year to year and depending on what sporting events are taking place. So, you are not going to get one specific figure, Mr. Speaker.

The Speaker: Thank you.

Supplementary?

Hon. Patricia J. Gordon-Pamplin: Yes, supplementary, Mr. Speaker.

Mr. Speaker, the math just plain does not work. The Minister, based on her response, has indicated that tests could be \$2,000 and that the numbers of tests would vary. Well, she has given us the number of tests being 57.

Could the Minister explain why 57 tests costs us \$256,600, which amounts to, if one averaged it, \$4,503 per sample?

The Speaker: Thank you.
Minister.

Hon. Lovitta F. Foggo: Mr. Speaker, I said that there are ancillary costs attached to testing. And I am not going to say anything beyond that.

The Speaker: Supplementary?

Hon. Patricia J. Gordon-Pamplin: Supplementary, yes.

Can the Minister advise what the ancillary charges are in relation to the samples so that we can get some feel for why the cost has escalated to \$4,500 per test, as articulated in her Statement?

The Speaker: Thank you.
Minister.

Hon. Lovitta F. Foggo: I will undertake to seek those answers, Mr. Speaker.

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

Hon. Michael H. Dunkley: Supplementary.

The Speaker: Supplementary on the supplementary.

SUPPLEMENTARY

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

To the Honourable Minister: I think we all appreciate the Honourable Minister providing information on what the ancillary costs are. And at the same time, we would be appreciative if the Honourable Minister could provide some more detail. Because I have looked through the report quickly, which the Statement pertains to. And it does not say the quotas that have to be tested, who decides who is going to be tested and when they are going to be tested. And I think it would be important for us to have a better understanding of that, especially since it is not in the report.

I think we all understand and appreciate that from year to year things could change, depending on the competition.

The Speaker: Put your question. Put your question.

Hon. Michael H. Dunkley: But if we could have an understanding of when and why, and the numbers to be tested.

The Speaker: Minister.

Hon. Lovitta F. Foggo: I can undertake to do that.

The Speaker: Now, Member, you did indicate you had a question. Do you still want to put your question? Okay.

We recognise the Member from constituency 10 with his question now.

QUESTION 1: BERMUDA SPORT ANTI-DOPING AUTHORITY FINANCIAL STATEMENTS AND ANNUAL REPORT 2018

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

In the Ministerial Statement, it refers to the report and the number of tests. But if you look quickly at the report, Mr. Speaker, it jumps out at you that two of our national sports, football and cricket, are not included in the testing. And some of the other sports that have a frequency of testing, like rugby, basketball and volleyball, are not included in the report.

So, the question to the Honourable Minister is, why are our national sports not covered by the local testing authority? And if they are not covered by the local testing authority, who pays for that test? Where does the money come from?

The Speaker: Thank you.
Minister.

Hon. Lovitta F. Foggo: I will undertake to get those answers.

The Speaker: Thank you.

No supplementary? No further question?

We will move on to the next Statement. And the next Statement that Members have indicated they have questions . . . in fact, three Members have indicated that they have questions for this Statement. And that is the Statement from the Minister Brown.

And, Minister Brown, the first question to be put is in the name of the Opposition Leader, Honourable Member from constituency 12.

QUESTION 1: SUCCESSION PLANNING IN THE PUBLIC SERVICE

Hon. L. Craig Cannonier: Thank you, Mr. Speaker, and good morning to everyone.

Minister, I just want to ask a question. You mentioned over on page 2 about hard-to-fill positions posts. And then, two paragraphs down, you also mentioned the combination of an ageing workforce and the

limitations in certain areas of specialisation, where emphasis needed to be put on succession planning.

I just wanted to find out if you could give us an idea of some of those areas of specialisation that we need to emphasise planning, in specific. It would be good to know.

The Speaker: Thank you.
Minister.

Hon. Walton Brown: Good morning.
I do not have the specifics on those positions. I can undertake to get those positions for you.

The Speaker: Thank you.
Supplementary? Are you satisfied?

Hon. L. Craig Cannonier: That is good. Thank you.

The Speaker: Okay.
The next Member who has indicated that he has a question is the Member from constituency 8, Member Simons.

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

The Speaker: Go right ahead, Member.

QUESTION 1: SUCCESSION PLANNING IN THE PUBLIC SERVICE

Mr. N. H. Cole Simons: Mr. Speaker, succession planning always starts from the top. So, my question is, what succession planning framework do we have for the civil service executives?

And do the civil service executives, the Cabinet Secretaries, the Assistant Secretaries, and the Director have a formal appraisal process? And who does it?

The Speaker: Thank you, Member.
Minister.

Hon. Walton Brown: Yes, there is a formal appraisal process as undertaken by the Public Service Commission. And there is a succession plan in place for all senior level civil servants, and that is underway.

The Speaker: Thank you.
Supplementary or new question?

SUPPLEMENTARY

Mr. N. H. Cole Simons: Yes, Mr. Speaker, my supplementary on that.

So, as this is an ongoing programme, who is actually leading this initiative of succession planning in the public service? And will that person who is leading it have performance targets?

The Speaker: Thank you.
Minister.

Hon. Walton Brown: Yes. This will be jointly led by the head of the civil service, as well as the Cabinet Secretary. And they have plans currently underway.

The Speaker: Okay. Thank you, Minister.
There is also a supplementary from the Honourable Member, Mrs. Atherden.
You can put your supplementary.

SUPPLEMENTARIES

Hon. Jeanne J. Atherden: Thank you, Mr. Speaker.
Mr. Speaker, through you to the Minister: It is an indication that 17 Bermudians are on the Public Services Development Plan Status Report. Is this something which is public anywhere so that people are aware of who is on this actual report, so that they can see the progress?

The Speaker: Thank you.
Minister.

Hon. Walton Brown: That currently is not publicly available. However, I can undertake to ensure that it is publicly available, the list of 17 Bermudians.

The Speaker: Further supplementary?

Hon. Jeanne J. Atherden: Yes.

The Speaker: Yes.

Hon. Jeanne J. Atherden: And is it possible? Because, to me, it is not just about knowing who is there, but progress report so that people can know how they are progressing. Is that possible, as well?

The Speaker: Thank you.
Minister.

Hon. Walton Brown: In the spirit of full transparency, I can undertake to ensure that there are interim progress reports provided for those individuals.

The Speaker: Thank you.
Now, there was a supplementary indicated from the Member from constituency 23.

[Inaudible interjection]

The Speaker: Covered it? Okay.
I think the original asker of the questions would like to continue then.
This is your second question.

**QUESTION 2: SUCCESSION PLANNING
IN THE PUBLIC SERVICE**

Mr. N. H. Cole Simons: Yes.

My second question is, Will the Minister be willing to table the Government's retirement age report that was mentioned in his presentation, retirement by age report for the government civil service?

The Speaker: Thank you.
Minister.

Hon. Walton Brown: Yes, Mr. Speaker. I will be happy to table that report.

The Speaker: Thank you.
Supplementary?

SUPPLEMENTARIES

Mr. N. H. Cole Simons: Supplementary.

Does this report dovetail in any way with the Workforce Development Plan?

The Speaker: Minister.

Hon. Walton Brown: Those reports were done at different periods in time, so they do not necessarily dovetail with one another.

The Speaker: Thank you.
Supplementary or new question? Supplementary? Okay.

Mr. N. H. Cole Simons: So, will both plans be reviewed so that we can get the best outcome?

The Speaker: Thank you.
Minister.

Hon. Walton Brown: Well, clearly, Mr. Speaker, that is obviously the intention. We will carefully review all plans to ensure that there is the best outcome on the way forward.

The Speaker: Thank you.
More questions? Supplementaries? None.
The next Member who indicated, Minister, that they had questions to put to you is the Member from constituency 20.
Member Jackson, you have the floor, Honourable Member.

**QUESTION 1: SUCCESSION PLANNING
IN THE PUBLIC SERVICE**

Ms. Susan E. Jackson: Good morning.
Minister, my question is, What is being done to safeguard those who are in the succession plan-

ning pool from any external hiring of Bermudians who are somewhat parachuted into position?

The Speaker: Thank you.
Minister.

Hon. Walton Brown: Parachuted into position in the civil service, you mean?

Ms. Susan E. Jackson: Yes.

Hon. Walton Brown: Yes. Well, that is a process that is developed by the Public Service Commission [PSC] in terms of the employment opportunities. And when jobs are made available, everyone is free to apply for those positions. And so, the PSC makes a decision based on who the ideal applicant is. For those people who are earmarked for special consideration, those positions are earmarked for them. So, there are special protections provided for them.

The Speaker: Thank you.
Supplementary?

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

The Speaker: Supplementary from the Member from 23.

SUPPLEMENTARY

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

The Minister referred to the PSC and how they are looking at efficiencies and the like. The vexatious issue that has existed throughout perennial governments—

The Speaker: Put your question.

Hon. Patricia J. Gordon-Pamplin: Is there any particular efficiencies that are being employed under this new regime to ensure that the PSC is operating efficiently and timely?

The Speaker: Thank you, Member.
Minister.

Hon. Walton Brown: I think, Mr. Speaker, that there are always efforts being made that there are greater efficiencies in the delivery of the services of the Public Service Commission. That is an ongoing matter. And we review it constantly.

The Speaker: Thank you.
Supplementary?

Ms. Susan E. Jackson: This is a supplementary.

The Speaker: Supplementary from the Member from constituency 20.

SUPPLEMENTARY

Ms. Susan E. Jackson: So, I just want to clarify then. So, if someone has been identified in the succession planning, a position might be earmarked for them. But, at the same time, if an external Bermudian qualified for the same position, then that existing member of the government civil service would get the position based on an earmark?

The Speaker: Minister.

Hon. Walton Brown: Well, the position would not become really available until such time as the person is fully capable and qualified for that position. So, the position will not be advertised until such time as the person is fully capable of taking over that position.

The Speaker: Supplementary? We have a supplementary from the Honourable Member from constituency 19.

Honourable Member, you have the floor.

SUPPLEMENTARIES

Hon. Jeanne J. Atherden: Thank you, Mr. Speaker. I have a supplementary, and this ties into my earlier question about whether the people who are on the succession plan list were sort of identified. Because sometimes it is better to have somebody come in from outside who can progress faster than having somebody being developed slowly, internally, especially if there are some necessary expertise and experience. So that is why I just wondered—

The Speaker: Put the question.

Hon. Jeanne J. Atherden: Is the Minister . . . does the Public Service Commission look at what is outside before they make the decision on developing somebody internally? Bermudians, Bermudians outside, before they make the decision on developing someone internally to determine which one can be done faster.

The Speaker: Thank you.
Minister.

Hon. Walton Brown: The PSC considers all applications for positions and will make a decision based on the best possibility, the best alternative at that time.

The Speaker: Thank you.
Supplementary?

Hon. Jeanne J. Atherden: Supplementary.

The Speaker: Continue.

Hon. Jeanne J. Atherden: And the reason I say, in terms of the succession planning, is because the advertising does not come until such time as the position is ready to be filled. But if you are trying to develop people internally, that succession planning means that you should be looking outside to see if there is a Bermudian out there who would be better suited to go on the succession plan than an internal development. And is that being considered?

Hon. Walton Brown: Right.

The Speaker: Minister.

Hon. Walton Brown: Well, no. Because the process of the identification of the qualified Bermudian in-house has its own process. And so, the position is not going to be advertised until such time as that person is ready for that position.

The Speaker: Supplementary?

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

The Speaker: We have a supplementary from the Member from constituency 23.

SUPPLEMENTARIES

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

Mr. Speaker, things happen. People quit. People die. So the question is, just to elucidate on the comment by my honourable colleague, How are we looking at external Bermudians who are now working external to Bermuda to be able to ensure that they can be absorbed in the succession planning regime so that, if such an eventually happens, it does not wait until retirement, and so that that person can be brought into the mix for further consideration?

The Speaker: Thank you, Honourable Member.
Minister.

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

That person will be brought into the mix through an open process of advertising. And so, people can apply for any position that becomes available, except for the positions that have been earmarked for the intended persons.

The Speaker: Thank you.
Supplementary?

Hon. Patricia J. Gordon-Pamplin: Yes. One more supplementary.

I think if the Minister had stopped before he said "except," I think I would have accepted his answer. But what he is basically saying is that a position being earmarked for an individual, that individual can expect, reasonably expect, to fill that position.

If the person has not yet been sufficiently trained and somebody else has come in, a Bermudian from outside, to fill that position, is the Minister, based on his answer, really saying that that Bermudian from outside coming in will not have an opportunity, because that position has been earmarked for the person who is standing in the queue, as it were? So, where does the excellence in training come in so that that scenario works well for everybody concerned?

The Speaker: Minister.

Hon. Walton Brown: Well, it is very much akin to having an understudy. You have an understudy for a position. And the position is something that the person moves up into that position. There is nothing untoward about it. It is part and parcel of the process.

The Speaker: Thank you.
Supplementary?

Hon. Jeanne J. Atherden: I have a supplementary.

The Speaker: But you asked your supplementaries already.

Hon. Jeanne J. Atherden: I do not think so. I think I asked one.

The Speaker: One? Okay. Your second supplementary.

SUPPLEMENTARY

Hon. Jeanne J. Atherden: Thank you.

To the Minister: In terms of determining who is going to get the understudy position, is there anything within the civil service where the range of people's experience is identified? Because, sometimes, people are in a position A, but they came into the civil service with some other experience. And unless the civil service reviews all of the, if you will, expertise of their individuals, they run the risk of overlooking someone who could transfer into another position. So, is there any examination of the experience or the expertise of individuals before someone is chosen for understudy in the civil service?

The Speaker: Thank you. Minister.

Hon. Walton Brown: Absolutely. There is a process of identifying the skill sets of individuals in the civil service who are eligible and suitable for being identified for promotion. And that is a rigorous process that

is engaged in, and it is a process that works very well. It has been working very well to date.

The Speaker: Thank you.
Supplementary?

Mr. N. H. Cole Simons: Supplementary.

The Speaker: Supplementary.

SUPPLEMENTARY

Mr. N. H. Cole Simons: Mr. Speaker, I know, recently, there is a new PS [Permanent Secretary] who has just joined from private sector. Is the Minister indicating that that position arose and that gentleman got that position because there were no other qualified candidates within government who could take that job?

The Speaker: Thank you.
Minister.

Hon. Walton Brown: Mr. Speaker, I am not in a position to answer that question.

The Speaker: Any further supplementaries?
Supplementary from the Honourable Member from constituency 20.

SUPPLEMENTARY

Ms. Susan E. Jackson: Yes. Thank you, Mr. Speaker.

Is there any formal documentation that a civil servant within the succession planning programme can, sort of, sign into so that there is some form of security around the earmarked position?

The Speaker: Minister.

Hon. Walton Brown: As far as I am aware, there is no formal documentation in this regard. It is all done on the basis of identifying individuals and then prepping them for the position.

The Speaker: Okay.
Any supplementary?

No supplementaries, no further questions.

That brings the questions regarding that particular Statement to a close. We will now move on to the next Statement for which Members have indicated that they have questions. And we have a question from the Member from constituency 8 to the Minister of Education regarding your Statement on the Bermuda College.

Member Simons, would you like to put your question?

[Inaudible interjection]

The Speaker: Yes, you are constituency 8. Yes.

[Inaudible interjection]

The Speaker: It is to the Minister of Education.

**QUESTION 1: BERMUDA COLLEGE 2017–2018
ANNUAL REPORT**

Mr. N. H. Cole Simons: Okay. Thank you.

Mr. Speaker, I note that the Minister has indicated that there will be established the Bermuda College Foundation. Can he provide more details on the purpose of the foundation and how the foundation intends to raise its capital?

The Speaker: Thank you, Member.
Minister.

Hon. Diallo V. S. Rabain: Mr. Speaker, I can endeavour to provide that information at a later date.

The Speaker: At a later date. Thank you.
Supplementary?
You have a supplementary?

Mr. N. H. Cole Simons: Second question.

The Speaker: Second question. Yes.

**QUESTION 2: BERMUDA COLLEGE 2017–2018
ANNUAL REPORT**

Mr. N. H. Cole Simons: Mr. Speaker, like this fall, I travel the Caribbean quite a bit. And I notice that the University of West Indies has campuses mostly throughout the Caribbean. Has the Bermuda College entertained the possibility of marketing the college to other Caribbean neighbours and friends so that we can get a more international student base attending Bermuda College?

The Speaker: Thank you, Member.
Minister.

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

The Speaker: Thank you.
Supplementary? Any further question? Supplementary?

SUPPLEMENTARY

Mr. N. H. Cole Simons: Supplementary.

And when will that plan be effected, and how much in resources have we committed to ensuring its success?

The Speaker: Thank you.
Minister.

Hon. Diallo V. S. Rabain: Mr. Speaker, the exploration of getting non-Bermudian persons to join Bermuda College is a continuing exercise. And when we do have people join the college from outside of Bermuda, announcements will be made at that point.

The Speaker: Thank you.
Supplementary?

[Inaudible interjection]

The Speaker: That is it? Okay.

The next Statement that Members have indicated they have a question for would be for the Minister of Works.

Minister of Works, you have a question from the Honourable Member from constituency 7.

Honourable Member Richards, you can put your question.

QUESTION 1: KINGS WHARF REHABILITATION

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

Would the Minister provide the Honourable House the name of the Bermudian company awarded the contract in September to demolish and construct the new deck at Kings Wharf? That is on page 2 of his Statement, at the bottom.

The Speaker: Minister.

Lt. Col. Hon. David A. Burch: Mr. Speaker, I happily provide it, since they fell for the trap. It will be Crisson Construction, Ltd.

[Laughter and inaudible interjections]

The Speaker: I would not necessarily say “trap.” It was information they were seeking. It was information. We are all here to find out information.

Any supplementaries? No supplementary? No Supplementary.

We will move on to the last Statement that has been indicated—

[Inaudible interjections]

The Speaker: Members! Members, there is only one voice.

[Inaudible interjections]

The Speaker: Members!

[Gavel]

The Speaker: It is early in the session. Let us understand that is not going to be tolerated through the session. We will not be shouting and talking back and forth to each other. Come through the Speaker, and you will get your response.

The next Member who has indicated that they have a question is the Member from constituency 10. And that is in reference to the Minister of National Security in regard to the road sobriety testing.

QUESTION 1: ROADSIDE SOBRIETY CHECKS

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

To the Honourable Minister: First, I want to thank the BPS [Bermuda Police Service] for the work that they have done on this most worthy initiative.

Honourable Minister, have you and the Bermuda Police Service discussed any amendments to the legislation that governs roadside testing?

The Speaker: Thank you.
Minister.

Hon. Wayne Caines: I am actually not clear. If you can be more specific, that would be more helpful.

Hon. Michael H. Dunkley: It is not a trap, it is just general information. Is there any discussion between you, as the Minister of National Security, and the Bermuda Police Service in regard to any amendments to the current legislation that governs roadside sobriety?

Hon. Wayne Caines: So, the Act is the Road Traffic Act 1947. There are a number of discussions that have been held in a number of successive conversations. And that is why I am asking him to be more specific. Are we talking about roadside sobriety? Are we talking about—

Hon. Michael H. Dunkley: Roadside sobriety.

Hon. Wayne Caines: Hold on for a second. Hold on for a second, and go through the Speaker.

Are we talking specifically just roadside sobriety? That is the question, Mr. Speaker. I was not clear.

Hon. Michael H. Dunkley: Yes.

Hon. Wayne Caines: We have not at this point.

The Speaker: Thank you.
Supplementary?

Hon. Michael H. Dunkley: Thank you, Mr. Speaker. Yes. Second question, really.

The Speaker: Second question. Go ahead.

QUESTION 2: ROADSIDE SOBRIETY CHECKS

Hon. Michael H. Dunkley: In the Minister's short Statement this morning, the Minister does outline where the checkpoints have been located over the past couple of weeks. And we know that they are all in the central part of the Island.

The Minister might not be able to answer this question, because the police are responsible for their operations. But it is curious to see, and I wonder why there are no checkpoints set up outside the centre of the Island, certainly when people, through their regular day and a weekend, are in the east and the west quite frequently. And I am just wondering if there will be a need for checkpoints to be expanded from the central parishes.

The Speaker: Minister.

Hon. Wayne Caines: Eleven occasions, we started in September, Mr. Speaker. We have had the occasion to do this 11 times. And each time, there are over 100 people going through the checkpoints. This is something that we will not stop next week. This is an ongoing process. So, I am happy to inform the House that the checkpoints will evolve. And once we evolve it, you will be seeing the checkpoints throughout the entire Island at different times and discriminate places.

The Speaker: Thank you.

Any supplementaries? No further question?

That brings us to a close of the Question Period for today. And we will move on with the other matters on the Order Paper.

CONGRATULATORY AND/OR OBITUARY SPEECHES

The Speaker: Would anyone like to speak on that matter? Any congratulatory [speeches]? We recognise the Honourable Member Richards from constituency 7. Honourable Member, you have the floor.

Mr. Sylvan D. Richards, Jr.: Thank you, Mr. Speaker. I will try and be as brief as I can.

I would like condolences to be sent to the family of Mr. Gilbert Darrell. Mr. Gilbert Darrell was a very influential businessman in Bermuda. He started a number of businesses over his career, including Papa Darrell's Grocery Store, Darrell and Seaman's Grocery Store, Gilbert Darrell Equipment. He started the Bermuda Retail Grocers Association. He was President for 18 years of the Bermuda Container Line, Ltd. He had a very active political career, as most people

are aware. He went successfully as an Independent for Parliament in 1963. He won a seat as a PLP Member for Hamilton Parish in 1972 and became Leader of the National Liberal Party in 1984. So, a very, very influential man in Bermuda. He will be greatly missed. He was also a constituent of mine.

Another constituent of mine who passed, a man who was ahead of his time, is Gershwyn [Charles Conway] High Priest "Git" "Shiloh" Smith. Mr. Smith was a member of the Bermuda Young Progressives. He went for Parliament as an Independent a number of times, including against me in 2012. Mr. Smith emerged as a leader of the Devil's Hole community back in 1969. He was a man ahead of his time. Shiloh lobbied the government to view marijuana as a medicine and not a drug. He was doing that for many, many years. And he dedicated his life to seeking justice, peace and reconciliation for Bermudians.

Finally, Mr. Speaker, Mr. Neil Inchcup, Sr., another constituent of mine. He was a man who was also ahead of his time in a different way. "Inchy," as he was called, as a self-made businessman who pioneered gambling in Bermuda. In 1994, he began Freeport Bingo, which was broadcast on TV. It was very successful, but he was shut down at the time. Other ventures that Inchy started included long-line fishing, gambling machines and the casino ship, the *Niobe Corinthian*, who shut him down. The first business that Mr. Inchcup started was a laundromat in the 1970s. And he also opened the new Freeport Restaurant in Dockyard in 1993.

I am going to miss Inchy. He used to call me to his office right there above The Spot restaurant. We would sit off and laugh. And he was a funny guy. I learned a lot from him. And, unfortunately, I found out about his passing—I was off-Island when he passed. And I had returned to the Island and did not realise he had passed until I was having a conversation with a mutual friend of ours in a bar. And he just let out, *Yeah, I went to Inchy's funeral*. And I was completely shocked. So, definitely, I would like to associate the whole House, the whole House with the passing of Neil Inchcup, Sr., a man ahead of his time. And he will be greatly missed.

The Speaker: Thank you, Honourable Member.

We recognise the Deputy Premier. Deputy Premier, you have the floor.

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

I wish to certainly be associated with the comments concerning Mr. Darrell. And I am certain that all Members of the House would be associated with that, as Mr. Darrell was a long-serving Member of the House of Assembly and played a pivotal role politically in the formation of our constitutional arrangements. He was one of the attendees of the Constitution Conference of 1966 and had, certainly, a relation-

ship with the PLP for many years. Obviously, his political activities evolved.

But certainly not only would Members of this House associate ourselves with our condolences to his passing, many of us attended his funeral, but I can attribute a personal relationship with Mr. Darrell for many, many years. And, in some ways, my journey in Bermuda politics started with Mr. Darrell. And also with our colleague, the Minister without Portfolio, Jamahl Simmons, and I, often, as teenagers, found ourselves at the feet of Mr. Darrell and Walter Robinson at his family's home, listening to them discuss local politics long before we both were in politics, also with Minister Simmons's father, Lionel Simmons, who was also a Member of this House. So, my relationship goes back personally with Mr. Darrell for many, many years. And he made an outstanding contribution to this country, as already stated, in business, but also helped as those in those early days, in the 1960s, who transformed the country. So, we certainly on this side associate ourselves with the condolences, but I am sure the House, as a whole, as well. Thank you.

The Speaker: I recognise the Honourable Member from constituency 8. Honourable Member, you have the floor.

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

Mr. Speaker, I rise this morning to send condolences out to the family of the late Honourable C. V. "Jim" Woolridge, former Cabinet Minister, the "Voice of Summer." As you know, Mr. Woolridge was Bermuda's foremost ambassador when it came to tourism. He was instrumental in turning tourism around in the 1970s. It was a part of his well-being; it was a part of who he was. He also had a passion for people less fortunate than himself. He came from humble beginnings. And because of that experience, he left a lasting legacy on Bermuda.

Mr. Speaker, I remember many days when Dame Lois Browne-Evans and he were bantering. It was the most entertaining thing you would ever want to see and experience. They were at each other. They were teasing each other across the floor. And yet, you know there was a profound love for each other.

I would like to also associate myself with the comments made in regard to his cousin, Gershwyn Smith, or his nephew.

The Speaker: Nephew, nephew.

Mr. N. H. Cole Simons: Gershwyn Smith, again another special character from Smith's—he lived in my constituency. And, in fact, he ran against me in the last election. It was funny, because we were standing at a polling station, saying, *Where's Gershwyn? Where's Gershwyn?* And Gershwyn came in for about 10 minutes with his entourage, stayed 10 minutes, and off he went. And no one had seen him all day!

[Laughter]

Mr. N. H. Cole Simons: But that was Gershwyn. And I think I saw some writings about him. And to sum it up, this report said that Gershwyn's spiritual teachings were summed up in his slogans, such as *Build a better world. Build a better Bermuda. Unity in the community. Community development depends on you. Peace and Love.*

So, Mr. Speaker, even though he was a colourful character, he was a man who stood for what is best for the community. He wanted the community to get along in unity, and he wanted us all to work together. And I applaud him for his contributions because they have not gone unnoticed.

Thank you, Mr. Speaker.

The Speaker: Thank you.

I now recognise the Honourable Member from Warwick, Honourable Member Tyrrell, from constituency 26.

Mr. Neville S. Tyrrell: Thank you, Mr. Speaker. And good afternoon, all.

Mr. Speaker, following our summer break, three of my constituents passed on. Unfortunately, they were all women. And I would like this House to send letters of condolences to each of them. And I will name them in no particular order.

Mrs. Gertrude [Ingham-]Knight, of Spice Hill Road, whose husband is Mr. Joshua Knight. The second one is Mrs. Carmin John, of King's Lane North, in Warwick, whose husband was Austin John. And finally, Mrs. Selina-Mae Dean. (I will associate my colleague, Lawrence Scott, with the condolences for the family of Mrs. John—I think she was his neighbour.) And the third person was Mrs. Selina-Mae Dean, of Carver Heights Lane, whose husband was Antonio Toussaint. All three of these persons, Mr. Speaker, were solid backers of the Progressive Labour Party, and I visited them often prior to their passing. And, in fact, I had actually seen Mrs. John a couple of weeks before her passing, and she was in good spirits. But at the same time, these things do happen, Mr. Speaker. And I appreciate it if letters could be sent.

Thank you very much.

The Speaker: Thank you, Honourable Member.

I recognise the Honourable Member from St. George's, the Honourable Member Swan. You have the floor.

Mr. Hubert (Kim) E. Swan: Yes, Mr. Speaker. Thank you, very much, and good morning.

Mr. Speaker, it is on a sad note that I rise today. There are a number of condolences that I want to start to offer. Mrs. Frances "Fanny" Hall, from Southampton, proprietor of the Lilliput Nursery School.

The Speaker: Some of us in this room were students in that nursery.

An Hon. Member: Yes.

Mr. Hubert (Kim) E. Swan: Yes, indeed.

The Speaker: Yes.

Mr. Hubert (Kim) E. Swan: The building of many foundations through family and through her love of God and her service. My cousins from Rose Hill, and the Bailey's Bay family that it encompasses, as well. A great lady—may she rest in peace.

Ms. Ianthe Louise Pearman, a stalwart of St. George's, very much the same in the St. George's community, did for the St. George's community what Aunt Fanny did for the Death Valley community, that greatest community as well. A family of profound excellence, I must say, and a family that has longevity where many of them have gone past the age of 90. And her brother is certainly a centenarian and was there yesterday, as she was being funeralised, as was her sister, and many of her relatives. And her former students, as well, many there are.

And, finally, Mr. Eugene "Pudna" Wainwright, my dear friend, and a father figure and a role model for many of us in the St. George's community. A gentleman who loved his sport, was reserved in Cup Match a couple of times. But was a great example of service. We will miss him and miss his singing at Calvary at many funerals. Many people will have this song just running through their head today, [as he is being] funeralised tomorrow.

The family of Mr. Arthur Leroy "George" Wales, who had a tragic coming to his passing in a road accident on Cut Road. We offer our condolences to his family on such a tragic loss.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

I now recognise the Member from constituency 23. Honourable Member, you have the floor.

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

Mr. Speaker, I believe the tributes to Gilbert Darrell and Jim Woolridge have been associated with the whole House. But I did want to express my personal condolences to the Jim Woolridge family, because my whole advent of my political career had been enhanced by the knowledge that I had received by having the experience of sitting around the likes of Jim Woolridge during the currency of my time here in this Honourable House.

I also would like to associate with the condolences regarding Mrs. John; Austin, her son, and Agnes, her daughter, we kind of grew up together. They

used to actually live over on Elliott Street, and I would like to associate myself with those condolences.

And also, with the condolences to "Git" Smith. Gershwyn was actually—we called him "Git." Gershwyn was actually one of those people who had nominated my father for the position of National Hero at the same time as he did Sir Henry Tucker, as well as Roosevelt Brown, Pauulu Kamarakafego. So, I think that Gershwyn not only looked at his own involvement in the community, but he looked broadly across to whom he considered to be appropriate people to be honoured in such a way. And, certainly, from a family perspective, I appreciate the gesture that he made in respect of my dad.

I also want to be associated with the condolences to the family of Selina Dean. She was not just Herbert Antonio Toussaint's wife. She was Toto's mom and Tahj's mom, and Stephen and Paulette Dean's daughter. But apart from that, she served this community really well as the Admitting Officer in the Emergency Department at KEMH [King Edward VII Memorial Hospital]. She met her death at a very early age, which was really quite unfortunate. But I would be remiss if I did not just stand and want to embrace their family and certainly show my support for them through association with the condolences given.

And finally, I would just like to offer congratulations to David Lambert at the Elbow Beach Tennis Club. David has developed a senior's tennis programme, for which he has been able to get some really good sponsors, not the least of which are—actually, they are key sponsors. Dunkley's is their key sponsor. But they also have Butterfield & Vallis, and Pepsi—you know, Mr. Paul Spring—and different companies that have associated to make this seniors tennis programme successful. This past week, they had a sponsors' appreciation day. And it was just amazing to see the number of seniors—I call us the "Geriatric Club," because I had the opportunity to join them for the first time this past Wednesday. And I think that, for someone to ensure that there is a programme to continue to enhance the health and welfare of our seniors is admirable. And I would certainly like to send congratulations to David Lambert and his team at Elbow Beach Tennis Club for the support that they are giving to our seniors for the enhancement of their health. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

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

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

Mr. Speaker, I rise today for three sad occasions. But I begin with one that has a unique place in my heart and my family. Growing up, my father had many political colleagues. But there were only three that he never referred to by their first names: Ms.

Browne-Evans, Mr. Cox and Mr. Darrell. And that was the level of respect that was held for this that was a virtual Holy Trinity, if it were.

And I think that, for those of us who believe in black economic empowerment and for those of us who believe in a social conscience, the life of Mr. Darrell is one to be studied, not just for the political achievements, but for proving that you can build a business and maintain a social conscience. You can build wealth and maintain connection with the common man. And I think that that is for those who aspire to build wealth and grow, for those who aspire to participate and serve their country, the balance can be struck. And he has shown it could be done.

The Speaker: Mm-hmm.

Hon. Jamahl S. Simmons: He was a mentor to my father. And later in his life, he was a mentor to me. And he will be truly, truly missed.

Mr. Speaker, Ms. Cheyanne Brangman, who passed recently, unexpectedly, I first met during the last general election, the last day. She and her mother were the last two people I spoke with before we went to the polls. And we built a very tight relationship. I very quickly became . . . Because she was the type of person who, if she liked you, she embraced you and you became a part of the family. And so, I went from *Mr. Simmons* to *Uncle Jamahl* in like 48 hours. And she would hit me up on social media when she saw something new that she had a question about. And she would say, *Uncle Jamahl, what's this about? What's that about?*

And she had a strong desire to become a nurse. My mother, who was a nurse for many years, I connected her with her, and she took her under her wing. She became close and tied to our family. It is always a tragedy when somebody so young goes. But, in particular, this was a young lady who had challenges that she sought to overcome. She sought to do more. She sought to be more. And it is just . . . This is the time that you accept that God has a higher plan. You have to accept that to understand this, in this nature.

Finally, Mr. Speaker, I yesterday joined the St. George's community in saying good-bye to my aunt, Auntie Pearman. To the people of St. George's, the people of St. George's knew her as the person who taught generations of St. George's at East End Primary—48 years at East End Primary. She is the person who, while she had no children of her own, adopted, embraced and mentored generations of Bermudians who came through the halls of East End Primary. But, to her nephew, who would only see her periodically on these visits and pilgrimages to St. George's, she was the woman with the big smile whenever you saw her. She was a true gem, who will truly be missed. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Now I will recognise the Deputy Speaker. Deputy Speaker, you have the floor.

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

Mr. Speaker, I would like to associate with the remarks and tributes to Sir Jim Woolridge. And I say "Sir" and I mean that because that is one person whom I think should have been knighted. Because Jim Woolridge was the salesman of the century. And he had the voice to complement his salesmanship. He could sell anything. Having been on a few trips with him, he was very good. He was just on the wrong side of the Parliament.

[Laughter]

An Hon. Member: Beware of what you say.

[Laughter]

Hon. Derrick V. Burgess, Sr.: But, no. Jim Woolridge was one whom I certainly respected and would certainly never forget him.

Also, Mr. Gilbert Darrell. Mr. Darrell, a politician, a businessman, one who was very well respected in Smith's Parish and the people of Hampton Parish whom he represented. And a very strong A.M.E. member of St. Philip A.M.E. Church, Mr. Speaker. These two gentlemen will be sorely missed, all sorely missed.

Mr. Speaker, I would also like to send condolences to the family of Allen Robinson, a former civil servant, a long-serving civil servant in the social financial assistance, in that area, Mr. Speaker. He will certainly be missed by his wife, former Permanent Secretary of Education, Mrs. [Marion] Robinson; and his daughter, Dr. Emma Robinson; and his son, Allen Junior. Thank you, Mr. Speaker.

The Speaker: Thank you, Deputy.

We now recognise the Honourable Member from constituency 19.

Honourable Member, you have the floor.

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

Mr. Speaker, I know we have talked about Gilbert Darrell and the House being associated. But I just wanted to make one observation.

The Speaker: Sure.

Hon. Jeanne J. Atherden: Because I think, too often, we do not realise that, over time, people have many different lives and different ways in which they associate. Gilbert Darrell's wife is my godmother. And so, obviously, he and my father and mother were friends a long time, for a long time. And when my father lived

down in Knapton Hill, Gilbert would walk up to Knapton Hill. My father lived on the corner. And that is when they had their political conversations about what was happening in Bermuda. And they both were businessmen who started businesses, but never lost the touch for the common man.

And I just think that it is important for us to recognise that just because people are on different sides of the political divide, they are all Bermudians. And they are all out there doing things for the community. And I think if we embraced more what people do, we would realise that we have more in common than we actually have in terms of differences. So that is my first thing.

The second thing, regarding Jim Woolridge, I just know, when you talked to Jim, Jim had that voice that, for a female, he could just sort of make you sort of—

[Inaudible interjections and laughter]

The Speaker: Well, well, well . . . Just remember you are speaking publicly now. You are speaking in public now.

Hon. Jeanne J. Atherden: Sorry, sorry.

He could soften the edges.

[Inaudible interjections and laughter]

Hon. Jeanne J. Atherden: No, no. He could soften the edges.

And I just want to make one observation, because it is important. I remember when I went to see Jim Woolridge, this was at the time when you had this issue of men giving status to their wives and women not being able to pass status. And I had the conversation with him, because I felt it was very inequitable that it could happen. And I was hoping that he would change it so that everybody would give status. But in the end, he changed it so that nobody gave status.

[Laughter]

Hon. Jeanne J. Atherden: But I must admit, when you talked to Jim—

The Speaker: He made it equal.

Hon. Jeanne J. Atherden: He gave equality. Not in the direction that I wanted to go. But anyway, those things happen.

So . . . but in any case, I just wanted to say that these are people. And what worries me is that all these people who are passing, these are the people who got us where we are today. And many of them actually interacted with each other and had respect for each other, the mutual respect. So, let us hope that we can remember that they did this. And you have

already told us that this week, this month, this year we are going to emulate that.

So I will move on, and say that I have had a couple of people in my constituency, Harold "Frankie" Smith. Frankie was one of those people whom I always made sure that, when I was out going around, I would go up and visit him. Frankie worked for my father before he went to work for the American Consulate. And so, he was one of those individuals who understood politics, looked to see what was going on and was always, always interested in what was happening in Bermuda. And so, I want our condolences to go out to his family and all the other people who are here.

And Dr. Gordon Black. I do not know . . . I mean, he is not in my constituency, but, obviously, I worked at the hospital for a long time. And actually, because I was helping in constituency 25, where he lived, that was the last time I had the opportunity to, sort of, think about him and realise that we are all getting older. And if we do not speak to these—

An Hon. Member: Speak for yourself.

Hon. Jeanne J. Atherden: Well, we are all getting younger. How is that? We all think younger.

[Inaudible interjections and laughter]

Hon. Jeanne J. Atherden: Anyway, I am supposed to speak to the Speaker.

The Speaker: *Getting better.* How is that?

Hon. Jeanne J. Atherden: Yes.

So, I just want to have condolences sent to their families and the family of Sherry Tavares and the family of Giuseppe Rocher. Sherry, she was a constituent. Giuseppe and his wife were what I call the family that we got together after Sonesta. When my husband first came on the Island, the Sonesta family was part of that group. Thank you, Mr. Speaker.

The Speaker: Thank you, Member.

Does any other Member wish to speak?

I recognise the Honourable Member from constituency 21. Honourable Member, you have the floor.

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

Mr. Speaker, firstly, I would like to offer condolences to the family of Mr. Kenny Paul.

The Speaker: Yes, yes.

Mr. Rolfe Commissiong: I was not sure if somebody had mentioned it. I was out a little earlier.

Mr. Kenny Paul, for many of us who are life-long St. George's fans, we always remember him,

those of us over a certain age, of being part of that St. George's dynasty in the early years that went on to dominate Cup Match for close to two decades or more. But, Kenny Paul, along with others, such as Mr. Jackie Durham, formed the lynchpin of that, the beginning of that dynasty. But, Mr. Speaker, for many of us who are aware of our history and the role of the labour movement, and, of course, laterally, the Progressive Labour Party, in its struggle for justice and economic and social and racial justice, Kenny Paul has to go down as one of the pillars of the labour movement. Maybe of your listeners may not be aware, especially those of the younger generations, that he played a key role out there during the so-called "BELCO disturbances," more commonly referred to as the "BELCO riots," where men such as Mr. Kenny Paul were determined—

An Hon. Member: The BELCO strike.

Mr. Rolfe Commissiong: Pardon me?

An Hon. Member: The BELCO strike.

Mr. Rolfe Commissiong: The "BELCO strike," yes.

[They] were determined to ensure that the conditions that existed over there because of the lack of union representation were going to be addressed.

Of course, many of us know how that turned out. And Mr. Paul, I think quite unfairly, was arrested, tried and spent some time in prison, I would say as a political prisoner, for his stand and his principled stand on behalf of workers and workers' rights. So, let us not forget him.

Mr. Speaker, I want to move on now. Oftentimes, you hear me talking about my close friends and those I call extended family out in Spanish Point. And when I say "extended family," it does not necessarily mean that I was related to some of these people. But we lost a great Bermudian broadcasting icon, that being Mr. Everard Davis. And I heard there was a memorial in Bermuda. He was buried overseas. But I heard the comments of the Deputy Speaker and of the Member from constituency 19, Pembroke West, about Mr. Woolridge, who passed away, his facility in terms of expressing, you know, via his voice, and the tone and tenor of his voice. The Member from [constituency] 19 spoke of the seductive quality of his voice, I believe.

But I will tell you this. Mr. Everard Davis would give Mr. Jim Woolridge a run for his money. You know, as a little boy growing up out at Key West out there, across from Admiralty House, there were some icons in that community whom you looked up to. And he was one of those. He was so irrepressibly charismatic, so effortlessly in terms of his grace and charm that, [for me] as a young boy, he was the type of guy that you wanted to be when you grew up. And Everard Davis was certainly one of those individuals.

Just a little quick background for some of our younger Members, again. Mr. Everard Davis formed part of a group—

[Timer beeps.]

The Speaker: Ah, Ah.

[Inaudible interjections]

Mr. Rolfe Commissiong: No, I am not going to . . . Okay, Mr. Speaker. I thank you for the time. And I think it was time well spent. Thank you so much.

The Speaker: Thank you.

We recognise the Member from constituency 10. Honourable Member, you have the floor.

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

Mr. Speaker, I will start off on a pleasant note to piggyback on my honourable colleague, Pat Gordon-Pamplin, on her congratulations to David Lambert and his Bermuda's Treasures senior camp. What I found truly amazing about not only the organisation and all of the pros who were there to help in this clinic, but the spring in the step from the seniors. The former Speaker was there also, yesterday. But the spring in the step for seniors. And one lady said it was her first time there. And she picked up the strokes and had such a good time, it was truly amazing to see. And so, congratulations to David on getting our seniors out there. They had a great time, and it looks like they did not want to leave at the end of the session. So we are pleased to be able to support that.

Because we have been gone from this House for some time, there are many stalwarts who have passed away. And I want to be associated with the condolences to the Honourable C. V. "Jim" Woolridge sent to his family. I had known Uncle Jim for a long time. In fact, on the passing of my father when I was young, I remember shortly after, coming back for the funeral, Jim said to me, *Don't worry, Michael. When your father was on his deathbed, he told me to take good care of you. And I will continue to do that.* And he did. We spoke in politics almost every day, right up to the end. He just had a love for Bermuda and a love for politics. And I remember early in my political career, I said, *Jim, I would like to learn how you canvass.* And he said, in his typical voice, *Well, you've got a long way to go. Because I've been around so long now I just call up the neighbourhood and tell them I'm coming, and they all meet at one house.*

And that is how well known he was throughout the Island and the love he had. He stayed in this place a long time. He never lost his shelf-life for politics. There are statesmen like him, and Gilbert Darrell was the same way. I met Mr. Darrell when I first came back from university. And you could tell that he was a very

respectful man. He was a deep thinker. And he cared about the community. So, condolences to his family.

And to Neil Inchcup, as well. He used to stop by my office quite often on Saturdays and have a conversation. And he will be missed.

I would like this Honourable House to send condolences to Robert Pratt, a constituent of mine who was a well-known taxi driver.

To another constituent, a young man, Taylor Grier, who was gunned down in August in what I considered to be the wrong person in the wrong place at the wrong time—a fine young man who, at the young age of 30 engaged in politics and would continually want to meet with me, WhatsApp with me, about our Bermudian community. And it hurts our heart that we continue to have this gun violence and a young man like him to be lost.

I would like to send condolences to the Chapman family on the passing of [Edward Somers] "Teddy" Chapman, a good man whom I have known from the other side of the business desk. He was the General Manager of Freezer Fresh Foods for many a time. But Teddy Chapman was certainly a fine Bermudian who had a really strong sense of humour, and I enjoyed that. Mr. Speaker, I appreciate the time.

The Speaker: Yes.

We recognise the Minister of Education. Minister.

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

I, obviously, would like to be associated with all of the comments, especially for Jim Woolridge and for Shiloh. Shiloh is someone who was very close and near to my father, and they used to hang out back in the day. And that is when I met him, when I was a very, very young boy up there on Spanish Heights Road, just off of Knapton Hill.

Mr. Speaker, I would also like to have condolences sent to the family of Howard Cross, a constituent of mine. He was a retired pilot. He just passed away last week.

Mr. Speaker, I would also like to send condolences to the family of Allan Smith, a stalwart of constituency 7 for the Progressive Labour Party. Mr. Smith had been active in politics since before I was born. Constituency 7 has seen quite a few PLP candidates run in that constituency and being held by the hand by Mr. Smith. And also, it would be remiss of me not to mention Roddy Burchall, as well. That constituency has produced four Cabinet Ministers who have run on successfully in constituency 7, but gone on to become Cabinet Ministers, including myself. Minister Wayne Caines, Minister David Burch and former Attorney General, Larry Mussenden.

Yes. I would like to associate the whole House with the condolences for the family of Allan Smith. Anyone who knew him knew that he was a remarkable man. If you did manage to attend his funer-

al, you would have seen the tribute given by his son, who considered him a man of men, Mr. Speaker.

Mr. Speaker, I would just like to wrap up and ask for a letter of congratulations to be sent to Trevor Lindsay, of TNN news network. Trevor Lindsay endeavoured to take on—

[Desk thumping]

An Hon. Member: Yes, sir!

An Hon. Member: Associate!

Hon. Diallo V. S. Rabain: Trevor Lindsay—we can associate the whole House. Trevor Lindsay took on some students from Dellwood Middle School as a day relief programme and brought them to my office. And we had a good chat yesterday. I just want to highlight that, to let people know that this is what our young students do need, to get out there and be able to see what they can do with the skills they want. He brought to my office a set of twins. One wants to be a writer; one wants to be a photographer. They fit very nicely into what he is doing with his career, Mr. Speaker. So, congratulations to Mr. Lindsay, and I do see him in the Gallery, as well. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

I will take, with the indulgence, because I believe you are the last Member who is looking to rise to her feet. I will take the Honourable Member, and then we will recognise the . . . Other Members want to speak?

An Hon. Member: Yes.

The Speaker: Well, we will come back after lunch then, for that. We will come back after lunch because there are other Members who wish to speak.

[Inaudible interjection]

The Speaker: Yes, yes.

Members, your Whips may have indicated to you just now that I would like for us to do the moment of silence for former Members. It should have been done this morning. So, when we come back at the end of the condolences and obituaries, we will do the moment of silence. I was hoping we would have finished before we went to lunch. But being that we have to come back to complete this, we will do it at the end of that.

So, at this moment, we will—

Hon. Walter H. Roban: Mr. Speaker, I ask that we adjourn for lunch until two o'clock.

The Speaker: Yes. The House stands adjourned until 2:00 pm for our lunch period, and we will continue with the Orders of the Day at that point.

[Gavel]

Proceedings suspended at 12:32 pm

Proceedings resumed at 2:04 pm

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

The Speaker: Good afternoon, Members. Welcome back from lunch. We will resume with the [continuation] of the speeches for condolences and congratulations.

And Mrs. Furbert, I think you caught my eye just before we closed to indicate that you wanted to speak. Do you still wish to speak?

CONGRATULATORY AND/OR OBITUARY SPEECHES

[Continuation thereof]

Mrs. Tinee Furbert: Yes, thank you, Mr. Speaker.

The Speaker: Then you may have the floor.

Mrs. Tinee Furbert: Good afternoon and thank you, Mr. Speaker.

I would like to give condolences [regarding] quite a number of my constituents who have passed in the last couple of weeks.

Mr. Wayne Johnston who was a long time serving employee of the Southampton Princess, he was responsible for security at Southampton Princess. And I am wanting to send condolences to his family: his wife Joanne—I associate MP Kim Swan with that—and he leaves his wife, Joanne, and his two sons, Jordayo and Daeshun.

I also want to send condolences to the family of Mr. Wyman Minks, the son of Mrs. Barbara and Cyril Smith of Wyndham Hill.

And then we had two persons within the Harlem Heights area and I want to send condolences to their families: Mr. Gilbert E. Hollis—condolences to the Hollis family; and Mr. Neville Spencer—condolences to the Spencer family.

And then I also want to send condolences to the family of Mr. Leonard (Lenny) Wayne, quite popularly known in the Hamilton Parish area, who left us earlier this week. And I want to send condolences to his wife, Michele Wayne, and his mother, Kathleen, and his brothers, Che and Joe. Lenny was known for many years as serving at the Crystal Caves. He gave tours there at the Crystal Caves and so he will be sadly missed by the Crystal Caves family as well as by his own family as well as the Hamilton Parish family. I

also want to associate—he was also a former Berkeleyite—so I also want to share these condolences with Mr. Christopher Famous and Mrs. Renee Ming.

Mr. Speaker, I also want to send congratulatory notes to Mr. Sandro Fubler who recently opened up a new business, the Bermuda Prevention and Rehabilitation Alliance. And I want to just give special note to the many Bermudians out there who do open businesses [which] I think that we should be able to highlight a little bit more often because it is an accomplishment of many Bermudians in Bermuda.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish . . . we recognise the Honourable Member Famous. Honourable Member, you have the floor.

Mr. Christopher Famous: Good afternoon, Mr. Speaker—

The Speaker: Good afternoon.

Mr. Christopher Famous: —and Bermuda.

I wish to give condolences as well, starting off with Mr. Wayne Augustus who was a faithful employee of the Corporation of Hamilton. He was also my family.

Ms. Selina Dean, who was a classmate of mine in Berkeley, she was a constituent of Mr. Neville Tyrrell, and I remember on the day that we won the bye-election we drove across to Selina's house. She said, *What time have I got to vote?*

I said, *Now!*

What do you mean now?

I mean, now you get in my car now. Okay. So she was a faithful PLP supporter.

And as Mrs. Tinee Furbert spoke, Mr. Lenny Wayne, he was also a branch member of constituency 4 and he was actually one of the persons that nominated MP Tinee Furbert to be a candidate.

I am going to finish on a note of a great Devonshire man, Mr. Kenny Paul, originally a pond dog. And I listened to my honourable friend from constituency 21 and he captured some part of it, but Mr. Kenny Paul was one who helped to build the Devonshire community with his raw hands. If you did not know what you were doing, he used to come around and show you. If you had problems with planning, he showed you how to get it right. So I speak about that because it is often we hear about those of us that are in the front line of politics [so] it has to be mentioned about those that helped build communities behind politics.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

I recognise the Honourable Member from St. George's. Honourable Member Ming, you have the floor.

Mrs. Renee Ming: Good morning, Mr. Speaker—I am sorry—

The Speaker: Good afternoon, Ms. Ming.

Mrs. Renee Ming: —good afternoon, Mr. Speaker, how are you today?

The Speaker: We are good.

Mrs. Renee Ming: I have sad notes today, Mr. Speaker. St. George's has been taking a blow down there, but I would like to just send prayers and words of comfort to the family of Arthur George Wales—I like his name as George, I do not know why I call him Arthur like that, that is just his formal name—but if you are from St. George's, George is George. And he was just one of those cool people that just got around to everybody . . . well liked, well received. And I just want to associate MP Tyrrell and MP Weeks and MP Cannonier with my comments as well.

I also want to send a condolence note to the family of Annette Steede, another Cut Road, St. George's senior who went on to her glory.

And then I know my brother—my colleague, I am sorry—has already done this, but lanthe Pearman, anybody in St. George's, probably anybody from the age of 40 and upwards was taught by Ms. Pearman. In my family she taught my grandmother, she taught my mama, she taught me—so that was three generations right there. And she always started the year out by saying, *What high school do you want to go to?* And I remember saying, *I want to go to Berkeley.* She corrected that one time, she said, *No, it is not Berkeley—first of all, and then she said, We can make that happen.* Needless to say, *Respice Finem . . .* and Gold House as well.

And also to the family of my Uncle Gene—Eugene “Pudna” Wainwright—his funeral is tomorrow. And I have known Uncle Gene all of my life, we have been at Richard Allen [AME Church] for years, St. George's for years . . . I remember when I ran in 2012 and I visited his home and he said, *Whatcha doin' here?* And *whatcha doin' here . . .* normally when you are a candidate are great words, right? Because you know that is not a long visit, that person is already giving you their trust. And so his family, his wife, Aunt Rose, the girls Tarana, Gena and TJ are all well-known to me and I know that they are . . . whilst they are sad at this time, we have no doubt in our mind where he has gone. So I just want them to know that they are in our thoughts and our prayers at this time.

Thank you very much, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

I recognise the Minister for Works. Minister, you have the floor.

Lt. Col. Hon. David A. Burch: Mr. Speaker, thank you and good afternoon.

Let me first be associated with the condolences for Allen Smith, Wayne Augustus and Eugene Wainwright. And even as a Somerset supporter—lifelong and gone die—I will be associated with the condolences to Mr. Kenny Paul because even though he played for St. George's, some of his best friends were from Somerset. Both he and his widow were good friends of my parents. So I extend condolences to all of those families.

So I would also like to extend condolences to a constituent of mine who passed in August, Susie Melanie Almeida Sequeira of Cedar Hill who . . . sometimes you make the mistake about people's heritage where they might be placing their vote when you just see their name on a . . . on a canvassing sheet, but I was going to knock on everybody's door in any case, and that was one of the most pleasant surprises. When I knocked on her door she was PLP all the way and made no mistake about it and left no doubt in anybody's mind. I remember vividly on polling day she came dressed in her green—all of it! So I extend condolences to her family.

Mr. Speaker, I would like for congratulations to be sent to the graduates of the Right Living House. Two graduated from that facility at the Farm facility on the 5th of September. And what was most encouraging about this, Mr. Speaker, [was that] the guest speaker was a previous graduate. And one of the real pluses of this programme is that those people who graduate from it actually come back and continue to interact and to support those who they may have been incarcerated with. So it is very encouraging.

I would also like a letter of congratulation to be sent to the Department of Parks who on the 25th of October graduated and certified 25 landscapers in that department. The real uniqueness of this, Mr. Speaker, is that those who have any—even remote—knowledge of Parks will know that we have a lot of Portuguese employees who primarily speak only Portuguese, we have a significant number of hearing impaired workers who, obviously, need to be signed to, and then, of course, English-speaking workers. And I would really like to highlight the facilitator of this programme, Mrs. Dawn Santucci-Smith, who ran three different cohorts—she ran one in Portuguese, one in Sign [Language], and one in English—so that everybody felt as if they were a part of the process. And the pride shown by those who graduated, whose ages extended—or length of service extended—from 37 years down to 1 year, was clearly evident.

Mr. Speaker, I would also like congratulations to be sent to the members of Youth Parliament who, you will know, convened last week—

[Timer beeps]

Lt. Col. Hon. David A. Burch: —and I run out of time.

The Speaker: Thank you, Minister.

Lt. Col. Hon. David A. Burch: We should allow more time when we come back after the summer recess.

The Speaker: After the summer recess . . . okay.
Gee, you took my mind right off my thought.

Hon. Zane J. S. De Silva: He took your breath away, didn't he, Mr. Speaker?

The Speaker: Yes, he did.
Minister De Silva.

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

The Speaker: I see you on your feet. I am assuming you would like to add a contribution.

Hon. Zane J. S. De Silva: Yes, I would. In fact, Mr. Speaker—

The Speaker: Go right ahead.

Hon. Zane J. S. De Silva: —let me finish off what the Colonel was going to say. I think, in that . . . because I attended the Youth Parliament as well—the opening—and I think he wanted to certainly congratulate all the young people that continue to participate in our Youth Parliament. And you will know, Mr. Speaker, you have some very close relatives of yours that went through that process.

The Speaker: A couple.

Hon. Zane J. S. De Silva: And, of course, I think one of them is here today, and the two of you have created history.

So, that being said, I would certainly like to congratulate all of them for participating in Youth Parliament and I look forward to hearing some of the debates during the year.

Now, whilst I am on my feet, Mr. Speaker, I would also like to congratulate a young man by the name of Gary Pitt. Gary works up at Southampton Princess and has been working there for seven years, and he had the distinction of earning two top awards this year—the 2018 CTA (the Certified Tourism Ambassador) award for top food and beverage, and he also won the 2018 Certified Tourism Ambassador for top tourism ambassador himself. So this is a young

man, Mr. Speaker, he is probably . . . if you do not know who he is he has probably served you because he is always attends the large events. And I think he is one of our up and coming young men that is going to do very, very well. Minister Kim Wilson wants to be associated . . . as does Colonel Burch.

But Mr. Speaker, this young man . . . I look forward to . . . if you talk to him, you will see why he was voted the ambassador . . . he is sharp, he is really sharp. And, in fact, one day I look forward to him not only managing a hotel, but possibly being the owner of one.

Thank you.

The Speaker: Thank you, Honourable Member.

Colonel you had your chance. So there is no one—

[Laughter]

The Speaker: —he was the only one that moved, right? Nobody else is moving, so I am going to assume . . . but Colonel before you go through, let me invite you back in. Come back in because we have now concluded the condolences and congratulations, being no one else is rising at this time.

MOMENT OF SILENCE

[In memory of the Honourable Jim Woolridge and the Honourable Gilbert Darrell]

The Speaker: I would just like to ask all Members to join me in a moment of silence to recognise our two former Members who have already had words expressed, but I think it is only fitting that we do the tradition that we would do for any former Member who has passed.

So at this time let us just take a moment of silence to recognise the passing of the Honourable Jim Woolridge and the Honourable Gilbert Darrell.

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

The Speaker: Thank you, Members.

MATTERS OF PRIVILEGE

The Speaker: There are none.

PERSONAL EXPLANATIONS

The Speaker: There are none.

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

The Speaker: There are none.

INTRODUCTION OF BILLS

GOVERNMENT BILLS

The Speaker: We have two Government Bills listed on the Order Paper to be introduced, and we will call on the Minister of Tourism—Minister—for the first matter.

FIRST READING

MERCHANT SHIPPING AMENDMENT ACT 2018

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

Mr. Speaker, I am introducing the following Bill for its first reading so that it may be placed on the Order Paper for the next day of meeting: the Merchant Shipping Amendment Act 2018.

The Speaker: Thank you.

And for the second it is the Minister of Health. Minister.

FIRST READING

CHIEF MEDICAL OFFICER ([TRANSFER OF FUNCTIONS] AND VALIDATION) ACT 2018

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

I am introducing the following Bill for its first reading so that it may be placed on the Order Paper for the next day of meeting: the Chief Medical Officer ([Transfer of Functions] and Validation) Act 2018.

The Speaker: Thank you.

OPPOSITION BILLS

The Speaker: There are none.

PRIVATE MEMBERS' BILLS

The Speaker: There are none.

NOTICE OF MOTIONS

The Speaker: There are none.

ORDERS OF THE DAY

The Speaker: Members, we have moved to Orders of the Day and the first item on the Order Paper for today would be the continuation [of the consideration] of the Speech from the Throne given last week. And today we will have the Reply from the Opposition, but we will recognise the Deputy Premier to start us off.

Deputy Premier, you have the floor.

MESSAGE TO HIS EXCELLENCY THE GOVERNOR

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

“May it please Your Excellency:

“We the Members of the House of Assembly of Bermuda thank Your Excellency for the gracious speech with which Your Excellency was pleased to open the present session of Parliament.”

The Speaker: Thank you, Deputy [Premier].

Does any Member wish to speak to that?

We recognise the Honourable Member, the Leader of the Opposition.

Honourable Member Cannonier, you have the floor.

REPLY TO THE 2018 THRONE SPEECH

Hon. L. Craig Cannonier: Thank you, Mr. Speaker, for this opportunity this afternoon.

Mr. Speaker, Bermuda is not in a good place right now. Retail sales are in the doldrums. Taxes are at an all-time high. Shootings continue. Our national debt is rising. Employment income has fallen.

The Speaker: Could we pause for a minute?

Do you have copies to be circulated today?

Hon. L. Craig Cannonier: Yes, they are all here.

The Speaker: Sergeant-at-Arms—

Hon. L. Craig Cannonier: They are in the House.

The Speaker: —do you have the copies to circulate?
Beg your pardon?

The Sergeant-at-Arms: No, sir.

Hon. L. Craig Cannonier: Where are they? They were brought up here.

The Speaker: Let us just pause for one minute to find out where they are so the Sergeant can circulate them.

[Pause]

The Speaker: Just one minute, Members.

[Pause]

The Speaker: Thank you.

Opposition Leader, you can continue now that they are being distributed.

Hon. L. Craig Cannonier: Thank you.

Employment has fallen. GDP is down. The volume of retail sales is down. Schools are crumbling, and health care costs are higher than they have ever been. In short, we are on a path of perpetual contraction, heading towards an economic abyss.

[Crosstalk]

Hon. L. Craig Cannonier: The OBA's record in government was one to be proud of in terms of what we achieved. Before the 2017 election we were on track to balance the budget in fiscal 2018/19. Major projects were either being completed or had been broken ground.

The Speaker: Members, Members, we do not want to drown out the speaker.

Hon. L. Craig Cannonier: Business confidence was once again on the rise. The opportunities for Bermudians were bearing fruit. Jobs for Bermudians were being created.

Mr. Speaker, the Premier has been, he says, boldly pursuing a third economic pillar to rival that of our international business sector and tourism. The Premier's efforts, however, have fallen short. Where are the promised jobs for Bermudians? FinTech was barely a whisper in this year's Throne Speech. Despite numerous PLP promises, despite numerous MOUs, the number of Bermudian jobs created by the PLP thus far seems to almost amount to zero.

The only tangible pieces to the Premier's so-called third pillar are fast-tracked, unadvertised work permits for a handful of FinTech entrepreneurs and the sale of Bermudian land and a building on Victoria Street to a foreign-owned company with no Bermuda track record. So much for the PLP protecting the land for Bermudians. So much for the PLP creating jobs for our people.

In the OBA's four and a half years at the helm we started on the construction of an airport, realised the construction of the Loren, the renovation of Hamilton Princess, the commencement of Azure, St. Regis, and Morgan's Point hotels, and we facilitated the transaction completion at Tucker's Point.

All of these OBA projects continue to create real and tangible jobs and opportunities for all Bermudians.

The, quote, “North American Airport Deal of 2017” is proceeding as per plan, on schedule, on budget, and according to specifications. In the process it continues to employ many Bermudians and Bermudian-owned subcontractors and suppliers.

Even more staggering, Mr. Speaker, is the Burt administration taking credit for 322 more people working in Bermuda, which is directly related to the projects started under the OBA. The amount of doublespeak we have been subjected to by the PLP

makes me think the Premier believes Bermudians are gullible.

Mr. Speaker, the Government's policy of job creation appears to be ensuring travel agents are kept employed by the number of trips racked up in as short a time as possible by the Premier and his unreported entourage. It is simply not good enough. And it is disappointing.

If we do not change course, and change course quickly, we are doomed to end up in another self-induced economic slump. This was the reality of the previous PLP administration, in which Premier Burt was the Junior Minister of Finance.

Despite the fact the US economy is in a very strong position, Bermuda is falling short. The PLP is quick to blame outside forces when things go wrong on their watch, so what is the excuse now? If things do not change, and change fast, Bermuda will be the fallen star of the North Atlantic. The fact is—despite the Premier's cheerleaders lauding his recent policy offerings—we are actually chasing the tail of a recession.

Mr. Speaker, it seems to me that the Burt administration is playing a perpetual shell game. Only the Premier dares to be so bold as to pretend to the people of Bermuda that he saved the taxpayer money by reducing the number of Government Ministers. Yet at the same time, he increases the number of Ministers. In real terms, the salary bill has gone up by some 20 per cent.

This time last year the same Premier tried to make the people believe he was saving money with a smaller Cabinet, but each Minister was put on a full-time salary—thereby costing the taxpayer more than the previous OBA Cabinet. I ask again: Does the Premier think the people of Bermuda are gullible?

Mr. Speaker, in 2012 we were on the brink of total economic disaster. Where would Bermuda be without the Tourism Authority?

Imagine where Bermuda would be without all the major hotel and infrastructure since 2012. Where would Bermuda be without the massive \$300 million boost we received from the America's Cup? Imagine where Bermuda would be if the OBA Government had not made some of the tough decisions to pull all of us back from the precipice. The truth is this: we would be in deep trouble.

[Inaudible interjections]

Hon. L. Craig Cannonier: Mr. Speaker, the recent economic indicators show that Bermudians—Mr. Speaker, if we could have some silence, we were silent for everybody else.

The Speaker: Continue on.

Hon. L. Craig Cannonier: Thank you.

We have compared—sorry. Mr. Speaker, the recent economic indicators show that Bermudians were better off in the first quarter of 2015 than the first quarter of 2018. We have compared the data from 2015 so that no one can say there was an artificial increase because of the America's Cup. When you include the GDP boost in 2017 due to the America's Cup, the PLP numbers for the first quarter of 2018 become even more dismal in contrast to the successes of the OBA.

The fact is, despite the Premier's claims that things are better, they simply are not. Just look around you. The only positive numbers the Premier can highlight are the OBA's doing. The economy is now flat-lining. Where, Mr. Speaker, is our much-needed economic stimulus going to come from?

The legacy of the America's Cup has been squandered by the PLP. All the capital projects started under the OBA will eventually come to an end. The economy seems to be slipping backward, evidenced by the negative trend in retail spending—six straight months of decline.

Another stimulus is needed to turn the economy around. What is this PLP Government doing to improve the near term and longer term economic prospects of and for Bermudians?

In today's challenging environment, Bermuda needs effective, strong and realistic leadership. Leadership that has its feet firmly on the ground while trying to find new ways to promote prosperity in our Island for all.

The Burt administration does not offer that. It would rather offer petty critiques of the OBA's economic stimulus programmes, like the America's Cup and the new airport terminal. But the latest GDP figures for 2017 prove for all to see that these OBA programmes have worked for Bermuda and for Bermudians.

While there has been an increase in government revenue as a result of higher taxes, these tax increases will not reduce the deficit if the PLP fails to reduce government spending.

The reason the OBA was able to increase taxes without a revolt from the business sector, which shouldered most of the tax burden, was because there was a demonstrated commitment by the OBA to use those tax increases to eliminate the Island's deficit.

Rather than doing more with less, the Burt administration is doing less with more. In fact, the Premier has already broken the promise of balancing the budget for fiscal 2018/19.

The PLP's grab for political control and their ongoing interference with the Gaming Commission has significantly reduced the likelihood of getting any local banks to provide vital banking services for the proceeds of casino gaming. Without this, there can be no casino gaming. No related development. No jobs

that could and should have followed from this OBA stimulus measure.

It is curious indeed the responsibility for gaming has been removed from the new Minister of Tourism and Transport and given to the Minister of Finance. Given the existing responsibilities of the Tourism Authority, the “Tourism” part of his portfolio is nothing but a name.

We simply do not believe that having gaming under Tourism was the obstacle to banks servicing gaming. With that logic, the Government’s misjudged foray into cryptocurrency should also come under the remit of the Ministry of Finance.

And now what do we see, Mr. Speaker? We see this PLP Government intent on taking away the Tourism Authority’s independence—the very independence that has helped the BTA bring new life to a dying industry. Will the PLP’s proposed interference mean that the BTA will soon resemble the current Gaming Commission, where we still do not have an executive director almost 18 months later after his departure?

Mr. Speaker, the Burt administration is behaving as if it were still in opposition. It is doing nothing to ensure real job creation, whether through capital projects or by leveraging the successful initiatives started by the OBA.

The OBA recognised that Bermuda needed a series of economic stimuli to reverse the painful six-year recession and achieve real economic growth. The OBA developed. The OBA delivered. The OBA turned the economy around. But still more is clearly needed.

Where is the Burt administration’s economic stimulus? The Throne Speech certainly did not tell us.

Mr. Speaker, this administration recently announced it is refinancing some of its more expensive debt with lower cost debt. Such financial management tools can save government millions. I am duty-bound to remind the people of Bermuda that this was pioneered by the OBA—something the Premier will never acknowledge.

Even more interesting is the Premier’s boast that Government revenues are up. But the reality is they are only up because the PLP Government raised taxes on Bermudians. Government revenue is not up because of any direct inward investment attracted by the PLP Government.

Is Government’s growth plan simply to hire more civil servants?

Mr. Speaker, the OBA is proud of its record whilst in Government. Despite the bleating from the PLP in Opposition and their related “pop-up” movements, who falsely claimed the OBA did not care about Bermudians, it is clear for all to see that it was the OBA that delivered for Bermudians:

- It was the OBA that increased employment opportunities for Bermudians.

- It was the OBA that negotiated a 10 per cent discount for groceries.
- It was the OBA that attracted direct inward investment for the benefit of all.
- It was the OBA—

[Inaudible interjections]

The Speaker: Members, Members.

Hon. L. Craig Cannonier: It was the OBA that signed agreements with Airbnb and developed the Tourism Investment Act, which the Burt administration took credit for.

- It was the OBA that started the conversations and began work on roadside sobriety testing.
- It was the OBA that allowed for cannabis oil to be used for medicinal purposes.
- It was the OBA that reinvigorated the Old Town of St. George with a Heritage Tax, a dedicated cruise ship, returned wharfage to the Corporation and, of course, attracted a world-class hotel developer.
- It was the OBA that reduced health care costs for all Bermudians.
- It was the OBA that brought not just one world-class event to Bermuda, but two—the America’s Cup and the World Triathlon Series.
- It was the OBA that put Bermuda on track to actually balance the budget by 2019.
- It was the OBA that gave tourists options with mini car rentals.
- It was the OBA that started negotiations with NASA to allow for the tracking station to be reopened.
- It was the OBA that protected our satellite slot rights.
- It was the OBA that tackled rising energy costs.
- And yes, it was the OBA that helped those less fortunate in Bermuda through a progressive payroll tax.

All of this, plus so much more. And we did it despite—

The Speaker: Members, Members.

Hon. L. Craig Cannonier: —the partisan shouting, despite the misleading [statements] and heckling from the other side, as we can hear now. Despite the propaganda spread so thick by some of those “pop-up” campaigns.

Mr. Speaker, Bermudians are starting to see the hypocrisy of the Burt administration—what the PLP opposed while in Opposition and what the PLP now support as Government.

The most recent example of this hypocrisy is the St. Regis development, which was consistently undermined by the then PLP Opposition in respect of beach access. Now, as the project ramps up, the very same PLP Members who made the misleading statements to the public in Opposition are now in Government. So they hold a press conference to dispel the very rumours they created. Now, as the Government, they assure the people of Bermuda the beach at Gate's Bay will remain open to the public—unbelievable!

It is hypocritical indeed that the PLP, now in Government, talks about regularising the position of many long-term residents and, we understand, giving status to various categories of people. And yet the same people now in the PLP Government were the same ones who protested vociferously, the same ones who stoked anti-foreigner sentiment on a regular uninhibited basis when in Opposition.

And there are numerous other examples of the PLP flip-flopping since they have taken the reins of power.

Take the former Minister of Home Affairs, who supported same-sex marriage, but then pushed through legislation to ban it.

The Speaker: Members, Members . . . Members.

Hon. L. Craig Cannonier: Take the former Minister of Transport. He licensed more mini cars even though he stood in front of the taxi drivers and spoke against mini cars.

Take the former Minister of Tourism, now in charge of propaganda, who lambasted the BTA on a regular basis, who attacked the BTA incorrectly for the audit procedures. Now he goes out of his way to associate himself with the BTA successes.

Take the calls by the PLP, when in Opposition, for a Commission of Inquiry on land grabs at Tucker's Point. Now that the PLP is Government, the land grab call has fallen away.

Instead, on the heels of PLP calls for independence, they hold a colonial-style high tea at Tucker's Point to celebrate their women's caucus. To celebrate those whose silence was deafening over the Minister of National Security's awful display of harassment of female store clerks in London whilst representing Bermuda abroad.

How's that for hypocrisy?

Take the PLP's open criticism of the new Bermudian Chief Justice, based solely on his ethnicity.

It all adds up to a national disgrace. It exposes the true feelings of the Burt administration about anyone who is not a part of their elitist clique.

Mr. Speaker, my colleagues and I are disappointed at the lack of detail in the Throne Speech, which probably should be called "Throne Speech

Lite." The overall impression is that the PLP has already run out of ideas.

In fact, my OBA colleagues should in many instances be flattered. After all, imitation, it is said, is the greatest form of flattery.

I say this because the PLP has either continued to implement OBA policies or has simply dusted off work that was in progress or proposed under the OBA.

This has included a sex offender's register, an Events Authority to leverage the America's Cup and World Triathlon Series successes, the workforce development plan, further municipality reform, amendments to allow for a marina in St. George's, vertical farming, codified labour legislation, continued immigration reform and even discussion of a living wage. The PLP's "new" arbitration centre has been spoken about and discussed for many years.

Mr. Speaker, the PLP has been in power for 15 of the last 20 years. Yes, 15 of the last 20 years. Yet despite GDP growth from 2001 to 2010, the resultant debt from PLP overspending between 2003 and 2010 set the dial for disaster.

The former PLP Government, with no savings and already up to its eyes in debt, was forced to massively increase taxes. Payroll taxes surged by 14 per cent—a fateful decision that expedited the exodus of back office support functions in IB, shedding significant Bermudian jobs in human resource and administration departments across the Island. Further jobs were also sent to offices overseas.

As companies contracted, both in international business and in the local economy, entry-level jobs were the first to disappear. Young Bermudians either stayed abroad after school or left our shores looking for greener pastures.

Mr. Speaker, our residential population dropped a shocking 10 per cent almost overnight due to the situation created by years of [PLP] mismanagement and their failed economic and immigration policies.

As Bermudians all know, international business and, to a lesser extent, tourism are the two main industries by which Bermuda captures the foreign capital necessary to drive consumption and investment in our economy. Although international business captures an incredible amount of foreign capital, not enough of this permeates into the local economy.

The highest earners in any economy spend the smallest percentage of their income on consumption. Therefore they can dedicate the highest percentage of their income to investment and savings. Private pension schemes now trail personal savings as the largest category of outbound cash flows from our shores.

Mr. Speaker, the unfortunate by-product of these two factors is that despite generating a substantial amount of savings from employment within our economy, Bermuda must still import the capital nec-

essary to finance business, especially local business, from overseas.

Mr. Speaker, interest on mortgages and other bank loans is now also being shipped abroad because our local banks have significant foreign shareholders and bank profits earned locally are being sucked out of our economy. Our national debt is no exception to this cash exodus. We are now sending \$500,000 per day overseas in debt service costs.

Mr. Speaker, Bermudian-owned and operated businesses are feeling the cash crunch as Bermuda's banks are shunning local business loans in favour of investment products. Our local businesses are also still suffering from the effects of the great 2010 population exodus, which destroyed domestic consumption.

The recent introduction by the Burt administration of a de facto income tax on small and medium Bermudian owned and operated businesses has further negatively impacted their ability to survive. The effect of consumption taxes on disposable income and the overall falling business and consumer confidence completes the downward spiral.

Mr. Speaker, concessions were made to lower earners when the OBA was in Government (and rightly so) through progressive payroll tax and raising the threshold on taxable income on the highest earners. Both of these were progressive policies to ensure a fairer collection of payroll tax. The PLP gave concessions on employee and employer contributions to payroll tax for small and medium start-ups, which certainly assist with critical year-one expenses. However, without stimulating total demand in the local economy, the chances of success in years two and three will continue to be limited.

Mr. Speaker, the Government's previous announcement of the doubling of guarantee capital at the Bermuda Economic Development Corporation [BEDC] may sound good politically, but in reality it does nothing. The existing loan guarantee capital at BEDC was only at about 30 per cent capacity. As I have already mentioned, the real struggle for Bermudian entrepreneurs is getting access to bank loans. What Bermuda needs is more financing options, not [meaningless] political gestures.

The OBA, therefore, proposes that private pension schemes invest a portion of their portfolios locally.

We also propose that all companies that operate in Bermuda, including those in the exempted space, participate in the mandatory private pension scheme. This will help mitigate the immediate outflow of capital from our shores and drive the development of our local capital market. The Bermuda Stock Exchange has seen a marked decrease in the participation of local non-finance companies over the years.

Mr. Speaker, the 60/40 rule should also be amended again, so that all Bermuda residents may qualify under the 60 per cent ownership portion, sub-

ject to a carefully designed set of criteria. This will allow more of the wealth already on the Island to be invested into our economy, which again increases the availability of domestic capital. This provides more competition for the banks, which will drive better lending rates for Bermudians.

Mr. Speaker, we must also pass bankruptcy legislation. The ability to fail, and rise again, is essential to innovation. It is essential to business creation. Our present framework makes it far too difficult to start again. Bankruptcy legislation is essential to the development of a successful entrepreneurship ecosystem. Bermuda can be a hub of innovation. We must create not only the educational programmes, but also the legal framework, so that when business start-ups encounter risk this need not be life-ending.

Accordingly, the BMA should be empowered through legislation and budget to monitor the effects of legislation on our economy. The BMA should have a specialised economic unit, staffed with trained economists. The BMA should also have the ability to monitor—and regulate if necessary—the fees that banks charge, both for services as well as lending to deposit spread.

The Government should also review each and every public service and department to see which ones can be funded by Government, but delivered by the private sector, in order to inject much-needed innovation into those services.

There could even be models whereby the same civil servants that presently deliver the services could be empowered through ownership in the newly spun-off ventures. Government could provide fixed term multi-year contracts to ensure a stable income stream. This would allow these entrepreneurs to expand and reinvest, thereby delivering more successful outcomes.

The efficiencies created will lead to more economic activity and increased growth. The same employees will benefit from the resulting profits previously lost to bureaucratic inefficiencies. Business management support can be provided from Government during the transition period. At the end of the period, the economy will have a more competitive and efficient service delivery system, a new generation of small and medium business owners, and—in the medium to long term—a more productive tax dollar spend.

Mr. Speaker, we propose that Government adopt a ladder scheme whereby small businesses progressively gain access to larger Government contracts. The first rung of the ladder would be for smaller contracts, thereby affording small businesses responding to their first Request For Proposal (RFP) greater chances of success. After the first success, both Government and the small businesses will find comfort signing contracts for the successively larger and more complex jobs higher up the ladder.

Mr. Speaker, we are supportive of using blockchain and other technologies to make doing business more efficient. This, however, is a dangerous game. The widespread introduction of technology into Government could result in hundreds of Bermudian jobs being lost and without a growing local economy. Where will those people made redundant find jobs?

We know, also, that there are many parts of government that run on independent computer systems that will not easily communicate with other government systems. Unifying all of this is going to be very expensive and we will watch closely how this becomes a reality.

It is very interesting indeed that the implementation of this has been placed by the Premier under his own ever-so-watchful eye. How this type of project is going to affect the balancing of the budget remains to be seen.

We recognise that there are already companies using legitimate blockchain applications for their businesses, but the opportunities for Bermudians and Bermudian jobs have been massively overhyped.

Mr. Speaker, we are disappointed that the Government is putting all Bermudians' hopes and dreams in the FinTech basket. The OBA questions why the PLP is tying Bermuda's flag to the crypto mast. Cryptocurrency is seen by many experts as a pyramid scheme or tool for illicit transaction.

Cryptocurrencies are being closely watched by the international financial regulators because of the inherent risks of tax evasion, fraud and other criminal activity.

Latest GDP figures show that International Business still contributes five times that of tourism to our GDP. The Island's hard-earned, unblemished international reputation is a fundamental cornerstone for success, and necessary for all those who either work in that sector or depend on it for business.

Taken in this context, Bermudians should question whether the PLP Government's headlong pursuit of virtual currency exposes Bermuda's biggest industry, insurance and reinsurance, to unnecessary reputational risk. We only need to scratch the surface of Arbitrade and its supposed billions of bullion to understand the reputational risks involved.

Bermuda has come too far in the last 30 years in developing the international business sector to have it undermined by pinning our hopes on something so speculative.

More to the point, when will the jobs the PLP has promised for Bermudians come to fruition? They will be as elusive as the audited accounts for Arbitrade—so enthusiastically supported by the Premier and his National Security Minister.

It took almost 40 years for Bermuda's tourism industry to fully flower.

It took almost 30 years from the creation of Bermuda's first exempt insurance company until that sector blossomed into a major pillar of our economy.

Are Bermudians prepared to wait another 30 or 40 years for this new virtual sector to bloom? Can we afford to wait that long? Or wait even just another four years for the Burt administration to turn the pursuit of FinTech as a whole into something tangible for unemployed Bermudians?

Mr. Speaker, Bermudians should also consider whether the reputational risk of the shadier sides of FinTech could add to the ongoing hostile threats to the future of our business model. Such threats include: the Anti-Overseas Territory Legislation recently passed by the British Parliament; the recent Anti-Money Laundering assessment by the Caribbean Financial Action Task Force; there are anti-Bermuda threats coming from the EU Code of Conduct Group; there is the uncertainty of Bermuda's relationship with the EU, post Brexit; there are the growing tariff measures between USA and China, and its inflationary effects on Bermuda consumers.

Mr. Speaker, let me remind you that it was the OBA that first allowed the importation of cannabis-derived products for medicinal use to ease people's suffering. It was the OBA that decriminalised possession of small amounts in order to keep people off the Stop List.

That said, Mr. Speaker, we are generally supportive of the principle behind this Government's recent announcements. However, we have concerns that this is merely a politically motivated announcement. There are very significant obstacles, not least of which are the potential challenges of getting banks to accept the proceeds—just as with crypto-business and gaming. We look forward to an honest and transparent conversation on how these issues will proceed.

Mr. Speaker, as regards the issue of making social insurance progressive, the Burt administration has followed the lead of the OBA in respect of progressive payroll tax. It is right and just that those that can afford to pay more do so. Yet we fear the complexity and cost of this new tax may be a step too far for small and medium businesses, especially in the wake of all the new PLP taxes this year. Small businesses are already suffering. Why does the PLP insist on penalising them further?

Mr. Speaker, the OBA will do whatever is within the realm of possibility to lower health care costs. And we did that when we were in power. However, the Burt administration is not the best government to address this, as has been demonstrated by the cash for friends and family payment of \$1.2 million. Mr. Speaker, does the Premier not understand that the people of Bermuda know exactly what is going on here?

We note, Mr. Speaker, with interest that the Government has claimed that they will act to change the way Bermuda pays for health care and make it

more affordable by expanding access to coverage at better rates.

The last time we heard this was 2012, when they released their first National Health Plan. Many will remember that this plan was widely discredited; not even the PLP advanced the plan in their 2012 election platform. It was ditched because actuarial reviews demonstrated that the plan would have significantly raised premiums for Bermudians and was financially unsustainable.

Although the Government has provided few details to support their promises this time around, some of the same discredited concepts are resurfacing. It is simplistic to suggest that simply pooling risk will lower health care costs for everyone. In fact, it may increase premiums for both employers and employees as Government attempts to shift the growing burden of providing health care to our seniors and unemployed onto workers and businesses.

It is unlikely that there will be any meaningful reductions in health care costs until Government is prepared to tackle the main drivers of increasing costs, which are over-utilisation and unrestrained provider fees. Let me repeat that the reason health costs are so high is due to overuse of certain services. It is noticeable that Premier Burt has outlined nothing in this Throne Speech to tackle the root cause of our health care costs.

The reality is that within five years health care costs will reach \$1 billion. Mr. Speaker, we believe that a public register to track utilisation across the whole system will lead to a more transparent and meaningful conversation about which services are being over utilised. This will remove the ability for those with vested interests to divert progress towards a sustainable and affordable health care solution for all Bermudians.

Mr. Speaker, as for energy, everyone wants lower energy costs and it is worth noting that energy costs have gone up under the Burt administration. Rather than simply using catch phrases, the Government must deal with BELCO. The problems between BELCO management and its employees are not a matter just for that company, but for all of Bermuda. It is not clear what role the Government is playing in these discussions, but it is vital that Government represents everyone's interests.

There must be a comprehensive solution to the BELCO stalemate; one that management, shareholders, staff, as well as the consuming public can live with.

No type of job-creating capital investment in Bermuda can be made with confidence if the Island has uncertainty over the reliability and affordability of electric power. Bermuda already has some of the most expensive electrical energy in the world. We support the continued efforts to drive renewable energy solutions. Bermudians deserve an energy genera-

tion model that is sustainable, affordable and independent.

I just want to pause for a moment to welcome the Premier.

We are very confused, however, at Premier Burt's doublespeak about energy costs. He says that "high energy costs are among the first factors cited by investors and developers as a barrier to doing business in Bermuda" and also rightly recognises that those same high costs are hurting working class Bermudians. How does charging developers more for their energy through a new progressive tax encourage them to invest and create jobs in Bermuda?

Mr. Speaker, we are delighted that the PLP Government is continuing with the work outlined in the Bermuda 2022 Education Plan born in April 2016 under the One Bermuda Alliance Government.

With the agreed objective to develop a strategic planning approach that was transparent, inclusive, engaging and most importantly, community driven. The plan's overall intent was to drive a progressive, sound, credible public education experience for our children.

Mr. Speaker, entering the 2018 Parliamentary year, out of a sense of transparency, one would have thought that the Government would have given the country a status report of the plan's strategic priorities and what has been achieved to date, especially as it relates to student excellence and development.

Mr. Speaker, the Throne Speech indicated that black Bermudians are falling behind in gaining access to higher education. To address this, the Government indicated that the current financial aid grant will be increased to ensure that even more young and mature students who have the ability, but not the means, are not hindered from attending Bermuda College.

This is good and is worth the effort. However, the real question is *What has the Government done to ensure that our young people are being prepared to enter not only the Bermuda College, but other international universities and colleges in the UK, Canada, and the US?*

Mr. Speaker, what would an OBA Government do? We would budget per term for teachers to buy supplies and equipment for classrooms. Teachers continue to underwrite the cost of supplies and equipment under a PLP Government, who broke a promise to bring this practice to an end. We would establish an independent standards board—the education equivalent of the Attorney General—to provide independent and objective reports on schools and overall student performance. We would review the need to classify schools as aided and maintain schools, establish a professional development centre for teachers to focus on teaching skills, effective classroom discipline and ongoing training, and set high standards for hiring teachers and insist on performance in classrooms.

Mr. Speaker, an OBA Government would also reduce the number of school holidays so that they are aligned with other G20 countries, so that students spend more time in the school, and extend the school day to allow for time for the arts, as well as sports and academic support, incorporate coding training into schools and explore same-sex schools for male students that would combine a solid economic foundation with a strong technical education curriculum to provide good career options upon graduation.

Mr. Speaker, I will not stop there as education is critical to the future of this Island. We would create standards for a national physical fitness programme that addresses health, exercise and diet beginning in primary school. We would create a specialist team for each school that provides academic, remedial and social assistance to students and parents and allocate resources for support and counselling. We would invest in continuing education and retraining and partner with the business community, unions, and the Bermuda College to define the skills required for professional and trade careers. As this Government has continued many of our policies, I will be happy and supportive if they adopt these education policies, as well.

Mr. Speaker, I always think that if it is a good idea, then use it. Removing politics from tourism brought results. We believe that an independent Education Authority would do similar great works for our children. Our young people are losing hope and are being attracted to gangs. Mr. Speaker, there are glaring omissions in the "Throne Speech Lite" in respect of dealing with gang violence and the increasing gun play in our streets. This, despite the fact that there is a very well-compensated pastor allegedly in total control. Frankly, the reintroduction of parish constables just does not cut it, and neither does a chicken farm. With that in mind, it is disturbing indeed to see the overall lack of focus in identifying vulnerable youth.

We need to fund more artistic outlets and give more tangible support for the arts and creative community and a published policy needs to be adopted to govern the special education programmes in schools. Many at-risk children are placed in "special ed" simply because they are disruptive, even though they do not have a learning disability. This denies services to children who require special education support and causes disruptive children to miss out on mastering the content they should be learning. Many of these children are at risk of gang initiation and other nefarious threats. When their files are checked, most of these students are undiagnosed, which means there is no justification for them to be in special education.

We suggest that a high school diploma for special education be considered that is accepted by Bermuda College. Currently, such students are given a Bermuda Alternative School Diploma [BASD], which is not accepted by the Bermuda College or in the US,

causing them to have to seek out a GED [General Education Diploma].

To assist other students to find more opportunities, we encourage more accreditation for Bermuda College. Many young Bermudians cannot afford overseas education and should be given better opportunities for certificates and translatable degrees.

In addition, we need to update our mental health legislation, which is woefully inadequate, and give greater legislation protection to women and seniors who often are the backbone of a Bermuda family unit. We ignore their needs at our peril.

We must take a holistic approach to deal with the rising tide of violence, from the ground up. Violence should never be tolerated, but all too often it is an accepted part of our lives. Young people need guidance every day, which is why we will support initiatives to give estranged parents access to their children.

We also note that this year's Throne Speech shows no intention to support youth programmes this year. After-school sports organisations with appropriate plans for keeping young people safe and in a positive environment should be supported by Government. We should be focusing our efforts on children ages 5 to 18. Keeping our Island's children engaged after school in positive programmes gives them less time to be preyed upon by gang members.

Mr. Speaker, let me say congratulations to Mr. Ottiwell Simmons. The Ottiwell Simmons Arbitration Centre could be used to bring together all the different boards and tribunals under one central roof with administrative support. Bermuda has more than 30 tribunals and boards, and people are often confused about which one to go to. The system could be streamlined by bringing them under one roof, which would be of great benefit to Mr. and Mrs. Bermuda.

Mr. Speaker, there is absolutely nothing in the Throne Speech about the state of the economy, gaming, or dealing with transport system issues. Other than imposing higher taxes, there is nothing to encourage growth or give relief to the retail sector. The apparent decision to again revamp the immigration work permit system reeks of desperation to cover up former Minister's failings in a department that has lost all credibility in the eyes of the business community in respect of wait times for permits, general lack of efficiency, and a significant rise in Job Maker rejections. The very statements made by the Government hark back to 2010 when the Department of Immigration was the very definition of overblown bureaucracy and red tape.

We are well aware of the instances where top executives left Bermuda as a result of being treated as unqualified asylum seekers rather than as job providers for Bermudians. We absolutely agree that firms that follow the rules should be rewarded, but the fact remains that the 2015 Work Permit Policy introduced

by the OBA Government was accepted by all stakeholders after extensive consultation.

Is it true that the Premier is telling business leaders that the Island needs a population of 80,000 people to be sustainable? Given our declining birth rate, we ask the question, *Where are those people going to come from?*

Mr. Speaker, the OBA was alarmed by the Burt administration's plan to get involved in the building of affordable housing in the City of Hamilton. It is clear that the Burt administration has learned absolutely nothing from the previous PLP Government's disastrous scheme at Grand Atlantic, a scheme overseen by the current Minister of Public Works, responsible for the Bermuda Housing Corporation. By way of reminder, the Grand Atlantic was a colossal waste of money, overpriced, and never utilised, except when the OBA arranged to rent the vacant units to the America's Cup teams and cover debt payments. With the number of empty properties in Bermuda, we believe incentives for landlords to lease their properties, and incentivising builders with tax friendly lease-to-buy schemes, could assist Bermudians to get onto the first rung of the housing market.

Mr. Speaker, in closing, I make a few sobering predictions: The economy will continue to falter. And as it does, the Burt administration will increase its emotive rhetoric to energise the PLP base support and will introduce formal income tax to boost revenue due to the squandering of public money that is the hallmark of the Premier's, and now ex-Minister of Finance, inability to properly manage finances. In fact, it is likely that the Premier relinquished his Finance portfolio to get distance from the inevitable demonstration of his failures in the next 18 months.

I also predict the Premier, or one of his entourage, will continue to promote independence in order to divert attention away from the rising unemployment, falling house prices, and an exodus of business due to the tax and spend policies hidden under the guise of equality.

Mr. Speaker, in conclusion, we are disappointed with the "Throne Speech Lite," and disappointed for the voters that had such high hopes and confidence in the Burt administration. It is "Lite" on ideas, heavy on rhetoric and full of undefined empty promises. Bermudians were promised help but have been taxed on their sugar consumption, their payroll, their vacation rentals, their commercial land, their dividends, and as a result, too many are suffering.

Let me leave you with one final thought, Mr. Speaker. Culturally, Bermuda is not as advanced as other nations on the issues of women's rights and equality. We would urge this Government to start the Big Conversation on these issues as a matter of urgency.

Thank you, Mr. Speaker.

[Desk thumping]

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

I recognise the Government Whip, the Honourable Member Scott. You have the floor.

DEBATE ON THE 2018 THRONE SPEECH AND REPLY

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

Mr. Speaker, there has been one time in my life that I have ever seen my father speechless, and that was during a conversation he had with a family friend. They were having a debate about different issues. My dad had an answer for every question that person threw at him, until they said, *Alex, if you are so smart, why aren't you rich?* My question to the Opposition is, If they had done all those things that they said they did, why are they over there and we are over here?

[Desk thumping]

The Speaker: Members, Members.

Mr. W. Lawrence Scott: So, Mr. Speaker, the only thing that I have seen that resembles that response that we just heard, were the Brett Kavanaugh hearings—

[Laughter]

Mr. W. Lawrence Scott: —to the point where there was so much emotion (for no reason), there were so many misconceptions or factual . . .

[Inaudible interjection]

Mr. W. Lawrence Scott: Yes, so many factual inconsistencies, that I was just waiting for the Opposition Leader to pull out a "creepy calendar" to show on what dates the OBA did what they said they did.

But, Mr. Speaker, I am not going to spend my time talking about that so-called "Reply," because there was a . . . and actually, there is still a tourism campaign entitled "Destination Bermuda." And this campaign was founded around making Bermuda a more attractive destination to visitors. But what I can do, Mr. Speaker, is take that tourism campaign of Destination Bermuda and put it in the context of the Throne Speech. Because the Speech from the Throne does exactly what that Destination Bermuda campaign does for visitors, but for Bermudians. It makes Bermuda a place that people not only want to visit, but a place where people, and mainly Bermudians, want to live.

So I just need you to picture this, Mr. Speaker. I am speaking from a pilot's point of view, being [that] our Premier is a pilot himself. And as a pilot, he un-

derstands that the most precarious part of a flight is the approach and the landing. Now, one of the key successful ways to deliver your passengers safely is to know everything about the environment at your destination. Now, this is so key that the FAA [Federal Aviation Administration] has a rule. They have rules that say that a pilot must know all aspects of the flight prior to takeoff, and be well-versed on the landing procedures. And this is where I pick up where the Throne Speech left off.

We could be further ahead than where we are right now, Mr. Speaker. But the Premier (Captain Burt, for this example) saw, studied, researched everything that was needed for the potential flight ahead, which started on July 17th last year. And toward the end of the Throne Speech he explains that out of the 125 items that were advanced, 42 were changes to ensure that Bermuda had a successful review from the Caribbean Financial Action Task Force [CFATF] assessment. Right?

[Inaudible interjection]

Mr. W. Lawrence Scott: And as the Premier says, that is work that the former administration should have started. That is work that the former administration should have done. Right? But I digress.

The thing is, Mr. Speaker, knowing that this is what needed to be done in order to create a Bermuda, or get us to the destination of a better and fairer Bermuda, the Premier took the time to ensure that one-third of all legislation passed last parliamentary session ensured our success this year.

Now, Mr. Speaker, there are key instruments when you are coming in for a landing. And the Premier will know that one of those instruments is called "position indicator" or marker beacon. As long as the pilot has the plane on the proper and correct glide slope, these marker beacons allow the pilot to know exactly where he is throughout the final approach to the runway. So now there are three actual markers. There is your outer marker, your middle marker, and your inner marker. All right? So, now, the outer marker, Mr. Speaker, is usually about four to seven miles away from the end of the runway. And so that is usually the first marker that the pilot will hit, or the first marker the pilot crosses while he makes his way onto the final approach.

Now, Mr. Speaker, our outer marker for this context, on our journey toward a better and fairer Bermuda, is income inequality. For far too long Bermudians have had to work too hard, too long, and too many jobs just to make ends meet. Now, working two and three jobs, Mr. Speaker, is what you would hear in other jurisdictions. But here in Bermuda you have had to work three and four jobs to make ends meet, Mr. Speaker. And the other administration did nothing to address that. And this is where the living wage comes in, Mr. Speaker. It was a PLP Member of Par-

liament, Mr. Rolfe Commissiong, who piloted it through this House of Assembly, and chaired the Parliamentary Joint Select Committee, and it is the PLP that in their Throne Speech said that this is going to be implemented in the next legislative session.

So, now, Mr. Speaker, the thing is that this is not about just money. This is about the intangibles. This is about providing a quality of life that Bermudians deserve, but have yet to achieve, Mr. Speaker. This is about making Bermuda not just a better and fairer place, but a safer one, Mr. Speaker. Because if parents, if guardians, are able to work less that means they are able to spend more time with their family. They are able to provide more intangibles to their children, which makes gang life, which makes antisocial behaviour less attractive. And with that being less attractive, that means they can have more success in other areas and other jurisdictions.

And, Mr. Speaker, if you combine that liveable wage with the fact that this administration, Captain Burt, the Burt administration, is looking to level the playing field for those members . . . there are members in this community, Mr. Speaker, there are owners and upper management who are making roughly \$4,000 a week. And then there are employees that are making \$4,000 a month. But yet they pay the same tax. That is not fair, Mr. Speaker. That does not put money in Bermudian's pockets

An Hon. Member: That needs to be reformed.

Mr. W. Lawrence Scott: And that needs to be reformed. And that is what this Government is doing, Mr. Speaker.

How can we create a fairer Bermuda, how can we create a better Bermuda, if we did not address income inequality? How can we ensure that every Bermudian has the same opportunity? How can we ensure that every Bermudian has the same chances at success if they are not able to access or have the same access to capital?

Mr. Speaker, the strength of an economy is the size of the middle class. So, when the middle class, Mr. Speaker, has more disposable income, when the middle class has the cost of living reduced, those savings get filtered back and circulated throughout our economy. And while I talk about the middle class, that brings us to our middle marker.

Now, Mr. Speaker, the middle marker on our journey toward a better and fairer Bermuda . . . in aviation the middle marker is usually, I would say, probably about a mile away from the end of the runway, which means that you have made significant progress from where you started when you turned onto the final approach, but you are still not there. You still have a little ways to go. All right?

So, Captain Burt has placed in his Throne Speech about the Government's overall course for the next legislative year to provide an environment in

which Bermudians could save hundreds of dollars per month on health insurance premiums. Now, Mr. Speaker, *How is that going to be done?* one might ask. That is by moving forward with a National Health Plan that has sat collecting dust on the former Government's shelf since 2012. But yet we have heard from Members on the other side that health insurance and health care were important to them. It could not have been—if you could have reduced health cost, if you could have reduced the cost of prescription medicines, or made them more affordable, but you did nothing. Instead, you made a decision which went against your technical advisors and actually increased the cost of health to every person in this country.

Now, while you do that, while we are utilising the National Health Plan to help reduce the cost of health care, we are also utilising a combination of relative value units and providing a creative pooling option for members of this country, because the bigger the pool, the lower the health insurance premiums. And as the Premier said in his Throne Speech, we are looking to reduce the pool from multiple or numerous pools, to maybe just one or two big pools.

So, Mr. Speaker, we are almost at that inner marker. At that point . . . as the Premier who is a pilot knows, before you get to that inner marker, you, by rules, have to be able to see or observe the runway environment before you can proceed any further. Now, the runway environment includes lights, runway markings, so on and so forth. But the thing is, the environment at our destination for a better and fairer Bermuda puts more money in the pockets of those low income earners. And the environment in a better and fairer Bermuda makes living in Bermuda more affordable, which means living in Bermuda is more enjoyable, which means that living in Bermuda is more attractive to those Bermudians who fled, who actually created an exodus between 2012 and 2017.

So, Mr. Speaker, when you are at your inner marker you are roughly at about 200 feet above the ground. And at that height, at that altitude, if one was to look out the window, one could see the houses. Visitors would be enamoured. Visitors would be enthralled and excited about seeing the pastel colours and the white roofs. But on our destination to a better and fairer Bermuda, when Bermudians look out that window, they would be enamoured, they would be excited about lower mortgage rates, Mr. Speaker, for those homes. They would be excited that it becomes more affordable to own a piece of the rock.

Now, Mr. Speaker, in the Throne Speech the Premier has said that if you have a mortgage of \$750,000 or less, this Government is going to allow you to take advantage of the competitive nature and the competitive market, the mortgage rate market that is here in Bermuda locally. Between the three banks, one definitely has the highest rate and one has the lowest rate. But right now what stops members of the public, what stops your average Bermudian from tak-

ing advantage of those competitive rates is this big barrier called the “stamp duty.”

It is a tax that makes it almost unfeasible to go and transfer your mortgage from one bank to another. This Government recognises this. This Government is connected to the average person. This Government understands what it is to struggle to make ends meet, and the stress in which you feel in your day-to-day life is just because you do not know how you are going to do it by keeping a roof over your head. So we are going to remove that stamp duty. We are going to remove that tax. We are going to remove that barrier to allow families to save just a bit more money.

Imagine if someone's mortgage [payment] could go from \$3,000 a month to \$2,500; or from \$2,500 to \$2,000.

[Inaudible interjection]

Mr. W. Lawrence Scott: As MP Neville Tyrrell from constituency 26, says, *every little bit helps*. So, Mr. Speaker, on our way, making our way to our destination of a better, fairer, and safer Bermuda, in these few minutes I have been able to show you how the average Bermudian, through this Throne Speech, is able to save money on health insurance, is able to make more money through a liveable wage, and is now able to afford their home and save money through mortgages.

But, Mr. Speaker, I would be remiss if I did not address those members of our society for whom this relief comes just maybe a little too late. Maybe the last four years, from 2012 to 2017, they just took a little bit too much out of them. They tried to hold on as long as they could, and the PLP might not have come just in time for them, but help is on the way because, you know what? For those who are now in front of collection agencies, for those who are having debt collectors calling and harassing them, for those who have debt collectors threatening to take that home that they are struggling to hold on to (even though the home was not a part of the original agreement), we have consumer protections coming.

Consumer protections will be put in place that will make stuff like that illegal, Mr. Speaker. Which will mean that if it is not a part of the original deal, they cannot go after it. Let's just say, if you fall on hard times and your house is part of that original deal, they cannot sell your home for, let's just say . . . and I will put out a hypothetical number. You owe \$250,000. You cannot pay it. They sell your home for \$150,000. And then they come right now and say, *You owe us \$100,000*. That will not happen.

An Hon. Member: Hear, hear!

Mr. W. Lawrence Scott: That is something that we are going to tackle.

We are going to have it so that consumer protections are put in place so if they sell your home, if they sell that asset, you are not liable for anything [else] or any other shortcomings. That is what this Throne Speech is about. That is what the Bermuda PLP, Progressive Labour Party, is doing for Bermudians. So you will hear Members of this legislature, you will hear members of this community go out and tell you things that are not correct. You will hear Members tell you things that are more speaking their opinion [than] as fact.

But, Mr. Speaker, I tell you today that this Throne Speech . . . although members of the public said our last Throne Speech was too business-centric, this is a departure from that one. And I explained in the beginning why it seemed business-centric, because we had to ensure that the country and the country's economy were protected by ensuring that we were prepared for the upcoming assessment.

So, Mr. Speaker, I do not want to speak too long because I believe that in my time I have outlined some of those main focus points, the main benefits that Bermudians will see. I have shown you the different markers, and these are things that Bermudians can look out on and say, *Hold on. Where is that stamp duty relief? Hold on. Where are you with helping to reduce health care through the National Health Plan? And what about consumer protection and lower mortgage rates?*

One thing I noticed about the Opposition's Reply is that they used the word "was" a lot, which is past tense. And in the Throne Speech we use the word "will," which is future. That means that somebody in this Honourable Chamber is looking to the past for validation, while another group is looking to the future. My church, Mr. Speaker—and the Honourable Wayne Furbert will ask, *What church? Cobbs Hill Methodist, built by slaves in the moonlight.*

[Inaudible interjections]

Mr. W. Lawrence Scott: Ha! Ho ho! Whoo!

[Laughter and inaudible interjections]

Mr. W. Lawrence Scott: Oh!

[Inaudible interjections]

Mr. W. Lawrence Scott: I got a little touched there, Mr. Speaker. I got a little touched.

The Speaker: All right. Do not get carried away now. Do not get carried away. Remember what platform you are on.

Mr. W. Lawrence Scott: I am not getting carried away, Mr. Speaker. I am going where the spirit moves me, Mr. Speaker.

[Laughter and inaudible interjections]

Mr. W. Lawrence Scott: And, Mr. Speaker, the Good Book says, *Without vision, the people perish.* So when you hear us in the PLP say, 'We *will* do this and we are *going* to do that,' that means we have a vision for the future.

Some Hon. Members: Yes! Yes, sir!

Mr. W. Lawrence Scott: We have a vision for the people.

[Inaudible interjections]

Mr. W. Lawrence Scott: Thank you.

And, Mr. Speaker, the Good Book also asks for members to pray for those in authority over them. So I am asking that Members pray for . . . the Honourable Member Wayne Furbert says, *Pray for the OBA.* I am actually saying that members of the public pray for their Government, which is comprised of both a Government and an Opposition. Right? Therefore, we can get this vision and take this vision and bring it to fruition so that everybody can see relief. OBA Members can see relief. PLP Members can see relief. Because we are not just a Government for PLP members, we are a Government for everybody. Because everybody voted us in! Everybody voted us in, Mr. Speaker.

Mr. Speaker, what I want to do in closing is to say to those Members, because I understand that these proceedings are not just broadcast locally, they are broadcast internationally via the www.parliament.bm website. So those Bermudians who are listening overseas, those Bermudians who are listening in England that were a part of the emigration out, because you found it too hard to survive here, because you did not feel as though the opportunities were available for you to make it in your own country, I say, *Come back!* I say to all of you, *Come back!*

Mr. Speaker, the thing is that part of the PLP's immigration policy, part of the PLP's immigration plan is to invite Bermudians back to the country. Come home! Because we may not be promising jobs like a former administration did, but we promise to create an environment where job creation is favourable. And that is by helping to reduce the cost of living, helping to reduce the cost of operating in Bermuda. And do you know who has noticed [and] believes in this vision, Mr. Speaker? The FinTech companies.

FinTech companies are successful because they can see vision before it comes to fruition. FinTech companies are successful because they get in on the ground floor of big things and big ideas.

So, Mr. Speaker, I indulge you [to allow] me to go out and plead to Bermudians that are out there. There are thousands of Bermudians who have left, and we are hoping that we can get thousands of Ber-

mudians to come back. Take part in your community; take part in your country, because now we understand. There is a Government that can walk with kings, but not lose the common touch.

Mr. Speaker, all those who know what 1906 stands for, know what I just said. And for those who are not fortunate enough to understand and know what 1906 stands for, that means we may be a Government, we may be leaders of this community, leaders of this country, but we have not forgotten where we came from. We have not forgotten the foundations on which this party was built on. Therefore, we make sure that the policies that are put in place now are transformational and not transactional. The policies that are put in place now help transform Bermudian lives, help transform Bermudians so that they know that they can be successful in anything they try to be successful in. The policies that we put in place now provide a level playing field not just for Bermudians today, for Bermudians tomorrow, but for generations to come.

Thank you, Mr. Speaker.

[Desk thumping]

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

We recognise the Deputy Leader of the Opposition, Madam Scott.

Madam Scott, you have the floor.

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

After that sermon, I think we should all take some communion and go home.

[Laughter]

The Speaker: If the meeting is going home early, you got my support.

[Laughter]

Ms. Leah K. Scott: Mr. Speaker, governing is a challenge. And I am sure that this Government is finding that governing is a challenge, just like the OBA found it a challenge when we were Government. You have to satisfy your ministers and your backbenchers. You have to satisfy your local and international business community. You have to satisfy the community at large. And all have varying expectations and interests and ideas. So how do you meet them all?

Mr. Speaker, the overarching theme of the Throne Speech is to reduce the cost of living. And that is a challenge in and of itself. Bermuda Government's import duties are its second highest source of revenue, after payroll taxes. So how do we replace that source of revenue in a way that allows us to reduce the cost of living, but still maintain the level of revenue

which is needed for the country? We also have the highest number of civil servants per capita in the world, Mr. Speaker, which means that we have to make some changes to our civil service, which is a challenge because the civil service is the largest employer of people in Bermuda.

So I agree wholeheartedly that there has to be efforts made to reduce the cost of living. But what are those things that we can do to reduce the cost of living? Now, I know that there have been some exemptions on the import of certain food items when they come into the Island. My concern is that while those exemptions are granted to grocers, are those exemptions being passed on to the consumer? And if they are not being passed on, then there should be some form of penalty, because if a grocer is . . . by way of example. If a grocer is bringing in (I don't know) chicken, and he pays absolutely no duty on that chicken, the cost of bringing it in may be \$3.00. Why does he have to sell it to me for \$13.00? He can sell it to me at \$5.00 and he can still make a profit. So things like that need to be addressed.

We are looking at renewable energy as a way of reducing costs and helping us to go green. One of the things that I was thinking that we could do in terms of assisting seniors is having a government-subsidised solar panel programme, or you know, having a programme where people that use solar property or solar energy get some sort of reduction. The cost of living just cannot just be reduced by just saying that we want to reduce it. We have to have some realistic approaches and we have to recognise that our jurisdiction is peculiar. The things that might work in other places may not necessarily work here in Bermuda.

Mr. Speaker, we amended the Cost of Living Commission Amendment Act to add additional members and it was thought that adding additional members would assist in the formulation of ideas and suggestions as to how best to reduce the cost of living. My understanding is that their mission was to obtain information about import costs and profit margins. And I have not heard anything about a report or any feedback as to what the status of that is and where we are in terms of what they have been able to achieve.

Mr. Speaker, in the 2017 Throne Speech, the Premier stated that the plans were to achieve economic growth by creating new jobs. So the attempt to create new jobs has been through the FinTech industry, and attempting to create that as a third pillar of our economy. It is true that since September 2017, thirty FinTech companies have been incorporated. If you will recall, in the earlier part of the year we had four Memorandum of Understandings [MOUs] signed, with Binance, Omega One, Shyft Network, and Medici Ventures. And in the aggregate, there was a promise or a commitment of about \$25 million, which would enable social programmes, education, training, and other things. At the time the Premier had stated, if I may quote, Mr. Speaker?

The Speaker: Yes.

Ms. Leah K. Scott: “Based on these commitments, . . . ‘We stand to create 120 jobs for Bermudians over the next three years.’

“Most significantly, we believe in investing in our people and the institutions that strengthen our communities; so we are encouraging these corporate partners to tangibly do the same with education, our community sporting clubs and in training Bermudians.” [[BermudaReal](#) 2 June 2018]

Now, Mr. Speaker, I have not seen any jobs come from FinTech other than the work permits for the people who are here setting up the FinTech industry. I know that it takes time for these things to happen, but I want to know whether or not this is going to be a true pillar of our economy, and when are the commitments that were made by these four companies, who came here with great fanfare . . . there were people in the Gallery, and press conferences. They might as well have thrown confetti in the Chamber. But what has happened since that time?

Binance is in Malta, and they are looking for jurisdictions where there is a light regulatory touch. They do not want to be restricted in any way. What about their commitment to Bermuda? Is it going to happen? Or is it just something that we just have to say, *Oh, well. This isn't going to work this time. That is \$15 million that we are not going to have. There are people in Bermuda who are not going to be educated. It's lost money. We lost it as soon as we found it.*

Mr. Speaker, I understand that America's Cup is a thorn in the side of the PLP Government. The fact of the matter is that the PLP does not want to always acknowledge that the America's Cup created a boon for our country. I actually did do an interview, and my parliamentary colleague said that I was confusing apples with oranges by stating that America's Cup and FinTech were similar. What I was saying is not that they are similar in industry, what I was saying was that America's Cup came to Bermuda and they decided to invest in Bermuda and they did what they said they were going to do.

We have the Endeavour Programme, Mr. Speaker, which continues to go on. PwC funded it for a further three years. We have over 2,200 Bermudians who have passed through the Endeavour Programme and they have been taught the STEAM [Science, Technology, Engineering, Arts and Mathematics] subjects, as well as social skills from sailing. They have learned how to be team players. They have also learned how to be independent and individual managers. That is the investment that America's Cup has made in our people. They have contributed to our GDP [gross domestic product]. The Government's statistical report clearly states that this economy got a boon from America's Cup.

So my comment about FinTech and America's cup is that America's Cup *made* the investment.

Those billionaires came here and they were criticised because they were supposed to be directed to a certain class of people. But the billionaires from FinTech are not making that same investment in our country. When are we going to see that? When are they going to give us the \$25 million? When is the Education Centre going to be started.

We have Arbitrade, and you know, when they did research on Arbitrade, its office was on top of a dress shop. Do they exist? Are they going to be able to do the things that they said that are going to do? I know that they have incorporated three companies: Arbitrade Ltd, Arbitrade Exchange (Bermuda) [Ltd.], and Arbitrade Property Holdings [Ltd.]. And the Property Holdings company (I guess) is the one that is going to hold the land at Victoria Hall.

Beyond that, though, what are they going to do? Are they a viable company? Are they going to be able to do the things that they say they want to do for our country? I'm not attacking, but I am all for anything that is going to create jobs for Bermuda and put money into our economy and support our economy. So I want to see these things come to fruition. I am not criticising. All I am saying is, Where are the jobs?

For every \$100 that was invested by Government in America's Cup, we got a return back of \$500. Are we getting that same return from FinTech? Will we get that same return?

And if I may quote again, Mr. Speaker, in the [Department of] Statistics report, it states that our economy's “growth was attributed to increased construction activity associated with the 35th America's Cup [event], residential renovation, airport development and hotel development.” Even the hair dressing industry got an increase from America's Cup, Mr. Speaker.

So, I recognise that there are challenges. I believe that the Government is trying to create an environment for businesses to be established here, but the truth is that we live in a global world. We do not necessarily have to have boots on the ground in Bermuda anymore. People can work virtually. We also have the general challenges facing us, such as the economic substance issue, where the UK is imposing upon us the requirement for anybody that has a business here to demonstrate that the economic substance from that business is earned in Bermuda. In addition, Mr. Speaker, today there was an article that has been put out that said, “Corporate America flees zero-tax Caribbean havens after crackdown.” [[PostBulletin](#) 15 November 2018]

So what we are having are a lot of the multi-US companies leaving no-tax jurisdictions to go onshore. Trump has made onshore as attractive as it is offshore, so now most of the people who are offshore are here not for tax purposes, but for other reasons. But with all of the regulatory requirements that are coming down the pike, it is making it very uncomfortable for them to be here. So if we lose that business,

we lose jobs; we lose revenue; we lose people who are contributing to our economy; we lose people who are creating jobs, and we do not have a substitute for that.

We have tourism, Mr. Speaker, which for the second year in a row has had record numbers. But there is a concern that there will be a change to the legislation which will compromise its independence. We have already had the independence of the Gaming Commission compromised. We do not have an executive director. We do not have anybody interested in coming to Bermuda to be the executive director. And we do not have the ability to process any of the funds, if we were ever to get a casino off the ground. So my question is: We have a whole Gaming Commission set up, what are the people who are currently working there now doing? There is no executive director. There is no prospect right now of being able to have a bank or a gaming industry, so what are they doing? Are we paying for something that is just not going to happen? Are we throwing good money after bad?

I am not trying to knock anybody out of a job. But all I am saying is that we have something that is sitting there that is quickly becoming an albatross around our neck because it is not going anywhere. I do not want tourism to be one of those albatrosses. Tourism has really taken off. The Airbnb has really taken off. Mr. and Mrs. Bermuda have found a second form of revenue by being able to rent out properties, and I would like to continue to see Bermuda be the destination of choice for many people for a very long time. I am concerned about the possibility of amending the legislation and changing the independence.

Kevin Dallas has done a fantastic job. I participated in the National Tourism Plan and we had three or four different sessions with different people around the table with great ideas. And I think that we can continue that, but it has to maintain its independence.

Mr. Speaker, there was established last year under the 2017 Throne Speech, the Bermuda First Think Tank. And that Think Tank was supposed to develop a social and economic plan. I have not heard anything about that since the Think Tank was established, so I would be interested in having an update on when the plan will be disseminated, and whether there will be any consultation. It was supposed to create a plan that would sustain long-term economic growth and create jobs. So I would be interested on an update of that.

The 2017 Throne Speech said that they were going to improve social conditions in Bermuda. In the budget this year there was no allocation for the Ministry of . . . what is it? Community Development, or . . . for that Ministry, which a lot of people in our country rely on for financial assistance and other things. Not only that, we have the Minister who worked in that Ministry no longer heading it up. What are we doing about addressing the social issues of Mr. and Mrs.

Bermuda if we do not have a Ministry specifically designated to do that with somebody who is able to understand and assist in carrying out the changes that are needed to assist our most vulnerable people?

Mr. Speaker, as you know, I sat on the Joint Select Committee for a Living Wage. I support people being able to live in their country and survive in their country. I do not know that a living wage is the answer. I believe that a person should be paid for an honest day's work. But I think that we cannot artificially inflate our economy. We have to make sure that we have the necessary consultation and do all that we need to do before we just implement a [certain] wage. We cannot just pick a number arbitrarily and say, *Okay, this is the number*. Because if we are not having training and education and social skills and life skills that go along with that increase in income . . . [if] you are paying somebody \$20 an hour and they do not know how to manage that, paying them \$50 an hour is not going to make a difference. So we have to include education and we have to help people with life skills so that they can manage what they have.

I understand that the Premier has suggested that they will create an industry through the development of medical marijuana. I have seen the effects of medical marijuana, and I am sure everybody has seen probably the . . . maybe it is *60 Minutes* where the little girl, Charlotte, was having seizures and the only way that they were able to assist her was through medical marijuana, the Cannabinoid oil, or whatever it is. And I believe that we can be successful with that. My concern is that if we are going to establish a medical marijuana industry, how are we going to manage the dispensaries? How are we going to determine who gets a licence? I believe the Premier stated in his speech that the people who get a licence will be those who have been caught with possession of marijuana, who are on the stop list, so those will be the first people who will be entitled to get a licence. All I am concerned about is that it be monitored properly. We need to make sure that we establish a framework that is effective. We need to determine that we have good product regulations. We need to determine how we are going to distinguish between medical marijuana and recreational marijuana. And, again, we are confronted with the challenge of how we are going to—

[Noise from electronic device]

Ms. Leah K. Scott: Sorry. It was me. Sorry.

[Inaudible interjection]

Ms. Leah K. Scott: I know.

[Inaudible interjections and laughter]

Ms. Leah K. Scott: What was I saying?

[Crosstalk]

Ms. Leah K. Scott: The challenge between medical marijuana and recreational marijuana.

We have to make sure that the industry is protected and that our people are protected. So who are our farmers going to be?

Then you get into the whole . . . like people are going to be breaking into marijuana farms and then you need security and you know . . . so do we have enough land mass to have secure fields and protect the fields. So do I support medical marijuana? Absolutely! But we have to have a constructive framework to develop it in. I agree that it is an opportunity for entrepreneurs and I hope that it is something that we can do.

Oh! That is what it was . . . the challenge is that we are not going to be able to bank the proceeds. That is the problem, because the correspondent banks do not want to take the money. So in the United States, marijuana is legal at a state level, but it is not legal at a federal level. So while you can grow it at a state level, and you do not get penalised if you have it, federally, it is considered a crime, and any proceeds from the sale of it are considered "proceeds of crime."

So our biggest challenge is going to be the correspondent banks. And, you know, I have spoken with some bankers. The bankers are willing to do whatever they can to facilitate the economic growth in this country. But the truth of the matter is that if we do not have a correspondent bank, then we die as a jurisdiction because we cannot get our money in and out of the country. We are not able to facilitate this process ourselves. I think that there are, you know, the initiatives. Like I said, gaming, cryptocurrency, and medical marijuana are good initiatives. But I do not want them to just remain as initiatives. There has to be some implementation, and we have to be able to get all of the ducks to line up in a row so that we can get these things to fly.

Finally, Mr. Speaker, energy costs is one of the things that have been addressed. And I know that the Deputy Premier gave a statement the other day talking about electric buses, which I fully support. I fully support going green wherever we can, because we have to protect our environment for the future of our children. I know that the partnership with Rocky Mountain Institute [RMI] is a partnership to, first of all, do some research to determine whether or not electric buses are even viable in Bermuda. You know, I think that along with the research with Rocky Mountain Institute there needs to be a coinciding education campaign, because we need to understand the importance of reducing our carbon footprint, and we also need to learn how to conserve energy.

You know, when I am home, I go from room to room, I turn the lights off when I leave whatever room I am in. I do not have lights on all over my house. But we have to understand energy conservation and I

think that, you know, like everything else, there is an education process, there is a learning process, and then there is a change. And change is not comfortable. People do not like to change.

But I think that the bottom line, as my colleague, Lawrence Scott, said, is that ultimately, we are not all on a different journey. We are all going the same way. And the same way is, we want a Bermuda that everybody can live in, and live comfortably in. And we want the people who have left Bermuda to come back to Bermuda. But we also have to have something for them to come back to.

You know, last week, or the week before last, Tokio Millennium was bought by RenRe, which leaves Bermuda now with only five reinsurance companies. So what are we going to do about creating jobs for Bermudians? Not just creating the environment. You know, I can go out and I can plough my garden and till it and turn it. But if I do not have any seeds to put in it, then nothing is going to grow there. So I think that we all have to work together, and I think that we can make things better for all of Bermuda. But we cannot do it fighting each other and, you know, picking out on everything that everybody does. We have got to work together to create the Bermuda that we all want to live in.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

I recognise Minister Brown.

Minister Brown, would you like to have the floor?

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

The Speaker: Continue on.

Hon. Walton Brown: Mr. Speaker, I would like to begin by offering a correction to the Deputy Opposition Leader. She said that the Bermuda Government has one of the highest per capita rates of civil service employees. That is not actually true. It is about 17 per cent or 18 per cent. That is a fairly common percentage around many countries. About 18 per cent of the work force is comprised of public servants in many jurisdictions. So we are right in sync with what is the norm. It just seems like a lot because we are so small, and it seems like they are all around us. But that is the reality. It is not a great aberration at all.

Mr. Speaker, I would like to begin by repeating a few comments made by the Opposition Leader. He spoke about the pop-up movements that punctuated the OBA Government. A pop-up movement that was perpetrated on the claim that the Government does not care about the people. Well, the one pop-up movement that I would like to refer to, Mr. Speaker, is the Immigration [Reform] Action Group that resisted

the immigration reform plans [of] the OBA Government. Those reform plans had in mind the granting of status to thousands of people, and that was protested by thousands of Bermudians, Mr. Speaker. That was not just a pop-up movement. That was a deep-seated movement that captivated the hearts and souls of many thousands of Bermudians. It was no pop-up movement; it was a sincere effort to stop a very divisive piece of legislation.

So I just wanted to make that point, Mr. Speaker. It was not simply a pop-up movement. It was a severe challenge to the authority of the Government, and we were victorious. There was a sustained opposition, many different forms of protest, including the shutdown of Parliament. That represented a milestone in our development as a country, Mr. Speaker.

Secondly, the Opposition Leader spoke about my position on same-sex marriage as Home Affairs Minister. My position on same-sex marriage is a matter of public record. I do not shy away from that. What we did as a Government, however, Mr. Speaker, was to change the law to provide for tremendous amounts of benefits for same-sex couples. All benefits of marriage, save for the term "marriage," including the right to apply for status. That was a fundamental change in the direction of the Government, Mr. Speaker.

The OBA did nothing. They allowed for a court decision that allowed for same-sex marriage, but for no benefits whatsoever that would accompany their right to same-sex marriage. Every single right that a person would try to get would have to be fought [for] in the courts. What we did in one fell swoop with the legislation, Mr. Speaker, was change the law to provide for full benefits for same-sex couples. That was a progressive piece of legislation by all accounts. It is now before the Appeals Court and the Appeals Court will render a decision very shortly. We are hopeful that we will get the right decision.

Now, Mr. Speaker, the Government was very bold in its Throne Speech, focusing on inequality—a very bold effort that addressed the question of inequality. And I am going to quote, if I may, Mr. Speaker, from the opening paragraphs of the Speech in which the Premier stated that ". . . systemic inequality is the root of much that has created the Bermuda of today." A failure to address it will yield discontent, social unrest and economic stagnation.

"Yield discontent, social unrest and economic stagnation." These are three very vital components of the consequences of not being able to tackle inequality. And this Throne Speech makes a concerted effort at addressing the effects of inequality. The Premier needs to be commended for his plans for addressing the effects of inequality.

One such measure to address the effects of inequality is the mortgage tax relief being proposed, so that if you have a mortgage of \$750,000 or less, and you find an opportunity to get a reduced rate at a bank, you could make the transfer to the other bank

without having to incur any taxation charges. That is a tremendous boost to the homeowner in search of low interest rates. So that is a great benefit. That is a measure of reducing income inequality, Mr. Speaker.

The National Health Insurance Plan to reduce costs, having a single payer system, provides for an opportunity to reduce costs significantly. This is something that should be cherished by all. It is a fundamental important component of my colleague's (the Honourable Member of Finance) position. And I hope to see this put in place very shortly. It should be of great benefit to all.

The liveable wage. Who can survive off \$400 a week, Mr. Speaker, \$400 or \$500 a week? Very few people can, Mr. Speaker. But I posit to you that there were hundreds of people who are earning that amount of money on a weekly basis. [Just] \$400 or \$500 a week. It is not a liveable wage. It needs to be addressed. We need concerted policies to address this matter and they need to be adopted now. Whether we go with the living wage proposal of the Living Wage Commission, or whether we adopt another approach, we have to find ways to address this issue. You know, it is unacceptable to have a group of people who work full time, 40 hours a week, and are unable to make ends meet. It is just simply unacceptable in this day and age. And we have to find ways to address it.

The Bermuda College, Mr. Speaker, is a gem of an opportunity, providing opportunities to help students to progress in their life choices. Bermuda College offers many programmes to young people and to not-so-young people. It is a real boon to addressing this income inequality notion. We recently provided a grant of \$300,000 to help additional students take courses at Bermuda College. That is a great boost to everyone and it is certainly a great benefit to all.

Maternity leave is being extended to 13 weeks. It was a great step forward, recognising the importance of the family. There will be consultation on this point, but it will certainly help out the average person having a child to have extended family leave. It is a great benefit that works as well.

[Regarding] the part of giving fair opportunity, it is the OPMP [Office of Project Management and Procurement] change and procurement policies. We will change the law to allow for international companies that get contracts to require that there be local participation. This is a great benefit to help them to reduce the notion of income inequality, by providing a real opportunity for local companies to get involved in the contract awarding process.

We will modernise the operation of the Post Office, making them a one-stop shop for a range of government services: licensing, payments, a lot of the public services. This will help transform the Post Office into a far more effective vehicle. It is necessary to do in light of all the changes that are coming around, Mr. Speaker.

I want to move on to the quagmire that is immigration. Immigration is fraught with conflict and tension, but we have to get the immigration reform process right. You will know, Mr. Speaker, that I am part of a bipartisan immigration reform action group, working under the Minister of National Security, Minister Wayne Caines. We are tasked with looking at immigration reform processes. We are currently looking at coming up with a proposal for the harmonisation of families that have PRCs [Permanent Resident's Certificate]. So if one person has a PRC in a family, we are looking at harmonising that process to reduce the inequality there.

We are also looking at ways in which we can harmonise those families where maybe one person has Bermuda status, to address that issue as well, that inequality. That is an ongoing matter that we are working with, Mr. Speaker. That is a very tense matter, fraught with conflict, but we are working hard to address those issues.

The Debt Collection Bill is an important piece of legislation. This legislation will address some of the imbalance that exists currently in the debt collection process so that people who owe debts are not unduly harmed by the process. We are going to change the legislation to allow for minimum interference with the debt collection process. We are going to cap the interest rates that are permissible to be applied on the debt, and otherwise create a much more responsible process for dealing with debt collection.

Finally, Mr. Speaker, on municipal reform, we will adjust the legislation to provide for a 21st century approach dealing with municipalities. We will ensure that there is a 21st century approach dealing with the City of Hamilton and the Town of St. George's. We will modify the legislation to ensure that there is a workable solution for all, Mr. Speaker.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Minister.

Does any other Member wish to speak?

Mr. Pearman? Okay. We recognise Mr. Pearman.

Honourable Member, Mr. Pearson, from constituency 22. You have the floor.

Mr. Scott Pearman: Thank you, Mr. Speaker.

Mr. Speaker, in addition to being the Reply to the Throne Speech, today was the 50th anniversary of the Parliamentary Prayer Breakfast. There were a number of those in the Chamber who were there this morning.

The Speaker: Yes.

Mr. Scott Pearman: We heard a barnstormer of a speech from Bishop Lambe. And what he said was this, people want to see, people in Bermuda, Bermudians want to see, bipartisanship. And he said this, *If*

there is something good in the Throne Speech, then why not say so? And so I shall. I shall make an effort of collaboration, and I shall point out certain things in the Throne Speech that we in the OBA think are extremely positive, that we support, and that we hope will be implemented into legislation to solve some of Bermuda's problems.

Also, on the dais this morning, was the Deputy Premier, who stood in for the Premier, and gave a speech, which at one point said this: *People should not criticise.* Mr. Speaker, I respectfully disagree. People should criticise; but they should offer constructive criticism. They should offer civilised debate. But to suggest that we, the Opposition, should not criticise is entirely wrong because we have a job to do. But we could do so with courtesy, and we could do so constructively, because we must speak the truth. And so to the three points of collaboration that I intend to address, three points of praise for the Throne Speech, I also intend to offer three points of criticism, constructive criticism.

First, to the collaboration. As the Leader of the Opposition said earlier in his Reply to the Throne Speech, *If you've got a good idea, use it.* So, extending maternity leave. This is a good idea. I commend it, and the OBA commends the Government for consideration an extension of the current eight-week maternity leave to a longer period. The Throne Speech proposed a period of 13 weeks. However, this needs to be done right. It is all well and good to extend maternity leave, but we need to also consider the impact that this will impose upon small businesses, and particularly very small businesses.

And so, again, in the spirit of collaboration, in the spirit of constructive criticism, I ask the PLP Government to think about these things. Consider whether or not extended maternity leave should be limited to businesses of a certain size. If you happen to employ three people, and two are women, and they go off pregnant, how long will that business survive? If, on the other hand, you are a bank or a law firm or an accounting firm, and you have pregnancies, that is part of the usual course of life, the usual course of business, and it should be supported. So there is a difference between a large business and a very small one, and I invite this Government to consider that point.

Equally, or alternatively, consider a certain threshold of turnover. In some of the taxation proposals that have been floated out by this Government in the Throne Speech, we see that certain things may just apply to businesses with a turnover of \$250,000. That too is sensible. Let's consider something where there is a threshold of turnover. All of us believe that maternity leave is an essential thing that governments and societies must provide for. We must recognise that there is a cost when women in the workplace, equal women in the workplace, go off on maternity leave.

We must also recognise the clear scientific data that children are better raised when their mothers have the opportunity to spend time with them more during those developmental stages, those early weeks and months of childhood. So, yes, we support the expansion of maternity leave. It is a good thing and we hope to collaborate, but please, be sensible. Consider what this already delicate economy can sustain. Consider the possibility that we will look to the size of the business or the size of the threshold.

Collaboration number two. In the Throne Speech we heard about a new arbitration centre to be honouring Ottiwell Simmons. Now, Mr. Speaker, this is in fact an idea that has been around for a while, but nonetheless, we are pleased to see the PLP taking it on. More importantly, unlike so many who have suggested this idea in the past, we very much hope that the PLP will deliver. Yet again, in the spirit of collaboration, this is an idea that could be improved. Why, Mr. Speaker, just an arbitration centre? Why not a general centre for all dispute resolutions?

The PLP Throne Speech talked about mediation for families as an alternative solution to the divorce rates and the child custody battles. Well, why not the arbitration and mediation centre? Why not allow mediation for families to be conducted there? Or commercial mediations, for that matter? Why not invite the Bar Counsel to move their offices there, perhaps to pay some rent to help fund it? And as the Leader of the Opposition foreshadowed in his speech, why not consider that there are over 30 boards, tribunals, commissions that all do yeoman service in Bermuda, but are all in disparate places with different administrative support and nowhere to be found if you are the user, if you are the common man or woman who needs to appeal this or appeal that.

Put them all under one house. Move them all under one central tribunal system. Make life easier for Bermudians, and make the central administrative support easier for all of these boards, tribunals and commissions. Then the building will get use if the arbitrations do not materialise. You have a one-stop shop. So, again, collaboration and constructive criticism.

Thirdly, single-use plastics. We commend the Government for its discussion to tackle the issue of single-use plastics. Most of the time when people are dealing with single-use plastics, we are talking about plastic straws. So let's just take that example. The Throne Speech suggests that it is intending to be taxed and eventually eliminated. Well, again, here is a suggestion to improve that idea. Why not just bypass the tax altogether and eliminate plastic straws? Nobody in Bermuda needs them. Turtles do not like them. The world does not need them. They can be made out of recyclable materials.

I am not a person who has a political belief that we should be banning things left, right and centre. But I hope that most of us can agree that Bermuda should take a bold step and just ban plastic straws. So

why not? These are three points of collaboration and constructive criticism.

Now, Mr. Speaker, let me offer respectfully, and let me offer with civility, three points on which I think that the PLP would do well to steer away from. Firstly, and this is a very serious issue, the Throne Speech is discussing revamping our health care system, a fundamental overhaul of our health care system. This is a very bad idea. Single-payer systems have been tried by other jurisdictions and have failed. They have bankrupted other jurisdictions. If people want single-payer health care systems, if they want socialist health care systems, move there. Bermuda's problem is not that we are not a single-payer system; Bermuda's problem is that health care is too expensive. Why is it too expensive? Because the insurance companies are generously paying the service providers.

If you go abroad for a medical procedure—

Mr. Rolfe Commissiong: Point of order, Mr. Speaker.

The Speaker: Yield a minute, Member. We have a point of order.

POINT OF ORDER

[Misleading]

Mr. Rolfe Commissiong: Mr. Speaker, the Member characterised single-payer systems, and I assume variations of those systems in other countries, as having failed and bankrupted those respective countries. Certainly, you have variations of single-payer systems in Europe. And I do not believe that it can be demonstrated that those systems have bankrupted those respective developed countries.

[Inaudible interjection]

Mr. Rolfe Commissiong: Misleading the House, in other words. Thank you.

The Speaker: He will develop his point.

Continue, please.

Mr. Scott Pearman: I am grateful for the interjection. I stand by my point.

Socialist systems do not work. Socialist ideology has failed. A socialist health care system is, as I said, a very bad idea.

[Inaudible interjections]

Mr. Scott Pearman: Move to Canada.

Bermudians do not want the clunking fist of the state telling them how they can proceed with their health care.

Mr. Rolfe Commissiong: Point of order, Mr. Speaker.

The Speaker: Is it . . . let's try and just let him develop his point. But I will take this, and then we are going to let him move on out. Okay?

POINT OF ORDER

[Misleading]

Mr. Rolfe Commissiong: The Member is misleading the House, Mr. Speaker.

The interpolation was that Canada . . . we should move there. Is Canada a socialist country?

The Speaker: There was not a real point of order in that. But let's hold it. I believe you want to speak later. You can correct any viewpoint that you want to bring when you are on your feet. Just let it flow.

Mr. Scott Pearman: Mr. Speaker, as I said, Canada has a socialist health care system. I stand by that. I will be corrected, no doubt, later.

Bermudians do not want the clunking fist of the state telling them how to manage their health care. Bermudians want choice. Bermudians want options. Yes, we need to reduce the cost of health care. But a massive, systemic gamble, a complete overhaul, is a very bad idea.

Mr. Speaker, that is the first of three negative observations on the Throne Speech, and let me move to the second.

The Bermuda Tourism Authority was probably . . . and I say "probably" because I sit next to many colleagues in the OBA, but in my personal opinion [was] the single best thing the OBA actually did. They took the Tourism Authority out from under the politicisation of Government and they put it in the hands of professionals. And well done them for doing so! This was a good idea. It let people who knew what they were doing manage Bermuda's tourism. It took away the political grubby fingers from any side of this aisle.

An Hon. Member: Speak for yourself, Scott.

[Inaudible interjections]

The Speaker: Continue on, continue on.

Mr. Scott Pearman: Mr. Speaker, the problem with politicians getting involved in independent bodies, is that they tend to mess things up.

Exhibit A: Gaming. If it is not stone dead, it seems to be, at very best, on life support. Why? Because of Government interference. Because a Minister who decided that he knew best changed the control levers over this independent authority and scared off the banks. Please, Government, the PLP Government, do not make the same mistake with the Bermuda Tourism Authority. Recognise what works and support what works. Do not be political. You have got a good thing, keep it.

Third, and finally, there was very little, unfortunately, Mr. Speaker, said in the Throne Speech about our children. There was, I accept, a programme to send students abroad to London and Washington, and that was a noble idea. But there was very little fundamentally said about the way in which Government supports our children. And let me make a third and final criticism. Something needs to be done by this Government, and done swiftly, regarding the Department of Child and Family Services. It is a complete and utter mess. I make no criticism of the people who work there, the social workers who do a fine job. I am not criticising individuals. But the way this is working, systemically, it is failing.

We have removed the Minister. We have reshuffled him out. We have moved to a different department, which is already struggling. It is now under the Attorney General, a Ministry that is already struggling to keep up in the court systems. We have a dispute going on about litigation guardians and how they are going to be paid; and I will say no more about that. We have some very serious allegations about children under the care of the department, which are now being investigated. We thank you for investigating them. But it is a mess.

The PS, I understand is retired. The director is currently suspended. The Minister is now gone, and the department has been moved. Now, no doubt, we can wait to hear from the Attorney General about all of that, but when we are dealing with our children, the most vulnerable of our children, that is something that needs Government's urgent attention. So, again, respectfully, I suggest that this be something focused upon more than it was focused upon today in the Throne Speech.

Mr. Speaker, in closing, I have discussed collaboration and I have discussed constructive criticism. One of the MPs from the other side, Mr. Lawrence Scott, spoke earlier today and he said this, *Help is on the way. We have a vision.* It is a bit late for that. The PLP Government has been the Government for 15 of the past 20 years. Bermuda's problems are your problems to solve. We believe in collaboration. We will help where we can, but the PLP Government must do better. We need jobs. We need to grow the economy. We need to fix education. And that is the PLP's job to do. Bermuda's future depends on it.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member . . . I recognise the Honourable Minister of Health.

Minister Wilson, you have the floor.

Hon. Kim N. Wilson: Thank you, Mr. Speaker, and thank you for allowing me to contribute to the Throne Speech Reply and the debate.

You know, when you go to a buffet, and people who know me well know that I definitely enjoy a

good meal. There is a wonderful spread of all kinds of delectable choices of food and desserts, and just yummy, yummy things. And you have a very wide range of things to choose from. And you know, I would like to use that food analogy as it relates specifically to the Throne Speech. By that I mean . . . because as you look at the Throne Speech of the PLP, this recent Throne Speech, there are a number of things to choose from to debate today. There are a number of initiatives, Mr. Speaker, that are in this Throne Speech designed specifically to enhance the quality of life for Mr. and Mrs. Bermuda.

And because I have limited time, I have to find myself trying to choose, and choose carefully. Unlike when you are at a restaurant, there is no *maître d'* that is going to come up to you and say, *Right*. Ring the bell at 30 minutes and say, *Drop your forks, move away from the table, your time is up*. So I do not want you to do that to me. However, I will like to speak—

The Speaker: Well, you have 30 minutes to talk freely. I will do the bell after your 30 minutes is up. Go right ahead.

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

However, seriously, what I would like to do, and I am actually in a very enviable position because, notwithstanding the many, many initiatives that are contained in this Throne Speech, I am going to leave that to my colleagues to discuss them a little bit further. However, the two initiatives that I certainly would like to address and dig a little deeper in, actually I have the enviable position of being the Minister that will be able to steer those through.

The Speaker: Mm-hmm.

Hon. Kim N. Wilson: One relates specifically to health care reform, which we have already heard spoken about this evening. As well as the other one as it relates to the extension of maternity leave.

So let me start with the first one, the health care financing reforms. Mr. Speaker, we know that we are in a crisis as it relates to health care costs. They are spiralling out of control. We have high instances of chronic non-communicable diseases, largely as a result of things like diet and sedentary lifestyles. All things that can actually be changed if persons take better care and take responsibility for their lives.

However, notwithstanding that important fact, we are spending far too much on health care costs, and we have to do something. We have to bring them under control. There should not be situations where persons are going on GoFundMe pages to try to pay for medical treatment for taking their children overseas who have special heart conditions. There should not be persons or situations where persons have a chronic disease and are left with loans and owing

money to family members just so that they can help to pay for the medical treatment that they require.

Mr. Speaker, in 2012, the PLP Government under the then Minister of Health, the Honourable Zane De Silva, established a Finance and Reimbursement Task Group under the National Health Plan. And they, together, this task group, which was made up of bipartisan representation from a wide sector of our community—insurance, IB, health providers, et cetera, a wide sector, a bipartisan committee—met for hundreds of hours, collectively, to come up with a way to look at how we can better pay for health care. And this particular group of individuals (again, the Finance and Reimbursement Task Group) worked together with actuaries and came up with proposals for how we could reform our health [care] financing.

They produced a report, and it is entitled, Mr. Speaker, the *Health Financing Structure in support of Bermuda's National Health Plan*. And this was produced in December of 2012. And under this report, Mr. Speaker, they presented some proposals, and they developed these proposals that were designed specifically to protect policyholders from large sways, to stabilise the health cost, and to move us toward ensuring everyone can have decent health coverage without breaking the bank. Mr. Speaker, these proposals, as I said, were developed under wide consultation and they came up with two options. And these two options that were presented also included a benefits package at the time, in which our health financing can be improved and made more efficient.

And it also assessed the number of other things in criteria, including the capacity to contain health care costs, as well as the tentative costs for a draft benefit package, Mr. Speaker. And this benefit package that they spoke about back then, which is still on the table, Mr. Speaker, included a number of things. It included local hospitalisation, primary care, prescription drugs, dental care, long-term care, and overseas care. And this package would be a solid package that would help to protect anyone from a serious health event and give them the preventative, Mr. Speaker, as well as the primary care that they need in order to maintain health.

So at that time, back in 2012, some six years ago, Mr. Speaker, almost six years ago, that package benefit was costed out by this committee and the actuaries at \$450, which clearly, obviously, would have [to be] changed because it is some six years old, and we have seen, unfortunately, the increase in utilisation of health care services in Bermuda. So, clearly, that package would be higher at this point; however, the analysis that was completed (which I will speak about in a few moments) would show that we would be able to develop a better benefit package that everyone could afford.

Now, you would ask, *How do we pay for that?* Well, that is where the health financing committee came up with these two particular options. What they

looked at, Mr. Speaker, if I could just try to draw an analogy. If you can imagine that you have small pools. So, for example, Mr. Smith who works at this particular grocery store, he and his eight employees are in one particular pool of health insurance; whereas, company ABC Inc. has 2,000 employees and they have a different pool. So if in Mr. Smith's grocery store one of those persons, God forbid, has a catastrophic illness and is hospitalised in intensive care, et cetera, and has to receive very, very expensive major medical services, those other seven people in that pool are going to be affected because they are all sharing the risk. So if one person has a catastrophic event, then the other seven people's insurance premiums are also going to be adversely affected because of the small pool.

Whereas, when you have ABC Inc., with their several thousand employees, if one of their employees has a very similar episode, because there are more people to share the risk then the likelihood of them having adverse increases to their premiums is remote, because of the sharing of the risk. So just like the major insurance companies here when they re-insure products and so forth, they are sharing risk.

What this particular committee has come up with are two options. And these options all relate to sharing risk. So if you can envision, Mr. Speaker, a pool of 48,000 Bermudians insured under one pool, then the risk is spread out. Unlike where Mr. Smith and his eight employees feel the burden of one catastrophic illness, versus ABC Inc. with their thousands of employees, when you have 48,000, collectively, which represents the Bermuda insured population, all pooled together with respect to their risk, then events such as those are shared amongst 48[,000]. So there is a bigger pool, so to speak, Mr. Speaker, to spread the risk.

So, Mr. Speaker, large community pools, as I said, spread the risk and it minimises the potential impact on a few people (like Mr. Smith's grocery store), and it averages out the premiums across the whole board. So, Mr. Speaker, given the bipartisan . . . and I have to repeat that, there was bipartisan membership of this task group back in 2012 that spent hundreds of hours in deliberations, researching other jurisdictions, talking to actuaries, having presentations, and the like, from all of these representative groups, and they collectively came up with these options. And I would invite anybody to look at it because it is on the Government website or Bermuda's Health Council's website. But that report is made public and it talks about the two options that were being considered.

So let's fast forward, Mr. Speaker, to October and November of this year. We established a Health Financing Reform Stakeholder Consultation Group. We have asked them to review the 2012 report. And let me just tell you the composition of that group. Again, it is a stakeholder group. We wanted to pull

together stakeholders from various industries within Bermuda to look at the report, look at the options, opine on it, come back and say how they feel those options would best represent the views of the stakeholder group that they represent. We wanted them to look at the options. So those persons who were on that group, Mr. Speaker, [were]: Bermuda First; Bermuda Hospitals Board [BHB]; Chamber of Commerce (representing the employees); Bermuda Diabetics Association (a health charity); we had health insurers at the table; health professionals; IB; mental health professionals; nursing; physicians; senior representatives; and the union.

So we too, moving forward, pulled together this [Health Financing Reform] Stakeholder Consultation Group and they were tasked, Mr. Speaker, with looking at the options presented back in 2012 and how they may impact the people of Bermuda, and, more specifically, their representatives from their various stakeholder groups. And the sole purpose, Mr. Speaker, of this group was to provide feedback on the recommendations of the committee that was appointed (which I spoke about) under the Honourable Minister De Silva. And their mandate was to review the Health Financing option report and to provide the views of their stakeholder group on those two options. They also had the benefit of health economists to provide further overviews and further information if they so required it.

I am glad to say that the two-month process of their meetings has concluded. I am expecting to receive a report from them, probably within the next couple of days. And we also are expecting that report. And it was communicated to them that their work was not designed to come up with a joint position, because we recognise that this wide stakeholder group would represent various interests. So, therefore, we were not expecting them to come up with a joint position, but we just wanted them to come up with the differences and risk viewpoints so that we can consider all of the options.

Now, some people might say, *Look, you are speaking about health financing reform. Why not focus on subsidy reform? Why not focus on the benefit packages? Why not instead focus on underinsured or uninsured persons?* Well, Mr. Speaker, all of those factors are very, very important, but we cannot do anything about them unless we can figure out how we are going to pay. So we have to first look at the better way of providing payment for the health services that we are offering to our community. And those factors, though, are as equally as important, but you cannot talk about subsidy reform or benefit reform without first going back and saying, *How are we going to pay for the said benefit, or the subsidies?*

So, Mr. Speaker, with respect to that, I think that even though there has been a lot that has been said today with respect to whether or not it is a social-ist policy and the like, with respect to health reform,

again, we are going back to a 2012 report that was a bipartisan group of individuals that represented a cross section of Bermuda industry and the like. They came up with two options. And the current group that I just spoke about, the Stakeholders Group, are reviewing those options, going back to their stakeholders' constituent base, and asking them what their thoughts are with respect to these two options.

And we will be, I can assure you, bringing more information to this Honourable House in due course as it relates to the way forward with respect to health care financing. And that falls squarely, Mr. Speaker, with respect to page 8, under the Throne Speech, where we indicated that we would ensure that we look at how we will best finance health care. That is what we were elected to do, and that is what we will be performing.

Mr. Speaker, the last thing that I want to speak about, which I am lucky to have within the remit of health, is the issue concerning, again, at page 8 of the Throne Speech, the consideration of an extension of paid maternity leave from the current eight weeks to 13 weeks. And I thank my Honourable and Learned colleague from constituency 22 for his comments as it relates to maternity leave, and he did make some suggestions insofar as looking at the effect it may have on small businesses and the like. But if you look at the Throne Speech, Mr. Speaker, we did say that we would commence consultation. So during that consultation process, we would expect persons to provide input as to what the effects may or may not be on small-, medium-, or large-size business. So that is why consultation will take place. But the Throne Speech is indicating the consultation period to commence with respect to maternity leave because that was something that was in the PLP platform when we were elected.

Now, Mr. Speaker, let me just tell you really quickly, and I am sure that you may be aware of this but I think it warrants repetition. We are all familiar with the benefits of breastfeeding, Mr. Speaker. And we know that mothers that breastfeed their children, obviously there are . . . it prevents childhood infections. Also, Mr. Speaker, there is a lot of evidence that supports that breastfed children are less likely to be obese. And we all know about the situation here in Bermuda with respect to our obesity levels, as well as in children.

We also note that breastfed children are oftentimes . . . their immune systems are further developed. In fact, Mr. Speaker, the infant mortality rate . . . I am sorry. In fact, Mr. Speaker, with respect to breastfeeding, the studies also show that it can also help women with respect to weight loss and the like. So we know that there are a lot of benefits in breastfeeding. And if a mother was allowed to have extended maternity leave, then no doubt that may be a factor that she considers as to whether or not to continue breastfeeding.

Mr. Speaker, also, there are proven scientific data that confirms that breastfeeding reduces certain cancers in women. Also, Mr. Speaker, maternity leave benefits and the extension thereof, allow mothers to stay home and bond for a longer period of time with their children, with their infants, which is obviously a very critical period in their lives. It also will help to ease some of the childcare shortages and expenses if the mother is allowed to stay home for a longer period of time with her child. And it is obviously, as studies show, much safer for the mother to be home with her child and bonding with that infant, as opposed to putting that child in the care of another individual at such a young age.

Also, Mr. Speaker, there are studies that show that the infant mortality rate of children whose mothers have an extended maternity leave, has been decreased in some studies by 10 per cent. Mr. Speaker, we also know that infants with their mothers . . . mothers that have extended maternity leave . . . and I found this study very interesting, and it drives home to Bermuda very clearly. Those children are more likely to have well-baby visits and receive vaccinations. And, unfortunately, we are at a situation now in Bermuda where we are seeing that there is a drive by some to not vaccinate their children, and measles is coming back.

So in certain studies they found that mothers who stayed home longer with their children during their maternity leave were more likely to get their children vaccinated. And, again unfortunately, we are seeing such things as polio and measles resurfacing.

Also, Mr. Speaker, mental health is increased in women. The woman's mental health awareness and benefits are increased by staying home longer with their child. Mr. Speaker, there are studies that show that the women suffer from less bouts of depression if they are able to bond and remain at home with an extended period of maternity leave with their children.

So, Mr. Speaker, the benefits for extending maternity leave I think are well documented, and I am sure nobody would disagree with those. The fact that I feel privileged and honoured that I have the opportunity to be able to start that consultation process, I am quite excited about. I am also privileged and honoured to be able to lead with respect to the necessary health care financing reform that must take place, Mr. Speaker, so that everyone has an opportunity to have affordable health coverage and everyone has an opportunity to be able to not . . . no one will have to be forced to start GoFundMe pages or get loans or be bankrupt simply because a catastrophic illness has occurred to themselves or their family. We cannot continue to live like that, Mr. Speaker.

Our health care costs have gotten out of control. We have to address it. We have a report that was started way back in 2012 that has provided some very detailed options to explore. We are exploring those

options and I will be returning to this House to discuss those further.

So in that regard, Mr. Speaker, thank you for the time. Thank you for allowing me to clean my plate during my 30 minutes. I thank you.

The Speaker: Thank you, Minister.

Does any other Member wish to speak?

No other Member?

You almost got the gavel that time. I was a little slow.

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

Mr. Rolfe Commissioning: Mr. Speaker, thank you for acknowledging me here.

Mr. Speaker, after hearing the Opposition Leader go through a fairly lengthy list of accomplishments of the OBA Government, I am going to echo what was said by my colleague from constituency 24, and pose the following question: If the claims of the great benefits bestowed by an OBA Government to the people of Bermuda are credible, then how can you explain the fact that the OBA Government went down to one of the greatest electoral defeats in Bermuda's political history?

How do you explain that, Mr. Speaker?

If talk of Two Bermudas was just an election ploy, then how do you explain that thousands of Bermudians rejected the OBA, reduced them from a slim majority down to practically a rump party consisting of 11 Members? Is it still 11 or has it gone down even further?

[Inaudible interjection]

Mr. Rolfe Commissioning: Only 11. And, in fact, the haemorrhaging did not stop with the last election because they subsequently lost a bye-election.

Mr. Speaker, for too many Bermudians, a majority obviously, the misplaced and short-sighted austerity regime that was imposed upon Bermudians played a huge role in their rejection of this party. They ran as fast as they could when they got the right opportunity to reject this party, the then OBA Government, at the polls. And for good reason, Mr. Speaker. It is clear by a large part of their Throne Speech [Reply] that they still do not get it. In fact, Mr. Speaker, they contributed mightily to that defeat and clearly are at a position now where they do not really want to answer the question realistically as to what caused that defeat.

Mr. Speaker, the OBA Government is out of touch. They were out of touch, I should say. And the OBA Opposition is doing just as bad. I had to sit here just a while ago, you had one of the newer Members of the OBA, Mr. Scott Pearman (that was one bye-election they did win), who sought to give a sort of

standard, very rigid ideological response to the plans that have been set in place by the Bermuda Government to reduce the cost of health care. And you may have heard this description of the plan to implement a variation of a single-payer system as reeking of "socialism." I am surprised that we did not hear the word "communism" come out of his mouth, circa 1985, or something to that degree. It was astonishing.

Clearly, he does not have any problem with a current status quo that sees health care costs based on a fee-for-service system, which is analogous to what they have in the US, continue to grow precipitously and cause even more numbers of Bermudians not to be able to afford health care. Is he not aware that only in the last census report, reflective of that intercensal period between 2010 and 2016, that over 4,000 Bermudians are now without health insurance? If I am not mistaken, some of those Bermudians were young children. In only five years that number had doubled. In 2010, it was at around just over 2,200 to 2,300, and now it is over 4,000. If we do not arrest it, within the next four or five years we will be looking at a figure of 6,000 or 7,000 Bermudians, mostly low-income Bermudians, without health insurance.

This is the fruit of what a fee-for-service system has produced in America and in Bermuda. That is why, therefore, we have the same calls in the US now for change. I am still a little shocked myself, Mr. Speaker, to have realised that the issue that animated so many American voters to vote for the Democrats . . . again, I want to say this again. I am still surprised. It was the issue of health care. That was the issue, the number one issue, and the growing insecurity that Americans are feeling about the very nature of unbridled health care costs in the US. And the threat to losing their protection for pre-existing conditions, for example.

Now, those countries . . . I just want to say this. We had a little back and forth with Mr. Pearman. Those countries in Western Europe, developed countries, including Canada, have some form of a single-payer system. Switzerland is in that box. You could put Holland in that box. Some of them are a little closer to market based, but they are all variations of the single-payer system. I know he talked about socialist countries, but then he sort of corrected himself and said he was talking about this socialist system of health care. But these are all market-based economies, whether you are talking about Sweden, Norway, and the countries of Western Europe and Canada.

It was very ideological to hear Mr. Pearman make these allegations, these assertions, that are essentially saying that if you adopt this type of system you are adopting a socialist system, that, essentially, you are on the road to ruin. This type of stuff you hear from right-wing ideologues, the type who support Donald Trump in the US.

[Inaudible interjections]

Mr. Rolfe Commissiong: Extraordinary!

The reason why we must bring down health care costs, and we have to bite the bullet now, the reason why we must bring down the overall cost of living, which means in addition to bringing down the cost of health care, in addition to dealing with the cost of energy, in addition to that, ensure that our people are not going to be working for poverty level wages, is because Bermuda cannot be a place anymore which treats the least of us in a way we have been doing over the last few decades.

We must arrest the rampant growth of income inequality in this country. The Tax Reform Commission and its recommendations are part of that. Still, though, we hear about austerity over on the other side, in that Throne Speech Reply—cut this and cut that! The reality is that one of the driving factors in moving toward establishing the Tax Reform Commission, besides just the basic issue of fairness, is the fact that most experts who have studied our predicament over the last seven, eight or ten years, although it goes back decades before that, such as the IMF-derived group [International Monetary Fund] . . . that was the CARTAC [Caribbean Regional Technical Assistance Centre] group, I believe. I think that was also echoed by the Fiscal Responsibility Panel. They both say that Bermuda's tax base is too narrow. It is too small at 17 per cent of GDP. That is what they said. We now have gotten it up to, at least the projection here by way of the Tax Reform Commission, up to 20 per cent. Those are the recommendations. Frankly, I myself would love to see it get up more toward 22 per cent or 23 per cent—myself. But I am prepared to accept this.

I say this here: we need to continue to inject more progressivity into our tax system. Those who [get paid] the most, like lawyers from CD&P [Conyers Dill & Pearman], have to pay more into the public kitty. I am just so outraged when I hear Bermudians, whether it is letters to the editor or on social media, talk about, *Oh, the taxes they pay*. Relatively speaking, what taxes do they pay, Mr. Speaker? Someone who is bringing in \$400,000 or \$500,000 in income alone, what taxes do they pay? How dare they talk about this Government and all the taxes they pay when in reality they pay relatively nothing!

The dirty little secret of Bermuda has been as follows: For decades most of the tax burden has fallen on low-income people, those at the bottom of the income distribution bands in Bermuda. And let's be honest here, brutally honest, most of those people are black Bermudians. They are the ones who have borne that tax burden for years in Bermuda, while those who own the businesses, when those who are earning these high incomes, pay relatively nothing. It is obscene, Mr. Speaker. As one who has always been a proponent of social justice and racial justice, because in Bermuda those two roads meet everywhere you

look, by every metric, even when that statistic I gave you just now about the number of people who do not have health insurance, the stats indicated that again the vast majority look like you and [me].

So if we are talking about a new social contract, then we need to do that. We have to be transformative! They are arguing that to just get back to the status quo is sufficient enough for them. We know who have been getting the short end of the stack with that status quo! No! That is not what we are about. We need to use this opportunity to be transformational and no longer transactional. I heard the Premier say that, and he is so right. It is time now.

That era which saw everything shift like a pendulum in favour of capital, starting from the 1980s under Reagan and Thatcher, right up until the present time until the big crash of 2008 or 2009, has come to and end. It is clear what you are seeing in most Western societies now is that we have been in a transition period since 2008, since that Great Recession. What is going to come out the other side is still to be determined, but in many respects, it can look very ugly. Look at Europe! The rise of nationalism, xenophobia, and racism. Look at the US! The period that led into that Reagan/Thatcher in the post-1980s, that I said just ended with the Great Recession, it also gave rise to these offshore international business sectors on steroids—Bermuda being one of them. Again, we got to have honest conversations here.

We have too much dependence on finance in this country. It is too high of a percentage of our overall economy. Studies indicate that when we become so dependent on finance for growth, this is what happens. Let me use a metaphor. Mr. Speaker. It creates a wonderful oasis for those who work in its precincts. Everything there is like manna from heaven in that oasis. But eventually all around it becomes a desert. And that is what we have seen in Bermuda over the last few years.

How do you tackle income inequality? How do you reverse those multi-decade trends? Like I said, it begins in Bermuda, and particularly in the Anglo-Saxon world of the USA and the UK, beginning in the late 1980s. It requires . . . first of all, what is income inequality? Simply put, it is a maldistribution of income where you have national income going to those at the top 10, 5, 1 per cent, hollowing out your middle class and your middle-income groups.

How do you reverse that? You must use redistributive policies—and I make no apologies about that—reducing the cost of living, tax reform, [and] a living wage. How do we deal with the intersection between income inequality and racial disparity? Things like the procurement policy, the affirmative action procurement policy we put in place. The proposal for pay equity. So we have non race-specific remedies. Again, tax reform, reducing the cost of living, and the living wage. And then you have more race-specific remedies that also must be a part of it, such as what we did

with our procurement, to ensure that black Bermudian business owners, along with women and those on disabilities, are going to have a preference to get a leg up in this economy.

Pay equity to ensure that black Bermudians, particularly in the corporate sectors of Bermuda are going to be paid their just due. And there is so much more we need to do.

And let me tell you this . . . and forgive me for not citing the various studies. What they are saying now is that if you want to create a healthier economy, reduce the extreme levels of income inequality. That is like when the people cried about the imposition of a living wage, I said, *Well what about the . . .* first of all, have we not noticed, Mr. Speaker, all of the procrastinators and prognosticators around the issue of living wage? Not just Bermuda; it has been going on for years. Every time there is a substantive increase to the minimum wage or introduction of the minimum and now increasing living wage, they all come out of the woodwork . . . right-wing ideologues, conservative ideologues, the likes of which we just heard a few minutes ago. *The sky is going to fall.* They cannot show you one study to confirm that anywhere.

But I tell you what. We know from research and from hard evidence that you place more money, more purchasing power, in the hands of low-income people and lower middle-income people who work hard, they take that money and they spend more of it in the real-world economy. So, if you have a tepid economy around consumer spending, which Bermuda depends upon, the best thing we could do for the business owners is to ensure that those people have more to spend in this economy by giving them a decent living wage. Statutory wages do so.

Mr. Speaker, I am proud to be a member of the Progressive Labour Party. And I will be honest with you again. Some of these proposals that we are pushing forward now, let us be honest, Mr. Speaker. And you would know this more than many of us in this room. Some of this should have been done over 10 or 15 years ago. It should have. So, in many cases in Bermuda, we can be a little bit behind the time, but we get there. And we are getting there now. And we are not ignoring the fact that we have to continue to grow our economy. But this, as I said, is just as much an economic initiative—reducing high levels of income inequality and dealing with pre-existing racial disparities—as any other economic initiative that we could come across right now.

This is going to be good for Bermuda. It is going to create a more sustainable Bermuda, a more inclusive Bermuda. And maybe, just maybe, the 1,500 or 2,000 Bermudians who have left here as economic migrants for the most part, and gone to places like dreary England, will have an incentive to come back home and participate fully in this Bermuda.

Mr. Speaker, this is why persons like you and me and so many others here joined the PLP. It is just

a start. Like, we can do so much more, but it is consistent with our values—what we believe in. It is reasserting itself and we are going to be judged. [We will see] 2019 as a pivotal year for the Progressive Labour Party Government. It will be a pivotal year for Bermuda—not just in terms of what we are doing internally, but also in terms of that geopolitical context. And there will be many challenges that will be coming from without, along with the run-of-the-mill challenges that we are charged to deal with internally.

Look at what is happening over in Europe again. I talked about the racism, the xenophobia and right-wing nationalism. But look at the other day in terms of Brexit. We have a date due with the UK Government to discuss beneficial ownership. We have a date due to discuss with the European Union about the fact that some companies who are doing quite well globally do not have a physical presence in Bermuda, although they are based in Bermuda. Those issues are outstanding. Depending on how we resolve or settle those issues will also have an impact upon Bermuda's geopolitical, geostrategic position in the world.

So, let us not be all insular here. The world is changing. We are entering a new era, and we must prepare for it. And I contend that this PLP Government is best poised to deliver at home and deliver globally.

Thank you, Mr. Speaker.

[Desk thumping]

The Speaker: Thank you, Honourable Member.

Is there any other Honourable Member . . . I recognise the Member from constituency 23. Honourable Member, you have the floor.

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

Mr. Speaker, I am going to address a couple of general things before I go into the area of health care because that is obviously my Shadow Ministry and it is important to me that I speak to that particular topic.

But one of the things that I noticed from the Throne Speech and some of the comments that have come through on things that the Government has recommended that they wish to do is basically to look at . . . I want to speak to the mortgage issue. And one thing that we have to recognise is that on mortgages, banks . . . it might be wonderful to say Bank A has a better interest rate offering to the population than Bank B. But banks locally have geared towards an income measure rather than an asset measure. And what do I mean by that?

You may have a mortgage on one property and you may say that you want to be able to go from Bank A to Bank B because they are offering a better rate on mortgages. But you may find that Bank B is not willing to offer you a mortgage, notwithstanding

the value of that property, because they are less inclined to be focused on your asset base than they are inclined to be focused on your income base. They do not want . . . banks do not want to be encumbered with the responsibility of claiming your property if you cannot meet your mortgage payments, and then have the responsibility of trying to sell it, sometimes at a haircut.

We saw that situation with Sandys 360 where the funding by a particular bank . . . they wanted to then ask the Government to settle the outstanding amount that this particular entity owed. And, Mr. Speaker, it is like the bank made a bad decision in offering financing to an environment, to a situation, to a company that was not solvent enough to meet the demands. And then they want to turn around and say, *Government, oh, I am sorry, you have to pay.* And that cannot be right. So, if the bank made a bad choice in doing the funding, then the bank has to bear some responsibility for the costs that they chose to underwrite.

Therefore, as opposed to the Government being left on the hook to pay the full amount that was outstanding, the bank had to acknowledge that they had to take a haircut. And that is the right thing to do because the Government should not be bolstering poor banking decisions. But it is important to understand that the banks have moved more towards an income base as opposed to an asset base. You might find that you have got three or four houses, Mr. Speaker, with a couple of million dollars' worth of value to those houses and you want maybe two or three hundred thousand dollars and the bank is going to say, *Where do you work? What revenue do you have? What income do you have? and Can we sustain your loan by giving you a loan?* because they do not have to.

So, while looking for [lower] interest rates would benefit Mr. and Mrs. Bermuda, and we certainly applaud that, it is certainly not a given that when person—when anyone, Mr. or Mrs. Bermuda—goes to the bank to negotiate a replacement mortgage, that it is a given that they will get it. It is not; it does not work quite that way.

The other thing that I wanted to speak to was the issue of rental properties, where the Government has committed to bringing in new legislation in this coming session to say that they will look at concessions that fit the model of hotels, as it were, for concessions for owners, for homeowners, to be able to build and refurbish and refurbish their properties and have the necessary concessions.

As my honourable colleague from [constituency] 22 indicated, there are times when we may not agree with a position or a direction in which the Government is going, but it would be foolhardy for us not to indicate the reasons why we feel a little uncomfortable with that. And the reason I feel uncomfortable with that, Mr. Speaker, is that the concessions for

building and for hotel buildings and the like, are predicated upon not just the cost of importing things, but the overall business structure that a hotel has in terms of its requirement. They have staff to pay. They have massive electricity bills to pay. They have, you know, the repairs and maintenance and all those sorts of things which must, of necessity, be covered. And you also have to look at the revenue that they are going to get to be able to offset the cost of their business model.

And, in that doing, Mr. Speaker, when a home such as, those of us . . . and I declare an interest because I do have an Airbnb apartment. I would not, in all good conscience, go to the Government and say I need to replace the bed that I have in my apartment, I need to buy a new bed, and I am going to import one and therefore I would like a concession on the import duty relating thereto, or whatever fixtures and fittings that I want to update. Because of the revenue that I have earned while this place has been rented, effectively I have been able to be put revenue aside. And of that money that I put aside from what I have earned, I do not have to pay significant repairs and maintenance. I do not have to pay staffing. I do not have to pay all of the things that will be a drain on a financial position of a hotel. And I do not think, quite frankly, that I deserve it.

I do not think that I would deserve to go to Government and say, *I need you to give me a handout because I also have a rental bed.* Now, that is my way of saying that Mr. and Mrs. Bermuda who will benefit from the revenues that they are getting from their vacation rental properties will be in a better position on a percentage basis to put back into their place for enhancing it than might be a hotel who would have far more significant streams of expenditure that they have to fulfil.

So, I just want to ensure as the Government is looking at this particular option and possibility that we do not end up giving away too much of our income stream, our revenue stream, which we need to be able to provide other services. We cannot be all things as a Government. We cannot be all things to all people. And while I am not saying that there may not be some legitimate need at some point, some people may be taking that revenue to say that they are going to pay the mortgage that they have, and they might find themselves in relatively straight circumstances. But I think that this may be the exception rather than the rule. And I just think that we want to make sure that we do not cut ourselves short in terms of the budgetary process, and that we end up giving away something that we wish we [still] had when all is said and done because we do not have the overheads.

I also want to speak to the issue of cannabis—cannabis oil and cannabinoid products—

[Inaudible interjection]

Hon. Patricia J. Gordon-Pamplin: Sorry?

[Inaudible interjection]

Hon. Patricia J. Gordon-Pamplin: No, no, no, no. I do not touch anything close to that stuff. Smells so nasty, I do not want to be anywhere near to it. You can smell it from a distance—

The Speaker: Speak to the Chair, speak to the Chair.

Hon. Patricia J. Gordon-Pamplin: Mr. Speaker, Mr. Speaker—

The Speaker: We do not need to hear about your experiences with that.

[Laughter]

The Speaker: Just speak to the Chair.

Hon. Patricia J. Gordon-Pamplin: Mr. Speaker, you know, some people can say, *Oh, you know, I have had this experience*. I can say hand on heart that I have never had an experience with it. You smell it at a distance.

But let me just say that the use of medical cannabinoid products and oils . . . to have it enshrined in new legislation is a positive thing. The growth is something different in terms of how do we control it. How do we control quality and costs and the like? But I will also say that we want to make sure that the use—the medical use—is the focal point.

I can recall, Mr. Speaker, as the Health Minister, having had a request from a particular patient who was suffering and in pain—in excruciating pain. The only thing that his doctor had recommended in order for him to be able to alleviate some of that intensity of pain was for him to use the cannabinoid oil. Well, at that time I was the Health Minister, we had no mechanism by which to allow him to import this oil because cannabis and cannabinoid products were illegal. And what did we do, Mr. Speaker, to evaluate how we could provide comfort for a patient if that was his only means of relief and still abide by what the laws said that he could do? And as a result, I applied to the Chief Medical Officer and we went through the process of discussing with the police department and the department of prosecutions and the like . . . not to break the law, but to say that this gentleman, this patient, deserved comfort in his final days.

Now, unfortunately, the gentleman passed on. But, Mr. Speaker, I would have felt really horrible if I were the one who so stringently applied that law without going through whatever possibilities we had to make things better, if this gentleman had passed and I stood between him and some comfort that he would have had in his last days. I do not apologise for mak-

ing that decision because I think it was the right thing to do.

So, to have this as a formal structure, I believe is important. But as my honourable colleague Ms. Scott, the Deputy Leader, indicated, it is important that this regime be well regulated and that we do not have people going in and raiding gardens and stuff after dark, as people will do night farming if they are so inclined, and to make sure that the uses for which it is intended are satisfied.

I am just going to go on to maternity leave, because I will soon lose my time. With maternity leave there is perhaps nothing more positive than the bonding between a mother and a child. Therefore, the extension of maternity leave is a positive move that the PLP has brought up in their Throne Speech, and how they intend to implement it. But I also want to say that it is so important to have effective consultation. I believe my honourable colleague from [constituency] 22, as well as the Minister, indicated that consultation is necessary. Because as Honourable Member from [constituency] 22 indicated, and the Minister picked up on the idea, there could be difficulties that could be experienced by smaller companies when they are forced to employ the law that could apply to a larger company who could sustain additional costs when a smaller company might not be able to do so.

But I have one concern. Mr. Speaker, we live in a misogynistic society. And I would just hate . . . I would just hate for executives, HR people who are responsible for hiring to fulfil certain requirements in their company for employees to decide that they start to discriminate . . . not overtly, because you could never tell why they say, *No I prefer Mr. Smith rather than Ms. Tucker*. You know, you might find that the HR person is saying, *I am not going to hire that lady because in my estimation she is of childbearing age*. And they do not want to run the risk of saying that perhaps we might find ourselves in a situation of having to provide maternity leave for this young woman.

So, I just say that while we consider the entire challenge, let us make sure that we are not throwing the baby out with the bathwater and that we are not going to overlook the misogynistic society in which we live. That is something that we do not really have control over.

I also want to pick up on the Government's commitment to . . . there was one other thing that I wanted to do in that particular . . . okay, let me just talk about the living wage, and a liveable wage, as has been committed here. We had a subcommittee under Workforce Development when I was the Minister responsible for Home Affairs, which was tasked with looking at a liveable, a living wage. And that subcommittee was actually of the labour relations department. That subcommittee was chaired by now Senator Jason Hayward.

He and his committee had extensive consultations and came up with ideas. And when we had the

motion put to the House of Assembly to consider that topic, I said we have something ongoing that was at that [time] being worked on. So, to me, it was duplicative to have two streams looking at the same thing at the same time. However, be that as it may, the Honourable Member chose to continue to bring forward that initiative. And now we have seen that it is being developed to the point that it is ready to be brought to be considered for legislation—or at least for further discussion and consultation.

We want to talk also about income inequality. And one of the things that we have seen over time, Mr. Speaker, is that the same job can be done by two competent people—one male, one female. The female will not get the amount of money that the male gets. Notwithstanding—

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: And, you know, there is a racial divide as well—black and white. But a female—and that is my focal point today—a female is not considered in the same vein as a male, even though the female may be far superior in being able to do that job.

When a job is advertised, women just look at it and say *They are asking for five basic criteria, I only have four, therefore I will not apply.* A man? Just because of the way they think, they will say, *Well, I have got two of the five. I can probably slide my way through number three, so I am going to make the application.* Nine times out of 10, they get it. And they get the job. And then especially when you are dealing with not just black or white or male or female, when you are dealing with local and foreign, you will get a company that says that they are willing to pay significantly higher salaries to somebody because they are foreign. And they would not even dream of it, you know, to pay somebody significant housing allowances and the like. So, by default, even if the salary for the job is the same, the local has got to pay rent every month whereas the foreigner gets housing allowance. So, their total revenue, their total income goes in their pocket. And these are things that we have to look at. We want to start talking about being fair?

Let us go to health care and one of the things that you can find, Mr. Speaker, with respect to health care is that there are companies who say once you have finished working with them then you are not an employee, therefore you cannot stay on their insurance plan.

Now, we can mandate . . . some of the difficulties . . . I had somebody call me the other day to say that their insurance premium was \$3,500 per month because, you know, [it was] for the husband and the wife—two people paying \$3,500 per month. And I listened to that and I thought, *You know what? That sounds like a lot of money, \$3,500.* But when you look at it, it is \$1,750 per person, per month—

The Speaker: Still a lot.

Hon. Patricia J. Gordon-Pamplin: Mine is \$1,677.27 per month—

The Speaker: Still a lot.

Hon. Patricia J. Gordon-Pamplin: So, it does not take much to get to a \$3,500 premium.

But, Mr. Speaker, if a company for which, let us say, I would have worked for, has a group policy where my premium may have been \$1,200, as opposed to \$1,600 to come out and get a policy on my own . . . if they are mandated to provide insurance even if the ex-employee, the retired employee, has to pay for it, but if they are mandated to keep the employees within their pool, then that assists that employee, that retiree, from having to go through the extremes of finding a lot of money in order to be able to fund basic health care that they are entitled to have.

So, I think that before we look at disrupting the entire system . . . and I understand how the Government wants to have it looked at. I listened to the Minister very carefully as she gave her comments. But recognising that we have within the private sector . . . profit is not a bad thing. It is not a bad word, for companies to operate and to expect that there is a return on their investment. Companies, especially insurance companies—I worked in the industry, so I will declare that interest—are required to put up significant capital. And in putting up that capital, they are not only responsible for putting up the capital for the business to run, they also have to have excessive reserves that are dictated by the rules and regulations of the Monetary Authority because you cannot have an insurance company that goes under having collected premiums and then find that they are unable to meet their obligations to pay losses.

So, they do not just have to put aside a reserve for the losses that they have, they also have to put aside a reserve for the losses that may have occurred and about which they yet . . . they do not know yet. What they call “IBNR”—incurred but not reported. So, these are things that a company has to look at. Somebody had to find that capital at the outset to start that business. So to then look at that company to say, *you have started this business, you have committed your capital, you know, but you are not supposed to get any profit on this because . . .* You know, why are people in business?

And one of the things that I do know from speaking with people within our industry, our insurance industry, is that many of them are able to effect competitive rates, especially for overseas institutions, because they are able to negotiate rates. They have affiliates with companies that are in what is called “the network” and they are able to negotiate rates, sometimes a 60 per cent or 70 per cent discount. I see that sometimes with my monthly reports that come from

the insurance company that say this is what the hospital has charged, this is what we have paid them. The hospital may have charged \$1,000. The insurance company has paid that hospital maybe \$300. You would think, on average, that this hospital would bill me for the \$700 differential. But they do not because the negotiated rate for the provision of services is that there is a 70 per cent discount.

As a result of that, Mr. Speaker, people are able to get benefits. We heard earlier that there is a pool of 48,000. Now because there is a pool of 48,000 in Bermuda who are required to have insurance, it does not necessarily say that the efficiencies that we have within the system that will administer that [pool] will also be able to automatically control the rates because one of the things that we looked at. We want to talk about the rates of premium, but we also have to look at the cost of providing services. And we cannot effectively manage health care if we do not look at both together.

It is okay to say, let us bring the premium down. But also if the premium comes down but the cost of service providers stays up, then you are self-defeating. And what will happen in such an instance, Mr. Speaker, is that if you have . . . you know, look at things like prescriptions. There is a dispensing fee which, in some instances, ends up costing more than your net pay on a prescription itself. You know, you pay a dispensing fee. Who is looking at that?

These are the things that we have to look at before we say let us dismantle and disrupt the system. We have some 3,000, I believe, uninsured or underinsured individuals. I think we can have a legislative approach that says to existing insurance companies, *You are required to cover people who are from that particular statistical population.* And there is nothing wrong with saying that if you have got, you know, 20,000 people in your pool, and if we have, let us say . . . well, we got 48,000. We have got three *major* insurers. So we are talking about 16,000, 17,000 per insurer if we spread it out evenly.

So, if we spread that 3,000, to say to that company, they are required to insure these extra 1,000 people, and you price them in with the rates that you charge, that way you do not have the Government having to have the responsibility of the amounts of subsidies that are required either for aged, indigent or youth subsidies where the Government is on the hook for all of it. We can spread that risk and we can mandate that companies fulfil their responsibility because it is not just business sense, but it is a moral responsibility, in my estimation. It is a duty.

So, when we hear this . . . the National Health Plan that was in effect on which there had been extensive consultation prior to the 2012 election, one of the things that was frightening to a significant number of the community is that it was placed that the insurance, I am sorry, the international business would be responsible for footing the significant portion of the

bill. And that caused people to be a little bit concerned. Some of them were thinking that if they have to do this, then they do not have to be here because they can get better rates for services that are required for insureds . . . you know, for clinical services they can actually pay less if they move to a different jurisdiction.

And I think my honourable colleague, Ms. Scott, Deputy Leader, indicated that the President of the United States has made business operating on-shore in the United States far more attractive than it used to be. So, companies do not have to be here. And what we do not want to do is work in an environment in which we are trying to decimate the capital because we think that there is something wrong with this word called "profit." We do not want to decimate companies because the companies that we have here, insurance companies, employ somewhere in the order of 500 to 600 people.

So, if you decimate those companies and they are no longer able to operate on a business model . . . and there is nothing wrong with it because, as I said earlier, they are putting their capital at risk in order to have that company going. If you decimate them, where do you put the 600 people that, if they decide, *You know what? I really do not need to operate—because they are not benevolent—I am not going to put up my \$30 million, take it out of my petty cash tin, and put my \$30 million up, to know that there is something wrong with me having return on my investment.*

So, if I decide, *You know what? Let me shut this down.* Then what do you have? You have an industry that has been decimated because of government, legislative requirements and impositions. You find that those companies can no longer operate and you have a significant number of unemployed people, because that is what will happen.

And this is not about, you know, *the sky is falling.* I have spoken with people who were part of the consultative process and I understand that BHeC, the Health Council, is not particularly enamoured with some of the recommendations that have come up. The study that they were looking at is predicated upon a 2002 study, when they are talking about single-payers; a 2002 study, which by 2004 was already outdated. I am not saying it made countries bankrupt, but it certainly was outdated. And you find as efficiencies come online it is a lot better to have people who know what they are doing in the industry than to say this is now another way that we as a Government can collect all the premium, and there is no case management. We have to effect a regime of managed care. But there is no case management, so there is nothing to say what the expenditure is going to be, the admin cost.

As we mentioned earlier this morning in one of the Ministerial Statements, there are times when administrative costs can become prohibitive compared to the revenue that is coming in. And we have to look at

things like that. So, there are certain people in industries who are familiar with how businesses work and who look at how they can maximise what is the cost of business by looking at everything. All of the providers, whether it be a doctor . . . you know, I look at things such as imaging, magnetic imaging and the like. Mr. Speaker, we have a new facility going up a few blocks from here which we have got enough, in my estimation, of that particular type of technology that already exists for the population of the size that we have.

But, you know, we have a free capitalistic society. And in that society everybody . . . I have the right to go down and say I am going to build, you know, I am going to build a facility and I am going to bring in that machine and I am going to provide it. But I know that I am going to have to pay for it. So, are we looking at effectively determining what the optimum amount of machinery, equipment, is that we need for specific procedures? Have we looked at that? And can we do these things first, while we are also looking at the best way to provide health care for everybody?

So I have given a couple of recommendations. Force the existing insurance companies to insure those people who are under-insured or uninsured. Look at total service provision in all of its forms in all the providers. Look at the premium before we start looking at absorbing everything into one pool, two pools, or whatever the case might be, and find that we may have administrative costs that have gone totally out of whack and we are totally unable to sustain it.

Mr. Speaker, how much time do I have?

The Speaker: You have a minute and 24 seconds.

Hon. Patricia J. Gordon-Pamplin: Okay, there is one final thing that I want to say. I am just going to move from health care, and the one thing that I am going to say in that final minute is, we talk about reducing costs so that there is more money available. We heard it lauded loud and clear when we did the ICO legislation, the Initial Coin Offering legislation, that the average person in the street has been left out of the economic circle and therefore this is an opportunity for people to get involved. I said at that time that the ICO legislation in the way that we had discussed it was not going to assist the poor person in the street, like me, to be able to get anything other than perhaps the ability to do some administrative and compliance work. They are not going to earn the kind of revenue from the ICO regime that was being touted at that time.

It is important that we embrace all of our people, that we look to see what are we offering, how we can do it, not just expeditiously but fairly to everybody, Mr. Speaker. And I think that before we start to dismantle and disrupt an entire system because somebody seemed to think that it was appropriate to put a socialistic environment in a capitalistic society, we

should not be looking to fit a square peg into a round hole.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

[Timer beeps]

The Speaker: I recognise the Honourable Member from constituency 36. Honourable Member Scott, you have the floor.

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

Mr. Speaker, I know that the Honourable Member who has just taken her seat when seeking to downplay FinTech as not supporting poor people like her good self, is not really being serious. We all recognise . . . and I do not know why I did not hear from the Honourable Member the argument that diversity in the economy is important. And this is what FinTech is. And yet you will hear the attempts to fit it into some politicised square peg. It is meant to diversify our economy, which is always a good thing.

Now, Mr. Speaker, the Throne Speech, which His Excellency was pleased to present on behalf of the PLP Government, in my view and in the view of many people who heard it and applauded for it, I believe it is perhaps the single most important statement of our nation's state of affairs in a long time, if not in our history. It is easy to defend. It made an accurate diagnosis of the problem and what the problem was, Mr. Speaker. Possibly, on every possible important metric in our society: health care and its cost; education and public education; and the dealing with the traumatically disturbed and misbehaved members of our society that fall out of our public school system, that metric; a regressive tax system, properly highlighted in the report that was tabled in a paper in another communication today; high mortgage rates; steep energy costs; high food costs.

And I always remember the president of the BIU. I will continue to cite his metrics with which he reminds this community every occasion he gets about the steep monthly expense cost that began to afflict this nation in the 1970s, mid-1970s and throughout.

These were the metrics and these are the metrics that our Throne Speech identified as completely out of whack. High rent costs. High rent costs, so that your weekly rent does not meet your monthly rent. And, so, it is the reason . . . and I heard the Honourable and Learned Member who describes himself as the rookie in the House, and he does so accurately, cite Bishop Lambe's reference today at Prayer Breakfast, the way we began our morning.

Bishop Lambe, a solid leader in our community, has watched Bermuda long enough for him to say what he said today at the Prayer Breakfast, that the

Throne Speech touched him with its burgeoning reforms. It touched him as a good statement. And, of course, it would have touched him because it is addressing those metrics that I have just referred to and numbered. It touched him because he saw an ambitious statement in the Throne Speech to first identify the metrics that are out of whack and to postulate, from the Government of the day, reforms.

So, you could not ask for a better Throne Speech. Mr. Speaker, it made an accurate diagnosis of the problem when it spoke to these high, steep costs for health care and energy costs, and so. No wonder we have a prognosis that has been put in place in the Throne Speech that seeks to address the two societies in Bermuda, the consumer society, one, the consumer; [then] the other society, the producer, the owner and producer. And any Member of this Honourable House who continues to speak in the context of this reformist Throne Speech today about maintaining the status quo is speaking complete heresy. They have not heard a thing that Bishop Lambe, as an observer and a participant and alive in this society, obviously has reached a point and found some comfort—more than comfort, found some hope in the prognosis contained in the 2018/19 Throne Speech.

I heard the Honourable and Learned Member, Mr. Pearman, speak to the delicate economy of Bermuda. And I heard the Honourable Member, Mrs. Gordon-Pamplin, speak to how profit . . . there is nothing the matter with it. All of these propping up of the system and the status quo have no place in what has been identified in the Throne Speech as a long-passed, a long-passed need for us to be addressing serious reforms because the problem with our community, Mr. Deputy Speaker, Mr. Acting Speaker—

[Hon. Derrick V. Burgess, Sr., Deputy Speaker, in the Chair]

Hon. Michael J. Scott: —is that the greatest contributors to it are displaced into the role of consumers. And this delicate economy would be made more robust and successful if the consumer class were put in the position of being the producer class. And they could be the insurers. They could be the health care providers. They could be the educators. They could be the energy providers, because by 2018 the stewardship of this platform has caused us to have this diagnosis, which is found to be extremely wanting.

They have not been good stewards up to date. And it is largely because . . . and many of our problems would be solved, Mr. [Deputy] Speaker, if the role of the majority population in the country moved from being one of consumers to being one of owners and producers. You have dynamism, innovation, new players, new ideas. It would be a marked, marked improvement, a marked development of our economy. But we will not move there without the energy and resolve of this ambitious Throne Speech and

a PLP Government, because we continue to hear that we must hold on and keep things as they are. And those kinds of heresies must be rejected. They have to be rejected—whether they are called communism or socialism or not respecting profit. They have to be rejected.

For example, Mr. [Deputy] Speaker, members of the Government, this new Government, have been addressing the whole question of workforce deployment and workforce development and workforce training. Now, as a practicing barrister in this country, a relevant, a critically relevant, element about a dynamic workforce in this country is the whole question of prison reform and prison realities in our country. We have in our country a criminal justice system which needs [to be] completely dismantled and reformed. Why? Because on a daily basis, for the last 40 years, our criminal justice system has generated the creation of persons, mostly young men, into persons with convictions. If they have not been created with persons with convictions, they have been created into persons with imprisonment terms, so 290 or so inmates at Westgate, literally thousands. All you need to do is read the budget outcomes from year to year, Mr. [Deputy] Speaker, which show how many convictions the DPP's office racked up in our country.

Convictions directly impact employability. You have to declare these things when you are out into the workforce. So financial assistance asks you to walk around the country and look for jobs, but when you have to declare the number of persons who have convictions, men, the breadwinners, the typical breadwinners . . . and, now in a modern society the women are as equal the breadwinners. But in ordinary parlance, it is important that we note that black males, white males . . . but go down to the Magistrate's Court. Generally, for the last 30 years in Magistrate's Plea Court No. 1, the convictions there are primarily of our men. So, that is impacting our workforce strategy. There could not be a more important area crying out for reform than our criminal justice system.

No less so, Mr. [Deputy] Speaker, than our commercial justice system and our civil justice system as well, civil justice system, for example, where you have heard us go on in the Progressive Labour Party through the Opposition and now into Government about the concerns there and the management of debt and the casting of people into courts for massive amounts of debt. Why is there debt? Again, I refer to the president of the Bermuda Industrial Union, Mr. Chris Furbert. I will call them his figures. When he makes the point and he is joined by Robert Stubbs, the economist, or the census most recently taken, that black incomes, the incomes of one society, part of the society fell behind by 13 per cent, and that monthly incomes since, as Mr. Furbert has indicated . . . monthly expenses have outstripped (since the mid-1980s) incomes and have not [been] adjusted. So when you hear speeches in this House about three

jobs and ten jobs and keep your head above water . . . these are the reasons.

But the point on the 13 per cent, it is a stark figure for myself. The point about that 13 per cent disparity of incomes over the last 20 years since 1998, not only indicates disparity; it is an indication of debt. It is another *indicia* of debt. And no wonder we have so many of us in debt. And then the statistics, again placed in this House, about the levels of stress, the breakup of our marriages, and the increasing divorces because families are impacted by poor health from stress, debt management. It is the story of Bermuda and the Two Bermudas, the two societies—the very theme that we ran a successful 2017 campaign upon. It cannot be ignored. It must not be ignored. The Throne Speech addresses it, and I commend the Premier and the Government Ministers who can easily defend this Throne Speech.

I liked the way Minister Kim Wilson stood after the Honourable Learned Member decried two pools and was supported by . . . clearly, this has been the strategy discussed at their caucus where you cannot have insurance manifested as two sensible pools assessed and analysed by actuaries to work out in Bermuda because, God forbid, it is a sacred cow that must not be touched. But the Minister of Health set it out plainly and defended it. As can all of the issues in this Throne Speech by Ministers be defended—from tourism to national security to environment, et cetera.

So, this is where we are, Mr. [Deputy] Speaker. We would be in a much better place if the dynamism of this economy was translated over into the ignored members of the society who have for too long operated in the role of consumer. We need to become owners of capital, producers of income, and let us see how this society really does take off.

Mr. [Deputy] Speaker, I want to make my contribution to this Throne Speech one where I look for ways to now execute these reforms. This has got to be critical, and I look to my colleague and to Minister Caines who did an excellent job at pulling together a task force led by a task leader to produce the blockchain initiative to the point where we became leaders in the entire world for this space. Having a well-educated educator and person with expertise in delivery of reforms is the recommendation I make to head up a delivery unit to deliver on this Throne Speech's very, very important and necessary reforms, because it is not going to get done unless it has gotten a champion, as was Wayne Caines, championing both FinTech and blockchain. It needs to have a champion, but it needs leadership. And we will have ploughed the sea if we just make this beautiful statement and analysis and diagnosis without delivering on it.

And so, my contribution to the Government's Throne Speech is to look for ways and to put up my hand and say, yes, let us create a delivery unit that can deliver the reforms that are effective and meaningful for the people of this country based on the diag-

nosis and the reforms that have been identified in this Throne Speech.

Thank you.

The Deputy Speaker: Thank you. Any further speakers?

The Chair recognises the Honourable Minister Wayne Caines.

Minister Caines, you have the floor.

Hon. Wayne Caines: If it pleases you, Mr. [Deputy] Speaker.

Mr. [Deputy] Speaker, I have had the opportunity to listen to the Throne Speech [Reply] as articulated by the Leader of the Opposition. I just had the opportunity to read through it again and it . . . it is unnecessarily combative. I understand the relationship that the Opposition have, and I understand the role of the Opposition Leader in putting this thing together. But I had a read of it, and my first words are that it is unnecessarily combative. I do understand the tenor. And I hope this is not the line and length of the Opposition's leadership over the next two to three years.

When we look at a number of the things that were said in the Throne Speech, excuse me, the Throne Speech Reply, I just want to go directly to correcting a few things. The thing that struck me as most significant was this paragraph, Mr. [Deputy] Speaker, and I crave your indulgence to read the paragraph, Mr. [Deputy] Speaker.

"Our young people are losing hope and are being attracted to gangs. Mr Speaker, there are glaring omissions in the 'Throne Speech Lite'"—let me say that again—"there are glaring omissions in the 'Throne Speech Lite' in respect of dealing with gang violence and the increasing gun play in our streets. This, despite the fact that there is a very well-compensated pastor allegedly in total control. Frankly, the reintroduction of parish constables just does not cut it, and neither does a chicken farm. With that in mind, it is disturbing indeed to see the overall lack of focus in identifying vulnerable youth."

When you are going to tell the story, Mr. [Deputy] Speaker, you have to tell the whole story. When you read the emotive reference to an "overpaid pastor" and the reference to a "chicken farm" . . . that is salacious at best.

And I know the Acting Opposition, excuse me, the Opposition Leader, and that is not his nature; that is not the tenor of this man. Let us just go through specifics of what the gang enforcement unit is doing in Bermuda because Mr. and Mrs. Smith are listening to this at home and they will get the misguided notion that this Government is not doing anything with reference to gang violence reduction in Bermuda.

Mr. [Deputy] Speaker, we have the Interagency Gang Task, excuse me, the Interagency Gang Enforcement Team. The Interagency Gang Enforcement Team, or the IGET. They are a working group of all

available resources and information that are used to identify key persons, locations, groups who are deemed to be at risk to our community through their association or connection with gangs. This is chaired by Assistant Commissioner Daniels. They have monthly meetings, Mr. [Deputy] Speaker, with the Commissioner of Police, Customs, Immigration, the Department of Education, Court Services, the Department of Child and Family Services and the Gang Violence Reduction Team. That is one.

The next thing we do is community outreach. The Gang Violence Reduction Unit maintains a connection to the community through direct interaction with at-risk individuals. This is achieved by fostering positive trustworthy relationships in their environment. The Outreach Team is doing the following to reduce instances happening in our community:

1. They meet regularly with targeted individuals to reduce community violence by exploring tensions, de-escalating tensions, mediating incidents, providing individual coaching.
2. They case manage individuals and they connect them to social services, and they support individuals through community crisis situations. In other words, the Community Action Team where there is a young man, Mr. [Deputy] Speaker, that says that he has had enough of the gang lifestyle and he wants to transition out, the social worker that is within his group puts together a plan for him to get, if needed, mental health treatment, if needed a BARC assessment, a Bermuda Assessment Referral if there is substance abuse, if he needs to get education. A case manager in the programme is put together for them. If something is happening with his family, they are constantly engaged, embedded, meeting in at-risk communities in our community. Not some days—every single day.
3. Prison outreach (that is number three). This allows members to provide many avenues of support for incarcerated violent offenders. The VRU may offer therapeutic services, liaise with prison staff, assist with inmate rehabilitation or providing an affirming resource to assist with their wellbeing while they are incarcerated for their reintegration into society.
4. The Crisis Coordinated Response Team. This team works to restore peace in the community and assist family members, friends, and witnesses in the immediate aftermath of violent incidents. So, this summer when we had the unfortunate murder, they immediately dispatched to the hospital, they dispatched to the area where the shooting was. They went into homes, they put together an immediate crisis response team made up of professionals, made up of volunteers, but they are in the eye of the storm when something transpires.
5. Triage Services. These are members of the community affected by violent crimes that often reach out to the VRU for assistance. They attempt to directly address problems, concerns with individuals and [connect] them with the appropriate support services.
6. The School Initiative. The School Initiative from the Gang Violence Team started in September and they worked with the administration and student services team at CedarBridge and Berkeley alongside with the Bermuda Police Service to provide support services for at-risk students. Example: There was a gigantic melee with students going down Corkscrew Hill. As many people saw on social media, this was an immediate crisis. A portion of our team has been embedded for the last two months at the Berkeley Institute. A part of the team has been embedded in the CedarBridge [Academy.] A part of the strategy, Mr. [Deputy] Speaker, is number one, to target at-risk young men and women whilst they are in their schools, and then another part of the strategy is when young men are ready to go out, to make the necessary services for them to get out. A part of the School Initiative is programmes in both schools. This week there was a major incident going down Corkscrew Hill with reference to school-age children. The team immediately were able to go to CedarBridge and carry out what we will commonly call “an intervention”—finding out who the main protagonists were, sitting them around a table with school police and members of our team they were able to work together to find a common resolve. Oftentimes, we see problems in our community and we want to see the quick and overt and public fixes. The Gang Violence Reduction Team has a significant plan that is a long-term solution to ending and stemming gun violence in Bermuda. The team works with school’s administration and they put together plans for safety for students.
7. Mediation Services. Mediation Services has coordinated with several sessions aimed at reducing tensions with rival gangs between the Island’s senior schools. So the Mediation Services, this is something that is active. These are not things that are to come, these are things that are happening in our school where you are taking young men and allowing them to mediate and integrate. We heard that this is an overpriced pastor and a chicken farm. These are the things that I am telling you that are transpiring right now in our community on a day-to-day basis.
8. Individual Student Support Sessions. The team offers individual sessions to young men known to participate in antisocial behaviour. Two hours ago, one of the at-risk young men that was in the melee going down Corkscrew Hill, one of his assignments was to sit in here today and watch this part of this Throne Speech Reply. He came in with a Gang Violence Reduction Coordinator. He sat in . . . key members of Parliament were called outside

to give him some inspiration and tell their stories, a part of the mediation programme. Again, we want to minimise it for a sound bite to a chicken farm and an overpriced pastor. Well, today we are going to correct that, Mr. [Deputy] Speaker.

9. Group Session. The team is currently delivering a 10-week pilot excellence programme at the Bermuda . . . excuse me, at the CedarBridge Academy. The programme focuses on incident mediation, understanding risk levels and encouraging self-reflection and introspection. This is a programme that we are piloting in the schools, [for] these young men that find themselves in difficult situations. How do you diffuse it? How do you introspect? How do you balance yourself? So, we have heard about programmes thus far in the schools, in the community—crisis coordinating team, long-term plans that help our young men, short-term plans to deal with problems as they indeed arise.
10. GREAT—Gang Resistance Education and Training. The GREAT programme is a youth education and awareness initiative that teaches life skill lessons and addresses antisocial behaviour in Bermuda. Last school [year], Mr. [Deputy] Speaker, the programme trained 513 students in 22 schools, 4 middle schools and 15 primary schools. This summer, four new customs officers were trained as facilitators to teach in the schools. The facilitators are currently running the programme in six schools around the Island.

Does that just sound like a chicken farm and an overpaid pastor? Well, let us just talk about the chicken farm, because we want to reduce that into a sound bite.

The name of that farm, Mr. [Deputy] Speaker, will be called Redemption Farms. I think the name of the farm is apropos because it deals with some of the challenges that we have in Bermuda. A Redemption Farm will be an opportunity for at-risk young men and women to be in a therapeutic environment. The first part of this will be the therapeutic part of it. In other words, young men and women will simply not be out grazing and raising chickens.

Our young people will be assessed before they join the programme [for] mental health challenges [by] BARC, Bermuda Assessment and Referral Services. They will be given a case manager and, because you have different entities in Bermuda, they will be assessed for their suitability of this programme. The programme is now being penned. Remember, we are talking about the academic part of the programme, where a person comes into the programme. You look and make sure that they are fit for purpose, and then they enter into the programme. [This] is a programme that you deal with them with conflict resolution, with challenges, dress for success, time management, people management. It is going to be a 12-week programme, where people are going to be allowed to

come in, they are in crisis, they are immediately triaged with help and support services, case management that allows them to balance themselves and to be able to be reintegrated in our society. That is phase one.

The interesting thing about this Government and what we are trying to do . . . we are not just trying to give away fish. We are trying to teach the people of Bermuda *how* to fish. And in keeping with this agenda—that we will not apologise for, Mr. [Deputy] Speaker—we feel that it is important to teach them a skill. And we believe that farming not only has the necessary therapeutic elements of it with the hands in the soil, but it is indeed an excellent opportunity for the young men to learn a trade and to indeed have the ability to make money from this endeavour.

We have the opportunity to talk to key farmers in Bermuda. On Monday at 5:30, I will have a meeting with the Bermuda Farmers Association to discuss and share with them their plan. We have a young Bermudian farmer who is taking on the farming advice to the Ministry on this. We have a local restaurant that has indicated (outside of us) going to the farmer's market and selling our wares. Anything that we do not sell, this local Bermudian restaurant (who we will name in due course) has said they will buy everything that we can raise and farm. And we will be doing it organically.

The purpose of this farm is multifaceted. The purpose of the farm is not only, Mr. [Deputy] Speaker, to allow people to raise and sell produce and to have recompense. The purpose of Redemption Farm is to take at-risk young people and put them in a therapeutic environment to have the proper helping services. And we do not have to reinvent the wheel. We have a Department of Child and Family Services. We have Court services which already have counselling that is available. A number of the at-risk young men . . . guess what? They happen to be on parole. They already have a number of the reports already done.

What the Government is saying is that we are talking to different ministries and we are saying that we have a key corps of constituents and that we can allow them. Now, if we were to just mention Redemption Farm in and of its own, that would just be Redemption Farm. We just gave you six other things that this Government continues to do. And remember, I have not even mentioned Pastor Leroy Bean yet.

Pastor Leroy Bean is the man that leads this initiative on a day-to-day basis. Right now he is at the home of an incident where some issues are breaking out in our community. And what people do not see, there are constantly . . . every night he is in the belly of the storm, someone on our team, because we only see when someone is shot. What we do not realise is that because of the disquiet in our community we have to work with the IGTF [Inter-Agency Gang Task Force]. And that, Mr. [Deputy] Speaker, is the Police, that is Customs, that is all of the policing agencies. We established that policing is a part of this.

But you saw the transition through the piece where we talked about the training. We had six young men in Westgate all serving periods of incarceration for murder, just due to empty violence, working through the issues, of course, in the Westgate Correctional Facility. We have seen another core demographic do yoga in prison. This is not happenstance. This is not just a chicken farm as you try to reduce the Government's Throne Speech to these awful sound bites. This is a Government that has thought through these things, giving you articulated plans [on] how we plan to change this country. And the Throne Speech is replete with these initiatives.

I saw over 16 references to "It was the OBA did," "It was the OBA did," "It was the OBA that finished." Well, that rings hollow when you sit in Opposition. Have we not learned from those mistakes? The ability for a Government to do all of those things, but it did not resonate with the people of Bermuda. We will not fall into those traps. We have the ability to do things for the business community but also to look at the social needs of this country. How can we apologise for putting Bermuda first, making opportunities for people through tax concessions? How can we apologise for the working men in this country that are struggling every day? We only stand here because they voted us in. And so you now expect for us to follow in your footsteps and lose our very place of prominence because we do not listen to the needs of these people?

Why would we even apologise for having an agenda that focuses on the people of Bermuda—the very people that are struggling, the very people that are hurting in this country? Why would we apologise for trying to make their lives better? When you look at the Reply to the Throne Speech . . . it spoke about Immigration. Again, another falsehood. The Minister that had responsibility for Immigration before me has a working group. And on that working group there are two Members of the Opposition. We sat together this week, we know what the blueprint is. We will share this in due course.

I have had the opportunity, Mr. [Deputy] Speaker, to share those thoughts with the team at Bermuda First. Mr. Phil Butterfield met with me yesterday, him and his team. And we shared with them the outlined and the strategic plan that we have for going through that. If the Leader of the Opposition needs to understand what the plan is, he has two Members. The Learned Shadow Minister that sits Opposite is a member of this and he sees and he knows the plan. He knows that it is a work in progress, that it is a legitimate plan, which tackles head-on the problems of immigration. I will not run from the fact that there is a backlog of work permits. Why would I run from that? I have come into that position, and I have looked at that problem. We have put together a plan, and we are aggressively tackling that problem.

I have articulated the challenges that we have. Why do we have the challenges? I am not going to go back to what the OBA did. I am saying that we inherited some challenges and we are putting together a plan that would require looking at getting these work permits approved in short order. And guess what? Those work permits that . . . we are working through them. We have spoken to ABIC, ABIR, the Chamber of Commerce. We have spoken to the Bermuda Hoteliers Association. We have met with them. We have shared our plans on what we are going to do. And guess what they have said? *We appreciate the notification. We appreciate the plan, and when we have something we will directly reach out to the team.* And, Mr. [Deputy] Speaker, I believe that is indeed progress.

When it comes to comprehensive immigration reform, that is in train. We have a clear plan. I did not make this plan. I found this committee deeply ensconced in their work. As much as we want to rush it to the beginning, this is not something that we can rush. This is something that has been done in consultation with the local stakeholders. And it is something . . . because it is that seismic to this country, and the reform is taking place. It is in a place of prominence. It has a Minister that is focused on it and a team—including Members of the Opposition—that I am pleased and honoured to work with to bring this as an offering to the people of Bermuda to show how we can take our country, indeed, from strength to strength.

I read in the Throne Speech [Reply] the references to FinTech and cryptocurrencies and the over-reliance on and the risk to our economy based upon. And I hear the former Opposition Leader, Mr. Dunkley, speak, and it reminds me that they . . . and I do not disparage, Mr. [Deputy] Speaker. They do not understand it. They do not understand the technology. They do not understand the trajectory. What they focus on, and they limit this Government to, is the myopia of their understanding of FinTech.

[Inaudible interjection]

Hon. Wayne Caines: I, I, I . . .

[Inaudible interjection]

Hon. Wayne Caines: The myopia and the lack of understanding of an industry is forcing the Opposition to make comments that show their lack of understanding. It is almost like Christopher Columbus going to Ferdinand and Isabella and asking them for recompense to go around the world and everybody in the court and the courtesans are convinced that the world is, indeed, flat. They not only have to convince them that the world is round; they have to get the money to go and pay for the voyage.

And, so, we are sitting in a room with people who are convinced that the world is indeed flat. When everybody . . . when the Caribbean Blockchain Alliance has come together, when all of them . . . when the Maltese, when the Swiss, when everybody is looking at FinTech as the wave of the future, they stand flat-footed like the rest of the world in 1998 to 1999 when they were convinced that the dotcom and the Internet would not be the bastion of business. This is the exact same mentality. This is the exact same mentality that we are dealing with today, Mr. [Deputy] Speaker.

The Government has been bold. You hear references to cryptocurrency. This strategy does not centre around cryptocurrency. The Premier leads a team that is dealing with FinTech. That is RegTech. That is MedTech. When you look at the reinsurance company, the biggest thing in blockchain technology right now is the ability for Bermuda to lead in putting the reinsurance and everything on the blockchain. When Joe Lubin, one of the biggest persons in this space, came to Bermuda, he was so excited to talk to our reinsurance entities because Bermuda can lead the world in a new burgeoning form of FinTech. When you hear what is going on with medical science and putting medical records on technology, and what is going on in pharmaceuticals, Bermuda is centred to be the absolute epicentre of the world.

Now, that takes me to my next point. We have seen very little movement in this space. Or I [heard] MP Pearman say, *Well, look at Arbitrade*. O ye, of little faith. We are putting together industry, and Rome was not built in a day. We have said to everyone that we are not going to not . . . we are not going to deal with . . . not deal with economic substance. We are not going to deal with the tourism industry. We are not going to focus on finance. We can walk and chew gum at the same time. We are looking at ways of diversifying the economy.

In one breath they are saying that the Throne Speech was too based on socialism, and in the very other breath when we are . . . socialism. And when we are trying to diversify the economy, they speak out the other side of their neck saying, *Why are they trying to be so risky with the economy?* You cannot have it both ways!

[Inaudible interjection]

Hon. Wayne Caines: This Government has to balance what is in the best interest, not only of the oligarchy, not only of the financial elite. We have to look out for Mr. and Mrs. Bermuda. And we cannot, and will not, apologise for building a better and fairer Bermuda. We will not apologise for standing strong for Bermudians. We are taking on the fortunes that have kept our wages low, our opportunities down and our health care and our light bills high.

Bermuda has changed; and it has changed for the better. However, despite this progress we are still a long way from a better and fairer Bermuda. And we are still far way better and we have a fairer Bermuda than we were last year when the people voted for us. We have the opportunity, Mr. [Deputy] Speaker, through a leader that has the ability to think, that has the ability to challenge authority, challenge the oligarchy, challenge the banks, challenge the financial institutions, and say to his team, *This is how hard I want you to work. I want you to focus without apology on the people of Bermuda. I want you to focus on making this country fairer so when your children need an opportunity, they have opportunities*. And that is what this does. And we will not apologise for it.

Do not think that we cannot walk and chew gum at the same time, because we can focus on the economy. We can focus on the budget. We can focus on immigration. We can focus on crime at the same time.

Thank you very much, Mr. [Deputy] Speaker.

[Desk thumping]

The Deputy Speaker: Thank you. Are there other . . . the Chair recognises the Honourable Member Sylvan Richards.

Mr. Richards, you have the floor.

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

I hope I can follow up after that Honourable Member's enthusiasm and evangelism. It is a tough act to follow, but I am going to do my best.

But before I get into my remarks, Mr. Deputy Speaker, I would like to just take a few minutes to thank retired PS Wayne Carey, who recently retired from the civil service after a number of years of yeoman service. He was my permanent secretary for a stint while I was Minister. He was very helpful to me. I found him to be a very compassionate, very professional civil servant. His loss is a loss to Bermuda, and I wish him the best in all of his future endeavours.

Now, getting into the Throne Speech debate. I sat on the grounds of Cabinet the other day and listened to the PLP's Throne Speech with great interest. And I listened very, very carefully. The PLP is the Government of the day. They were elected by a mandate, and that is politics. Now, I sit here as an Opposition MP, and I have a job to do. I was elected by my constituents to scrutinise the Government, to hold them to account in a fair way, and not just to criticise. And I can say, Mr. Deputy Speaker, is that I have sat here for almost 16 months since the election. And I have allowed the Government to establish a track record. I believe in *they will show you who they are if you just sit quietly and observe*.

Now that the Government has a track record, I can speak to it. And I do not profess to know every-

thing about everything, but I know what my eyes tell me, and I know what I hear when I walk the streets of Bermuda.

To me, the theme of the PLP's Throne Speech is three words: tax and spend. It is quite apparent. And we were given the Tax Reform booklet today, and I will go home and I will read it thoroughly from cover to cover. Bermudians can expect for their taxes to be increased. And ironically, it is not the taxes on international business that are going to be increased. Taxes are going to be increased on local Bermudian businesses. People are going to be asked to give more to this Government because this Government, Mr. Deputy Speaker, has very real challenges. And they are the same challenges that the OBA faced when we were Government. The challenges remain the same regardless of who wins the election. And the remedy remains the same regardless of who wins the election.

Now, from where I sit, Mr. Deputy Speaker, the taxes that have already been imposed on the Bermudian public and the new taxes that are coming down the pipeline are similar to squeezing water out of a rock. The difficulty is that the Government is challenged to make that rock bigger. We need a bigger rock. The only way you can make that rock bigger so that you can squeeze that rock and get out the taxes that you need is by stimulating the economy, encouraging inward foreign investment and diversifying our economy.

Now, I give the Government credit because now they are in the driver's seat, and I am sure at their Cabinet meetings they are having the same sort of discussions that we had in our Cabinet when we were Government. What can we do to create jobs in this country? What can we do to diversify our economy? It is too narrow. We have a deficit. We have massive debt to pay. It has to be paid. So, unless we can do something to increase the funds coming into government, dark days are ahead, Mr. Deputy Speaker.

Now, the Government knows, the Premier knows, his Cabinet knows that a key part of the solution is going to be amending Bermuda's immigration policy. And we all know how controversial that is. There are some on the other side . . . and I am sure their opinions vary just like our opinions vary. What do we do? But the problem remains the same. Bermuda must increase its resident population. We just do not have enough people on this little rock, this little coral rock out here in the middle of nowhere. We do not have enough people to support the size of the Government that we have. It is a fact. It is not scaremongering. It is not criticism for the sake of criticising. It is a fact.

We have a shrinking population, an ageing population combined with a declining birth rate. And also what is not being spoken about, but I hear it daily, there is a continuing exodus of Bermudians leaving

Bermuda. Even after the election, Mr. Deputy Speaker, people are still leaving Bermuda. Our students are being educated abroad in institutions in the United Kingdom, America and Canada, and they are casting a wary eye towards their home, Bermuda. And they are asking questions. *Should I go back home?*

An Hon. Member: Come back.

Mr. Sylvan D. Richards, Jr.: *Is there a job for me if I go back home?* And what I am hearing, Mr. Deputy Speaker, is that students are saying, *Unless something happens soon, I am not coming back.* Soon we are going to have a brain drain, just like we have been having all these years.

The Government has to make tough decisions to address this problem. As I said earlier, the problem is the same as when the OBA was Government, and the solution is the same.

Now, I am not a pessimist; I am an optimist. I always see the glass as half full. But I am going to make a prediction. I am going to go out on a limb. And I am doing it because I want it to be in the Hansard. Before 2012, Bob Richards stood in this place, and he gave the PLP Government of that time a warning. He said, *A recession is coming. Get ready.* His words went unheeded, and Bermuda found itself in the throes of a recession that took years to reverse.

And I am going to make another prediction—

An Hon. Member: Crystal ball?

Mr. Sylvan D. Richards, Jr.: —that this PLP Government is going to be forced—

An Hon. Member: Crystal ball light.

Mr. Sylvan D. Richards, Jr.: —to do exactly what the OBA Government attempted to do in order to grow our resident population. I know they are having those discussions, not because my ear is to the wall, or, as the Honourable MP Rolfe Commissioning said, I had a crystal ball. It is because the problem is the same. It has not changed.

Mr. Rolfe Commissioning: Mr. [Deputy] Speaker—point of order.

The Deputy Speaker: What is your point of order?

POINT OF ORDER

[Misleading]

Mr. Rolfe Commissioning: He is misleading the House. I did not say they had a crystal ball. I said he had a crystal ball light.

The Deputy Speaker: Carry on.

[Laughter]

Mr. Sylvan D. Richards, Jr.: That will be ignored.

As I was saying, this PLP Government is going to have to do what the OBA Government attempted to do in order to grow our resident population. And that is that they are going to have to provide status to long-term residents—those residents who are already here, who have been living here for years. And that is what they have to attack.

[Inaudible interjections]

Mr. Sylvan D. Richards, Jr.: I am making a prediction. And I heard. I hear the winds. The winds are already starting up.

[Inaudible interjections]

Mr. Sylvan D. Richards, Jr.: I must be saying something controversial.

[Inaudible interjections]

Mr. Sylvan D. Richards, Jr.: But it is going to go in the Hansard. And in a year or two we will revisit it, and we will see who was right.

[Inaudible interjections]

Mr. Sylvan D. Richards, Jr.: They will provide status to long-term residents and . . . and . . . I am sure they are having discussions about commercial immigration.

[Inaudible interjections]

Mr. Sylvan D. Richards, Jr.: And for those listening, commercial immigration is when you say, *We need some millionaires, multimillionaires, billionaires living in Bermuda*—

[Inaudible interjections]

Mr. Sylvan D. Richards, Jr.: —*we need to have them here and we are going to make a way for them to come here and start jobs. And we will give them a passport. We will give them status.*

[Laughter and inaudible interjections]

Mr. Sylvan D. Richards, Jr.: So, that is what is going to happen. That is my prediction.

Now, the Honourable Member who took his seat before I stood up, talked about FinTech. The PLP's Throne Speech, I noticed, mentioned very little of FinTech. Now, to be clear, I support the Government's attempts to diversify our economy. I support the Government's attempts to develop blockchain technology here. The issue, which is not being said, is

that blockchain technology is still in its infancy. Many countries around the world are looking at it. Many businesses around the world are trying to figure out a way to use blockchain technology to provide efficiencies to their business. I know reinsurance is looking at it. Everybody is looking at it because it is the wave of the future. It is nothing to be scared of. There is nothing controversial.

[Inaudible interjections]

Mr. Sylvan D. Richards, Jr.: The problem right now is that blockchain technology currently is being used in non-critical operations. It is used in non-critical operations.

[Inaudible interjections]

Mr. Sylvan D. Richards, Jr.: And no one has figured out yet how to monetise blockchain technology.

An Hon. Member: What?

Mr. Sylvan D. Richards, Jr.: It is being used to create efficiencies and that monetisation of this new technology is about two years old. So, they can sell this bill of goods to the Bermudian public that it is going to create jobs next week, Thursday—

An Hon. Member: Nobody said that.

Another Hon. Member: No one said that.

Mr. Sylvan D. Richards, Jr.: —and that it is going to be young people working in blockchain technology after we train them up. It is not going to happen in time to turn this Government around, to turn our economy around. It is not going to happen.

Hon. Wayne Caines: Mr. [Deputy] Speaker, point of order. This Member is misleading the House today—

The Deputy Speaker: What is your point of order?

POINT OF ORDER

[Misleading]

Hon. Wayne Caines: That there has . . . at no time did we say that this was going to turn Bermuda around in the next day and that it, to paraphrase, is a magic bullet for the country or for the economy, Mr. [Deputy] Speaker. Never.

The Deputy Speaker: Carry on, Member.

Mr. Sylvan D. Richards, Jr.: Thank you for verifying what I just said, Honourable Member.

Cryptocurrency—

[Inaudible interjections and laughter]

Mr. Sylvan D. Richards, Jr.: Until I see something concrete, Mr. Deputy Speaker, happening in this country, as far as I am concerned, cryptocurrency is a sideshow and has the potential to harm Bermuda's hard-earned financial reputation. I will park that right there. Until somebody proves me wrong, it is a sideshow.

[Inaudible interjections]

Mr. Sylvan D. Richards, Jr.: You see, you hear a lot of talk about cryptocurrency. I am not going to spend a lot of time talking about it, but you hear a lot of talk about cryptocurrency, and what it is going to do for our economy. The problem is that . . . the challenge is converting digital currency into fiat currency or cash. They are still trying to figure that out. So, I wish you the best with that, but good luck.

Now, after 16 months in Government, the PLP Government now understands just how difficult it is to stimulate job creation. It is hard, Mr. Deputy Speaker. And they understand now just how difficult it is. And when you are in politics, you know that you live or die based on how your people feel. Do they have money in their pockets? Do they have job security? And right now, it is still very tenuous out there, and the Bermudian public are patiently waiting for all these promises to come to fruition.

I do not envy the Premier. He has the unenviable position of walking a thin line. He must satisfy his base while making difficult, practical decisions that are going to upset his base. So, their PR machine is going to have to be on full effect because, as I stated earlier, the problems are the same and the solutions are the same and the medicine is bitter.

Now, the PLP Government—

[Inaudible interjections]

Mr. Sylvan D. Richards, Jr.: —seems to have an infatuation with the fictional country of Wakanda, which came out of the mind of the recently deceased Stan Lee.

[Inaudible interjections]

Mr. Sylvan D. Richards, Jr.: I do not have to be careful about anything. I speak my mind. And I live by it, too. Always have, always will. So, there seems to be this infatuation with the fictional country of Wakanda. I went and saw the *Black Panther* movie. I enjoyed it. I was very—

[Inaudible interjections]

Mr. Sylvan D. Richards, Jr.: It was a good movie.

[Inaudible interjections]

Mr. Sylvan D. Richards, Jr.: You said it.

[Inaudible interjections]

Mr. Sylvan D. Richards, Jr.: Now, Mr. Deputy Speaker, I have an infatuation with the HBO show *Game of Thrones*. *Game of Thrones*. I am sure there are a number of people in this Chamber who watch *Game of Thrones*.

Game of Thrones is a very interesting show. It is very political. It is very, very political, and that is why I like it. Seven kingdoms fighting for control of the Iron Throne. And then you have the infighting amongst the seven kingdoms. However, in the upcoming last season that is going to start next April, the seven kingdoms are forced to come together to defend against the Night King, a common enemy. And the theme of the last season is "Winter is Coming."

An Hon. Member: For Theresa May—not us.

Mr. Sylvan D. Richards, Jr.: Unless this PLP Government can create jobs, pay down our debt, reduce the deficit, *winter is coming*, Mr. Deputy Speaker.

Our economic indicators at this moment are all pointing in the wrong direction. It is a fact. Our economic indicators are pointing in the wrong direction. Is Bermuda slipping into another recession? Time will tell. And what is interesting about this period of time is that our closest trading party, the United States of America . . . their economy is booming. Jobs are being created. I hate to even say this because I think the President is a knucklehead, but their economy is booming.

So, if America sneezes, Bermuda gets a cold. Conversely, if America is feeling healthy and strong, then so should Bermuda. And I am putting down another marker, Mr. Deputy Speaker. If our economy slips into another recession—and all the indicators look like it is heading that way—the Progressive Labour Party Government will own it hook, line and sinker.

Gaming had the potential to create jobs in this country.

[Inaudible interjections]

Mr. Sylvan D. Richards, Jr.: And that is not going to happen. Gaming is not going to happen in this country. Prove me wrong, because the chalice has been poisoned.

That job has been advertised around the world, how many number of times? You are going to tell me there is not one person qualified in gaming out there in that big wide world who would take on the job in Bermuda? No, they are not going to take it on. Why? Because the chalice has been poisoned because of interference by the Progressive Labour Party Government. And the Bermuda Tourism Authority is

the one bright spot that we have going on for us right now. The one bright spot. Let us see how long it takes before this Progressive Labour Party messes that up.

Thank you, Mr. Deputy Speaker.

[Desk thumping]

The Deputy Speaker: Thank you, Mr. Sylvan.

ANNOUNCEMENT BY THE DEPUTY SPEAKER

HOUSE VISITOR

The Deputy Speaker: I would just like for the House to recognise the Premier of the Youth Parliament. She was sitting in the Gallery.

[Desk thumping]

[Debate on the 2018 Throne Speech and Reply continuing]

The Deputy Speaker: Any further speakers?
The Chair . . . Mr. Premier, you have the floor.

Hon. E. David Burt: Mr. Deputy Speaker, we have heard a lot today. And what we have heard today is similar to what I have often spoke about, Mr. [Deputy] Speaker, and that is the past versus the future.

Today, I listened to the Leader of the Opposition, who is put there as a representative of those who are fighting for the forces of the past, flanked by one directly to his left who decides that he is going to stand up in this Parliament in 2018 and question what the voters blessed about expanding maternity leave from 8 weeks to 13 weeks. In 2018, Mr. [Deputy] Speaker.

In 2018, we listened this past speak about the fact that we need to have a more fair tax system, Mr. Deputy Speaker. We get to listen to people on that side, Honourable Members on that side, Mr. Deputy Speaker, talk about the past and wonder why the country is in the situation and state of which it is.

Let me explain to you something, Mr. Deputy Speaker, because it seems the only people who are pessimistic about the future of Bermuda sit over there, and [they] number 11. Because when you go on the international stage, when you go on the international scene, when you are like I was with the Minister of Finance yesterday raising money with the tightest spreads that this country has ever gotten, beating anything that was done under that former Government, it shows that the people around the world have confidence in this Government, Mr. [Deputy] Speaker.

[Desk thumping]

Hon. E. David Burt: That is the reason why for the first time in 12 years Bermuda's economic outlook was upgraded, because people have confidence in the direction of this Government.

[Desk thumping]

Hon. E. David Burt: But, yet, we get to sit here and listen to people trying to rewrite history.

[Inaudible interjections]

Hon. E. David Burt: It was absolutely shocking. Now, we all know that the Honourable Opposition Leader has a problem giving full and complete answers to the public. But even—

[Inaudible interjections]

Hon. E. David Burt: —and this House, too!

But in the first few pages of his speech, he confused himself! How exactly do you go from the fact to say that there has been no growth in jobs and then a few pages later saying that the PLP is taking credit for 322 more jobs?

[Inaudible interjections]

Hon. E. David Burt: Oh, that is right, he probably did not write the speech.

[Laughter]

Hon. E. David Burt: Then, we just hear things that are completely made up. I get to listen to the Leader of the Opposition tell the country that the One Bermuda Alliance decriminalised cannabis. Oh, really? Really? And that is the problem, because in the speech that I gave to the Delegate's Conference, I was very clear that Bermuda needs a strong and viable Opposition. But the challenge is, if the people cannot trust the words that are coming out of the mouth of the Leader of the Opposition, we will not have one!

[Inaudible interjections]

Hon. E. David Burt: So, here we are. So, after we have a Throne Speech that laid out a vision that was supported roundly across this country, whether it be from the Chamber of Commerce or whether it be from the unions, whether it be from international business or local business, even some people over on that side, Mr. Deputy Speaker, said that there were good things to celebrate. Today, we hear nothing but criticism, doom and gloom for the future from the Leader of the Opposition.

So, now let me be very clear. The way in which you ensure that you have a sustainable economy for the future is you have to create that economy. And the way you create that economy is by ensuring

that there is equity inside of society. That is the only way that you get sustainability because, let me be very clear, anyone can spend \$100 million on a one-time event. Anyone can do it! It is not hard work. What is hard work—

[Inaudible interjections]

Hon. E. David Burt: What is hard work is putting sustainable things in place in order to ensure that you can have a sustainable future.

So, while we hear the Honourable Opposition Leader talking about the fact that we do not have . . . we have crumbling schools, I can tell you what, the \$4 million that we are paying in interest for an empty island right now would do a whole lot to build some schools. It would do a whole lot. It would do a whole lot.

[Recorded voice: "It would do a whole lot."]

[Laughter]

Hon. E. David Burt: Oh, I like the repeat. Yes, thank you. Listen to it! Listen to it. It echoed.

[Laughter]

Hon. E. David Burt: Yes—

[Laughter]

Hon. E. David Burt: It would mean a whole lot.

Now, here is the next thing, because the Honourable Leader of the Opposition, true to form, is there defending the past, defending the status quo inside of this country. So, now we hear in this [Reply] about health care reform. And what about the employees of the health insurance companies? That is the standard line. That is what happens, Mr. Deputy Speaker, whenever there is something that threatens the core of what inside of this country are parts of the economy which have been carved out and divided up for people to take profits off of which does not benefit the people of this country. The complaint always comes. The response is always, *But what about the employees? What about the staff that work there?*

Let me explain something to the Opposition Leader. And let me explain something to those people on that side who profess to know about finance. If you reduce costs across the economy, people have more money to spend and it creates more jobs because the economy is more productive. That is how you build long-term growth.

And so, if we are worried about the cost of doing business in Bermuda, if we are really focused on what it takes to have long-term economic growth, then I would expect there would be people on that side who would say, *I want to make sure that we have*

lower health insurance costs in this country because it is beneficial.

[Inaudible interjections]

Hon. E. David Burt: So . . . oh, so they say, *Of course we do.* The test will come, Mr. Speaker—

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

Hon. E. David Burt: —because when we bring a Bill to Parliament, we will see if that side supports it. We will see who is on the side of the people, Mr. Speaker. We will see who is on the side of the people.

And I will make a prediction, seeing that people are making predictions all around. The prediction is that, true to form, the past will support the past. And that, Mr. Speaker, is why they will remain the past.

Now, I heard the Member who just took his seat talk about immigration. And the statements of which he made were quite interesting. But I think the most interesting statement of all was, he said that "immigration reform is controversial." Mr. Speaker, immigration reform is not controversial if the people trust what you are doing and trust your aims and objectives. But, to be clear, if it is led by the former Attorney General a day after you lose a bye-election who is going to come out of nowhere and go back on your election promises of where you say you will not grant status and then you go around and say that you will, then it becomes controversial.

What this Government recognises is that you have to have a bipartisan approach to these problems. And the same things that we preached in Opposition are the same things that we are sure to enact in Government. And so, on a bipartisan committee, there are people on that side, Mr. Speaker, who are involved in the process. And it is as clear as day. It does not have to be controversial if you are willing to work together, if you are willing to engage in an honest conversation, and if you are willing to do it to support economic growth in the country and not try to cement political power. And that is what immigration has been used for in the past by the past.

[Desk thumping]

Hon. E. David Burt: That is why they, Mr. Speaker, are not trusted on this issue. And that is why, Mr. Speaker, we will be trusted on this issue, because the changes that this country need, Mr. Speaker—

[Inaudible interjections]

Hon. E. David Burt: Boy!

The changes that this country needs, Mr. Speaker, are not going to come from people getting up here, talking a lot of noise, like we hear from the Opposition. They are going to come from the work

and energy and effort. They are going to come from the longest parliamentary session in history which took place the last session that we had. They are going to come from 125 items coming to this Parliament and being put through. And let me speak for a second on that, Mr. Speaker, because it is in the Throne Speech. If we are so concerned about international business on that side, then why did we come into office and just about nothing was done to prepare us for an anti-money laundering assessment?

[Inaudible interjections]

Hon. E. David Burt: I came into office with complaints from international business and all the rest fearful that the work was not being done. One of the first meetings that I had was the chairman of the National Anti-Money Laundering Committee, and she said if we do not get our act—

Hon. Patricia J. Gordon-Pamplin: Point of order, Mr. Speaker. Point of order—

Hon. E. David Burt: —we will not do well.

The Speaker: Premier, yield for a point of order. Point of order.

POINT OF ORDER

[Misleading]

Hon. Patricia J. Gordon-Pamplin: Yes, the Honourable Member is misleading the House. The AML regime . . . I do not care what he chooses to say. I can tell you what we did, and the AML regime took constant, weekly pride of place in every single Cabinet meeting that we had. So do not say that we did nothing.

The Speaker: Thank you.

[Inaudible interjections]

The Speaker: Continue on. Continue on, Member.

[Inaudible interjections]

The Speaker: Members! Members! Members!

[Inaudible interjections]

[Gavel]

[Inaudible interjections]

The Speaker: Members!

[Inaudible interjections]

The Speaker: Ministers, would you like your Premier to continue, or do you want him to sit down and you continue your speech?

Premier, would you like to continue, or do you need assistance?

Hon. E. David Burt: I will continue, Mr. Speaker.

The Speaker: Thank you.

Hon. E. David Burt: Because it is clear that we struck a nerve on that side. But let me be very clear. Let me be very, very clear, Mr. Speaker. If they did the work, then we would not have had to have passed 42 Bills and sit for the longest sitting ever.

[Desk thumping]

Hon. E. David Burt: Plain and simple.

[Inaudible interjections]

Hon. E. David Burt: So, they can make the noise of which they wish, but they were a lot more focused—

[Inaudible interjections]

Hon. E. David Burt: —on the party. They were a lot more focused on the optics. They were a lot more focused on their election marches up and down Morgan's Point, a project that was a technical default in January of 2017, six months before the election—

An Hon. Member: We did not hear a word.

[Inaudible interjections]

Hon. E. David Burt: Well, silence. A \$165 million guarantee—silence.

An Hon. Member: No point of order?

[Inaudible interjections]

Hon. E. David Burt: Understand?

So, yes, the Honourable Member that just took his seat is right. We have problems that we must fix. And the problems of which we have, many of them were left by the former Government. But that is okay, Mr. Speaker. You know why? Because that is why we were elected.

Now, let me talk about a few things inside of our Throne Speech, because what we heard last week on the Cabinet lawn was a forward-looking vision for fairness tackling the challenges that have—

An Hon. Member: Been embedded.

Hon. E. David Burt: —engrained in this society. So, when I hear the scion of the Conyers, Dill & Pearman family get up in this House, Mr. Speaker, and criticise FinTech, when his company is making the most money off of FinTech applications—

[Inaudible interjections and desk thumping]

Mr. Scott Pearman: Point of order, Mr. Speaker.

The Speaker: We will take your point of order.

POINT OF ORDER

[Misleading]

Mr. Scott Pearman: The Premier is misleading this House. I said nothing about FinTech in my speech.

Hon. E. David Burt: Probably because he was conflicted, Mr. Speaker.

The Speaker: Continue on.

Hon. E. David Burt: But I will tell you what he did argue against. What he did argue against—not only the expansion of maternity leave, but he argued against the fact—

Mr. Scott Pearman: Point of order, Mr. Speaker.

[Laughter]

The Speaker: Point of order?

POINT OF ORDER

Mr. Scott Pearman: The Premier was not here so he did not see that I commended the PLP Throne Speech and commended them for extending maternity leave.

[Desk thumping]

Mr. Scott Pearman: Thank you, Mr. Speaker.

The Speaker: That is correct. He did support . . . he did support the maternity leave. He supported that.

Hon. E. David Burt: Mr. Speaker, I was not in the Chamber, but I was listening in my office. And I was listening to the Honourable Member talk about how the fact about small business and this, and how it could work and all the rest. So, if he is supportive, I look forward to him voting in favour of the amendment when it comes. And we will hold him to his word. But I also heard that same Honourable Member protecting the past, talking about the changes to the social insurance system.

Now, let me be clear, 42 years ago the United Kingdom changed an unfair system, which someone

who paid, [rather] who makes \$4,000 a day pays the exact same amount as someone who makes \$4,000 a month. It was changed in Canada. It was changed in many places around the world. But here we are 42 years later and all we hear from the protectors of the past is, *Oh, be careful of what it might cause*. Let us be very clear, the change makes sense. The change is fair. We promised a change in our election manifesto. We won a landslide victory, and we will deliver that change that we promised the electorate to make sure that that system is just a little bit more fair, Mr. Speaker, because that is what we do.

I then hear this whole issue of payroll taxes and this whole issue of the economy faltering. Here is the thing, Mr. Speaker, payroll taxes for workers in this country are the lowest that they have been in 23 years.

[Inaudible interjections]

Hon. E. David Burt: This year when we lowered the lowest band of payroll taxes down to 4 per cent, no one has paid that rate in 23 years. But the rhetoric from that side, Mr. Speaker, is, *Oh my gosh! You are raising taxes!*

[Inaudible interjections]

Hon. E. David Burt: And not only do we get that, Mr. Speaker—

The Speaker: Members, Members! Keep it down.

Hon. E. David Burt: —this side, this Government also said that medium or large employers who increased the levels of staff of which they have will pay no more payroll tax. But, yet, in the alternate reality of the Opposition Leader, we are increasing taxes and taxing people out.

[Inaudible interjections]

Hon. E. David Burt: So, while ABIC praises our tax policy, while ABIR praises our tax policy, while the Chamber of Commerce thanks us for recognising that payroll tax inhibitor for growth, we get to listen to the people who are defending the past just get up to make noise about something.

Here is the thing, Mr. Speaker, we will, next year, begin to reduce our debt. That is a fact. This year, as I said in the Budget Statement, is the last year that net debt will increase and next year net debt will decrease.

[Inaudible interjection]

Hon. E. David Burt: You do not have to hope, Honourable Opposition Leader. It is going to happen. And it is going to happen in the exact same way that we

came to Parliament this year with a budget which did not increase the debt ceiling. It is going to happen in the exact same way that we beat the spending targets which were established by the last Government, and it is going to happen because we understand and recognise that you have to make choices.

But when we talk about tax and spend, I will not apologise for investing in the future of this country by increasing the education budget and making sure that we give people the opportunity to go to school.

[Desk thumping]

Hon. E. David Burt: So, they can say “tax and spend” as much as they like, Mr. Speaker. We have priorities. Our priorities are the most vulnerable in our society. Our priorities are the people who are working very hard to not get ahead, and that is the reason why this Throne Speech has laid out a progressive vision of the future.

Now, before I end, I want to talk about one thing, Mr. Speaker. And it is the topic of FinTech. The past versus the future. When I heard some of the statements today it reminded me of what Brian O’Hara said when we were in New York at the Bermuda Executive Forum in May. And what he said was the way that he heard people talking about FinTech nowadays was the exact same way of which they talked about Bermuda Form Insurance in 1986.

[Inaudible interjections]

Hon. E. David Burt: Yes, we all know who Brian O’Hara was. There is a building named after him. It is someone who knows a little bit about insurance. And he is someone who is on the board of a FinTech company that started up in Bermuda—one of the many that have started up in Bermuda under this Government providing income to many law firms.

An Hon. Member: But they will not mention that.

Hon. E. David Burt: No, they will not mention that.

Houses and hotel properties that never sold a single unit when they were in charge, but all of a sudden when we are in charge, those units are getting sold.

[Inaudible interjections]

Hon. E. David Burt: So, while they say that nothing is happening in Bermuda, Mr. Speaker, Doug Soares who no one will count as a friend of the Progressive Labour Party, says the start-up activity that they are seeing in Bermuda they have not seen in a very long time.

Now, we all know that it is going to take a while and FinTech . . . it is not going to happen overnight. And it is certainly not going to happen when we

have an Opposition that refuses to be supportive and will criticise at any particular turn.

[Inaudible interjections]

Hon. E. David Burt: Yes. So whether it is a company that verified funds to purchase a building which was supported by the Chamber of Commerce in the purchase of said building which passed the background checks at the highest level—

[Inaudible interjections]

Hon. E. David Burt: —but yet they will find space to criticise. But I can tell you who is not criticising. It is the taxes that would be collected off of the stamp duty for the sale of the building. It is the people who are making money off of that transaction for the sale of the building, and it is the future possibilities of which may come.

But I want one thing to be very clear. This issue, when it comes to reputation, Mr. Speaker, is a serious one. We have said that we will jealously guard our reputation. And we have put in place a regime that has done just that. And you will not find people in the international business community that do not agree with that particular statement. And here is the reason why, Mr. Speaker.

A lot of people say that they like regulation. But when they see regulation, they may go somewhere else. Bermuda has never been about quantity. Bermuda has been about quality. And the FinTech companies that will set up underneath our regime will be quality companies. The banks that will come to Bermuda under our regime will be quality banks. And we are going to continue to work and to build that industry.

And no matter what the noise from the Opposition is, we will not be deterred. Because I would sincerely hope that in the exact same way that many people recognise that this is the future, that they will recognise it is the future as well, and they will find a way to encourage and to support it as opposed to criticising it at every single turn.

I trust the Bermuda Monetary Authority. I trust that they can examine any application that comes in front of them and grant a licence accordingly. And I would hope and expect that the other side of this House, Mr. Speaker, would trust the Bermuda Monetary Authority as well.

We put in place a licensing regime. And companies that go through that licensing regime should be supported by all sides of this House.

Now, Mr. Speaker, let me come to my close, because a lot has been said today from that side. But a lot has been said today from this side. And what you have heard, Mr. Speaker, from this side are persons who understand that this Throne Speech represents the collective vision of this party, it represents the col-

lective vision of this Government, it represents the collective vision and voice of the people who voted for us, and many of the initiatives that are laid out inside of this Throne Speech come exactly from our platform.

We accomplished many initiatives last year that we set out to do in our Throne Speech, and we will accomplish many initiatives this year that we set out in our Throne Speech. We will grow the economy. We will diversify the economy. And we will take on the forces that are holding us back.

So when I hear about retail sales falling, I have to question whether or not the Members opposite knock on the doors of their constituents, because if they do they will know precisely what they are saying: *My mortgage payments are going up and, therefore, I have less to spend.* That is a plain and simple fact. We have to tackle that problem. And whether it is the stamp duty change which we will make, or our other items which we may do, such as financial conduct, to make sure that we have the power to regulate certain rates that are charged inside the economy, I sincerely hope that the representatives of the past will be on the side of the people. They will have the time and opportunity to put their vote where their mouth is. We will find out if they really want to stand up for a better and fairer Bermuda. That is what we will see.

So, Mr. Speaker, the Throne Speech has been read. We have debated this item today. We have a very ambitious agenda. I am certain that this Government will continue to deliver the legislation that it has promised to build that better and fairer Bermuda. And I look forward to making sure that not only will we be held accountable to the people who voted for us, but I will also ensure that the words that have come from the Opposition may be matched with votes inside this House in support of this Government's agenda to build a better and fairer Bermuda.

Thank you, Mr. Speaker.

[Desk thumping]

The Speaker: Thank you, Mr. Premier.

Does any other Member wish to speak?

We recognise the Honourable Member from constituency 10.

Honourable Member.

Hon. Michael H. Dunkley: Thank you, Mr. Speaker, I appreciate that.

Mr. Speaker, I will start out by saying that I was pleased to hear some of the things that the Honourable Premier said just a few moments ago. One thing that struck me, Mr. Speaker, was the comments that the Honourable Premier made about *some people when they see regulation, they run from it.* And I am wondering if the Premier might be referring to the company, Binance, which seems to have set up in another country.

Mr. Speaker, I am not surprised at the vim and vigour of the Premier here tonight on a number of reasons, because that is his job—to defend the Throne Speech, as some of his—

Hon. E. David Burt: Point of order, Mr. Speaker.

Hon. Michael H. Dunkley: —colleagues tried to do today.

Hon. E. David Burt: Point of order, Mr. Speaker.

The Speaker: I will take your point of order. Yes?

POINT OF ORDER

Hon. E. David Burt: Mr. Speaker, the understanding which I have inside of the rules of this House is that a mover of a motion, he is the last person to speak. The last person . . . we gave the opportunity for Members to stand up, they did not. Last week we moved a motion . . . I moved a motion last week for the consideration of the Throne Speech, and that motion was moved last week properly as per the Standing Orders of the House, Mr. Speaker.

So the speeches . . . with my respectful submission, are out of order.

The Speaker: The Deputy got up and moved us into it this morning.

Hon. E. David Burt: Mr. Speaker, with respect, if I may, the motion was moved last week. The statement that was read this morning was not the motion which we are debating. The motion was moved last week, Mr. Speaker, on the Order Paper to set down the debate, as is always done. The motion was not moved today, Mr. Speaker.

Hon. Michael H. Dunkley: Mr. Speaker—

The Speaker: Hold on one minute.

[Pause]

SPEAKER'S RULING

[Standing Order 19(9)]

The Speaker: Members, I thank you for the indulgence. We have had quite a discussion back and forth in regard to this. We have pulled out the Minutes and we are going by the wording of the Minutes and what was read last week in comparison with what we read this morning and it . . . I am going to read it out for you for the clarity of all.

Last week when the House returned from the Cabinet grounds, where the Speech was read, the Premier moved that Standing Orders 14 and 12 be suspended to enable him to move a motion relating to

His Excellency the Governor's Speech from the Throne, which was agreed. The Premier moved "that the Speech with which His Excellency the Governor was pleased to present to open" [and] on and on. But it moved . . . what I am getting at was that the motion was moved at that time.

And what the Deputy did this morning was simply to . . . the word of thanks from the Chamber to the Governor for reading the Speech and the motion then proceeded as having been opened last week.

So the fact that the Premier rose to his feet and spoke as the person who had actually opened the motion does bring the motion to a close.

I believe before he rose to his feet . . . I was out of the Chamber, but the Deputy did indicate that there was a pause to see if any other Member wished to get to their feet and there was . . . no one else rose. And the Premier rose to his feet and took the opportunity to speak, which will close the debate.

So, having said that, we have now completed the debate on the Throne Speech for this year, and that brings that matter to a close. We will continue with whatever is on the Order Paper at this point.

Mr. Premier, the other items on the Order Paper for today . . . I am going to make the assumption that they are all being carried over.

Hon. E. David Burt: Yes.

Some Hon. Members: Yes.

The Speaker: With that, would you like to make the next motion?

ADJOURNMENT

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

Mr. Speaker, I move that this Honourable House do now adjourn until Friday, November 23rd.

The Speaker: Thank you.

Does any Member wish to speak to that?
Mr. Famous?

OBA/UBP AND CREDIBILITY

Mr. Christopher Famous: Good day, Mr. Speaker.

I will be very brief. You do not . . . do not run yet.

Mr. Speaker, we heard somebody talking about Wakanda today—

An Hon. Member: Yes, it is true.

Mr. Christopher Famous: We heard about *Game of Thrones*. Let us talk about *People's Court*. Does anybody remember *People's Court*?

Mr. Speaker, when somebody is on trial the first thing that has to be established is credibility. So let us talk about credibility. The definition of credibility: "The quality of being believable or worthy of trust. Example: *After all those lies, his credibility was at a low ebb*"—www.dictionary.com.

Allow me read a line from the [Royal Gazette](#), September 24, 2018, Mr. Speaker.

Mr. Speaker, headlines—exhibit A. "OBA must sever all links with UBP." Hmmm. "The One Bermuda Alliance has to dump MPs inherited from the old United Bermuda Party or die, its former chairman"(now Senate Leader, Mr. Nick Kempe)"warned yesterday."

So let us look around the room and who do we see? MP Cole Simons—UBP, correct? MP Patricia Gordon-Pamplin—UBP, correct? MP Michael Dunkley—UBP. Not Ben Smith, he is not UBP. MP Trevor Moniz—UBP. MP Jeanne Atherden—UBP. That is five so far. Anyone else?

Let us read something from Michael Dunkley himself and inaccurate by the *Royal Gazette* since Cole Simons, Pat Gordon-Pamplin, Susan Jackson, and Scott Pearman are all former UBP. That is from Dunkley, mate.

No denials? Any point of order? No.

[Inaudible interjection]

Mr. Christopher Famous: So that is seven other—

Mr. Scott Pearman: Point of order, Mr. Speaker.

The Speaker: I will take your point of order.

POINT OF ORDER

Mr. Scott Pearman: Yes, just for the benefit of the record, because I did just say to Mr. Famous that that is incorrect, but he said, *No point of order, no denial?*

No, Mr. Famous. That was a denial; and this is my point of order.

Mr. Christopher Famous: Mr. Speaker, the things we find on social media. This is from Dunkley.

The Speaker: The Honourable Member . . . the Honourable Member.

Mr. Christopher Famous: Sorry. Honourable Member Dunkley, my apologies.

So, according to my math there are seven out of eleven OBA MPs who are actually UBP. Let us do the math. Sixty-five per cent of the OBA is really the UBP. Any denials? No.

So let us go to the statement from October 11th—

Hon. Patricia J. Gordon-Pamplin: Point of order, Mr. Speaker.

The Speaker: We will take . . . Member, will you yield for a point of order?

Mr. Christopher Famous: I would be like Maxine Waters, but go ahead.

The Speaker: You will yield.

Hon. Patricia J. Gordon-Pamplin: Just for a matter of clarity—

The Speaker: Yes?

POINT OF ORDER

Hon. Patricia J. Gordon-Pamplin: The UBP became defunct, and I am an OBA member and was elected as an OBA member. If we are talking about people who were UBP, maybe the Honourable Member can continue and talk about those people who used to sit on the UBP benches who now sit on their benches.

The Speaker: Continue on.

[Inaudible interjections]

Mr. Christopher Famous: Okay. This is about . . . this is a statement from [the [Royal Gazette](#) October 11th, [2018] Mr. Speaker, “This is about us changing course.” (Opposition Leader Craig Cannonier.) Now, the question is how can you change course if 65 per cent of your caucus is UBP? It is not us saying the OBA has to get rid of the UBP, it is the OBA saying, *Get rid of the UBP*.

[Laughter]

Mr. Christopher Famous: But they cannot do it because there would only be four of you left.

Let us go a little further. Headlines—Exhibit B . . . C, sorry. “In defence of Fahy, my friend” (Craig Cannonier) . . . Oh, sorry, the Honourable Michael Fahy. [[Royal Gazette](#) 4 October 2018.]

[Inaudible interjections]

Mr. Christopher Famous: Oh, he petitioned the Government to be honourable. But anyway, let me speak to the Speaker.

Headlines—“He” (Michael Fahy) “was indeed a ‘chief architect’ of the BDA. Frankly, without him, the BDA would not have been.” As we all know, the BDA was the splinter group that pretended they did not like the UBP and then they got back together and they joined . . . anyway. Had he resigned . . . he had resigned a guaranteed post in the Senate under the

UBP. So, the Honourable Michael Fahy was what? UBP as well, right?

[Inaudible interjection]

Mr. Christopher Famous: Oh, it gets even better.

[Inaudible interjection]

Mr. Christopher Famous: Curiouser and curiouser. I quote from the Honourable Craig Cannonier, “Doing a deal with the UBP meant we lost good people who could not bring themselves to join UBP members.”

But you did. All right.

Finally . . . would you like to point-of-order me?

The Speaker: Continue on. Speak to the Chair.

Mr. Christopher Famous: No.

The Speaker: Speak to the Chair.

Mr. Christopher Famous: All right. My last piece, Mr. Speaker, Exhibit D—not “C” for Canada. Anyway—

[Crosstalk and laughter]

Mr. Christopher Famous: Headlines—[[Royal Gazette](#)], “The old guard must go” from Opposition Senate Leader Nick Kempe. “I believe now, as I did then, that the only way” (the only way) “for the One Bermuda Alliance to survive is for it to thank and exit” (that means get rid of) “the senior politicians inherited when the Bermuda Democratic Alliance” (you know, the BDA formed by Michael Fahy) “and the United Bermuda Party merged some eight years ago.”—Nick Kempe, September 24, 2018.

So let us go back to that word “credibility.” How can you claim credibility when your Opposition Senate Leader has promised to get rid of the UBP, but you have still got them? Hmmm.

Is that because you cannot get rid of these people? I do not know.

An Hon. Member: Yes.

Mr. Christopher Famous: I do not know. Why doesn’t he get rid of them? But let us say we go back to the word “credibility.” You cannot have credibility in anything you say when the first things you are saying out of the gate are proven to be false. Anything you say after that cannot be taken for real, just like the Opposition Throne Speech Reply. You have no credibility as a party—none. Why? Because you all say, *We have got to get rid of the UBP*, but you keep the UBP. I do not . . . no one figures that out.

Anyway, back to the definition of “credibility: the quality of being believable or worthy of trust. *After*

all those lies”—let me repeat, “*after all those lies his credibility was at a low ebb.*”—www.dictionary.com.

I now rest my case, Mr. Speaker. Thank you.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member . . . we recognise the Member from—

Some Hon. Members: Ooh, ooh.

The Speaker: Members, Members!

The Member from constituency 10 has the floor.

PLP CABINET SHUFFLE

Hon. Michael H. Dunkley: Thank you, Mr. Speaker. I appreciate the excitement when I stand to speak.

Mr. Speaker, a couple of weeks ago when the Honourable Premier announced his Cabinet shuffle—his second Cabinet shuffle in 16 months of being the Government—he went to great lengths to announce that his Cabinet had actually shrunk from 11 to 10 ministries. And I think we all applaud that, Mr. Speaker. I think we all applaud the need, when we are a debtor government, to do everything we can to efficiently reduce the size of operating government.

But in the same breath, Mr. Speaker, without even mentioning it . . . what the Honourable Premier did not say is that he actually reduced the size of Cabinet ministries, but increased the size of Cabinet.

[Inaudible interjection]

Hon. Michael H. Dunkley: Without even saying it . . . and I hear an Honourable Member say, *We thought we discussed it already?* Well, we have not been in the House to discuss it, but we are here today.

So what he did, he reduced the size of the government ministries, which means little because you still have the same budgets to run the ministries, Mr. Speaker. You have the same budgets, you have the same staff. And then, without even acknowledging it, other than a veiled reference to a Minister without Portfolio and a Minister in the Cabinet Office, he increased the size of Cabinet, Mr. Speaker.

Now, maybe there is some justification for a Minister without Portfolio, maybe there is some justification for a Minister in the Cabinet Office. But the Premier has not provided that. And what is interesting, Mr. Speaker, because when the Premier was the Opposition Leader—actually, I think, Mr. Speaker, he was the Acting Opposition Leader at the time—he said in May of 2016: “Bermudians want leadership that is accountable and transparent, follows the rules and puts the interests of Bermudians first.” [[Royal Gazette](#), 9 November 2018]

Oh my, Mr. Speaker. Announce the second Cabinet shuffle in 16 months, but forgets to announce

openly that there are two Ministers who have responsibility—we are not sure what for, Mr. Speaker—very few staff to help them carry out their responsibility and it increases the size of the Cabinet.

Now, Mr. Speaker, I am sure there has to be some justification. I am sure it cannot be, Mr. Speaker, because there is a large Backbench and he does not want to send more Ministers—ex-Ministers—to the Backbench to have people who might exercise some disquiet there because, after all, the Backbench, Mr. Speaker, has been very vocal in supporting the Government’s initiatives in the first 16 months. And while I might not have always supported or appreciated the comments they made, there is no doubt there are members of the Backbench who deserve to look into the Cabinet changes rather than a Minister who was fired or resigned brought back in because, perhaps, a payment was made and he was happy again, Mr. Speaker.

[Inaudible interjections]

Hon. Michael H. Dunkley: There are Backbenchers, Mr. Speaker—

[Inaudible interjection]

The Speaker: Now, now, let us just keep—

An Hon. Member: Mr. Speaker, Mr. Speaker—

The Speaker: Members, Members—

An Hon. Member: Mr. Speaker—

The Speaker: Members!

Thank you. I did not—

An Hon. Member: Mr. Speaker—

The Speaker: I did not acknowledge anybody. I have not acknowledged anybody, so nobody should be on their feet.

Let us keep it in order, and let us not make accusations. Let us just keep it above board.

You can continue speaking.

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

The Speaker: But keep it clean.

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

So Mr. Speaker, many people who have talked to me as I have canvassed and as I have walked the streets, just like everyone in this House does, wonder why there is a larger Cabinet now. And they wonder why two individuals have a reasonable size cheque by anybody’s circumstances without sig-

nificant responsibility, especially, Mr. Speaker, [since] we are going to run a deficit again this year.

I was pleased to see earlier in the day that the Premier talked about that we would be paying off some of the debt next year. But this year we are not paying it off.

Now, could it be because there is so much work to be done that we need a larger Cabinet? The Premier has not justified that. Could it be that there are challenges with getting work done and he needs more people with all hands on deck to do things like that? But then the question would have to be asked, *Why the shuffle?* Why would those two Ministers . . . when you have a Backbench that is very strong and—

Hon. Wayne Caines: Mr. Speaker—

Hon. Michael H. Dunkley: Mr. Speaker—

Hon. Wayne Caines: Point of order.

The Speaker: I will take your point of order.

POINT OF ORDER

[Misleading]

Hon. Wayne Caines: The Honourable Member is misleading the House. The Premier, on more than one occasion, gave reasons, rationales why he made the decisions that he has made. He did that in the public domain, and he also did that in the media acknowledging and setting out the reasons—precept upon precept—why he made the changes to the Cabinet. And it . . . and, Mr. Speaker, he also set out the new roles and responsibilities for each Minister in a public document that has been disseminated across these beloved isles, Mr. Speaker.

Thank you.

The Speaker: Thank you.

Hon. Michael H. Dunkley: Thank you for that interjection, Mr. Speaker. But that is just another Minister, you know, trying to support the Premier. I certainly have not heard that.

Hon. Wayne Caines: Point of order, Mr. Speaker.

Hon. Michael H. Dunkley: Mr. Speaker, members of the community—

Hon. Wayne Caines: Point of order, Mr. Speaker.

The Speaker: Ahh . . . Members!

Hon. Wayne Caines: Point of order, Mr. Speaker.

[Inaudible interjections]

The Speaker: Yes.

POINT OF ORDER

[Imputing improper motive]

Hon. Wayne Caines: That Member is [imputing] improper motive. He cannot speak or make reference to anything to do with my state of mind. So he cannot make that reference, Mr. Speaker.

Thank you very much.

[Inaudible interjection]

Hon. Wayne Caines: Yes.

The Speaker: Okay. Members, let us continue. His point that he was making was basically a response to your question that you wanted clarification. The Premier did clarify what the roles of his Cabinet would be when he did the shuffle. That part was in the public knowledge.

Hon. Michael H. Dunkley: Yes, Mr. Speaker, and if that is what the Honourable Member and the Premier believe, all I am saying now, at this time, Mr. Speaker, is that it is very clear by the questions that have been asked of me that a lot of people still do not understand the need for that.

And let's be real—

Hon. Diallo V. S. Rabain: It's not in the *Royal Gazette*.

Hon. Michael H. Dunkley: Let's be real. And you know, I hear the Honourable Education Minister talk about, *Not in the 'Royal Gazette.'* Who is talking about the *Royal Gazette* here tonight? I am talking about serious government business where we have the Premier—with all joy—announcing the size of Government ministries shrinking, but at the same time increases Cabinet.

Mr. Speaker, that is like me going on a diet all week and I have one more night before I get to my Sunday “greaz” with my family—my codfish and potatoes where I am going to ring down on everything—but on Friday night I go out, I order a salad, just cut me a little bit of protein, and just put a little bit of vinegar dressing on it, and then when dessert comes I take two pieces of cheesecake and six cookies.

[Laughter]

Hon. Michael H. Dunkley: I just . . . I just shot the load, Mr. Speaker. All the good I had done all week, I just blew it out.

And so, Mr. Speaker, in my humble view, supported by dozens of people I speak to, there is little justification for a Minister without Portfolio and a Minister in the Cabinet Office. And nothing against the

two gentlemen. I have respect for them and their ability to want to serve and their desire to do the best for Bermuda, Mr. Speaker. But both of those gentlemen were removed from ministries and put in significantly reduced roles. If you want to be real, like my honourable colleague from another constituency said—

Hon. Wayne Caines: Point, point, point of—

Hon. Michael H. Dunkley: —they were demoted.

Hon. Wayne Caines: —point of—

Hon. Michael H. Dunkley: They were demoted.

Hon. Wayne Caines: Point of order.

The Speaker: Minister?

POINT OF ORDER

[Misleading]

Hon. Wayne Caines: That Member is misleading the House.

The Speaker: Minister, Minister, we need not go back and forth. That is his opinion. He is expressing his opinion. If you want to present a different one afterwards, do it when he finishes. You can come to your feet. Because you have expressed that the Premier was clear on the roles—we understood that—I understood that. I believe he is expressing an opinion.

As long as he is not using unparliamentary language, as long as he is not being . . . what is the word I am looking for? . . . impugning . . . personal attacks against the Premier, I am going to allow him to continue.

You made the point that you feel that the Premier clarified the roles specifically and on point as to what those ministers will be doing. It is in the public domain, and I agree it is in the public domain. He is expressing an opinion. You can get up afterwards and clarify that with a better opinion afterwards.

Hon. Wayne Caines: I am guided, Mr. Speaker.

The Speaker: Okay.

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

Mr. Speaker, I appreciate that it is sensitive for some Government Members because while at one point they have to defend the Premier and at the other point Backbenchers, who believe they are well-qualified to sit in Cabinet do not even get a look in while two people have significantly slashed responsibilities.

Now, Mr. Speaker, if the Government believes that those positions are justified, well, that is good for them. I cannot see that in this time when we are trying

to reduce costs, as the Premier said, to get more money circulating in our community, and we are trying to become more efficient and taxes have increased under this Government . . . and there is no doubt, Mr. Speaker, that taxes have increased under this Government. They brag about extra revenue, but that is because taxes have been raised. So there is no doubt. If you do not want to increase costs, why are you creating a larger Cabinet, Mr. Speaker?

And you know what? Members on this side will watch very closely what the Cabinet does, because I recall in the past when there have been ministers without portfolios who have not lasted long. There has been great criticism for them. And the same reasons were given for those ministers without portfolios, but not justified by the Opposition (at that time the PLP). And the very person who now has the responsibility for appointment of a Cabinet says in May of 2016 that *we have to be open, transparent and accountable with these Cabinet changes*. And the shoe is on the other foot and, all of sudden, what the Honourable Premier said has gone out the door, Mr. Speaker.

Now, Mr. Speaker, I know that the Premier has a difficult job. I know that the Premier wants to be a taskmaster to get things done. That is what all Premiers want. But it cannot be justified, in my humble opinion, Mr. Speaker, to have two positions significantly reduced but have two Cabinet Ministers sitting there when there is a Backbench that is chomping at the bit and waiting to get into those seats who have not been offered the opportunity.

[Inaudible interjection]

Hon. Michael H. Dunkley: Now, Mr. Speaker—of course! I am advocating for what is right. And the Honourable Member Mr. Famous says, from constituency 11, *advocating for him?* No.

[Inaudible interjections]

Hon. Michael H. Dunkley: No, Mr. Speaker.

The Speaker: Members, Members, Members! Members.

[Inaudible interjection]

Hon. Michael H. Dunkley: No, Mr. Speaker.

An Hon. Member: You had the chance to run the country.

Hon. Michael H. Dunkley: No, I did not have the chance to run the country. We were elected to run the country! It is not a chance!

[Inaudible interjection]

Hon. Michael H. Dunkley: Do you know what a “chance” is, Honourable Member?

The Speaker: Members, Members, Members!

[Inaudible interjection]

Hon. Michael H. Dunkley: No, he just—

The Speaker: Members.

An Hon. Member: You had your chance.

The Speaker: Direct your conversation—

Hon. Michael H. Dunkley: Mr. Speaker, I hear them say *we had a chance*.

The Speaker:—this way.

Hon. Michael H. Dunkley: Mr. Speaker, you know what? If you want chance, go to Vegas!

[Inaudible interjection and laughter]

Hon. Michael H. Dunkley: If you want a chance, go to Vegas, Mr. Speaker.

When you are elected you have to lead for the people. It is not a chance. You are elected. This Government was elected. But the decision to increase the size of Cabinet goes against the decision to reduce the Government ministries. It means nothing. It is window dressing. It is cheating on the diet that I have, Mr. Speaker. It is cheating on the diet, and there is no justification for it.

So, while people have stopped me and made up ridiculous reasons why the Honourable Premier would keep them there . . . and I push back on, and I am not going to repeat them tonight because they have been out there in the public domain. But people make up these ridiculous reasons why he has done it. You have to question it. You cannot [help but] question those changes . . . being there to [receive] \$150,000 a year. If the shoe was on the other foot, and Craig Cannonier was the Premier and he did it, he would be castigated! He would be castigated.

[When I] was the Premier . . . I was castigated for making Cabinet changes. I was castigated for it.

[Inaudible interjections]

Hon. Michael H. Dunkley: And now here we are.

[Inaudible interjections]

Hon. Michael H. Dunkley: We announce, Mr. Speaker, we are reducing Government ministries—

[Inaudible interjection]

The Speaker: Members, Members!

Hon. Michael H. Dunkley:—we are reducing Government ministries—which means nothing! You have the same civil servants, the same budget, and you have got two Ministers that every day are looking for direction. I would not be surprised if they are the most comfortable Ministers we have ever had in the history of Bermuda politics because they do not have to worry about the day-to-day stuff that the Minister of National Security might have to worry about, or the new Minister of Social Rehabilitation and other parts of the ministries that have changed. Or Minister Burch, who has to worry about infrastructure that is falling apart. They are the two Ministers who sleep so well at night. In fact, when they go to Cabinet they probably do not have to be worried about being grilled over the coals by their colleagues because they do not have any papers.

[Inaudible interjection]

Hon. Michael H. Dunkley: They do not have any papers. And the Honourable Minister who was fired or resigned and now is back again . . . and I wondered, I wondered why the—

[Inaudible interjections]

Hon. Michael H. Dunkley: I wondered why his colleagues—

[Inaudible interjections]

The Speaker: Members, Members!

[Gavel]

Hon. Michael H. Dunkley: It must be the shortest disappearance from Cabinet in the history of this country, Mr. Speaker.

An Hon. Member: Oh, no!

Hon. Michael H. Dunkley: Fired in February, but back in October. Ooh! That is pretty quick, Mr. Speaker.

But Mr. Speaker, the governance of this country is serious business. And now we have a Premier who touts transparency and accountability, but he has got two ministers he cannot be transparent and accountable about. And we will be watching what they do because this is a bad step, Mr. Speaker.

Thank you.

The Speaker: Thank you.

I recognise the Honourable Member from the East End, Mr. Swan, from constituency 2.

You have the floor.

OBA'S ATTEMPT TO DIVIDE PLP

Mr. Hubert (Kim) E. Swan: Mr. Speaker, I recognised that earlier the Honourable Member did not have the opportunity to speak when he elected to remain in his seat. And I noticed that he jumped to his feet on the motion to adjourn with two Members that he was referring to absent.

But, Mr. Speaker, I just want to refer to the former Honourable Premier's speech as one of the greatest divide-and-conquer speeches in Bermuda's political history. Because, Mr. Speaker, one would not have thought that Bermuda was in a tizzy under his leadership, that disquiet amongst people in this country reached an all-time high. And, as a consequence, Mr. Speaker, in all the years that I have been around politics in Bermuda, especially since the first time I stood for office in 1983, the amount of disquiet that was displayed in Bermuda repeatedly, with numerous instances, was unprecedented. It was 1982 rolled up into four repeated years, starting from when that Honourable Member became the leader of the country in a most bizarre and unprecedented way.

[Inaudible interjection2]

Mr. Hubert (Kim) E. Swan: And the truth of that has not really been told!

An Hon. Member: No!

[Inaudible interjections]

[Gavel]

Mr. Hubert (Kim) E. Swan: It really, really, really has not. And it is most, most, most unfortunate. And so my honourable colleague who opened up the motion to adjourn and alluded to how things relate in that regard, was on a very good wicket.

But let me just say that there is not anyone in the OBA who could advocate on behalf of the PLP Backbench. That would be the epitome of disingenuous advocacy, and we would not have it. And I just want to say this: One thing in 16 months is clear—there has been a settling down of Bermuda. Whilst it might not get the amount of ink that I believe it deserves in the Bermuda sphere, it is very evident.

And certainly, as was mentioned on many occasions—even today, without reflection—the challenge that our young Premier has is a very difficult one and one which is being met, I think, in a very good way and in a very competent way. And in his . . . and the Member that spoke . . . the OBA Member, Mr. Dunkley, would have you believe that his prerogative to appoint the maximum amount of Cabinet ministers within his jurisdiction was illegal or untoward, or not within the Bermuda framework of the Constitution, or

had not been done by other Premiers who sat as UBP for many years, exercising their wisdom.

But such is one who held that office who would want people to act in a more bipartisan way who is not acting in a way that a statesman should . . . and that is his prerogative. But let me tell you that the challenges that the Premier has, in his wisdom . . . and I cannot speak for him, but I can certainly in my former capacities of constitutional responsibility have a look to see that there are many things that need to be addressed and there are many balls that have to be juggled simultaneously in Bermuda. And if in his wisdom he sees the wisdom to take those 12 constitutional appointments, plus the one mandatory one in the Senate, and use them all, then he should be given the opportunity to be able to see what the fulfilment of that will be.

But the crystal ball pundits who would have you think that, *Listen, you know, look at what we did with America's Cup and how wonderful it is.* Being a professional athlete by trade, I appreciate sports tourism. But let us not forget that it was \$100 million of taxpayer money at the expense of the needy in Bermuda—who were many—that caused . . . who had to take the backseat while the former Government did what? Rolled the very dice that they are trying to accuse our Premier of doing! They rolled the dice on America's Cup, and it did not come up trump for them because the team they backed lost and they took it way down under.

[Inaudible interjection]

Mr. Hubert (Kim) E. Swan: And so Bermuda lost as a consequence on the gamble of the Government that Team Oracle would win. That is a gamble. It is a gamble because it did not sustain itself economically.

[Inaudible interjections]

Mr. Hubert (Kim) E. Swan: It did not sustain itself economically. And yes . . . and yes, the Honourable Opposition Leader throws a dart about it . . . Grand Atlantic. But in your four years of Government we still have to come back and pick up, because you did nothing with it in order to give it sustainability beyond the period of an election. That is the short-sightedness of yesterday's thinking that our Honourable Premier speaks of often, how looking to the future versus protecting the past legacy of Bermuda. Your protectionist mind-set is standing in your own way. And that is what we speak of on this side of the House. On this side of the House that starts right here at Boundary Lane . . . Boundary Lane in my constituency—

[Laughter]

Mr. Hubert (Kim) E. Swan: There is Boundary Lane right here!

So when the Premier speaks for that side, he is speaking of it from the constituency divide! And you know, if we have the opportunity of another bye-election, Robin Hood Corner is going to see that we can spread the divide down a little further and move the boundary down a little bit further. Why? Because if your mind-set is still stuck in yesterday, it is going to manifest itself in what you do and how you act. And you cannot escape it.

Bob Marley said, *You can run away, but you can't run away from yourselves*. And it is showing itself. It is showing itself in many ways. And it is showing itself in the speech from the former Leader of the OBA on the motion to adjourn. Trying an old and tried trick—divide us to try to conquer us. But it is not going to happen.

The Speaker: Thank you, Honourable Member.

[Inaudible interjections and laughter]

The Speaker: I now recognise the Minister of National Security.

How is that?

[Inaudible interjections]

Hon. Wayne Caines: I think we all thought we were going home and . . . and—

The Speaker: Yes, yes.

[Inaudible interjections]

OBA'S ATTEMPT TO DIVIDE PLP

Hon. Wayne Caines: I just texted my wife to see if she can keep my corned beef and hash . . . if she can put that in the oven until I get home, Mr. Speaker.

And so . . . and so when I reflect on the day's discourse, we often take a really wide pendulum swing when we come to the motion to adjourn. Oftentimes we miss the opportunity for us to legitimately have the opportunity to bask in the good that we do and which we have done.

So when we think of what has happened and what has transpired today, we must keep our bearing on due north. Oftentimes when you take on a position of leadership and you find yourself in a fray, you can become buffeted by things in your periphery. When you look at a horse and it is racing, it has on things that are called "blinders." When the horse is going down the track, the reason why it has on the blinders is so it can stay transfixed on the end game.

Today we have seen a Throne Speech that allows us to do that which we have promised the people that elected us—to make their lives better. Regardless of what they are saying about the size, we must keep in the back of our minds that we have to continue to

work on behalf of the people in Bermuda. That is the only purpose why we are here. If you go through every line—precept upon precept, every period, every comma in there—that is an agenda to make the lives of the people that sit in their living rooms and have their ears compressed to the radio in their taxis . . . they want their lives to be made better.

And that was the purpose of this Throne Speech. No matter if you are a Backbencher, whether you are the Whip, or whether you are a Member of Parliament; we must, and will, remain one team with one leader. This country is depending on it, just like they are depending on a viable Opposition. We have a responsibility.

The Opposition Member Dunkley sits in that seat because he is no longer leading his party. Do not be distracted by his malaise and his irrelevance. We have a responsibility to lead this country and lead the people of Bermuda. And our job is to make sure that we do it with honour, to make sure that we do it [with] integrity, that we hold ourselves accountable. And that is what we settled to do, that is what this plan articulates, and that is what we will give and do for the people of Bermuda.

The Speaker: Thank you, Minister.

I now recognise Minister Simmons.
Minister?

OBA'S ATTEMPT TO DIVIDE PLP

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

I have to agree with my colleague who took his seat. I will not spend too much time on the irrelevant. But I will say this to the Honourable Member: when I left you, I was but a student. Now I am the master. And you will get to see my mastery like you saw in 2017 and 2014 and you will continue—I hope you are always there—because there is nothing better than beating you.

So Mr. Speaker, this Sunday—

[Laughter and crosstalk]

Hon. Jamahl S. Simmons: This Sunday . . . Sunday . . . Sunday represents a very special occasion, Mr. Speaker. It is the four-year anniversary of my election to represent the great people of Sandys South, constituency 33.

An Hon. Member: When is it?

Hon. Jamahl S. Simmons: November 18th, four years. Time flies when you are having fun.

So, Mr. Speaker—

[Inaudible interjection]

Hon. Jamahl S. Simmons: No, it was not the first time. Go back to 2007, my hand was on that trigger, too.

But, Mr. . . . Mr.—

[Inaudible interjection]

Hon. Jamahl S. Simmons: Everybody is beating me up, so—

[Laughter]

Hon. Jamahl S. Simmons: Everybody is . . . he is taking licks for everybody. He is lucky to be here. If Anthony . . . who is the guy who ran against him? If Dr. Peets had four more days. He would be sitting here [instead], and he would be back milking cows.

But Mr. Speaker, I want to take things to a different level. And I think that each of us . . . you know, each of us . . . well after, you know, I was taught [that] after you cause improvement you then must comfort. After licks comes the elevation. But four years ago on this Sunday I was honoured to return to this House to serve the people of Sandys South.

And Mr. Speaker, it has been . . . I think that so many people take for granted the honour which it is to sit in this Chamber, the honour which it is to be the voice of the people who sent you here, to represent a community that I have that ranges from White Hill to Wreck Hill. Wreck Hill, where my ancestor, the first slave brought to Bermuda, served as a slave to the Burrows family. To have one of their descendants rise to represent that constituency . . . that is something remarkable. A woman brought to this country from Africa, 14 years old, and you can look and follow the family tree of all the Simmons' that came from this one tree. And when you look at this constituency and look at the history and the way things have gone—everything from Somerset Bridge to Scour Hill to Fort Scour, you name it—it is historical and it is a pleasure and an honour to serve.

And Mr. Speaker, when we serve we must never forget who sent us here. And we have an opportunity as a Government to do something great. We have an opportunity to fulfil the legacy, not just of that woman who was brought in chains to Bermuda to serve as a slave, but also for our forebears, our political forebears, who strived in Opposition for 30 years, who strived in Opposition at a time when it was not fun to be PLP, especially in Opposition, facing your mortgage being pulled, your jobs being threatened, your family being politically intimidated. But we stuck to the wicket and we have been given an opportunity to transform this country; not to be holders and tillers of the status quo, but to transform this country.

And as we look to transform this country, we have to remember why we are here. We are here for the woman who was brought here in chains. We are here for the people who fought for years, going into

election after election, sometimes with no hope of even having a chance to win. Can you imagine that, Mr. Speaker? I know you served a little time in Opposition and you know what it was like. But you know, there were elections where we were not winning. But what a difference time makes, and what a difference we will make, Mr. Speaker. Because when I hear words such as, *Taking on the forces that keep your salaries low, your opportunity is non-existent, and your chances to have a decent life*, that speaks to me. That speaks to me of why I am here. And it is a reminder of why I serve with the colleagues I serve with.

We are at war with the status quo. We are at war with the forces that want to keep things the way they are because it makes them happy and because they have the power to pick who succeeds and who fails. That is what we are here for—to upend the apple cart and make sure everybody gets a bite of those apples, not just a few, not just the elite, not just the privileged.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Minister.

Hearing from the Cabinet tonight, eh?

Minister of Education, you can have the floor now.

OBA'S ATTEMPT TO DIVIDE PLP

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

[Inaudible interjection]

Hon. Diallo V. S. Rabain: Yes, yes, we were going to perform a duet.

The Speaker: If both of you sit down at the same time, you can speak at the same time, how is that?

Hon. Diallo V. S. Rabain: Mr. Speaker, we have heard many people speak tonight. And I think Bermuda can see that there are some passions that go through here, that flow through the many persons that stand up. And we all want to see Bermuda succeed. The simple fact is that there are differing philosophies.

Mr. Speaker, when I listened to the former [Premier] from that side stand up and speak it struck me that . . . the audacity to try and give this Premier—the Premier of the people—advice on his Cabinet was coming from a Member of this House that ascended under a cloud of darkness to the position of Premier. A Member who has never won an election as the leader of a political party, who has lost two general elections, who has lost three bye-elections, and screwed up a referendum. He just cannot get anything right. But still he feels he has the temerity (if I borrow a word from my honourable colleague that stands right across from me) to tell us how we should run our Cabinet? How dare he!

This Government is doing the things that need to be done for the people that need them the most, Mr. Speaker. All I keep hearing from that side is, *We want respect for what we did.*

Mr. Speaker, if you had the respect for what you did, you would not be in Opposition with a resounding loss last July. That is a simple fact. So the electorate voted on what they thought about your Government.

So Mr. Speaker, when governments are put in place they are put in place to govern. That is what they are doing. If you are put in place to sit around and complain about why no one is paying attention to you, then you are doing something wrong, Mr. Speaker. I liken it to the old story about the guy who sits on the corner and says, *I take care of my kids.* Guess what, Mr. Speaker? You are supposed to! When you are the Government you are supposed to govern. And if you do not govern, the electorate shows you what they think of you. And this is what has happened.

So do not get up and stand and keep saying, *Look at the great things we did,* because if you did great things you would not be over on that side. It is a simple fact and it is a simple thing that we just need you to get through your thick skulls that this is what we are going to be doing.

We are going to be the Government. And you are going to sit over there. This Government has done things and will continue to do things to improve the lives of our people, and it is resonating. I am sorry. I am sorry that you do not see that it is resonating, Mr. Speaker.

Mr. Speaker, the last census report in 2016 showed that 51 per cent of our population have some sort of secondary, postsecondary education. But of those, 75 per cent of the non-Bermudians who reside here have postsecondary education, and just under 50 per cent of Bermudians do. We are doing things to ensure that those numbers improve.

When we talk about giving grants to the Bermuda College so that people can attend college, when we talk about college promises to high school students so that they can attend college, these are things that the people want. When we talk about a national workforce development plan that talks about what industries are coming, that has buy-in from industry, that has buy-in from the Chamber of Commerce, that has buy-in from the companies downtown, that has buy-in from the construction companies and everybody else, that is what a plan is, Mr. Speaker.

When I read earlier that they said, *We will introduce . . . We are following in what the One Bermuda Alliance did before,* that could not be further from the truth, because nothing existed before. I personally did not get a chance to talk about some of the things about education, but it shocks me, Mr. Speaker. It absolutely shocks me [that] some of the things that are listed within the document are already happening. But if we had a Shadow Minister who was a former Minister who

actually knew what was going on within the department, he would already know that. He would already know some of these things are already in train. Some of these things started under his watch and previous Ministers' watch! What was it, four Ministers in four years? Those things were already in train.

Yes, we are continuing some of them because they are good ideas. But do not stand up and say, *This is what I would do,* when it is already happening. The people do not want to hear that. The people do not want education to be the political football that it has been for years. And it will not be the political football under this system. We have a Board of Education. We have the former chair who sits in here. Guess what happens when the Board of Education actually does what they are supposed to do and they are allowed to do? They come up with things like Plan 2022, which was the remit of the Board, not the Department of Education, not the Ministry of Education. The Board did that because that is what they are empowered to do.

This Government will empower the Board to do the things that they are supposed to do by putting the people in place that can do the things that need to be done. We will transform education in Bermuda. We will phase out middle schools in Bermuda, Mr. Speaker. This is what the electorate voted us in to do, and this is what we will do. We will improve education.

We will improve our infrastructure, and we will put in a place that all of Bermuda can be proud of. We will have a system that works for Bermudian students that will prepare them for the university life that they wish to pursue.

And within the Throne Speech, that was one of the questions. What are we doing?

The Speaker: Minister. Minister. Do not revisit. That debate is closed.

Hon. Diallo V. S. Rabain: I am not going revisit that.

The Speaker: That debate is closed.

Hon. Diallo V. S. Rabain: I am not going to revisit that because that debate is closed.

The Speaker: You did not take the opportunity; let us not go back.

Hon. Diallo V. S. Rabain: Well, Mr. Speaker, I will talk about some of the things that are happening.

Berkeley Institute has APs [advanced placements]. CedarBridge Academy is producing more IGCSE [International General Certificate of Secondary Education] exams. These are the things that we are doing to enable our students to be prepared. CedarBridge Academy is accredited by International High School Accreditation, something that is looking to be done across the system. These are things that have always been in place and been in place for several

years. I am surprised this is not known by Members who sit opposite. They have always been there.

Bermuda College . . . this morning I was asked about what we are doing with the Caribbean. We have had an agreement with the University of the West Indies since 2010. That has been in place. But when you have the pulse of the people, and you also pay attention to what is going on around you, Mr. Speaker, these are the things that you can speak to, and these are the things that you can do and make better. But if you do not know what is going on, if you are not paying attention, if you are asleep at the wheel, you are spinning your wheels.

And, to reflect back on the last speaker who spoke from that side, you are in Cabinet wasting money because you are just not producing. You are getting, as that Honourable Member said, a fat pay cheque to do what? You are doing nothing, Mr. Speaker.

But, Mr. Speaker, this Government is laser-like focused on doing the things that need to be done. We will make no apologies if the One Bermuda Alliance does not want to get on board, because if they get in the way, we will roll over them. They are either going to get rolled over or passed by. It is their choice. Stand in the way and get rolled over, or get out of the way. But we would prefer it if you got on board and allowed this Government to do the things that need to be done to improve the lives of our citizens. We do not come up here every week to just hear petty arguments coming from that side.

We want to hear credible things coming from that side. And if there are ideas that are usable, ideas that are credible, they will be utilised, Mr. Speaker. But do not just come up here and talk for the sake of talking. Do not just come up here and say things to rile up the . . . to throw red meat to supporters, things like, *Look how many Cabinet Ministers are in Cabinet*. That is just red meat, Mr. Speaker. All Ministers have a role. All Ministers are doing what needs to be done to ensure that this party delivers on their mandate to ensure a fairer and better Bermuda, Mr. Speaker.

Thank you.

The Speaker: Thank you very much.

Minister De Silva, would you like to take the floor now?

Hon. Zane J. S. De Silva: Well, sure, Mr. Speaker. Why not?

The Speaker: Go ahead.

OBA'S ATTEMPT TO DIVIDE PLP

Hon. Zane J. S. De Silva: Now, Mr. Speaker, this has been an interesting motion to adjourn. And with your permission, Mr. Speaker, I can table this.

This is an advert that the OBA used in 2012. And it is a nice, colourful advert with three of their candidates. And there is a picture of the Grand Atlantic, because we heard that mentioned a few times from the other side tonight, and how much it cost and how much of a pink elephant it is. One of their candidates, Mr. Raymond Charlton, said, *Well, they are going to try to find a way of putting lipstick on a pig*. Right? Nalton Brangman said, *Do we need to see for the first time one collapse into the water because someone said, 'Oops'?*

And then, of course, the Honourable Member who is still sitting in the House, the Honourable Sylvan Richards, said, *I knew it was a disaster. Nothing good will come of it*.

And they have a picture of Grand Atlantic sitting on a cliff—sitting on a *cliff*, Mr. Speaker! Like, I mean, inches from the cliff. Okay? And you wonder why that particular piece of property . . . no one could . . . you know, they had National Trust on board. They had David Wingate on board. They had everybody and their mother and children on board to oppose that development. And you wonder why! Messing with the taxpayers' money, that is all they were doing.

Those places were built for the people of this country. And they started off today scaremongering and . . . Look, Mr. Speaker, that is what we are dealing with—the past.

An Hon. Member: It was good enough for America's Cup guests.

Hon. Zane J. S. De Silva: Oh, it was good enough for America's Cup participants! It certainly was.

An Hon. Member: I guess they tried to sell it, too.

Hon. Zane J. S. De Silva: And they tried to sell it.

[Inaudible interjection]

Hon. Zane J. S. De Silva: Yes, they did.

Now, Mr. Speaker, you know, I have got to mention an old Bermuda saying. And it goes something like this, *You got some crust!*

[Laughter]

Hon. Zane J. S. De Silva: *You got some crust!*

Mr. Speaker, why do I say that? Well, the Honourable former Premier of the country, Michael Dunkley, got up and said a few things tonight that, quite frankly, shocked me. And I think the first thing he should do . . . he could do it tonight or do it next week. He should apologise to every Progressive Labour Party backbencher in this House. What does he think? That they are stupid? Is he playing? He must do.

An Hon. Member: Yes, yes.

Hon. Zane J. S. De Silva: Well, I tell you what. If he thinks he can divide and conquer this team, it will never happen. *Never* happen. Just because there was some dividing and conquering going on over there, he feels it can come over here! No, no, Mr. Speaker. Ain't going to work. Ain't going to work!

And then he says, *The PLP Backbench are chomping at the bit!* Now, this particular Honourable Member has been chomping at the bit since I have known him to be in the political arena! He chomps at that bit, and he is probably still chomping at the bit, since they chomped him out of the room.

Now, Mr. Speaker, he asked the question, that same Honourable Member, Mr. Dunkley, you know, *Why the shuffle?* But let us break it down a little bit, Mr. Speaker, as one who has purchased a company from time to time, with employees already in place, with businesses already in place, with equipment already in place. Mr. Speaker, as a CEO, what does one do when one takes over a company? He starts looking at efficiencies. He starts looking at effectiveness. He starts, or she starts, turning over a few stones, starts pulling some things aside. And he starts putting people in place.

You had a brand-new Premier with some brand-new Members of Parliament. And he chose a Cabinet. And he said, *Well, let's put them in place and see what happens.*

Now, to use a phrase from the fellow who used to sit on this side of the House, the former Honourable Member Bob Richards, *Let's lift up the hood.* Well, after you lift up the hood, you check out the spark plugs, you check out the alternator, you check the oil, you check the water. And you might have to make some adjustments. So, our Premier, unlike any other Premier in our history, after a period of time, made some changes.

So, let us not be . . . and you know what? You may find that in another year or two the Premier may make some more changes. You notice that not only did he make some changes with the personnel, but he did with the responsibilities, because he has had chance to look at the lay of the land, look at who he has around at the table, and say, *Now, let me see what I can do.* And he made the decisions that he feels are in the best interest of the people we serve.

So, I do not have an issue with that, Mr. Speaker, at all. And certainly, that Honourable Member in particular should know very well what I am talking about.

The other interesting thing, Mr. Speaker, is this. I could tell you one thing for sure, because the Honourable Member said, *Oh, well, I was fired. I was pushed out.* I could tell you what, Mr. Speaker. I was not pushed out. But I will tell you what. He was pushed out.

An Hon. Member: Yes, he was.

[Inaudible interjection]

Hon. Zane J. S. De Silva: Oh, yes, sir. Oh, yeah. Because you get pushed out, you want to try to take everybody with you.

[Laughter]

Hon. Zane J. S. De Silva: You see? Misery loves company. Yes, it does. Well, I could tell you what. Those are two facts. Well, all I am going to say is that—

[Inaudible interjections and laughter]

Hon. Zane J. S. De Silva: I was not pushed out, Mr. Speaker. But we know that he was.

And, you know, I will tell you something else. I will tell you something else. I was not paid to resign. And nobody gave me any cruise, either. I just walked out. That is all I am saying.

An Hon. Member: Amen. Amen.

Hon. Zane J. S. De Silva: That is all I am saying, Mr. Speaker. Okay?

And the other thing is this. I think that Honourable Member would do himself justice by *not* trying to give our Premier advice. Because, obviously, he comes from a position of non-authority to be giving anybody on this side, let alone our Premier, advice.

Now, Mr. Speaker, the other thing he said, it might have been the shortest period for a Minister to resign and come back. Well, I think the Honourable Opposition Leader has got me on that by about a month. So, I think next time he had better do a little homework. Because I think you were eight months. I left at nine.

Yes. I could be wrong; I could be wrong.

[Inaudible interjections]

Hon. Zane J. S. De Silva: Well, the deal must have been in there.

But, Mr. Speaker, you know what? The thing is, like this advertisement by the OBA in 2012. You see, I remember the Honourable Member Sylvan Richards saying it a few times. When we were in Opposition and we would try to point things out, and we would make certain comments, he always used to say, *Look. You know what? The international world is watching. The international world is watching.*

And then, I see our Premier, in particular, and our Minister Caines, in particular, trying to drum-up business for this country, new business, whether it be FinTech, whether it be somebody as solid as the company called Arbitrade. And I read article after article, and people send me tweets, and tweets from the

former Premier Dunkley chastising these people from Arbitrade.

Why?

Why does he continue to do it?

Does everybody in the OBA think the same as the Honourable Member Dunkley?

Mr. Scott Pearman: No. Everyone in Bermuda thinks that.

Hon. Zane J. S. De Silva: Oh, they do?

Mr. Scott Pearman: Yes.

Hon. Zane J. S. De Silva: Oh, the Honourable Member from [constituency] 22 . . .

An Hon. Member: So, he speaks for all Bermuda!

[Laughter]

Hon. Zane J. S. De Silva: The Honourable Member Pearman says, *Everybody in Bermuda thinks that*. You see, that is the mind-set.

An Hon. Member: He speaks for all Bermuda now.

FINTECH AND ARBITRADE

Hon. Zane J. S. De Silva: Notwithstanding that his company has made a boatload of money off some of these transactions, Mr. Speaker. Okay? A boatload of money.

But I tell you what. You see the attitude and the comments from that Honourable Member? Just like Honourable Member Dunkley. Because I had the privilege of speaking to one of the principals this week, Mr. Speaker. And you know what? They are disappointed.

This conversation was about you, Honourable Member, and you talking all the trash that you talk about them!

Go ahead.

Hon. Michael H. Dunkley: Point of order, Mr. Speaker.

The Speaker: We will take your point of order.

POINT OF ORDER

Hon. Michael H. Dunkley: I gave him some leash because I knew he would eventually get caught on it.

Mr. Speaker, I never chastised Arbitrade. I asked questions, Mr. Speaker. And I asked the Honourable Member across the floor, *What was the name of the gentleman from Arbitrade to whom he spoke?* And the reason why I did that was because the Premier was asked those questions months ago and still has not answered them. I questioned the business—

the business operation—of Arbitrade. There is nothing wrong with that.

In fact, Mr. Speaker, I even reached out directly to Arbitrade, and they did not want to engage. So, if we cannot ask questions in an appropriate way, Mr. Speaker, this country is finished. Finished!

The Speaker: Thank you. Thank you. Thank you.

Hon. Zane J. S. De Silva: Mr. Speaker. Mr. Speaker.

The Speaker: Go ahead.

Hon. Zane J. S. De Silva: Mr. Speaker, if I chastised you every day in the newspaper and tweeted every two minutes that you—you, Mr. Speaker—

Hon. Michael H. Dunkley: Point of order, Mr. Speaker.

POINT OF ORDER

Hon. Michael H. Dunkley: The Honourable Minister is known for stretching the truth. *Every day in the newspaper? Every day with tweets?*

Come on, Mr. Speaker. He cannot even show one of those articles, not one of those tweets!

The Speaker: All right. All right. All right. Okay.

[Crosstalk]

Hon. Zane J. S. De Silva: Oh, Mr. Speaker! Oh, he just said I will not show him one. I will table one right here. And, in fact, let me read it for you.

An Hon. Member: Read it! Read the whole thing. Read the whole thing.

Hon. Zane J. S. De Silva: Mr. Speaker, look. *The press comments by Arbitrade raised more red flags than from a hurricane on South Shore Beach.*

An Hon. Member: Read the article!

Hon. Zane J. S. De Silva: That was one of his things, Mr. Speaker. But let me say this, because . . . How much time do I have left, Mr. Speaker?

Hon. Michael H. Dunkley: Mr. Speaker, the Honourable Member should read the whole article. And then you get to the crux of the problem.

The Speaker: Okay. The Minister has the floor. Let him continue. Let him continue.

Hon. Zane J. S. De Silva: Thank you, Mr. Speaker. How much time do I have left?

The Speaker: You have got just about nine minutes.

[Gavel]

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

You see, Mr. Speaker, you see? You get Members like the Honourable Member Pearman and Honourable Member Dunkley as they pontificate without any substance.

POINT OF ORDER

[Misleading]

Hon. Michael H. Dunkley: Point of order, Mr. Speaker. He is misleading the House. It is his *opinion* that there is no substance. He should prove that.

The Speaker: Well, he will speak to his opinion. He will speak to his opinion.

Hon. Zane J. S. De Silva: Mr. Speaker, do we need any more proof? We have got a building that has been purchased by this company, vetted by the Bermuda Monetary Authority, the Registrar of Companies, been vetted to the tilt, Mr. Speaker.

An Hon. Member: "Tilt"?

Hon. Zane J. S. De Silva: So, do I need . . . Yeah, yeah, to the tilt . . . to the hilt. I mean, to the "hilt."

[Inaudible interjections and laughter]

Hon. Zane J. S. De Silva: But, Mr. Speaker, he has got some crust!

But, you know, we laugh. But it is very serious, Mr. Speaker, because I tell you what. The owners and principals of Arbitrade are ticked off. They are ticked off with a Member of Parliament who continues to go out and trash their good name. These people have made a commitment to this country. They have spent millions of dollars purchasing a building. The jobs will come.

But, you know the problem, Mr. Speaker? They do not understand it. They do not understand it. See? And you know what? They do not think that the Progressive Labour Party can rub shoulders with billionaires.

Some Hon. Members: Ahh!

Hon. Zane J. S. De Silva: It is only them.

[Inaudible interjections]

Hon. Zane J. S. De Silva: No, no! Black people in this country are not supposed to rub shoulders with billionaires!

[Inaudible interjections and general uproar]

Hon. Zane J. S. De Silva: It is only white men who can rub shoulders with billionaires and bring business to this country!

[Inaudible interjections]

An Hon. Member: Now you are talking!

The Speaker: Let us get back on the track that you were on. Go back to the track that you were on.

Members! Members! Members, Members.

Hon. Zane J. S. De Silva: Mr. Speaker, we have had a couple of predictions today. I am going to give you one, that the OBA is going to crash and burn over this one. They are going to *crash and burn* over this one, Mr. Speaker. Okay? For them to continue to denigrate and undermine this Government . . . this Government . . .

An Hon. Member: We fooled them.

Hon. Zane J. S. De Silva: Yes. Yes, we did. Yes, we did.

You know, we heard for a couple of years, because it was only a couple of years they were in power. We heard the former Finance Minister under the OBA, Bob Richards, say time and time again in this House, *We need foreign investment*.

The Honourable Member Dunkley was saying when we first got in, *Well, what are you going to do? What are you going to do? You're not doing anything. You're not doing anything.* We bring Arbitrade to the table, they say, *Oh! Red flags! Hurricanes on South Shore!*

Make up your minds!

An Hon. Member: We asked a legitimate question.

Hon. Zane J. S. De Silva: One minute you say we are not doing anything; the next minute when we do something, you say, *Ooh. Wait a minute. The sky is falling. The sky is falling.*

[Inaudible interjections]

Hon. Zane J. S. De Silva: *The bogeyman!*

Remember 1998? *The lights are going to go out!* And you know what? *PLP were going to ruin this country in 1998 . . . had the largest growth of GDP in our history from 1998 to 2008, in our history!*

Mr. Speaker, let me say this. We have had 44 FinTech companies incorporate in this country. Forty-four in 17 months. Forty-four. Out of that 44, a full 43 are probably saying, *What's this former Premier saying?* Because you know what? I am starting to get a feeling already (after just, what, 16 months?) that the

OBA . . . And I am glad to see that you have got some Members who say, *We want the UBP gone*. They are still here. Might take you a little time, but it is okay. I wish you luck with it. They are still here. They are still here. But, look, Mr. Speaker.

[Inaudible interjections]

Hon. Zane J. S. De Silva: Mr. Speaker, you know, let me say this. Right? If you have had 44 companies that have registered, 1 of them is Arbitrade, you have 43 left. What do those 43 think about Bermuda? So, here we are going to have to work extra hard. But you know what? I am getting the feeling that the old UBP is sneaking in. You know what? They will have this place burned down. They will have the Island burned down to get back power. But you know what? They have got a little surprise coming.

An Hon. Member: That is just not true.

Hon. Zane J. S. De Silva: The Honourable Member said, *Well, that's not true. It's not true*. Do you read some of the things that your colleague, your good friend, Michael Dunkley, talks about in the newspaper, the Honourable Member?

An Hon. Member: Read them out. Read them out. Read them out. Read them out.

Hon. Zane J. S. De Silva: I mean, the Honourable Member Pearman just said, that is right, *Nobody in Bermuda believes that Arbitrade is legit*.

An Hon. Member: Yes. That is right.

Hon. Zane J. S. De Silva: And that is in Hansard.

An Hon. Member: That is right.

Hon. Zane J. S. De Silva: A lawyer . . . a lawyer whose company has benefited more than any other lawyer company with these 44 FinTech companies, I would bet.

[Inaudible interjections]

Hon. Zane J. S. De Silva: We did not see any point of order coming up, did we?

An Hon. Member: No.

[Inaudible interjections]

Hon. Zane J. S. De Silva: Wait for the goal. Look, listen and wait for the goal. Look at that, Mr. Speaker. It is amazing what you draw out sometimes, is it not? What people really think and feel underneath.

But, Mr. Speaker, let me finish on this note. No matter what the Honourable Members Dunkley and Pearman have to say about business that we are going to try to bring to this country, no matter what they say, we will not be deterred. We will not be stopped for looking after the people's interests of this country, ever, Mr. Speaker. Thank you.

The Speaker: Thank you, Honourable Member.

We now recognise the Honourable Member from constituency 23.

Honourable Member, you have the floor.

SERVING WITH DIGNITY AND PRIDE

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

Mr. Speaker, last Friday, which was the day that we returned to Parliament, represented the 20th anniversary of my coming into the hallowed halls of this honourable place of politics, having spent the first three months actually in the other place and then coming up here on the Hill about three or four months later.

In those 20 years, Mr. Speaker, of formal involvement with politics, I have always striven and committed to serving this country in general, my constituents in particular, and the party under whose banner I was elected. And I elected to serve them with dignity and with pride. I use integrity as the hallmark of my existence in coming to this place, Mr. Speaker. I have attempted to be consistent in everything that I have done.

Mr. Speaker, I have worked with two of the Members who now sit on the Government benches in a different capacity when we served in the same party. At the point at which that party determined that it wanted to become defunct, I had the option of quitting, resigning, retiring, doing whatever, or continuing what I deemed to be part of my purpose. And that purpose was to continue to serve in the best way that I know how, to the very best of my ability.

Mr. Speaker, when I was given the opportunity to serve in the Cabinet, once we won the Government in 2012, there were things that I did personally. Not that I necessarily need to pat myself on the back, but I looked at the financial condition of the country and made the determination that there were certain things that I could not, in all good conscience, do, not the least of which was in trying to support our athletes. I made it a point to use my own money if I needed to go somewhere.

I did a trip when I was the Minister of Public Works to communicate with the people from *Royal Caribbean*, as we were doing the initial stages of the widening of the channel. And because I was going to be in Miami, I used my money to go up and visit something. I used my money to go and make a trip to speak to the people who were looking to do some-

thing with the hospital and the Lamb Foggo Urgent Care Centre. And there was never a time that I did anything that I needed to withhold or that I was ashamed of, that I had to look over my shoulder, when all was said and done.

Was I perfect? Absolutely not.

Mr. Speaker, this morning, we had a Ministerial Statement, and we asked the question, *Who was the successful company that got the contract?*, because the Minister's Statement was silent on that matter. And the Minister's response were words to the effect of (I do not wish to misquote him, so I would say "words to the effect"), *Oh, they fell for the trap, so now I will tell them that it was Crisson [Construction Limited] who won the contract for \$2-point-whatever million to do the work at the Wharf.*

Mr. Speaker, that, to me, shows the difference between how the Government chooses to respond to the people of Bermuda—to *set traps*, as the Minister indicated, into which they hope the Opposition will fall—when it would have been very easy for the information to be given straight up. So, when one questions some of the comments and some of the fears and some of the concerns that have been expressed—

Lt. Col. Hon. David A. Burch: Point of order, Mr. Speaker.

Hon. Patricia J. Gordon-Pamplin: Yes?

The Speaker: Point of order is taken.

POINT OF ORDER

Lt. Col. Hon. David A. Burch: That Honourable Member is presuming to know what is in my mind. And I can assure her that there is just a long way from ever being able to figure that out.

An Hon. Member: Uh-oh.

Hon. Patricia J. Gordon-Pamplin: You are wrong.

Lt. Col. Hon. David A. Burch: I said they fell into the trap, because I know who they are. I know who they thought I was going to name, because that is how they operate. And I did not deliberately leave out the name of the company.

I did not want to put it into the public domain until they asked. But I knew that they were, because they expected that, it is their normal *modus operandi*.

The Speaker: Thank you.

Continue, Member.

Hon. Patricia J. Gordon-Pamplin: Mr. Speaker, the same way the Honourable Minister could indicate that I do not know what he is thinking, he certainly does

not know what we are thinking. And he put a Statement out that was incomplete, and obviously, what we are hearing now, intentionally incomplete—

Lt. Col. Hon. David A. Burch: I know you have got an issue.

Hon. Patricia J. Gordon-Pamplin: —so that we should never have had to ask the question.

This is the people's money. It is not the Opposition's money. It is not the Minister's money. It is the people's money that is going to be committed in order to get the thing done, Mr. Speaker!

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: So, for the Honourable Member to state *they fell for the trap*—

[Inaudible interjections]

The Speaker: Members, Members. Members.

Hon. Patricia J. Gordon-Pamplin: I say one thing, Mr. Speaker. In the 20 years that I have been there, I have never been smothered by the toxicity of fumes, because I have had my head stuffed so far up. I have never done that, Mr. Speaker. The brown, as I have said once before in this Honourable House, on my lips comes from my lipstick tube. I do not put my face precariously against the wrong part of somebody's anatomy.

[Laughter]

Hon. Patricia J. Gordon-Pamplin: So, for whatever I believe that needs to be said in this Honourable House—

The Speaker: I am glad you kept that clean in how you put it.

Hon. Patricia J. Gordon-Pamplin: And I absolutely will, Mr. Speaker. I always will, because I honestly believe that the dignity of this House is deserved.

An Hon. Member: Well said. Well said.

Hon. Patricia J. Gordon-Pamplin: And I will attempt to maintain it, to the best extent that I can, Mr. Speaker.

And I will say that the Government, they choose to expand the cost of Government. They choose to make as many ministers as is constitutionally allowed. It is their prerogative to do so. They do not have to, you know, point it to me to speak to the Government. They do not have to care, you know. They do not have to hear me because they do not

care what I have to say. And that is fine with me. That is fine with me.

So, when we question that with something very simple, in terms of what or who got a particular contract, it is no different than when I found myself in the Ministry having to make a determination as to which company was going to get a particular contract for either doing the Railway Trails or doing other things. And I had no hesitation to make recommendations, as they came back in support from the OPMP [Office of Project Management and Procurement], that companies that may have been run by Members in the Opposition at the time deserved a particular contract, because their bid was the most responsive.

I did not question. And nobody questioned us to say, *You gave this contract to person A. How come you didn't give it to person B?* Because we always looked at how best we could serve the public by having an effective use of the public purse. I do not apologise for that, Mr. Speaker. I do not apologise for that.

So, when we heard, Mr. Speaker, that a company, which has been the subject of us and Members Opposite, indicating that there are billions of bullion . . . Billion is a lot of money. A billion can wipe out . . . you know, a couple of billion can wipe out our debt, our national debt that we have, \$2 billion-plus. But when we have companies who have that level of largesse, and there was no support to say that this is who they are, when you google people and you could not see what they have—

Hon. Zane J. S. De Silva: Point of order, Mr. Speaker. Point of order.

The Speaker: We will take your point of order.

POINT OF ORDER
[Misleading]

Hon. Zane J. S. De Silva: I think the Honourable Member is misleading the House, maybe unintentionally, when she says there is no proof.

This company, Mr. Speaker, you know, because that Honourable Member does not have what she calls the “proof,” it does not mean that this company is not legit or does not have what they say they have.

What she is going by is a report that she may have read in the paper. And there have been plenty of them. And they have not been correct.

The Speaker: Thank you.

Hon. Zane J. S. De Silva: And let me remind the Honourable Member and the House that they are listening, because I have just got emails from them. So, let us respect our people who want to come here and invest in our country and our people.

The Speaker: Point taken, point taken.
Continue on, Member.

Hon. Patricia J. Gordon-Pamplin: Mr. Speaker, I have no intention in this Honourable House other than to seek facts and to repeat them as they are known to be. So, if information that I have is incorrect, I am the first one to say that maybe I was misinformed. I do not have a problem with that, as I said earlier. I am not perfect, and I do not profess to be.

An Hon. Member: But you are pretty close.

Hon. Patricia J. Gordon-Pamplin: I have no doubt. I have no doubt.

[Laughter]

Hon. Patricia J. Gordon-Pamplin: But, you know, so often . . . so often we have comments that are made where it is obvious that Members opposite do not want to be confused by facts. They make spurious comments about whatever we may have done, historically. And then they wrap it up in a thought process that says, *Oh, they are the past. We are future.* We heard somebody talk today about 1906 . . . but, *We only look forward.* I understand that. I understand that.

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: So, it is only okay for one side of the House to speak to the past and the future. And I do not have a problem with that. Accepting what the electorate decided in July of 2017 is the easiest thing for me to do—the easiest—

[Inaudible interjections]

An Hon. Member: What?

Hon. Patricia J. Gordon-Pamplin: To fire me!
The easiest thing for me to do, because that is something over which we have no control.
But when I hear—

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: Mr. Speaker, when I hear that somehow my early service to this country was valueless because . . . because—

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: —because it was as a Member of the UBP, and yet we do not see anybody saying, you know . . . and there were articles coming from our side of the House, I must admit, saying, *Get rid of the UBP. Get rid of the UBP.* And I understand that. I did not have a problem with that. I was

certainly a member of the UBP in this House. And certainly, I do not have any difficulty, as I said. I know who I am, I know whose I am, and I know from where I have come. I know from where I have come, Mr. Speaker.

And the one thing about me, as I have said before, if I misspeak, I am more than happy to do the research to find out the information and correct any misstatement that I may have made.

So, we have asked that there be efficiencies, that there be efficiencies when a Cabinet is composed. And we make sure from the way we always did things. We are not saying that we have the right or the interest or the desire to tell the Premier how to operate. As long as he stays within the Constitution . . . as long as he stays within the Constitution, he can do what he wants. He can do what he wants!

We can observe, because the people of Bermuda also know, Mr. Speaker, that it is costing us more now than it was before. They have the right to ask. So, as I stood to my feet, Mr. Speaker, when I hear Members coming over and saying I am the ultimate defender, I am going to be the defender of truth, irrespective of what Members opposite, the Government, might want to say in between Border Lane, or wherever it is that he sits. Because I find that to be tremendously offensive.

I would never second-guess Members on that side, because we do not share the same political philosophy. I would never suggest that there is something untoward about their intent and about their service. I do not do that, Mr. Speaker!

So, Mr. Speaker, for those who choose not to be *confused by facts*, and for those who would suggest that all we want to do is to throw out red meat and to try to muddy the waters, when all we are doing is to try to do our job . . . You know, it is so easy. Mr. Speaker, if one could say, *Every single thing that the Government says is right and we bow to you and we support you, and everything is wonderful and all is well with the world*, that would be wonderful if we could do that, Mr. Speaker. But that is not our job. Our job is to critique.

But, as I heard this morning, Mr. Speaker, at the Parliamentary Prayer Breakfast, all I can say is that when the guest speaker of the day, the featured speaker of the day said that his daughter had an opportunity as they were driving down the highway, and she misread the sign. The attitude that I am getting here today, Mr. Speaker, I fully, wholeheartedly agree with that speaker this morning. We are dealing with *Slow Men Working*.

Thank you, Mr. Speaker.

[Laughter]

The Speaker: Honourable Member, I now recognise the Deputy Speaker.

Deputy Speaker, you have the floor.

CALL FOR BETTER GOVERNANCE FROM LANGTON HILL

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

Mr. Speaker, it has gotten kind of lively. It has gotten a little stormy outside. But, Mr. Speaker, we have had—not we. The occupants of the largest house on Langton Hill have had an investigation going on for eight years—longer than Watergate—hiring folks from overseas and locally, travelling around the world, wining and dining on the taxpayers' money, whilst Mrs. Smith cannot even afford medication, or even put her lights on and buy food. Mr. Speaker, this investigation all stems from what I will call a setup to make an accusation; and hence the investigation started.

Mr. Speaker, in a 1998 audit report, \$16 million was not collected by the Accountant General, because law firms undervalued assets to pay less duty to the government. And, you know, there was no investigation, Mr. Speaker. Not one stitch of investigation. The auditor did not order it, because, you know why, Mr. Speaker? The law firms were white. And you do not investigate white law firms in Bermuda. If that had been a dark law firm, you can bet your life it would have been investigated, Mr. Speaker.

Mr. Speaker, when will this investigation stop? Because they go into people's bank accounts, and if they see something that black folks, in particular, should not have, it is suspicious. But it is not suspicious that white folks have it. That is the way; that is the history of Government, of that occupant of the largest house on Langton Hill, Mr. Speaker.

Mr. Speaker, even when you look at the appointments that the occupants of the largest house on Langton Hill make, less than 10 per cent of the appointments that have been made have been black folks. Why, Mr. Speaker? Black folks are not trusted. They look at black folks as something other than normal.

And let me say this here. Not all white folks are like this here, because I do remember one occupant of Langton Hill who went to Canada and got a Bermudian up there and brought him home so he could start to put black folks in position. And he was Lord Martonmere, who went and brought Calvin Smith home. So, not all of them were like that. But he was fighting the oligarchy of Bermuda. He could not go further than that, Mr. Speaker, you know?

And as the Member from Paget, Mr. Pearman, said tonight, *Nothing is right* (I am paraphrasing now) *that we do*. And he was talking about certain companies with the FinTech, a very degrading statement, one that I am sure that he regrets. He has got to regret—

Mr. Scott Pearman: Point of order, Mr. Speaker.

The Speaker: We will take your point of order.

POINT OF ORDER

[Misleading]

Mr. Scott Pearman: I am sorry. You are not going to paraphrase me and then say that I said something which is highly offensive. Who was the “they” that I said something about?

[Inaudible interjections]

Mr. Scott Pearman: The gentleman is misleading the House.

Hon. Derrick V. Burgess, Sr.: Do not tell me I am not going to do what, right, because you do not have that authority to tell me what I am going to do. Let us not do that.

Mr. Scott Pearman: Mr. Speaker. Mr. Speaker.

The Speaker: Members, let us try and not get on a personal level.

Mr. Scott Pearman: Mr. Speaker, the Honourable Member has just paraphrased and then misquoted what I have said. If he would like to say what I said, I will listen politely. And if he is wrong, I will challenge him on it. Thank you, Mr. Speaker.

Hon. Derrick V. Burgess, Sr.: I paraphrased, Mr. Speaker. I made my statement. If he is not satisfied, that is fine.

The Speaker: Let us move on.

Hon. Derrick V. Burgess, Sr.: He can get up next, Mr. Speaker.

The Speaker: Let us move on.

Hon. Derrick V. Burgess, Sr.: But, Mr. Speaker, that is how these folks are looking at us. They need to start looking at black folks as equal to them. We were born like them. We bleed red like them. When I give blood down at the hospital, it does not say this blood is going to anybody black or white. It goes to anybody who needs it. And these folks had better start to understand that and to understand that white folks can do business with a black Government. It is okay, nothing wrong with that.

Stop looking at us like we are less than human, like we do not have the competence to sit down with people and break bread and do business. Got to stop this foolishness in this country! This is 2018, and we still have this racism, subtle racism sometimes, and sometimes outright racism. The actions of the white supremacist, that is how some folks in this coun-

try are acting, and they need to stop it. They need to stop it now and show our children that we can get on as one. And it must start from the largest house on Langton Hill, looking at us and persecuting and trying to prosecute us also. That particular house up there perpetuated racism in this country when it was outlawed in the UK.

So, Mr. Speaker, I call on better governance from Langton Hill. And look at people’s colour with respect. Do not invite me up there for tea and rub shoulders, and then the real party . . . when he wants information, we are not invited. I am not going to Government House for anything, only if I have to go there. But I will not go for anything else, because of the history of that Hill up there.

Stop the investigation on Dr. Browne. Eight years! Longer than Watergate. Never heard such in my life. This type of investigation would never go, would never take place, if Dr. Brown was from a different race and in a different party. Because it is over here, it is different, just like they treat Zane De Silva, because Zane De Silva is over here. Just like they treated Dr. Ball and others who have joined us, as you would know better than me. (You are much older than me, Mr. Speaker.)

[Laughter]

Hon. Derrick V. Burgess, Sr.: So, you would know better than me.

So, Mr. Speaker, with that I take my seat.

The Speaker: Thank you, Deputy.

With that, I recognise the Member from St. George’s, the Honourable Member Ming.

OBA’S ATTEMPT TO DIVIDE PLP

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

Mr. Speaker, with our opening of Parliament, I just want to take this time to continue to encourage our people and our listening audience to . . . I said it before in this place, *stay woke*. Because a lot of times, things get said here . . . and I know if you were actually to . . . And I do this a lot. I go . . . I am sure I could be one of CNN’s fact finders, because I go back and I look at a lot of different things. I mean, just even in here tonight, for instance, when we said that my brother across the way, MP De Silva, was the shortest Minister. Then, you know, I went right down to the month. And I said, *Well, no. Actually, my honourable colleague, Mr. Cannonier, was actually seven months in and you were ten months*. So, that was not the shortest one. If you wanted to know from month to month, there you go.

[Inaudible interjection]

Mrs. Renee Ming: And I say all of that because I know that things get said sometimes. And our people have to either hear things in the media, that other place, that wretched newspaper sometimes. And, you know what? You have to be able to start to take things and really investigate them for yourself. Like somebody might even think that I, who as, you know . . . if there is one thing I am going to talk to you about, always, it would be, what? St. George's.

[Inaudible interjection]

Mrs. Renee Ming: Yes. For years, I did ask the question, from 2015 to 2018, about what does “reasonable access” mean for a beach? I went up and down, around and around, asking just a simple question. *What does reasonable access mean in the St. George's Resort Act of 2015?* It was never answered. There was never any consultation. There was no public consultation, nothing.

In 2018, the Progressive Labour Party Government brought a Bill called the St. George's Resort Act 2018, and that word “reasonable” was removed. I represent 1,200-plus people down there in St. George's, who were all very concerned about that legislation. Even to this day, sometimes, they still have concerns about the logistics of that development. But in 2018, this Government—who listened, who consulted—made one change.

The Speaker: Yes.

Mrs. Renee Ming: A change that the people of St. George's were able to live with.

An Hon. Member: Exactly.

Mrs. Renee Ming: So, it was not hypocrisy. It was not using that or anything like that. It was actually called *listening and doing the work of the people and getting something done*.

I think sometimes, like I said, I want people to know, hear, and go and understand these things. And maybe, you know what? You will find them out for yourselves. Do not believe everything you read.

Then you have a sex offender register. I just came off of a committee for that, the Joint Select Committee that looked into that. And now we have our Government putting forth legislation that came out with some of the recommendations from this committee. It may have started somewhere else, maybe. But for two and a half years, there was nothing. And I did not hear all the jumping up and down, because I sat on that Joint Select Committee as well. This piece of legislation right here and this, even the recommendations that came out of here, put some protections in place for our children, for our adults and for our communities. And it is a very serious piece of legislation. I do not even play with it, because I do not even like to

play politics with these kinds of things here, because these are real deals.

The Speaker: Member, let me just remind you that the Throne Speech debate ended. So, please do not reflect.

Mrs. Renee Ming: Oh, no, Mr. Speaker, I am reflecting on things that we did not get a chance to speak about before.

The Speaker: All right.

Mrs. Renee Ming: Yes.

The Speaker: Just be careful. There is a line you do not want to cross.

Mrs. Renee Ming: No problem. Thank you, Mr. Speaker.

But on August the 10th, when we delivered this report to this House, I can tell you that it came with a pure passion for wanting to see things done, to protect our communities.

And a lot of times, I think what you see from this Government is just that. We want to protect. We want to make things equal. And we want to do what is right by the people of Bermuda. And sometimes, when I am saying that, I really hope the listening audience is listening, because you have to go out sometimes and find out the truth. And you take these documents that we put out, and you have a read of it. And feel free to ask any of your representatives what is in those documents, because that is what we should be doing. That is what we are being held accountable to. What we say we are going to do is what we do.

Mr. Speaker, I am also encouraging people to be wary of those persons who are divisive, who want to divide and have a negative discourse. Okay? Because as we move forward, we have no time for that. Our children have to get along. If you want to see a fairer and a better Bermuda, it has to happen here.

So, Mr. Speaker, I am just saying all of this to say that I do not have time for Trump-style politics. I do not even think Bermuda needs to adopt anything from the United States right now. But I encourage people to continue to stay woke and to make sure that they go and you do their homework. Because up until 2017, I know our people had really turned over, and they were starting to look at things and see that, sometimes, what you say may not always be the entire story.

Mr. Speaker, there is always passion in speeches in the House of Assembly. There is passion in speeches sometimes outside of the House of Assembly. But, once again, I would just encourage our people, all of Bermuda, all Bermudians, anyone, make sure that you are doing your homework, and get what is the truth. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

I recognise the Honourable Minister for Works.

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

The Speaker: Yes.

KINGS WHARF REHABILITATION

Lt. Col. Hon. David A. Burch: Thank you for this opportunity.

I am going to start with something that is probably not quite familiar with many people. And that is this book we often call a “platform.” On my travels, I refer to it as a “book of promises.” I refer to my constituents, particularly in recent times where I hear the comment that the PLP *ain’t doing nothing*. And I say, first of all, you have to look at the messenger. Second, you then have to ask, What is it exactly that you are talking about? Are you talking about a promise that we made, or something that you want to see happen that you cooked up in the privacy of your own home? Because the promises that we made, Mr. Speaker, follow this book. And so, they come as no surprise.

Mr. Speaker, I was challenged earlier this evening by a former Minister of Works. Now, they had so many during their time. I do not know who the Minister was in 2014 when the report came on King’s Wharf, a 77-page report that set out in quite specific terms what the challenges were with King’s Wharf and what needed to be done to remediate them.

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: Okay? Never tabled by them, Mr. Speaker. And whilst I am being challenged on what I said, I would not have to have said anything, Mr. Speaker, had that been taken care of in 2014, 2015, 2016 or 2017.

An Hon. Member: Ooh! Ooh! Ooh!

Lt. Col. Hon. David A. Burch: It was not. It was left to us.

And, Mr. Speaker, I can tell you that the number of things that have been left to us just in this Ministry of Public Works alone is astounding. And I will come next week with something else. Okay? And it reflects on the fact that we are accused of not being concerned and of [not] having any economic sense. Four years ago, for King’s Wharf, the estimate was \$20 million. Now, you do the math, Mr. Speaker. Under normal circumstances, one would expect that four years later that price would have gone up. We are saying we can do it for \$15 [million], because we have approached it in a progressive and significant way.

And that is not to beat anybody up, Mr. Speaker, because it is going to affect every single

person in this country if we fail on this project. Because we need that cruise pier operational and ready to go in April 2019. And I have every confidence, Mr. Speaker, that the young civil engineer who is in charge of this project is going to make it happen. And I can guarantee you that we will stand firmly and squarely behind her to ensure that all of the resources that are required to make that happen are in place.

GRAND ATLANTIC

Lt. Col. Hon. David A. Burch: Mr. Speaker, I take any criticism of Grand Atlantic personally. And I take it personally because I happened to have been sitting in this job a decade ago, maybe slightly less than that, when Grand Atlantic was built. I soon after left that responsibility. And one of the criticisms that I had, and have, was that I did not feel, and do not feel, that my Government at the time defended the Grand Atlantic process and project strongly enough.

That said, however, they do not take anywhere near the majority of the blame. One of my colleagues referred earlier to something that . . . I guess I might have seen it. But, I mean, it was quite offensive.

An Hon. Member: Very offensive.

Lt. Col. Hon. David A. Burch: But even notwithstanding that, Mr. Speaker, the project that is now proceeding on the Grand Atlantic, soon to be renamed Bermudiana Beach Resort . . . you know when it started, Mr. Speaker? Before we came. And I do not know which one of those people was the Minister of Public Works or had the responsibility for it, but they turned it down. They turned that project down, Mr. Speaker.

And that project is going forward. I do not know if you travel South Shore. But you will recall, Mr. Speaker, that before this House rose for the summer recess, we took a whole lot of flak because we forced through a Bill that provided for subsidiaries so that project could proceed. And we were accused of all manner of sins, Mr. Speaker.

Now, under normal circumstances, one would expect that you probably could be guilty. But since they sat in that seat for a number of years when that project languished, there is no valid reason to criticise it, other than to criticise for the sake of criticising. And there was a suggestion that, *Oh, we’re railroading it through, and nothing will happen*. Well, if you have been up South Shore, Mr. Speaker, you will know that virtually every one of those buildings has been repainted. And work is underway. And construction is underway in terms of creating the show units that will soon be marketed. And the process is moving forward as indicated.

An Hon. Member: Well done.

Lt. Col. Hon. David A. Burch: But, Mr. Speaker, the biggest criticism . . . and I am never going to forgive these people for this until they actually stand up and publicly apologise to the people of this country. And that is the group known as the Bermuda Environmental Sustainability Task Force, and the rest of them who, for years, Mr. Speaker, criticised and stood with the OBA and talked about how Grand Atlantic was going to fall into South Shore. Every opportunity they got . . . every opportunity they got, they said it was going to fall into . . . So, why would Mrs. Smith spend two dollars to invest in it? Why? I would not. No sane person would, if you believed the media and every voice that said, *Oh, it is going to fall into South Shore.*

You know what happened, Mr. Speaker? Because I am not a person who rewrites modern history like some of what we have heard in this House today. I think the week after the 2012 election, I have not gone and looked in the media, because it was said in the media . . . *Oh, we're good with it now. And we're good with it now because the former Government, oh, they talked to us.* And so now, it is not going to fall into South Shore, and all is well and good. And whilst there is still criticism of it from the other side, amazingly, Mr. Speaker, last year during their beloved America's Cup, there was nothing wrong with the facility whatsoever so that they could house their beloved sailors and whomever else in Grand Atlantic.

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: Mr. Speaker, so, until the people who criticise this just because they had no valid reason to do so . . . and I would suggest just because it was a PLP project . . . because I can guarantee you, Mr. Speaker. I can predict something tonight, too. Had there not been that type of valid criticism, not only would it have been sold, you would have had families living on South Shore today. But I suspect that there were other reasons at work.

An Hon. Member: Oh, yes!

Lt. Col. Hon. David A. Burch: Oh, yes! I know there were other reasons at work, Mr. Speaker—

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: —because I also happened to be sitting in this post when the Loughlands process and project was built, okay?

There was a former Minister of this House who stood and criticised it until it was even built, and still criticised it. And I know that when they went to canvass . . . I know that you could criticise things whilst they are an idea. But once you actually start construction and you have to go knock on people's doors, I know the one thing that they will remember

when they came a calling asking for votes, *You did not want me to be living here.*

An Hon. Member: Yes.

Lt. Col. Hon. David A. Burch: And every shade of Bermudian could report to me that this is the answer they gave to that Honourable Member who used to be a Member of this House. So, Mr. Speaker—

An Hon. Member: You are making points now.

Lt. Col. Hon. David A. Burch: Right. Oh, I know I am making one.

Mr. Speaker, I want to talk about one other thing.

The Speaker: You have got a few minutes left.

Lt. Col. Hon. David A. Burch: How many?

The Speaker: You have got a few.

Lt. Col. Hon. David A. Burch: A few.

The Speaker: Ten minutes, just about.

Lt. Col. Hon. David A. Burch: I declare and decree—

The Speaker: Mm-hmm.

Lt. Col. Hon. David A. Burch: —that I know very little, and understand even less, about FinTech and blockchain. And I had requested the Minister months ago to come up with a one pager for three-year olds, so that I might be able to understand, and Ms. Smith would be able to join me in understanding that.

The Speaker: Mm-hmm.

Lt. Col. Hon. David A. Burch: My knowledge has increased a little bit, because I went to every one of his presentations and got a nugget from each one of them.

But Mr. Speaker, I am unequivocal in my support of FinTech and blockchain, and all of this stuff that I do not understand. And do you know why, Mr. Speaker? Because when I look and I see the Appleby's of the world, and the CD&Ps of the world, and the KPMGs of the world, and the Deloitte and the EYs of the world, who are setting up FinTech units—

An Hon. Member: Yes.

Lt. Col. Hon. David A. Burch: —in their operation and positioning themselves . . . what they see into the future . . . Mr. Speaker, I characterise all of these folks as people who smell money.

An Hon. Member: That's right!

[Laughter]

Lt. Col. Hon. David A. Burch: They can smell money at a thousand paces, Mr. Speaker. And I know! I know! I have seen the movie before. The movie is, *Oh, no, we are going to criticise it over here, Ms. Smith, so that you think that this is a bad thing and—*

An Hon. Member: That's right!

Lt. Col. Hon. David A. Burch: —in the meantime, we are going to be setting up our operation to be able to take all of the benefits of this.

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: And how do I know that this is the case, Mr. Speaker?

An Hon. Member: Yes?

Lt. Col. Hon. David A. Burch: In this current Throne Speech.

And I . . . I . . . I . . . Let me decree and declare something else, because people get confused. I do read the *Royal Gazette*. I do not read it on the day it is published, because I do not think fiction has to be read on the day it is published.

[Laughter]

Lt. Col. Hon. David A. Burch: And I do not buy it. People save them for me.

But I read them all and I read them in sequence. So, right now, I am about a week behind. But what I do know, Mr. Speaker, is that when the *Royal Gazette* criticises—

An Hon. Member: Yes.

Lt. Col. Hon. David A. Burch: —and writes the same narrative that we are getting from the other side, but yet, in the same newspaper they are publishing the incorporations of FinTech companies . . . so, they know they are lying to you. They know, not from no one else's vault. They know from the money they are making on both sides—

An Hon. Member: Correct.

Lt. Col. Hon. David A. Burch: —that what they are saying is not correct.

And so, what I am saying, Mr. Speaker, that when you hear . . . and I do not necessarily read the online newspaper, because I am old-fashioned. I need to have the paper. And so therefore, I do not see the blogs, but people report them to me. And so, in the

Throne Speech, it was very interesting to me that it was reported that the president in the Chamber of Commerce came out in support of the Throne Speech and items in it, and basically, generally in agreement with the Throne Speech.

But Mr. Speaker, we have grown such a cabal of racist, discriminatory people who write anonymously on the blogs, and of course, you cannot control them.

An Hon. Member: Yes.

Lt. Col. Hon. David A. Burch: So, because that is where they are, that is where they stay.

And so normally that venom is directed toward people on this side. But if one person who traditionally supports business puts one toe—

An Hon. Member: Oh, yeah.

Lt. Col. Hon. David A. Burch: —in support of the . . . they come over the mountain after them. And for me it is incredibly entertaining, because the president of BF&M, who is also the president of the Chamber, got an almighty flogging for even suggesting that, *Oh, the PLP might have put out two things good in a budget, in the Throne Speech, and we are headed in a certain direction.*

Mr. Speaker, the challenge that people who challenge us have is that what we believe is where we are. We do not have to be taught. I was having a conversation with someone today (I think in the lunch-room) about how, in my humble opinion, we as a country and we as a Government have gone overboard in terms of the hurdles that have been placed in people's way in order to ensure that governments, and ministers, and people in public service remain honest.

And I was saying amid all of this, you know, I do not need anyone to tap me on my shoulder and to say, that, you know, *you have got to do what is right*, because it is right. Because I know that I remember my upbringing.

An Hon. Member: Amen.

Lt. Col. Hon. David A. Burch: There were people that raised me that told me from the cradle to adulthood, and even though many of them are no longer here, they are still with me. And whilst I sometimes stray from what some people think should be, you know, being nice to folk, I do not ever forget who and whose I am, and where I come from.

And so, I do not need any OPMP, I do not need any of these other people to try and make sure that I remain honest, or I do what is the right thing. Or to be told that, you know, it is never too late to do the right thing. I do not . . . we do not need that. And I am a member of the PLP, and I think all of us are mem-

bers of the PLP, not because of political power, not because of station, because you sure as hell are not getting out of that.

An Hon. Member: Yes.

Lt. Col. Hon. David A. Burch: It is because we believe in a *philosophy*. We believe in the underlying *fundamental principles* that this party is founded on: justice, equality—

An Hon. Member: Yes.

Lt. Col. Hon. David A. Burch: —care and concern for your neighbour, doing what is right for the people of this country.

Some Hon. Members: That is right.

Lt. Col. Hon. David A. Burch: I did not say black people.

An Hon. Member: That is right.

Lt. Col. Hon. David A. Burch: Doing what is right for the *people* of this country—

[Desk thumping]

Lt. Col. Hon. David A. Burch: And sometimes we cannot see it.

Some Hon. Members: That is right.

Lt. Col. Hon. David A. Burch: And sometimes you have to . . . it is just like cod liver oil. And parents used to make you take that stuff and, what was it? What was the commercial? Is it cod liver oil or broccoli? It tastes awful, but it . . . something—

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: Whatever it was.

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: They always tell you and they would use that line—

The Speaker: Cannot be healthy, right?

Lt. Col. Hon. David A. Burch: —that never made any sense to me.

The Speaker: Cannot be healthy. Yes.

Lt. Col. Hon. David A. Burch: It is good for you. No! It tastes awful.

The Speaker: Yes. It kept you well.

Lt. Col. Hon. David A. Burch: And so sometimes . . . and I can assure you, Mr. Speaker, that as long as I have a responsibility in this Parliament and in this Government, we will do what is the right thing to do.

An Hon. Member: That is right.

Lt. Col. Hon. David A. Burch: In spite of some of the challenges that we may face from people who suggest that we should be doing some things differently.

The Speaker: Mm-hmm.

Lt. Col. Hon. David A. Burch: The book of promises.

If it is not in here . . . and I am not saying that we will not do it. Because you have to be responsive to the changing circumstances that you face. But fundamentally, this is the Bible! This is the Bible! This is a fairly decent one. My actual working one, the back has come off it, the staples have come out and everything else because it is something that I carry everywhere and utilise as my roadmap in the responsibilities that I have, as *all* of us do. The Premier, he brings it to Cabinet every Tuesday and keeps us focused.

And what I want the people of this country to understand is that we do not just throw things up in the air and figure out what it is that we are going to do. We have a *plan*.

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: And there is a *process*. And the process is . . . this is for five years.

I heard a reporter on the news the other night, criticising the Government because we had not completed this platform in the last year. And I am not going to argue with him tonight. I want to, but I am going to go find him, and I am going to educate him and say, *This is for the whole term mat-o!*

An Hon. Member: Exactly.

Lt. Col. Hon. David A. Burch: This is for the whole term.

And I can tell you that from a Public Works point of view, you will see there is very little in here, there is very little in the Throne Speech. But I can assure you, that is not where we end. You do not tick those two boxes and then end. This party, Mr. Speaker, has a history of being supportive and standing up for what is right in this country.

And the fact that some of our forbearers who have gone on . . . we are picking up the banner and carrying the mantle to carry us to the next level. And when it is time for me to leave this job and hand over to one of my colleagues whom they were trying to agitate on the Backbench, I will pass the baton to them

happily and willingly. And because we are a team, they will take that baton and say, *I am carrying it to the next level so that I can do the same to the person who is going to follow me.* Thank you very much, Mr. Speaker.

[Inaudible interjections and desk thumping]

The Speaker: Thank you, Honourable Member.

We will now recognise the Leader of the Opposition. Honourable Member, you have the floor.

GATES BAY BEACH ACCESS CLARIFICATION

Hon. L. Craig Cannonier: Thank you, Mr. Speaker, and I am not going to be long.

I think enough has been said today. We have had a very healthy debate. But there is a need for some clarification on the motion to adjourn that I feel is necessary. And I recognise that maybe by changing a word when it comes to Gates Bay and the beach and taking out “reasonable access” . . . I know that consultation was extensive and taking out “reasonable” does not change the access. The access is still as it was before, where the public can go and use that beach.

So, I take it, you know, maybe we should have taken out the word “reasonable.” But I know that St. Regis group spent many town hall meetings. I was at those town hall meetings (some I was not at) clarifying the fact that public access—

Mrs. Renee Ming: Point of information, Mr. Speaker.

Hon. L. Craig Cannonier: —to that beach.

The Speaker: Will take the point of information.

Hon. L. Craig Cannonier: Point of information: no, no, no. No.

The Speaker: Okay.

Some Hon. Members: Point of order.

Mrs. Renee Ming: Point of order, Mr. Speaker.

The Speaker: Oops. You did say information, so let him continue on.

Hon. L. Craig Cannonier: Yes.

And I know that extensive consultation took place so that the public was aware. And yes, there were questions being asked about what is reasonable access. And St. Regis themselves set out to explain that very fact, that the beach was still accessible to the public.

So, I grant it. I take what the MP has said. But I know for a fact that the access has not changed, even though we have taken the word out.

[Inaudible interjection]

Hon. L. Craig Cannonier: The exact same wording was in the Park Hyatt Act. Yes, yes.

An Hon. Member: Reasonable access.

GRAND ATLANTIC

Hon. L. Craig Cannonier: Reasonable access, absolutely.

And also, I wanted to speak to the Grand Atlantic and the property there. And the question was about why possibly we did not get it completed. I can say this for a fact. By the time I became the Minister of Public Works, the particular company who had put in a bid for that property . . . we extended that MOU [Memorandum of Understanding] over and over and over to ensure that they could get whatever they needed to get together: financing, the packages that they needed. So we were more than willing to help.

But they could not fulfil the promises that they had made and the commitments that they had made. And so that is why we put it back out to RFP [Request for Proposal], and rightfully so. When it went back out to RFP, maybe that gave them enough time. But if year after year, if we extend the MOU and nothing happens, we *have* to put it back out to the public. There may be others who may be interested. And that was the only fair and right thing to do. The only fair and right thing to do!

So, I am glad, and I have spoken to the House when the opportunity came and we only had a day to debate the new changes that had taken place. I stood up in this House and said, *Yes, let us move ahead. If there is an opportunity here, let us take that opportunity.* Never once did anyone say anything about a bogeyman or anything else to cast a dark shadow on that property.

An Hon. Member: Certainly did not stop them.

Hon. L. Craig Cannonier: The idea was to get that property moving. And I have said it before in this House as well. If you were not able to win the argument before about the fact that the bank was falling down, that does not fall on the Opposition. That fell on you as a Government to convince this Island that it was the right thing to do. And we can blame all kinds of organisations we want.

Hon. Zane J. S. De Silva: Point of order, Mr. Speaker.

The Speaker: Point of order.

POINT OF ORDER*[Misleading]*

Hon. Zane J. S. De Silva: The Honourable Member, I think maybe mistakenly, is misleading the House. When he said that, you know, it is up to us to inform people out there. We did, Mr. Speaker. But the problem is that with the OBA and the combined 'Royal Rag,' it was hard for us to defeat it. And, of course, the result is that is why it is sitting here today.

The Speaker: Thank you.

Hon. L. Craig Cannonier: Thank you, Mr. Speaker. It was not the OBA. But so be it. It was not the OBA. But so be it.

[Inaudible interjection]

Hon. L. Craig Cannonier: So . . . so—

The Speaker: Continue on. Continue on. Continue on.

Hon. L. Craig Cannonier: Mr. Speaker? So, Mr. Speaker, that was where I left it.

POINT OF ORDER*[Misleading]*

Hon. Zane J. S. De Silva: A point of order, Mr. Speaker.

The Honourable Member said it was not the OBA. I have tabled this. This is one of their heads. So, you cannot say it in the OBA.

Hon. L. Craig Cannonier: That was after the project.

Hon. Zane J. S. De Silva: It was after the project, but that is why, Mr. Speaker, we could not sell them.

[Inaudible interjections]

Hon. L. Craig Cannonier: Wow!

Mr. Speaker, the Honourable Member, I have given him latitude, but he is really stretching it there.

I was not even involved in politics when that project was being done. So, when I got involved and saw what was going on, that had already passed. Now, there might have been Members there that did an ad, that were still talking about it. But the project had already been built. So . . . and no one was taking them on. How long ago was that?

Hon. Zane J. S. De Silva: [It was] 2012.

Hon. L. Craig Cannonier: Yes, 2012. Now he cannot do math. So the ad they are talking about.

So, anyhow, Mr. Speaker, the point is this: Just like it was upon us to convince the public that we needed to go ahead and do the airport, that we were going to do America's Cup, we continued to be bargaged by the, *Oh, don't do this*, and, *Oh, don't do that. This is going to . . .* Almost as if the cliff was going to fall in. So, we got enough to pass around here. Enough!

POINT OF ORDER*[Misleading]*

Hon. Zane J. S. De Silva: Point of order, Mr. Speaker.

I have to do a point of order. He is misleading the House. The airport and this deal are two completely . . . they are apples and oranges. Mr. Speaker, the airport was not put out to tender. That is why we were against it.

The Speaker: Continue, continue, continue.

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

We have been down that road. We are talking about the debate that took place over whether or not it should be done. And all kinds of things were said about the airport. All kinds of things are still being said about America's Cup. Yet, despite the fact that professionals have already looked at these projects and said that they have been a success, we still hear the dark horse speaking over it.

[Inaudible interjections and laughter]

Hon. L. Craig Cannonier: You know? So, at the end of the day—

An Hon. Member: When you say "white" horse they could be offended.

Hon. L. Craig Cannonier: Yeah, absolutely. He is going to be offended. He is going to be offended.

[Inaudible interjections]

The Speaker: Continue to speak this way. Speak this way.

Hon. L. Craig Cannonier: So, Mr. Speaker, I recognise that in the cut and thrust of all of what is going on, it is beholden upon us when we see something good to speak to it.

But it also is beholden upon us as an Opposition to also ask questions. And every time we ask a question, it does not mean that it has an ulterior motive, or that someone believes that because it is the PLP that something . . . I do not know, something else is going on! For me, those days are done! Get on with the project if you have got to get on with the project.

But if you do not put in your statement who has won the contract, you are going to get asked. You are going to get asked! It is public access information. We should know!

[Inaudible interjections]

Hon. L. Craig Cannonier: We should know! Yes, we have the answer. The answer was, *Well, we knew that you were going to ask the question. So, it was kind of like, we were laying this out for you to see if you were going to ask.* What kind of leadership is that? Just answer the question.

An Hon. Member: [It's] \$5 million worth of leadership.

Hon. L. Craig Cannonier: Yes, \$5 million. And we are still trying to sort out the \$42 million.

An Hon. Member: Yes.

Hon. L. Craig Cannonier: So, I am glad that the Honourable Member who is in charge of Public Works has the opportunity to fulfil—

[Inaudible interjections]

The Speaker: Members! Members!

Hon. L. Craig Cannonier: —that mandate over there from Grand Atlantic, \$42 million, which if you do square footage and work it out, is not low-cost housing.

So, I am glad that he has the opportunity to do something about this property. But to insinuate, Mr. Speaker, to *insinuate* that we could not complete the project, when in actual fact we over and over and over extended the MOU to ensure they had an opportunity to fulfil it . . . so, I am glad. I am glad that he is going to get this thing fixed. And I showed that I was appreciative of him by getting up and being the only Member over this side to say, *Let's get on with it and get it done. Let's get on with it and get it done.* Never once did I say, *Oh, well, you know, he was the one who messed it up in the first . . .* I did not say that! You have an opportunity there? Let's get it done. So, let's get it done.

But do not insinuate over on this side that for some reason we dropped the ball on that, because we never did drop the ball on that. Opportunity after opportunity. In fact, I heard the Honourable Member, I put it out to RFP because he said he might possibly buy it, Honourable Zane De Silva. He said he might buy it. So, I went back and said, *Put it back out to RFP. We might have other people who might want to look at it.*

An Hon. Member: Do not tell lies. Do not tell lies.

Hon. L. Craig Cannonier: That is the truth. It did not happen.

An Hon. Member: He said it himself.

Hon. L. Craig Cannonier: He did. Put it out to tender. You did not go for it.

An Hon. Member: Ooh!

Hon. L. Craig Cannonier: You said it!

Hon. Zane J. S. De Silva: Point of order, Mr. Speaker.

[Laughter]

The Speaker: Yes. Yes. Let him finish. Let him finish.

[Inaudible interjection]

Hon. L. Craig Cannonier: Yes, you are not giving me a break.

[Inaudible interjection]

Hon. L. Craig Cannonier: Yes, I am going to try and make sure that I give you a break as well.

So, Mr. Speaker, I am appreciative of this opportunity that we have in this House. I do believe that we are heading to a better place. I have listened to the debate today. And I recognise that there has been a bit of a thrust and cut going back and forth. But I can reassure you, Mr. Speaker, that we are watching the PLP.

[Laughter]

An Hon. Member: Still watching your back?

[Laughter and inaudible interjections]

Hon. L. Craig Cannonier: And I will always watch my back, Mr. Speaker.

[Laughter]

Hon. L. Craig Cannonier: So Mr. Speaker, I hope that I am the last speaker.

[Laughter]

Hon. L. Craig Cannonier: We have missed the game now. But I can assure you that what the Government has seen today, they can expect, as we move forward, some very robust debates in this House of Assembly. And we will endeavour to ensure that what we debate sticks to the issues, and that we will attempt not to get personal. But I can assure you, Mr. Speak-

er, if it even hints of getting personal, I will be one of the first to get up, Mr. Speaker. Thank you very much.

The Speaker: Thank you, Honourable Member. We now recognise the Deputy Premier. Deputy Premier, you have the floor.

PLP MANDATE

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

Some comments just to conclude the night. It is late. It has been an interesting day. Certainly, the motion to adjourn was an interesting start. It started with perhaps a presentation that was focused on examination, though I am not sure that those who were being examined in the beginning were comfortable with that examination, because the examination actually from the then Honourable Member was looking at some very interesting facts about the realities that exist for the members on the other side.

An Hon. Member: It started famously.

Hon. Walter H. Roban: And it did start quite famously. And it is very interesting, Mr. Speaker. Because this is the first meeting of the House, to some degree, since a certain journey commenced and concluded on that side, very much in the public arena. So, it is an interesting thing to see what we had been presented with, Mr. Speaker.

And I made a comment prior to August. In fact, I made a comment in July of 2016 that the hope was that the then Government would be condemned to the dustbin of history. Well, certainly July 2017, we saw a lot of dust created. Now whether the final dustbin will be made available perhaps is yet to be seen. But here we are started at, what? Twelve? Now they are at 11. So, they are closer to zero than they were a year ago. Anyway—

[Laughter]

Hon. Walter H. Roban: I will get back on track.

[Laughter and inaudible interjections]

Hon. Walter H. Roban: I will get back on track, Mr. Speaker.

Because essentially the Opposition has a job to do; whether they are able to do that job or not as well as expected, I think the country is watching. And what we have seen . . . I am very proud and pleased with the presentations of Members on this side of the House this evening because they have made it clear to the country what the PLP will be focused on doing going forward. We have even had a very clear presentation on the philosophical grounding of why we do what we do.

And that is because it is not that hard for us to do that as the Progressive Labour Party. Because that is how we are built; that is how we are designed. That is why we can come back from a 2012 and be where we are in a 2018. Because we are built on a strong foundation of: principle, political philosophy, with a focus on empowerment, social justice, equality, elimination of discrimination, creating opportunity for the citizens of this country.

This past weekend we celebrated 20 years of what I would call relative success from 1998 to 2018. We spent many years struggling and working to meet the goal of 1998, and successively, elections after that. And there have been about five elections, I think, since 1998. One of them was lost. But in some cases that loss has made us stronger.

An Hon. Member: Yes.

Hon. Walter H. Roban: In fact, arguably, I would say it has. Because we are historically the most successful political party this country has ever seen. We have come back with the largest majority ever seen by a party in this country. All right? The only other time this was done was by a party that was in Government. We came back from the Opposition and became the Government. We restored the confidence in the mandate of the people when those who had it lost it. Failed to deliver. Did not keep promises and betrayed the mandate they were given.

What you heard from Members on this side this evening was the drive and the will to keep the promise that is laid out in the book that talks about a fairer and better Bermuda. That is the focus; that is the mission; that is the mandate, and the other presentation we had today will not deter that, because we generally feel that we are true to what we have been put here to do.

And frankly, I still think those on that side, considering the soap opera that we saw over the recent months up until last week, still have a lot to sort out, to prove that they can be the Opposition that the country desires to have. Because we are a democracy, the Opposition has a role to play. Whether they can deliver on that role, we will let the country decide, like the country decided on their destiny in July 2017. It will not be the PLP who decides what happens to the One Bermuda Alliance, or whomever they choose to become in the future. It will be the people.

And that is right. We will take care of our business. They are going to have to take care of theirs, and stop trying to blame us for whatever failures that they were not able to achieve. Because what we heard today (and some of what we heard, not only during the proper period, but also even in the motion to adjourn) was continuing to remind us of their rationale for their failure.

But this PLP perhaps understands that to a degree. But that does not mean that we are interested

in hearing it all the time either, because we have a mandate. The people have made it very clear to this party and this Government, what they desire to be delivered. And we will continue to deliver on that wonderful document that the Honourable Member who sits in constituency 27 put on the desk, and presented once again to this House, and that he carries religiously on his byways in constituency 27 to educate and familiarise and give comfort to his voters as to what this party intends to do.

I will leave it to the Opposition to figure out what they are going to do and what their message is because we are not responsible for whether they do well or whether they do not well. That will be their destiny to shape. In the meantime, we will build a fairer and better Bermuda. Like I said earlier, they can join us on the ride, or they can get off the bus and take another bus at another opportunity.

Thank you.

The Speaker: Thank you, Honourable Member.

No further Members wish to speak.

The House stands adjourned until Friday next, the 23rd of November at 10:00 am.

[Gavel]

[At 9:32 pm, the House stood adjourned until 10:00 am, Friday, 23 November 2018.]

BERMUDA HOUSE OF ASSEMBLY**OFFICIAL HANSARD REPORT****23 NOVEMBER 2018****10:02 AM***Sitting Number 3 of the 2018/19 Session**[Hon. Dennis P. Lister, Jr., Speaker, in the Chair]***PRAYERS***[Prayers read by Mrs. Shernette Wolffe, Clerk]***The Speaker:** Good morning, Members.*[Gavel]***CONFIRMATION OF MINUTES***[Minutes of 16 November 2018]***The Speaker:** Members, the Minutes of the 16th of November have been circulated.

Are there any omissions or amendments required? None.

The Minutes are confirmed as printed.

*[Minutes of 16 November 2018 confirmed]***MESSAGES FROM THE GOVERNOR****The Speaker:** There are none.**ANNOUNCEMENTS BY THE SPEAKER
OR MEMBER PRESIDING****APOLOGY****The Speaker:** Yes. There are two announcements this morning, first, we received communications from MP Weeks that he will be absent today.**SESSIONAL AND STANDING COMMITTEES—
UPDATE****The Speaker:** And the second announcement [concerns] the changes to the Sessional Committees of the House. And I also will be announcing some adjustments to the Standing Committees in regard to Members who are no longer in the Senate, the Senate changes.The **House and Grounds Committee** will remain the same, with the Deputy Speaker as the Chairman; MP Scott Simmons; MP, the Government Whip, Lawrence Scott; the Leader of the Opposition, MP Cannonier; and MP Ben Smith.The **Standing Orders and Privilege Committee** is chaired by the Speaker. The Premier sits on it with the Opposition Leader, the Deputy Speaker, the Government Whip and the Opposition Whip.On the **Regulations Committee**, the Chairman is MP Swan; [members are] MP Famous, MP Michael Scott, MP Atherden and MP Pearman.And there are other committees which will need adjustments made due to the fact that the Senators who sat on them no longer sit. So we will have to replace [the member on] the **Register of Members' Interests**. The Senator who will replace the former Senator will be Senator Kempe on that one.And the **December 2nd Joint Select Committee**, the change on that—again due to the fact that the Senator who used to sit in the other place is no longer a Member of the Senate—is that this member has been replaced with Senator Jones, who will sit on that one.

And those are the announcements as far as the adjustments to the committees.

MESSAGES FROM THE SENATE**The Speaker:** There are none.**PAPERS AND OTHER
COMMUNICATIONS TO THE HOUSE****The Speaker:** There are none.**PETITIONS****The Speaker:** There are none.**STATEMENTS BY MINISTERS AND
JUNIOR MINISTERS****The Speaker:** Statements by Ministers. We have a series of Statements this morning. We have eight Statements. The first Statement is in the name of the Premier.

Premier, would you like to do your Statement at this point? Copies are being distributed.

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

UPDATE ON BERMUDA/EUROPEAN UNION MATTERS

Hon. E. David Burt: Mr. Speaker, I am pleased to provide this Honourable House with an update on the attempt by [the European Union \[EU\]](#) to add to the list of non-cooperative tax jurisdictions for low- or no-income tax jurisdictions (which the EU refer to as “2.2 countries”) that do not comply with the EU demands for entities to have “substance”—that is to say, a physical presence and economic activity in the jurisdiction.

Mr. Speaker, in November of 2017, Bermuda, along with a number of other jurisdictions, committed to address concerns raised by the EU Council regarding economic substance and to make legislative changes as appropriate.

Mr. Speaker, following various discussions with Bermuda and other countries in June 2018, the EU Code of Conduct Group [COCG] issued a scoping paper setting out the framework upon which legislation for economic substance should be based. On June 22, 2018, the EU Council of Finance Ministers, commonly known as ECOFIN, approved the EU Code of Conduct Group scoping paper as the official document of ECOFIN (herein referred to as “the 2.2 scoping paper”).

Mr. Speaker, the scoping paper identified a list of business activities in Bermuda, of both local and international business entities, to be targeted by the regime. These activities, referred to as “relevant activities,” include banking, distribution and service centres, financing, fund management, headquarters, insurance, intellectual property, leasing and shipping.

Mr. Speaker, it remains the case that the 2.2 jurisdictions have until the end of 2018 to begin to introduce legislation to address these concerns; otherwise, they face being put on an EU list of non-cooperative tax jurisdictions.

Mr. Speaker, significant work has been carried out by the Government, to date, in consultation with a focused group of industry practitioners across the relevant sectors to develop legislation which incorporates the principles of the scoping paper into Bermuda’s framework.

Mr. Speaker, a draft Bill and related regulations have been discussed extensively with the European Union in a series of bilateral face-to-face technical-level meetings, the most recent of which took place in late October in Brussels.

Mr. Speaker, the bilateral discussions and our draft legislation are in an advanced state, and will be tabled for the consideration of Honourable Members during this sitting. Earlier this week, I provided a detailed note to our industry partners, reiterating our position and confirming the ongoing efforts of technical officers and Ministers to address these issues.

Mr. Speaker, in addition to the technical-level bilateral meetings with the EU Commission, I led a

significant round of high-level political dialogue with Ministers of EU Member States. To ensure that Bermuda’s business model and hard-earned reputation remain intact, we have remained consistent in defending Bermuda’s interests in this international arena. Bilateral meetings have included the following:

- Cabinet Members of Commissioner Pierre Moscovici;
- EU Permanent Representatives of Latvia, Estonia and the UK;
- Mr. Wolfgang Schmidt, State Secretary of the German Federal Ministry of Finance; and
- the French Director of Tax Legislation at the Ministry of Economy and Finance in Paris.

These meetings were important, as they provided the opportunity to establish the groundwork for our negotiations with the European Commission, the Code of Conduct Group and the Member States. Mr. Speaker, what emerged from these meetings, particularly with the French and German representatives, is that European politicians are attempting to address the perceptions of their constituents and vocal interest groups who actively support tax transparency. However, EU Ministers have indicated that Bermuda has taken the right approach to engage and build substantial relationships with EU Member States directly, and many recognise our leadership in tax transparency.

Mr. Speaker, I will be in Europe next week to continue our efforts in Brussels, and this will incorporate fixing the site of Bermuda’s EU Representative Office in Brussels. I look forward to meeting with the Belgian Minister of Finance in charge of Combating Tax Fraud, Mr. Johan Van Overtveldt, as well as EU Permanent Representatives of Lithuania, Slovenia and Romania. Honourable Members should be aware that the Romanian engagement is key, as Romania prepares to take the presidency of the European Council in January 2019.

Mr. Speaker, since I have been Premier, I have met with OECD Secretary General, Mr. Angel Gurría, on two separate occasions. Discussions in Brussels will include the effect of the recent announcement by the OECD that its Forum on Harmful Tax Practices, better known as the FHTP, will eventually replace the EU’s 2.2 substance regime. On coming into force, the substance rules will no longer be only an EU standard, but will become a global standard.

Mr. Speaker, the FHTP will usher in a globally applicable regime with obligations to report and spontaneously exchange information to all treaty partner countries. It is important to note that the move by the OECD means that global standards in this area are developing.

Mr. Speaker, Honourable Members will, no doubt, have taken note of the recent Brexit agreement between the United Kingdom and the European Union. The section on taxation, and in particular, the text on page 354, paragraph 3, confirms the UK commit-

ment to the Code of Conduct for business taxation as it stands at the end of the 21-month transition period.

Mr. Speaker, that section of the Brexit agreement simply means that the United Kingdom will continue to support the work of the EU Code of Conduct's 2.2 regime and the OECD's FHTP substance regime after Brexit, even though the United Kingdom may not continue to sit at the EU table.

Mr. Speaker, we recognise that this legislation will change existing global business models, but in every test or trial there is opportunity. In the coming months, it will be critical for Bermuda and her partners in industry to commit to supporting the remaining work on this initiative, to ensure that Bermuda is able to emerge even stronger.

Mr. Speaker, leadership has been demanded of us, and we are providing the leadership that is required. Our commitment to Bermuda and to the people we represent is to deal effectively with the challenge presented by these changes in global business practice. We will work with local and international partners to not only meet this challenge, but to ensure that the opportunities that will arise from these changes are used to drive economic growth and job creation here in Bermuda. Thank you, Mr. Speaker.

The Speaker: Thank you, Mr. Premier.

The next Statement on the Order Paper this morning is that of the Minister of Finance.

Minister.

US\$620 MILLION 4.75 PER CENT SENIOR UNSECURED NOTES DUE 2029

Hon. Curtis L. Dickinson: Good morning, Mr. Speaker.

Mr. Speaker, Honourable Members are advised that, on Thursday November 15, 2018, the Ministry of Finance successfully accessed the international capital markets and raised [US\\$620 million](#) in "long" 10-year bonds. Therefore, in accordance with Section 2(3) of the Government Loans Act 1978, I am pleased to rise this morning to inform this Honourable House of the execution of this borrowing transaction pursuant to the requirements of the Act.

Mr. Speaker, I can now report on this successful capital markets transaction, which raised \$620 million in 10-year bonds, at an all-in yield of just 4.75 per cent, by the Government of Bermuda. The transaction represents the lowest-ever bond spread to date achieved by the Government of Bermuda in the public bond markets. What do I mean by the term "bond spread"? The bond spread is the difference between the yield on Bermuda's bond, as compared to the yield on the comparable, referenced US Treasury 10-year bond. This spread is the measure of what investors use to assess the level of risk inherent in a bond issuance, and it basically is an indication of whether we

obtained a good deal or not—the smaller the spread, the better the deal.

Mr. Speaker, here is a brief overview of the process that led to this successful transaction. As announced on Wednesday November 7th, 2018, the Bermuda Government conducted a series of meetings and calls with fixed-income investors in Europe and the United States, to provide an update on economic and fiscal developments in the country since the PLP came into Office. These meetings were also a part of the Government's process of evaluating market conditions and potential funding opportunities to address its borrowing requirements, as laid out in the National Budget Statement for fiscal year 2018/19. At the same time, it was also announced that, concurrently, Bermuda would offer to repurchase, for cash, two series of our outstanding US Dollar [US\$] Bonds.

Mr. Speaker, after hearing of the Government's plans to grow our economy and reduce our deficit, feedback from perspective investors was very constructive and supportive of the proposed transaction. Accordingly, the subsequent transaction attracted healthy demand from some of the world's top investors. Given the receptive context for new US\$ debt issuance and the favourable prevailing base rates, the Government took the opportunity to do the following:

- finance the remaining fiscal 2018/19 budget deficit;
- refinance a \$135 million loan facility, with a local financial institution, that is scheduled to mature in 2019; and
- engage in, concurrently with the new issue, a targeted liability management transaction strategically aimed at repurchasing all of our 5.603 [per cent] coupon bonds maturing in 2020, and at reducing up to \$200 million of our 4.854 per cent coupon bonds maturing in 2024.

Mr. Speaker, it is important to note that, although the Government issued a total of \$620 million in new bonds, the majority of the proceeds were used to refinance existing indebtedness, and the remainder to fund the anticipated deficit for fiscal year 2018/19. As mentioned previously, the Government of Bermuda conducted an effective and well-timed road show that included calls and in-person meetings with almost 40 global accounts during a four-day marketing effort and road show in the major hubs in Europe and the United States. These accounts would eventually represent approximately 63 per cent of the final allocated book.

Mr. Speaker, following the road show, on Thursday, November 15th, 2018, the transaction was announced, and the transaction immediately attracted healthy demand and the attention of the world's top institutional investors, allowing the interest rate on the notes to be reduced, thereby reducing that "bond spread" that I referenced earlier. The bond spread and a very large order book confirmed that the market has a very favourable view of the new Government's eco-

conomic and fiscal plans. The success of this transaction is an independent, objective validation of these plans.

Mr. Speaker, highlights of the transaction include:

- On Thursday, November 15, 2018, the Ministry of Finance successfully accessed the international capital markets, placing via intraday execution, a \$620 million long 10-year bond offering due February 2029.
- This resulted in a low coupon of 4.75 per cent.
- The weighted-average cost of borrowing has been reduced from this transaction.
- Interest [expense] savings of \$1 million per year have been achieved.
- Market conditions continue to favour Bermuda, pricing just 20 basis points inside the last 10-year issuance by the Government of Bermuda in October of 2016. (That was treasuries plus 175 versus treasuries plus 195, which we achieved in 2016.)
- Reductions achieved even with US Treasury 10-year rates widening 130 basis points since October of 2016. (That would be 1.77 per cent then versus 3.09 per cent last week Thursday.)
- We removed \$200 million from the largest maturity tower, taking down the 2024s from \$750 million to \$550 million, smoothing out the entire debt maturity profile.
- Refinancing of shorter-term maturities—Bermuda now has no major bonds due until 2023 instead of in 2020, significantly improving our liquidity profile.
- There was a true show of support for the Bermuda credit from top global accounts. The order book showed a healthy oversubscription of 3.2 times, comprising some of the world's top high-quality asset managers (fund managers, insurance companies and pension funds), underpinned by US accounts and well-supported by the UK and Continental Europe accounts.
- Higher total order book than in 2016 (I think we achieved \$1.5 billion in 2016 versus \$2 billion last week).
- Notable 25 basis points tightening from Initial Price Talk [IPT] of treasuries plus 200 [T+200] to directly launching the trade at treasuries plus 175 [T+175] basis points.
- A well-timed execution, with the US Treasury Bond reference yield dipping to its lowest point in a month (3.09 per cent), after trading to an average of 3.15 per cent during the past four weeks and trading as high as 3.24 per cent just one week back.

Mr. Speaker, this landmark transaction marked the Bermuda Government's return to the international capital markets since 2016, successfully reducing its average cost of debt, as well as extending the average life of its debt maturity profile.

Mr. Speaker, the Government team that was involved in the road show was the Honourable Premier, David Burt; myself; and Anthony Manders, the Financial Secretary. The Government team was also supported by key senior officials in the Ministry of Finance Headquarters and the Attorney General's Chambers. The Finance Ministry wishes to thank HSBC Bank of Bermuda; HSBC Securities (USA) Inc.; and Citigroup Global Markets Inc., joint book runners of the deal; Milbank, Tweed, [Hadley & McCloy LLP], the Government's US [attorney]; Simpson Thacher [& Bartlett LLC], HSBC's USA and Citi's attorneys, for their roles as strategic partners in helping to shape a very positive outcome for the Government of Bermuda in this recent issue in the global markets.

Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

The next Statement on the Order Paper is that of the Deputy Premier.

Deputy, would you like to present your Statement at this point?

Hon. Walter H. Roban: Yes. Thank you, very much, Mr. Speaker.

The Speaker: You have the floor.

Hon. Walter H. Roban: And just as a note, I noted that there was a slight error on the front, Mr. Speaker. My named is spelled incorrectly. But that will be corrected in a clean copy to be sent to the House, for the record.

The Speaker: Sure. Okay.

[Inaudible interjection]

Hon. Walter H. Roban: Yes. Someone else's name is on the front, partially, anyway.

[Laughter and inaudible interjections]

IMPLEMENTATION OF THE DEVELOPMENT AND PLANNING AMENDMENT ACT 2018

Hon. Walter H. Roban: Good morning, Mr. Speaker.

I rise today to inform Honourable Members and the general public that the [Planning Amendment Act](#) became operational on the 1st of September 2018. The amendments seek to improve the enforcement process, enabling the Department of Planning to achieve greater efficiency, which will result in effective outcomes.

Mr. Speaker, Bermuda's planning laws and regulations are in place to ensure that Bermuda's environment and beauty are not spoiled by rampant development and construction. They are also in place to prevent what occurred a few weeks ago, i.e., the exca-

vation of a historical protection area and the desecration of a number of graves.

Mr. Speaker, the prevailing attitude of many towards developing without obtaining permission is, *build now then ask for forgiveness later*. This legislation seeks to address such an attitude and make it clear that it will no longer be tolerated. Such prevailing attitudes are illustrated in examples of projects that include the following: building living accommodation extensions and a new swimming pool; a second-storey addition to create an industrial warehouse in a residential area; and excavations involving heavy machinery in a historic protection area.

Mr. Speaker, all of these projects were performed without the benefit of planning permission and building permits. In all of these instances, the unauthorised development has either compromised the neighbourhoods, damaged our historic heritage, or destroyed conservation areas including areas of woodland. These are all matters that planning legislation is specifically enacted to protect against. The 2018 amendments will provide the Planning Department with additional powers to take definitive action against those who proceed with unauthorised development, by imposing penalties including, but not limited to, the enforced removal of already-built unauthorised structures.

Mr. Speaker, the Development and Planning Amendment Act now includes the following provisions:

1. To disallow the grant of retroactive planning permission where development has been carried out in breach of planning control *unless* the applicant shows, to the satisfaction of the board, that he or she was not responsible for the breach of planning control or that, at the time that the development was being carried out, he or she did not know, and could not reasonably be expected to have known, that the development was in breach of planning control.

2. Where it appears to the director that there may have been a breach of planning control in respect of land, a new notice will be introduced, known as a “planning contravention notice.” The notice will be served on any person who is the owner, occupier or user, or is carrying out any activity on the land, requesting information about the use or activity on the land. The notice will require such information to be furnished within a specified time not exceeding 21 days. Lack of information has been a severe hindrance with planning investigations in the past.

3. If a person is in breach of planning control, the director may serve an enforcement notice on the owner, occupier or other relevant person. If the person does not comply with the requirements of the enforcement notice within the time period specified (not being a period of less than 28 days), the person is in breach of the notice. However, if the person appeals the notice within the time specified in the notice, the operation of the notice will be suspended pending the final determination or withdrawal of the appeal.

4. A new notice known as a “breach of condition notice” will be introduced, which, once served on a person, requires them to secure compliance with the conditions contained in the notice within a specified time period. Persons who fail to comply with the notice will be in breach of the notice.

5. The former “special enforcement notice” has been renamed to, simply, a “stop notice.” Such a notice is served in those cases where it appears to be in the public interest to require the immediate cessation of the development of land.

Mr. Speaker, there are increased penalties for contraventions to the Act, which are determined to be criminal offences, ranging from \$5,000 to \$100,000, with imprisonment of up to two years. If a person is guilty of an offence for failure to comply with a notice, they could be liable, (a) on summary conviction, to a fine not exceeding \$5,000; or (b) on conviction on indictment, to imprisonment for a term not exceeding two years, or a fine of \$25,000, or both, and (c) in cases of continuing failure, to a further fine not to exceed \$1,000 for every day after the first day during which the failure to comply with the notice continued.

Mr. Speaker, when the Planning Department are notified of a potential contravention of the Act, they will move quickly to investigate and, where contraventions are found, issue the relevant notices to the owner and occupier, or agent and contractor.

Mr. Speaker, I would be remiss if I did not speak briefly regarding the excavation of human remains at the military cemetery and convicts’ cemetery in Sandys Parish. As you are aware, while the investigation continues in this matter, I cannot discuss the details of the investigation. However, I can assure the public that action is being taken on this matter. I must also highlight the fact that no permission was sought to excavate in that area.

I must also inform this Honourable House that, currently, guidelines do not exist to deal with the possibility that human remains may inadvertently—I repeat, *inadvertently*—be found on a construction site even when owners have received the requisite permissions. I am sure that Honourable Members will agree that, no matter the age of the remains, descendants would want their relatives’ remains to be handled with the highest level of respect and reverence. As a result, the Department of Planning is working with other government departments to produce guidelines to ensure that incidents such as the one that occurred in Sandys will not happen again. Thank you, Mr. Speaker.

The Speaker: Thank you, Deputy Premier.

The next Statement on the Order Paper this morning is that in the name of Minister Foggo.

Minister Foggo, would you like to present your Statement?

Hon. Lovitta F. Foggo: Yes, Mr. Speaker. And I say good morning to the House and good morning to the people of Bermuda.

PLANET MATH'S SUMMER DAY CAMP PROGRAMME

Hon. Lovitta F. Foggo: Mr. Speaker, I rise today to advise this Honourable House of an initiative that the Youth, Sport and Recreation Department's Summer Day Camp Programme engaged in during the summer break.

One of the objectives of the Youth, Sport and Recreation Department's Summer Day Camp Programme is to provide the day campers we serve with fun education activities during the summer break. One of those activities was [Planet Math](#). The senior officer responsible for the programme, Ms. Charryse Bean, began the consultative process with Planet Math in February 2018. Planet Math is dedicated to improving math competency throughout Bermuda. The co-founders, Mr. Kevin Warner and Mr. Sergio Pitcher, recognised that many students have an unjustified fear and aversion to mathematics. Mike Lefkowitz, of the MIND Research Institute, puts the importance of mathematics to students quite succinctly: "Studying mathematics not only will develop more engineers and scientists, but also produce more citizens who can learn and think creatively and critically, no matter their career fields. The workforce of tomorrow, in all fields, will demand it."

Mr. Speaker, Planet Math's Summer Day Camp Programme initiative produced high-quality math lessons in one-hour sessions daily, with three one hour sessions per day. It should be noted that the Summer Day Camp Programme operated for six weeks, from July 2nd to August 10th, 2018. The Planet Math Programme was provided to upwards of 500 campers between the ages of four to ten years old.

The department transported these students to Planet Math from eight campsites throughout the Island at no cost to their parents. It has been said that students often lose math skills learned during the school year during their summer breaks. The result is that teachers spend at least a month reviewing previous lessons before they can progress. So, I am sure that at least the Minister of Education is very appreciative of this initiative for what it will do for students.

Mr. Speaker, it was the intent of the programme to minimise the time spent on revisions so that learning new math skills can be optimised. It must be stated that the founders of Planet Math were cognisant of the fact that the campers were in "summer mode" and may have been reluctant to perform schoolwork. So, they provided dynamic teachers who understand that students learn and are stimulated in various ways including hands-on learning, and audio and visual styles. A combination of technology, drills

and manipulatives were used to achieve these goals. The environment was catered to successful learning.

In the words of Mr. Kevin Warner, who stated, "We feel privileged that we had the opportunity to work with these students this summer. Our hope is that they had a lot of fun while learning math this summer, but most importantly, they are able to carry this over into the new school year and were ready for whatever math came their way in the fall! Fear math no more."

Mr. Speaker, the programme was such a success that it is planned to run it again the summer coming. I would like to take this opportunity, Mr. Speaker, to thank the Youth, Sport and Recreation Department's Senior Recreations Officer, Ms. Charryse Bean, and her team, for their foresight, and Planet Math for being such a valuable resource. The community has benefited. Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

The next Minister is the Minister of Education.

Minister, would you like to present your Statement at this point?

2018/19 FINANCIAL SUPPORT FOR BERMUDA COLLEGE STUDENTS

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

Mr. Speaker, this morning I rise before this Honourable House to give an update on the Government grant awarded to the [Bermuda College to offer financial support](#) to students for the 2018/19 academic year.

Mr. Speaker, let me first remind my honourable colleagues that, since becoming the Government last year, one of our first priorities was to increase the accessibility to Bermuda College for students in financial need. As the Minister of Education, I ensured that the Bermuda College was granted an additional \$300,000 for this purpose, which is now given on an annual basis, to provide financial support to its students.

Mr. Speaker, Members of this House will recall that the \$300,000 was used to financially assist students enrolled in three categories of study:

- 1) non-programme and programme academic division courses;
- 2) Professional and Career Education (PACE) courses. This is a new benefit for students, as, prior to this, Bermuda College did not provide funding for students enrolled in the PACE [programmes]; and
- 3) Bachelor's degree programmes offered through the Bermuda College.

Mr. Speaker, to be eligible for financial support, students were required to complete an application form and a worksheet to demonstrate financial need. Current students already enrolled at the Ber-

muda College also needed to have a grade point average of 2.0 or higher. The financial awards ranged from 50 [per cent] to 80 per cent of a student's educational costs, that were defined as the value of tuition plus fees.

Mr. Speaker, during the fall 2018 semester, 132 students received a total of \$223,431. [There were] 62 students enrolled in the Academic Divisions, and 70 were enrolled in the Division for Professional and Career Education, or PACE. Of this total, 33 students enrolled in the Bachelor of Business Administration degree programme in partnership with Mount Saint Vincent University, and 6 are enrolled in the Teacher Certification programme offered in partnership with the University of West Indies. The awards ranged from \$233 to \$8,600, with the average award per student being \$1,693 for the semester.

Mr. Speaker, this additional funding of \$300,000 provided to increase accessibility to the Bermuda College programmes has impacted students in several ways: Students who did not meet the criteria for receiving funding from the Bermuda College's Financial Aid programme, but demonstrated a need for financial assistance to pursue their academic goals, benefited. This was particular to students enrolled in the PACE Division. Also, students enrolled in the Mount Saint Vincent University programme were afforded the opportunity to take additional courses, thus decreasing the length of time that it will take for them to complete their bachelor's degrees.

Mr. Speaker, let me share that earlier this month, along with my Ministerial colleagues, I visited the Bermuda College campus. In fact, we had the pleasure of enjoying a most delicious lunch in the Prospect Room, which was prepared by students in the Culinary Arts and Hospitality Management programme. While we were there, a mature student enrolled in the culinary arts programme shared with us how she had been made redundant from her job and was in the midst of ascertaining the next steps in her life. She had a love for cooking, and, after finding out about the additional monies provided by the Government for students in financial need to attend the Bermuda College, she decided to apply. She shared how the funding received is now supporting her to pursue a passion that she always had for culinary arts and one that she loves.

Mr. Speaker, this is an example of what this Government is about—helping those in need to obtain the education and skills they require for success in what they do enjoy.

Mr. Speaker, the 2016 Census Report shows that 51 per cent of the population has some sort of post-secondary education, which is 6 per cent higher than the findings of the 2010 Census Report. Although all demographics experienced an increase when compared to the 2010 Census, there is still a significant gap between the number of Bermudians and non-Bermudians with a post-secondary qualification,

with only 46 per cent of Bermudians having a post-secondary qualification, compared to 70 per cent of non-Bermudians.

The additional funding provided to the Bermuda College reflects the Government's commitment to increasing the number of Bermudians with post-secondary qualifications, while also leading the way in demonstrating the value of higher education—planting seeds to encourage a similar mind-set throughout Bermuda.

Mr. Speaker, let me close by saying that the Government continues its efforts to support Bermudians who desire to pursue post-secondary education and require financial support. This was re-iterated in the recent 2018 Speech from the Throne. We will ensure that Bermuda College is accessible to everyone.

Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

The next Statement is in the name of the Minister of Works.

Minister Burch.

Lt. Col. Hon. David A. Burch: Good morning, Mr. Speaker.

The Speaker: Good morning.

DOCKYARD PREFAB HOUSES

Lt. Col. Hon. David A. Burch: Mr. Speaker, we have heard an interminable number of lectures on the financial deficiencies of this Government since assuming office in July 2017, sadly coming from self-appointed experts who are attempting to rewrite modern history in the hope that we have no historical memory. Endless lectures about the servicing of our debt and, if we only we let 3,000 more people descend off of British Airways, all of our troubles would be over. But that is not going to happen until hundreds of Bermudians who are without a job get at least one.

And might I remind those naysayers, and their media mouthpiece, that it was the former Minister of Finance, Bob Richards, who, in 2013, doubled our national debt to over \$2 billion with nigh a whisper from those lining up now to instruct the present Government on fiscal responsibility.

An Hon. Member: That is right.

Lt. Col. Hon. David A. Burch: Mr. Speaker, when there is a change of Government, it is natural that certain items will be inherited by the next administration. What is not natural is that there is a mountain of issues simply left unaddressed.

Since assuming this assignment last year, Mr. Speaker, I have spent an inordinate amount of time sorting through items simply ignored by the former

administration. And so, I report today on another occasion in what is becoming a regular occurrence.

Mr. Speaker, you may recall that, in 2011, WEDCO was requested by the former PLP Government to assist in addressing the housing challenges by way of a new [housing development in Dockyard](#). By early 2012, the Ministry and WEDCO had signed off on the final design for them to construct a new 100-home development within the lands around the existing Victoria Row. The development was to be constructed in two phases so as not to displace any existing tenants. The first phase was the construction of 48 units, to be immediately followed by the construction of the remaining 52.

Mr. Speaker, the project was to be carried out, by Atlanta-based Clark Construction International, by building pre-engineered units, shipping them to Dockyard and then transporting them directly to the site. These units were to look and feel like traditional Bermuda housing, and it was expected that they would have a very high efficiency value, as they would be constructed of foam and concrete. The plan was to provide 8 one-bedroom units, 46 two-bedroom units and 46 three-bedroom units. The cost of the project was estimated at \$36 million, or an average of \$360,000 per unit, inclusive of all infrastructure that would extend from Boaz Island Village to the Dockyard waste treatment facility.

Mr. Speaker, the project commenced in the fourth quarter of 2012. Of course, there was also an election in December 2012, and the resultant change of Government saw the new OBA Government reduce the number of homes from 100 to a mere 20.

Mr. Speaker, housing fabrication was already well underway, and, when production was halted, 28 units, or seven buildings, had been completed. WEDCO subsequently were directed to erect only five of the buildings, containing 20 units.

Mr. Speaker, needless to say, the change required a complete redesign of the infrastructure for sewage collection, flushing water, as well as fresh water supplies. The final cost for production, infrastructure and erection of 20 units was an astonishing \$25 million. The remaining two buildings (eight units) were not erected and remained on the South Basin Dock for three years. The directive to reduce the project size and scope dramatically impacted the cost and the originally projected cash flow. The Government had agreed to provide annual grants in the amount of \$2 million [per year] until the finance loan was paid in full. To date, \$22 million remain outstanding.

Mr. Speaker, WEDCO were further instructed that they could erect the remaining units in Dockyard. This was impractical; so, efforts were made to offer these units to other sectors of government—the Ministry of Works, the National Stadium, the Ministry of Health and others—all to no avail. It should be noted that the panel and roof sizes were specifically designed for delivery and transport to Dockyard. They

are large and extremely heavy sections. This made it more challenging for them to be transported to other parts of the Island (not impossible, but both costly and risky to transport piece by piece).

Mr. Speaker, the advent of the America's Cup event forced the removal of the leftover prefab units from the South Basin to a location just over the hill below Moresby House. Several months later, additional America's Cup requirements then required the units to be relocated again. This time, they were transported to the Sallyport, as it was not anticipated that they would need to be moved again.

Mr. Speaker, the units remained in the Sallyport and went through two hurricanes, suffering significant erosion. Many panels, as well as roof sections, were undermined, shifted and damaged. The book value of the panels was \$300,000, but they had already been written off. There are still many panels in Sallyport, but, without an extensive review and an engineering sign off, no one is confident that there remains a complete functional structure. These structures have been exposed to the elements and moved several times during the five-plus years since their arrival.

Mr. Speaker, upon learning of this saga several weeks ago, I requested the general manager to ascertain their current status. Last month, he met with engineers onsite to look at the remaining prefab pieces. Without a major effort and cost to ensure each panel's integrity, the recommendation is to be very cautious about trying to use them now.

What is in the Sallyport are only the walls and roof pieces. There are no interior fittings or fixtures. Therefore, any site that does not have existing sewage, and water supply and/or collection, will require the added expense of foundation slabs, water tanks and sewage pits. Additionally, the electrical panels, which were formed into the walls, will need to be replaced in every unit.

The engineers' "unofficial" position is that they would not recommend reusing them, for a host of reasons—cost of transport and erection, unknown condition of each piece and missing metal welding plates; also, lifting eyes and all windows have all been exposed to salt for extended periods.

Mr. Speaker, the best fit previously was the National Stadium, as they have central infrastructure already in place and were looking for housing. The previous Government would not fund the erection of the units when they were in better condition. The summary recommendation, based on limited research so far, would be that using these structures at this stage comes with significant cost and risk. A full assessment will require moving each part by crane, counting and then verifying that all of the required pieces are in good condition.

With the current situation, Mr. Speaker, I have instructed WEDCO not to invest any more money, but

to write off the remaining pieces and proceed to dispose of them.

So, the reality of what we have here is that the former OBA Government has completely and unequivocally destroyed a project that was to bring housing relief to 100 families in this country at a reasonable cost of \$360,000 per unit. By any measure, cries from all quarters for the immediate dismissal of the Minister responsible would have resulted if it were a PLP Government.

The fact is that there has not been a whisper of concern at the total financial irresponsibility of these actions that has resulted in the construction of 20 homes for the incredible amount of \$25 million, or an astounding \$1.25 million dollars per unit, coupled with the wastage of a further \$2.2 million in unused materials. The level of sheer incompetence in this regard by the former OBA Minister and Government is simply breath taking.

What is equally astounding, Mr. Speaker, but no surprise to me, is that the Auditor General has not seen fit to launch an investigation into this wanton waste of taxpayers' money. Again, history would record that, had it been a PLP Government, the report would have already been completed and released to the media.

Mr. Speaker, I will not speculate on the reasons for this complete demonstration of incompetence. That is not necessary, as the then Minister continues to sit in this place. And I invite him to explain his actions and culpability—

[Desk thumping]

The Speaker: Members, let the Minister finish.

Lt. Col. Hon. David A. Burch: I invite him to explain his actions and culpability in this incredible waste of taxpayer funds.

Mr. Speaker, of greater concern to me in my current assignment is that we are faced with an ever-increasing challenge in providing adequate housing for the people of this country, who are in the greatest need. We will continue to work hard every day to address the significant challenge. And the people of this country can be assured that we will not stop until we have success.

Thank you, Mr. Speaker.

[Desk thumping]

The Speaker: Thank you, Minister.

The next Statement on the Order Paper is in the name of the Minister of National Security.

Minister, would you like to present your Statement?

Hon. Wayne Caines: If it pleases you, Mr. Speaker.

The Speaker: Continue.

GANG VIOLENCE REDUCTION TEAM

Hon. Wayne Caines: Mr. Speaker, this morning I would like to highlight and acknowledge the important work that the National Security Ministry's [Gang Violence Reduction Team](#) continues to do in the community. Recently, there have been suggestions that this Government has ignored the serious gang violence problem which continues to plague our Island home. In actual fact, Mr. Speaker, every day the Gang Violence Reduction Team is out in the community, working to combat the risk factors that often set our young people on a path toward gang involvement and antisocial behaviours. I meet with the team regularly and have great confidence in the work that they are doing.

Mr. Speaker, the Gang Violence Reduction Coordinator and the Outreach and Prevention Manager lead a multi-agency effort to violence reduction. The team is supported administratively by the Ministry of National Security Headquarters staff. The team operates from a coordinated plan to tackle gang violence and antisocial behaviour through a series of strategically designed prevention, intervention and rehabilitation programmes and initiatives. To this end, the team works in conjunction with the Inter-Agency Gang Enforcement Team (IGET). The IGET is a multi-agency working group that works to identify at-risk youth and develops multi-pronged mechanisms to mitigate violence and support prevention and intervention efforts.

Mr. Speaker, since September 2018, the team has been working with the Administration and Student Services teams at CedarBridge Academy and Berkeley Institute, alongside the Bermuda Police Service, to provide support services for at-risk students. The team visits the schools at least once per week. When necessary, this has increased to daily visits. The goal of each initiative in our senior schools is to provide incident management support, mediation services, individual student support sessions, and group sessions.

Mr. Speaker, this initiative has already seen several successes within the involved schools. The team has worked with the Department of Public Transport to develop transportation plans that get students home safely. In recent instances of increased tension, the team has been able to go into the schools and coordinate mediation sessions between students involved in rival gangs. These interventions have realised a marked decrease in gang-related conflicts at the schools and in the immediate hours after school.

Mr. Speaker, the hallmark of this initiative is the continued individual and group sessions that the identified students are invited to participate in. At CedarBridge, the team is currently delivering a 10-week pilot Excellence Programme. The programme focuses on incident mediation, understanding risk levels, and encouraging self-reflection and introspection. Through these ongoing interactions, the Gang Violence Reduc-

tion Team is able to help these students realise their self-worth and see the many opportunities for self-improvement which are available to them.

Mr. Speaker, the team's involvement with our young people does not start at the senior school level. Frequent interactions with administration and guidance departments at our primary and middle schools have helped the team to identify potentially at-risk students and put intervention plans in place to ensure that these students steer clear of antisocial behaviour. The Gang Resistance Education and Training Programme (G.R.E.A.T.) remains an ongoing tool used within our schools. The programme is currently rotating through public Primary 6 and Middle 1 year levels. By June 2019, the G.R.E.A.T. programme will have reached all students in these year levels.

Mr. Speaker, outside of the ongoing school initiatives, the Gang Violence Reduction Team continues to work in the community. In order to lower community tensions, the team also focuses on prison outreach and street-level outreach. At each level of outreach, the connections are made and relationships are built to facilitate the reduction of violence in two key ways: specifically, by directly mediating tensions and conflicts, between individuals and groups, that lock people into deconstructive cycles of violence; and by connecting the proven at-risk population to the needed help through community-based programmes and services.

Mr. Speaker, the team's prison outreach provides support for incarcerated violent offenders with links to gang activity. Where appropriate, the team offers therapeutic services and liaises with prison staff to assist with developing long-term plans for the inmate's rehabilitation. For these identified offenders, the team provides an affirming resource that takes special interests in the well-being of the offender and their eventual reintegration into society.

Mr. Speaker, the work of the Gang Violence Coordinator, who is present this morning, Pastor Leroy Bean, is through high-touch, highly confidential and sensitive interactions. It involves his directly working with persons who are currently involved in, or have been directly impacted by, gang violence. As a result of the sensitive subject matter, it is not appropriate for the Government to provide detail on the particulars of this outreach, in order to protect the confidentiality and security of all of the individuals involved.

At the street level, Mr. Speaker, the team's overarching strategy is to target individuals and groups who are known to be players in the cycle of violent behaviour. The team provides intervention through the formation of trust-based relationships that serve to deescalate and mediate tensions when necessary. A major component of the outreach at this level is connecting individuals to neighbourhood resources, and making necessary referrals to case managers. The goal is to steer these young men towards pro-social activities by providing a range of opportunities for change.

Mr. Speaker, one such change opportunity is what the Opposition Leader called the "chicken farm." It was attacked in his Throne Speech Reply. This is called the Redemption Farm. This farm is still in the planning stages and initially will not have chickens at all. The team had a successful meeting with the Bermuda Farmer's Association to share the Redemption Farm plan. The association has agreed to provide their support and assistance wherever and whenever they are available.

Mr. Speaker, scheduled to be fully operational in January, in the 2019/2020 fiscal year, the Redemption Farm will provide successful engagement for at-risk young men in a socially restorative, incentivised employment training programme. The programme will be operated from a holistic approach, and will arm participants with necessary vocational and entrepreneurship skills through various forms of farming. Additionally, case management services will ensure that personal development is also encouraged for those who subscribe to the programme.

Mr. Speaker, the Gang Violence Reduction Team's relationship with community partners underscores how much work that they do. The team currently supports a wide range of community groups that align with the team's aims, including Mothers on a Mission (MOM) Bermuda, the Clergy Working Group, and Living Legends Community Group.

Mr. Speaker, the work of the Gang Violence Reduction Team is important and should not be understated. The ongoing gang-related tensions in our community have not been ignored. Rather, this Government and the Gang Violence Reduction Team have steadily been working to coordinate resources to best address the issues, and we are seeing results. The team offers triage services and directly addresses the concerns of the individual or refers them to the appropriate agencies.

Mr. Speaker, I wish to thank all involved, especially the Gang Violence Reduction Team, for their work. However, Mr. Speaker, this team cannot do this work on their own. I encourage all of us who live in and love this community to roll up our sleeves to assist with stamping out the gang culture on our Island. Parents and families must continue to be involved with their children. Churches and institutions must look for ways that they can support their communities outside of the church walls. Charities and sports clubs must continue to develop strategically designed programmes that divert our young people away from antisocial activities. Business owners must create training programmes that lead to gainful employment for these young Bermudians.

Finally, Mr. Speaker, as politicians on both sides of the aisle, we must agree to support policies and legislation that aim to empower and elevate our marginalised young men. Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

And the final Statement this morning is in the name of the Minister of Tourism.

Minister, Mr. De Silva.

AIRLINE INCENTIVES

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

Mr. Speaker, the House will be aware of this Government's vocal opposition to the airport deal and our 2017 election platform pledge to review the project agreement between the Bermuda Airport Authority, on behalf of the Government, and Aecon and Skyport, to see if Bermuda could get a better deal. The report on the review of the project agreement, released earlier this year, recommended against terminating the agreement at this juncture and, instead, recommended contract optimisations, or improvements. One such contract improvement is passenger traffic growth and revenue sharing.

Mr. Speaker, I will update this House on progress at the airport in the upcoming months. However, today I wish to speak specifically about passenger traffic growth and airline incentives.

[Airline incentives](#) are tools used to assist airlines with establishing new air routes or expanding existing services, and they help to mitigate an airline's financial risk associated with this activity. For many years, and up until recently, the Government, either directly or indirectly via the former Department of Airport Operations, has provided airline incentives in the form of a minimum revenue guaranty (also known as MRG). This involved making direct cash payments to airlines to guarantee a pre-determined profit margin. Honourable Members may recall that the former Progressive Labour Party Government used MRGs as a means by which to grow air service development and to complement the expansion of tourism markets for Bermuda. Flights that have become a mainstay of our air traffic originated with a robust and, ultimately, very successful air service development programme.

Mr. Speaker, airport promotion and development is a complex matter that involves a detailed understanding of airline economics, market analysis, and a firm grasp of the operational and competitive environments that drive airline decision-making. Accordingly, the type of airline incentive, if any, must be aligned with (a) air service development strategy, goals and objectives; (b) defined benefits to all stakeholders. These stakeholders include the airlines; the airport operator; Skyport; the tourism, international and local business sectors; and, of course, the Government; and (c) a full understanding of the impact of incentives, provided to one airline, on existing airlines and competitors.

Mr. Speaker, the desired outcome of airline incentives is for the airline to succeed in starting a new service or expanding an existing service within a defined time frame, and not to continue indefinitely.

The air service needs to be sustainable and commercially viable without an airline incentive.

Mr. Speaker, as of today, the Government, directly or indirectly, does not provide any minimum revenue guarantees to airlines. Whilst I would like to fully disclose the details of previous revenue guarantee agreements, in the interest of transparency, the commercial nature of these agreements, and specifically their contractual stipulations, prevent me from disclosing the specific details such as airline names, routes and amounts.

Mr. Speaker, there are several reasons why there are no longer any airline revenue guarantee agreements. First and foremost, as a part of the airport deal, and since March 2017, Aecon and Skyport are now responsible for the marketing, business development and planning to increase the volume of air traffic and passengers to maximise airport revenues.

Mr. Speaker, it is important to note that Skyport receives 100 per cent of the airport revenues from what each passenger pays in ticket fees, and from what each airline pays in landing, cargo and fuel throughput fees. Mr. Speaker, this is a deliberate term of the airport deal, which means that revenue that used to come to the Government of Bermuda, and therefore the taxpayers, now goes wholly and solely to Skyport.

Mr. Speaker, when MRGs were the responsibility of the Government of Bermuda, the responsibility to pay for them was, as you would expect, the Government's. Honourable Members and the public may be surprised to learn that, in spite of now having this responsibility, Skyport has determined that it should not be responsible for making payments under the MRGs. It appears, Mr. Speaker, that Skyport is content to have the authority, but not the responsibility. The airport deal seems to have empowered Skyport to pass this burden on to the Bermudian taxpayers.

Mr. Speaker, this Government was elected with a mandate to relieve the burdens of the hard-working, tax-paying families in this country. In a deal that has deprived them of a vital, national asset, as well as the significant revenues that it generates, it is unthinkable that we would sit idly by while taxpayers are forced to bear a financial responsibility that rightly rests with Skyport.

Mr. Speaker, this is another part of the airport deal that has the potential to create challenges for the people of this country. I wish to be clear that the Government of Bermuda will continue to support air service development and the strengthening of our tourism product with additional flights and new gateway cities. However, the success of these initiatives depends on all partners—Skyport, especially—doing their part. Thank you, Mr. Speaker.

[Desk thumping]

The Speaker: Thank you, Minister.

That actually brings us to a close of Statements of Ministers or Junior Ministers.

REPORTS OF COMMITTEES

The Speaker: There are none.

QUESTION PERIOD

The Speaker: Questions. Before we get to questions that may arise out of today's Statements, we have written questions this morning. There are a series of three questions from MP Gordon-Pamplin to the Minister of Health.

MP, would you like to put your questions now?

And be mindful, Members, that this is a 60-minute period, starting now.

QUESTION 1: GOVERNMENT'S SETTLEMENT PAYMENTS TO DIAGNOSTIC IMAGING PROVIDERS

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

Mr. Speaker, I wonder if the Honourable Minister Wilson would advise this Honourable House what was the final total of ex gratia payments, including dates and amounts of settlements, paid to each health care provider since July 2017, as a result of Government intervention in the revised legislated reimbursement schedule for diagnostic imaging?

The Speaker: Thank you.
Minister.

Hon. Kim N. Wilson: Good morning, Mr. Speaker.

The Speaker: Good morning.

Hon. Kim N. Wilson: For the period July the 17th, 2017, to October the 31st, 2018, the Ministry of Health has paid \$139,151 to the Brown-Darrell Clinic, representing payments made on 20/12/17 of \$120,000; on 2/3/2018, payment of \$15,651; on 13/4/18, payment of \$2,803; and on 21/5/18, payment of \$639. That again represents \$139,151.

And payments made to the Bermuda Health Care Services totalled a sum of \$680,966, representing the following: on 20/12/17, payment of \$480,000; on 2/3/18, payment of \$91,439; on 13/4/18, payment of \$47,947; and on 21/5/18, payment of \$61,580.

And up until the 31st of March 2018, MRI and CT claims paid to the Bermuda Hospitals Board totalled the sum of \$1,863,305.

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

Hon. Patricia J. Gordon-Pamplin: Just a supplementary.

The Speaker: Supplementary.

SUPPLEMENTARIES

Hon. Patricia J. Gordon-Pamplin: Because the Minister spoke quickly, I did not hear. The \$139,152 was paid to whom? The first number that you said.

The Speaker: Minister.

Hon. Kim N. Wilson: The Brown-Darrell Clinic.

The Speaker: Supplementary or new question?

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

The Speaker: Go ahead.

Hon. Patricia J. Gordon-Pamplin: The \$680,000 that the Honourable Minister mentioned, [did] you [say] that was paid to the Bermuda Hospitals Board? Or was that paid to Brown-Darrell, you said, as well?

The Speaker: Minister.

Hon. Kim N. Wilson: Mr. Speaker, that was paid to the Bermuda Health Care Services.

The Speaker: Supplementary? Well, you used your two supplementaries on that.

Hon. Patricia J. Gordon-Pamplin: Yes.

The Speaker: Move on to your second question?

QUESTION 2: GOVERNMENT'S SETTLEMENT PAYMENTS TO DIAGNOSTIC IMAGING PROVIDERS

Hon. Patricia J. Gordon-Pamplin: Yes. My second question is, Would the Honourable Minister advise this Honourable House what statistical evidence has been provided to support the amounts of such settlements?

The Speaker: thank you.
Minister.

Hon. Kim N. Wilson: Mr. Speaker, the evidence used to determine the payments is as follows: For the period July 17, 2017, to December 31, 2017, the Bermuda Health Council reconciled the claims submitted by the private providers against claims data collected in the transactional-level data (TLD) reports that are from the insurers. For the period January 1, 2018, to March 31, 2018, the private providers submitted the

claims and the explanations of payments (or EOPs) documents from each insurer, verifying the claim payment made to the provider. And the Bermuda Health Council formulated an estimate for the Bermuda Hospitals Board [BHB] from claims in the TLD from all insurers, and this amount was offset to a BHB liability to the Bermuda Government.

The Speaker: Thank you, Minister.

Supplementary? Supplementary, anyone?

We will take a supplementary from Honourable Member from constituency 19.

Honourable Member Atherden, you have the floor.

SUPPLEMENTARY

Hon. Jeanne J. Atherden: I guess, Mr. Speaker, and I am asking the Minister . . . the first time we heard mention of the Bermuda Hospitals Board was in the second response to this question. Surely, that information should have been given in terms of the first question, in terms of making ex gratia payments to individuals who had indicated that they were performing diagnostic imaging. You never mentioned the Hospitals Board.

[Inaudible interjection]

The Speaker: So, what information are you seeking? We need to have a clear question for the Minister.

Hon. Jeanne J. Atherden: I would like the Minister just to clarify why the Bermuda Hospitals Board was not mentioned in question 1, but now, when she is responding to this question, she is indicating that statistical evidence was given to reconcile the account.

The Speaker: Minister.

Hon. Kim N. Wilson: Mr. Speaker, I could add to that by saying that that answer is in the public domain as of about 30 seconds ago.

That was answered with respect to question number 1. I provided those details.

The Speaker: Supplementary, anyone?

No supplementaries. Are you going to do your third question now, Member?

QUESTION 3: GOVERNMENT'S SETTLEMENT PAYMENTS TO DIAGNOSTIC IMAGING PROVIDERS

Hon. Patricia J. Gordon-Pamplin: Yes.

The third question is, Would the Honourable Minister advise this Honourable House whether other businesses will be similarly compensated for negative

financial impact suffered from legislated burdens since July 17, 2017, such as the sugar tax?

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

The answer to that is no. Businesses will not be compensated for the financial impact of the sugar tax. There was public consultation before a decision was made concerning the sugar tax, and businesses had time to prepare. This does not compare to the change in fees which were imposed without warning or consultation on DI [Diagnostic Imaging].

An Hon. Member: Aha!

The Speaker: Thank you, Minister.

Any supplementary, anyone? Supplementary?

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

An Hon. Member: Point of order?

The Speaker: Point of order?

[Laughter]

Hon. Jeanne J. Atherden: Sorry, supplementary, Mr. Speaker.

The Speaker: Supplementary.

SUPPLEMENTARY

Hon. Jeanne J. Atherden: I wonder if the Minister . . . (And I should have said a point of order, in the sense of . . .)

The Minister is indicating that there was no consultation before the DI fees were taking place. I believe that this is incorrect. Because there was consultation. And therefore, I wonder how the Minister came to that conclusion, that the sugar tax had consultation and DI did not, and therefore that meant that the private sector people would not be compensated?

The Speaker: So, your question is that there was, simply, evidence that there was no consultation?

Hon. Jeanne J. Atherden: My question is . . . the response to my shadow colleague was the fact that—

[Inaudible interjection]

The Speaker: Let her form her question.

Hon. Jeanne J. Atherden: My question was that the Minister had indicated that, in answering my colleague's question, there was no comparison between the DI and the sugar tax because one had a degree of consultation and the other did not.

And I am saying that I believe that the Minister is in error. And would she not acknowledge that there was consultation on the DI fees?

The Speaker: Minister.

[Inaudible interjections and laughter]

The Speaker: The question is, Is the Minister aware of the fact that there was consultation on [the] other change that took place?

And the Minister's statement to the former Member who asked the question was that there was no consultation on the original matter that was done, in comparison with the sugar tax having consultation. And are you aware that there was consultation?

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

As I spoke previously, businesses will not be compensated for the financial impact of the sugar tax. There was public consultation before a decision was made, and businesses had time to prepare. This does not compare to the change in fees which were imposed without warning or consultation for DI.

An Hon. Member: Aha!

The Speaker: Supplementary?

SUPPLEMENTARIES

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

The public consultation, the consultation that was held with affected businesses, with respect to DI, the Minister indicated that there was none.

Could the Minister advise this Honourable House how they came to the conclusion that there was no consultation, when, in fact, there was?

The Speaker: Minister.

Hon. Kim N. Wilson: Yes, Mr. Speaker.

That information was provided to me by the technical officers who were intimately involved in that process at the time.

Hon. E. David Burt: Is the technical officer lying?

The Speaker: Supplementary?

Hon. Patricia J. Gordon-Pamplin: Not lying, Mr. Premier, just misinformed.

The Speaker: Supplementary? Continue.

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

The Speaker: Yes.

[Inaudible interjections]

The Speaker: Members!

Hon. Patricia J. Gordon-Pamplin: Given that there will be no compensation for financial loss to businesses who have been similarly, negatively, financially impacted, is the Minister suggesting that this is a special deal for friends and family?

[Inaudible interjections]

[Crosstalk]

The Speaker: I would ask that you make—

Hon. Derrick V. Burgess, Sr.: Point of order, Mr. Speaker.

The Speaker: No, no, no. I have got it.

Member, I would ask that you reframe your question or withdraw the question.

Hon. Patricia J. Gordon-Pamplin: Okay.

[Inaudible interjections]

The Speaker: Members! Members!

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

To try to get to the bottom, the Minister indicated that there will be no similar compensation for negatively impacted businesses as a result of new taxes imposed on them.

The question that I have is, Given that there will be none, is there some reason that the Minister can explain the preferential treatment in the particular failure to commit government funds to assist companies that have been negatively, financially impacted?

The Speaker: That is a more acceptable approach. And I would ask all Members to try and remember to reframe their comments and questions in a manner that is proper to the decorum that we like to see in this House.

Minister, would you like to respond?

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

With respect to the question as it relates to the payments that were made to the private provider, I would like to refer this Honourable House to the [Standing Orders], which you would be familiar with, with respect to matters being already within the public remit, in particular with respect to Parliamentary Questions asked of me on the 9th of February this year.

Some Hon. Members: Aha.

The Speaker: Thank you, Minister.
Supplementary?

Hon. Jeanne J. Atherden: Yes.

The Speaker: Supplementary. That is your second. You have asked two already. This is the second . . . Yes, you asked two. Yes.

The Member from [constituency] 19 has one left.

[Inaudible interjections and laughter]

The Speaker: Put your question, Member. Put your question.

SUPPLEMENTARY

Hon. Jeanne J. Atherden: If the Minister would clarify to us, recognising that her response relates to persons who have indicated that they were financially impacted by it, and that was the basis on which the payment was made . . . I wonder if the Minister could indicate whether the BHB had actually indicated that they had a financial impact and that was the basis for their compensation.

The Speaker: Thank you.
Minister.

Hon. Kim N. Wilson: Yes, Mr. Speaker. The reduction in the fees did impact the Bermuda Hospitals Board, which is indicated at question number 1, in which the sum of \$1,836,305 was paid to the Bermuda Hospitals Board for the reduction in MRI and CT claims that affected them.

The Speaker: Thank you.
Supplementary?
We recognise the . . .
You have got to speak from your seat, Member. Member.

[Inaudible interjections and laughter]

The Speaker: Thank you. It is taken care of.
Member, would you like to put a supplementary question?

SUPPLEMENTARY

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

So, my question is . . . again, I am going to ask if you could please provide the dates. Because, as I understand, these are dates that were payments that were made after February.

The Speaker: Minister.

Hon. Kim N. Wilson: If the question is to . . . okay.

- 20/12/17—CT claims;
- 2/3/18—CT claims;
- 13/4/18—CT claims;
- 21/5/18—CT claims;
- 20/12/17—MRI claims;
- 2/3/18—MRI claims;
- 13/4/18—MRI claims;
- 21/5/18—MRI claims; and
- 3/31/18—MRI and CT claims to the Bermuda Hospitals Board.

The Speaker: Thank you, Minister.

Does any other Member have a supplementary? No further supplementaries.

That brings us to a close of the questions in regard to written questions.

We will now move on to questions as they relate to Statements that were given this morning. And I believe that there are some nine Members who have indicated that they have questions. We are going to start with the first Statement this morning, from the Premier.

And, Premier, you have a question that the Opposition Leader would like to put to you.

Opposition Leader, would you like to present your question?

QUESTION 1: UPDATE ON BERMUDA/EUROPEAN UNION MATTERS

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

And in asking that question, I just wanted to thank the Premier for just the briefing before even this particular subject, and this Statement was made.

I did have a question, on page 2, as to where the Premier mentions the recent announcement by the OECD, that its Forum on Harmful Tax Practices coming into force—when was that statement was actually made?

The Speaker: Thank you.
Premier.

Hon. E. David Burt: I thank the Honourable Opposition Leader. I will try to get back to the Opposition Leader with the correct statement, the correct time. I do not want to misstate in the House. It was either last week, however, or the week before. But I will just go to the technical officers to get the exact date. But it is a very recent development.

The Speaker: Thank you.
Supplementary?

Hon. L. Craig Cannonier: Yes, yes.

The Speaker: Yes.

SUPPLEMENTARY

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

And, based on the OECD's record, does the Premier believe that this new set of rules coming down from the OECD, quite frankly, probably will be more detrimental for Bermuda as we manoeuvre through this?

The Speaker: Thank you.
Premier.

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

Mr. Speaker, I do not agree with that. Unlike the European Union, where Bermuda has no voice, Bermuda does have a voice on the Global Forum [on Transparency and Exchange of Information for Tax Purposes]. Bermuda has engaged with the Global Forum. Bermuda had leadership previously on the Global Forum. The people inside of our office work directly with the Global Forum. And the Global Forum and the OECD, though they do have political leanings, are not as politically charged as the conversations which are taking place inside of the European Union.

So, I think that what countries can expect—and the OECD has briefed all over Overseas Territory leaders, jurisdictions with financial services, and Crown Dependencies on these latest developments—I think what we can expect is a fairer process. And so, as I said, the situation is in flux. We are trying to understand. I am travelling to Brussels next week, as was indicated in my Statement. I will most likely also make a stop in Paris to speak to the Secretary General of the OECD just to get additional clarity on these particular matters, because they are important. This is a situation that is in flux.

But, I think what is the most important thing to recognise is that this is now not only just the European Union. If the OECD is now going with their treaty partners, laying out things that are supposed to be part of a substance regime, this is not something that is just Europe-based. This is something that is now going to form more global standards. And Bermuda needs to be prepared for that and to make sure that we can adjust our business models accordingly.

As stated in the Statement, however, with every challenge there is an opportunity. Bermuda has a very strong record of being a place that has substance. I am often saying that there is a reason that, in Bermuda, we have more people than we have companies, because we do practice in the area of substance. And I do believe that these are opportunities that can actually benefit us in the future as the global rules begin to change.

The Speaker: Thank you.
Any further question? Supplementary? No?

Premier, you also have another Member who would like to put a question to you in regard to the Statement.

We recognise the MP from constituency 22.
MP Pearman.

QUESTION 1: UPDATE ON BERMUDA/EUROPEAN UNION MATTERS

Mr. Scott Pearman: Yes, sir, a question for the Honourable Premier.

Has the Government obtained an economic impact assessment from an independent accounting firm on the EU substance proposal?

The Speaker: Premier.

Hon. E. David Burt: Yes.

The Speaker: Thank you.
Supplementary?

Mr. Scott Pearman: Supplementary.

The Speaker: Supplementary, yes.

SUPPLEMENTARIES

Mr. Scott Pearman: Is that a document that the Premier is prepared to share with this House?

Hon. E. David Burt: No.

The Speaker: Further supplementary? New question?

Mr. Scott Pearman: Supplementary.

The Speaker: Yes.

Mr. Scott Pearman: Is the Premier prepared to tell the House why the Premier will not share that document with the House?

The Speaker: Premier.

Hon. E. David Burt: I am certainly able to, as I do believe the Honourable Member works at a law firm and is one of the people . . . probably a partner in a law firm, who is one of the people who have been consulting on this. I do believe that some of his people inside of his industry, inside of his law firm, have had sight of that particular document.

[Inaudible interjections]

Hon. E. David Burt: I am happy to share it with Members directly. And I will be happy to share it with the Opposition Leader, with whom I have met on this par-

ticular matter. And I am happy to share it with him and the person who speaks for Finance.

The Speaker: Thank you.

Supplementary? Further question?

No supplementary, no further question.

We will move on. The next [question is on the] Statement from the Minister of Finance.

And, Minister, you have a Member who has indicated that they would like to put a question to you.

I recognise the Member from constituency 8., Member Simons.

Mr. N. H. Cole Simons: Good gracious.

[Laughter and inaudible interjections]

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

The Speaker: Yes.

QUESTION 1: US\$620 MILLION 4.75 PER CENT SENIOR UNSECURED NOTES DUE 2029

Mr. N. H. Cole Simons: Mr. Speaker, in 2016, when the then-Finance Minister Richards did the refinancing of his \$660 million for 10 years, he did so with a resulting coupon rate of 3.717 per cent. The Minister of Finance has just indicated that he has renewed the most recent one at 4.75 per cent.

Can he speak to the 1.05 per cent difference, why it is 1.0 per cent higher than it was previously?

The Speaker: Thank you.
Minister.

Hon. Curtis L. Dickinson: Mr. Speaker, what I mentioned in my Statement when referencing the coupon on the newly issued debt was the spread over treasuries. Treasuries last week were 3.09 per cent, plus 175 basis points, which gets you approximately 4.75 per cent. In 2016, as folks would know who work in finance, interest rates for US Government treasuries were substantially lower. So, the spread over the treasuries at the time was 200 basis points, as opposed to the spread that we achieved last week, which was 175.

[Desk thumping]

The Speaker: Thank you.
Supplementary or new question?

Mr. N. H. Cole Simons: Supplementary.

The Speaker: Continue.

Hon. Zane J. S. De Silva: Did you get that, Cole?

Mr. N. H. Cole Simons: Yes, I did get it.

Mr. Speaker, he also indicated that the interest—

An Hon. Member: “He”?

SUPPLEMENTARY

Mr. N. H. Cole Simons: Sorry. The Minister of Finance also indicated that the interest expense savings would result in a savings of \$1 million per year. When the OBA Minister did the same negotiations, that resulted in a savings of \$3.8 million a year, which is almost \$2 million more than currently being saved by the current Minister’s new contracts.

Can he speak to why their savings are much lower than ours, by almost 200 per cent?

The Speaker: Thank you.
Minister.

Hon. Curtis L. Dickinson: Mr. Speaker, as I referenced earlier in my prior answer, in 2016 the interest rate environment was lower than it is today. The debt that was being refinanced in the financing in 2016 had a coupon at 5-ish percentage [points] versus the refinanced debt, which would come in around 4 per cent. The savings that were achieved last time were a result of the interest rate environment at the time. And it is basic, simple math. Rates have moved since the financing in 2016. The treasuries are now hovering around 3 per cent, as opposed to hovering around 1.75 per cent back in 2016. So, obviously, you would achieve higher savings inasmuch as the interest rates have moved from those low levels in 2016.

The Speaker: Thank you.
Supplementary?
I recognise the Honourable Member from constituency 23.
Put your supplementary.

SUPPLEMENTARY

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

I wonder if the Honourable Finance Minister could confirm that, with the 2016 interest rate environment creating a better spread on the negotiated rates, that the savings and the benefits that we will now receive are not necessarily as a result of effective negotiations, but, rather, as the result of external interest environments, to which the Minister already spoke?

The Speaker: Minister.

Hon. Curtis L. Dickinson: I would refer the Opposition Member to my Statement. What I have said was

achieved was a tighter spread over treasuries than was achieved in 2016. In 2016, it was a 200-basis-point spread. In 2018, it was a 175-basis-point spread notwithstanding an increase in the underlying interest rates. So, the interest rate environment would suggest that the market has gotten worse. And we achieved a narrower spread in a worse market.

[Desk thumping]

An Hon. Member: There you go!

The Speaker: Supplementary, anyone?

Supplementary from the Honourable Member from constituency 19. You can put your supplementary.

SUPPLEMENTARY

Hon. Jeanne J. Atherden: Sorry, Minister.

If you could just clarify something, which I read . . . on page 3, you indicated that you were refinancing a \$135 million loan facility with a local financial institution. Can you indicate whether any local institutions have been part of your refinanced position?

The Speaker: Minister.

Hon. Curtis L. Dickinson: Mr. Speaker, I think the question I heard is, Are there any other local banks who participated in this financing? The answer to that is no, other than HSBC, who were part of the syndicate in getting the deal done.

The Speaker: Supplementary?

Second question? We will move on to the second question.

QUESTION 2: US\$620 MILLION 4.75 PER CENT SENIOR UNSECURED NOTES DUE 2029

Mr. N. H. Cole Simons: My second question, Mr. Speaker, is, How much did the Government pay the bookrunners—i.e., Citigroup Global Markets and HSBC—for their service in this offering?

The Speaker: Thank you.
Minister.

Hon. Curtis L. Dickinson: Mr. Speaker.

The Speaker: Yes.

Hon. Curtis L. Dickinson: I do not have that information at hand right now. But I will get the answer and transmit it to my colleague.

The Speaker: Thank you.

Supplementary or new question?

Mr. N. H. Cole Simons: Supplementary.

The Speaker: Continue.

SUPPLEMENTARY

Mr. N. H. Cole Simons: Was there an allocation to the Bermuda market? I heard you say you have been to the US, Europe and the UK. Did we try to offload some of that to the Bermuda markets?

The Speaker: Minister.

Hon. Curtis L. Dickinson: The bonds were sold exclusively outside of Bermuda. The average purchase block would have been \$200,000. So, no, we did not sell any internally.

The Speaker: Thank you.

Supplementary? Further question?

No further questions. We will now move on to the next Statement for which there is an indication that a Member wants to ask a question. And that is for the Deputy Premier.

Deputy Premier, you have question from the Member from constituency 20. The Opposition Whip would like to put her question to you.

Ms. Susan E. Jackson: Good morning. Good morning, Deputy Premier.

Just a quick question, I am just wondering if you could just let us know.

[Pause]

QUESTION 1: IMPLEMENTATION OF THE DEVELOPMENT AND PLANNING AMENDMENT ACT 2018

Ms. Susan E. Jackson: Just one minute.

In a situation where the Planning is taking responsibility, and you do have a bullet point in there speaking about getting to that point . . . but when Planning has given approval and something goes wrong, who is going to be financially and structurally responsible for rectifying any errors that may have come from an error from Planning, versus an error from a citizen?

The Speaker: Thank you.
Minister.

Hon. Walter H. Roban: Mr. Speaker, that is rather hypothetical. My Statement focused on where persons disregarded Planning guidelines and planning rules. So, the question is really hypothetical. I am sure, if there is an error that relates to something that Plan-

ning did, that could be discussed with the appropriate applicant as to what might be the remedy. But it is a hypothetical. It is hard for me to answer hypothetical questions under these cases.

The Speaker: Supplementary? Second question?

QUESTION 2: IMPLEMENTATION OF THE DEVELOPMENT AND PLANNING AMENDMENT ACT 2018

Ms. Susan E. Jackson: Deputy Premier, regarding the incident, the unfortunate incident up at the Sandys Parish excavation site, can you please just clarify what you mean by, "The Department of Planning is working with other government departments to produce guidelines to ensure that incidents such as [this do not occur]"? What do you mean by "incidents"?

The Speaker: Minister.

Hon. Walter H. Roban: Thank you for the question.

Without dealing any with the specific details of what happened in Sandys, which is all the subject of investigation, we will be working with the Bermuda Police Service [BPS], the Health Department and other related agencies in how there will be guidelines on how to handle these situations as they arise. We understand that they could arise by accident. But, as I outlined in my Statement, there are times that this may arise when there have not been the appropriate processes followed. And that is what this Statement is focused on. But we are working with the BPS, Health Department and other related agencies, the environment as well, because the incidents that arose recently happened in wooded reserves. So, it is protected land. So, we will work with all of those agencies to develop guidelines that can be available to everyone to know how they should conduct themselves if, by accident, this happens again.

The Speaker: Thank you.

Further question? Supplementary? No. Okay.

We will move on. The next Statement that a Member has indicated that there are questions for is the Statement by Minister Foggo.

And we have a question for you from the Member from constituency 23.

Honourable Member, would you like to put your question?

QUESTION 1: PLANET MATH'S SUMMER DAY CAMP PROGRAMME

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

Mr. Speaker, given the incredible success of Planet Math that was conducted during last summer and is intended to be conducted this coming summer,

has the Minister discussed with the Education Minister whether this programme could be incorporated in the schools, as opposed to only being available to the students who are exposed to it during the summer?

The Speaker: Thank you.
Minister.

Hon. Lovitta F. Foggo: The Minister of Education is aware of this programme and is supportive of the programme. And the programme is to run during the summer to enhance learning that takes place through the previous school year so that students go back to school equipped and without having forgotten what they learned throughout that year.

The Speaker: Thank you.
Supplementary or new question?

Hon. Patricia J. Gordon-Pamplin: No, just a supplementary.

The Speaker: Supplementary.

SUPPLEMENTARY

Hon. Patricia J. Gordon-Pamplin: Just for clarity, because I think that success stories need to be supported. And I just wondered whether the Planet Math environment could be available perhaps as an after-school extracurricular so that our students have continued success with the understanding and the application of math.

The Speaker: Thank you.
Minister.

Hon. Lovitta F. Foggo: The after-school programme does fall within the Ministry of Labour, Community Affairs and Sports. And we will look at that. But the intent right now is to ensure that the programme runs during the summer. And it will be extended to middle school-aged students as well.

The Speaker: Thank you.
Any further questions? No supplementary?
We will move on. The next Statement for which a Member has indicated that they have questions is for the Minister of Education.

Education Minister, you have a question that the Member from constituency 8 would like to put to you.

Honourable Member, you can put your question.

QUESTION 1: 2018/19 FINANCIAL SUPPORT FOR BERMUDA COLLEGE STUDENTS

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

Access to financing for education. I am supportive of what is going on. I just have a question in regard to mature students. Will mature students be eligible for educational support and finances?

The Speaker: Thank you, Member.
Minister.

Hon. Diallo V. S. Rabain: Mr. Speaker, I refer to page 2 of my Statement, last paragraph, where I spoke about, and I quote, "While there, a mature student enrolled in the culinary arts programme shared . . . how she had been made redundant from her job and was in the midst of ascertaining next steps in her life. She had a love for cooking and after finding out about the additional monies provided by the Government for students in financial need to attend the Bermuda College, she decided to apply." And she was granted.

So, the simple answer to that is yes.

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

Mr. N. H. Cole Simons: New question.

The Speaker: Okay. Second question.

QUESTION 2: 2018/19 FINANCIAL SUPPORT FOR BERMUDA COLLEGE STUDENTS

Mr. N. H. Cole Simons: There is a requirement for students to have a 2.0 grade point average or higher. For those mature students who have been out of school for 5 to 10 years, how do you manage their applications? They may not have been in secondary school or in a college for 10 years or 15 years. How do we assess them to make sure that they are not left behind?

The Speaker: Thank you.
Minister.

Hon. Diallo V. S. Rabain: Mr. Speaker, once again I refer to the Statement. It stated that "Current students, already enrolled at the Bermuda College, also needed to have a grade point average of 2.00 or higher." Mr. Speaker, anyone can apply to the college. If they are accepted, based on what they present, they are eligible to apply for the grant.

The Speaker: Thank you.
Supplementary? Supplementary?

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

The Speaker: Yes.

SUPPLEMENTARY

Hon. Patricia J. Gordon-Pamplin: Just for clarity, if someone has not been in school for an extended period of time, they make an application. What criteria must they possess in order to ensure that they can be favourably considered, so that we can maximise what is available to mature students?

The Speaker: Thank you.
Minister.

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

Again, I clarify. You apply for a course. You are at the Bermuda College. You obtain your enrolment. Then you apply for the grant. And, as long as you are accepted into the course and enrolled in the college, you are eligible to apply for grants.

[Inaudible interjections]

The Speaker: Okay. Okay.
No further questions? Thank you.

We will move on. The next Statement for which there are Members who wish to ask questions is the Statement from the Minister of National Security.

Minister, you have two Members who would like to put questions. The first is the Member from constituency 31.

Honourable Member, would you like to put your question?

QUESTION 1: GANG VIOLENCE REDUCTION TEAM

Mr. Ben Smith: Good morning and thank you, Mr. Speaker.

Thank you to the Minister for the update. Obviously, there are a lot of moving parts, a lot of things that he is having to deal with. I just wonder if the Minister could tell us, how many people make up the Gang Violence Reduction Team?

Hon. Wayne Caines: As stated in the Statement, there are two people who are employed by the Ministry. We have support staff, and we have a number of ancillary people who work with the unit on a case-by-case basis. For instance, we have great officers who work with the project, but they are employed by the Bermuda Police Service. We have people who help [from] MOM [Mothers on a Mission] Bermuda, who are employed as psychologists or sociologists with the Department of Social Services. So, there are two people who are employed with the Gang Violence Reduction Unit. But the Ministry staff, when there are administrative things that need them, the Ministry staff generally pitch in where there are obviously administrative tasks that need to be done.

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

Mr. Ben Smith: Thank you. Supplementary.

The Speaker: Go ahead.

SUPPLEMENTARY

Mr. Ben Smith: Just following on from that, what I am looking for is, have there been any requests for more staff? Because, obviously, with a task this big, which is obviously important to the entire country, do the two Members need more support so that they can continue to do this work?

The Speaker: Thank you.
Minister.

Hon. Wayne Caines: Mr. Speaker, the challenge is not employees. The need is in programmes. And so, the Ministry can continue to hire people ad infinitum. The challenge is we are looking for specific programmes that actually attack the core needs. Specifically, there is a need based on the survey of at-risk children. The number-one need that came back, the biggest challenge that the young people have said, as a result of the survey, is bullying.

And so, we are not going to hire a bullying coordinator; we are going to look at putting together a programme that we can then have an RFP for an entity to put together a programme that allows us to deal with bullying, which will be managed, and the matrix for managing that, obviously, will be managed by the Gang Violence Reduction Coordinator.

So, this is not a matter of throwing warm bodies at a problem. It is identifying the program, and we have done so. Now we are implementing programmes that are quantifiable and that allow us to manage what we believe is the gang violence reduction strategy.

The Speaker: Thank you.
Any further questions? Okay.

Minister, you also have a question from the Member from constituency 10. Member, would you like to put your question now?

QUESTION 1: GANG VIOLENCE REDUCTION TEAM

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

Mr. Speaker, in connection with the Statement, the Honourable Minister gives a comprehensive overview of ongoing programmes and new programmes. The question to the Honourable Minister: Is the Trauma Indicator Checklist still being used, be-

cause it identified our at-risk children in schools and in other programmes? Is that still being used?

The Speaker: Thank you.
Minister.

Hon. Wayne Caines: The trauma checklist, as I just stated, that is the absolute baseline for the majority of the programmes. The Trauma Indicator Checklist allowed us to see where the vulnerabilities are in our country with reference to our young people in our schools.

As you will see from the Statement, this is why we have structured the programmes in both of our senior schools. And that is why the grade officers are happy to programme in the middle schools. The Trauma Indicator Checklist is one of the key hallmarks that we are using to make and ensure that our programmes are actually touching on the key touch-points as it relates to at-risk young people in our country and, specifically, in at-risk communities.

The Speaker: Thank you.
Further question or supplementary?

Hon. Michael H. Dunkley: Further question, Mr. Speaker.

The Speaker: Second question.

QUESTION 2: GANG VIOLENCE REDUCTION TEAM

Hon. Michael H. Dunkley: Yes, Mr. Speaker.

On page 4, the Honourable Minister mentions the Redemption Farm. Question for the Honourable Minister: Who called the meeting with the Bermuda Farmers Association? And what were the agreed outcomes between both parties?

The Speaker: Thank you.
Minister.

Hon. Wayne Caines: Mr. Speaker, we were having ongoing talks with specific farmers. And so, just to be clear, the Bermuda Farmers Association has a number of farmers. We have been talking to specific farmers. We received a telephone call from Mr. Carlos Amaral, the President of the Bermuda Farmers Association. And we had a marvellous conversation where we were able to set out the country's vision for Redemption Farms. And we had the majority of the farmers in Bermuda.

But we want to make it clear that, prior to the conversation with the [President] of the Farmers Association, we were having, and had, talks with a number of Bermuda's local farmers.

The Speaker: Thank you.

Further question? Or supplementary?

Hon. Michael H. Dunkley: Supplementary, Mr. Speaker.

The Speaker: Go ahead.

SUPPLEMENTARY

Hon. Michael H. Dunkley: Has the Board of Agriculture been involved in this programme from the beginning?

The Speaker: Minister.

Hon. Wayne Caines: With have kept the Minister with responsibility abreast at all times of this endeavour, who has dominion over that particular entity.

The Speaker: Thank you.
Supplementary or new question?

Hon. Michael H. Dunkley: New question, Mr. Speaker.

The Speaker: Third question.

QUESTION 3: GANG VIOLENCE REDUCTION TEAM

Hon. Michael H. Dunkley: In the Statement, on page 4, the Honourable Minister says that the programme is scheduled to be fully operational in 2019/20. What parts are currently operational?

The Speaker: Minister.

Hon. Wayne Caines: Mr. Speaker, if you would allow me to just give a more fulsome answer. The initiative—

The Speaker: Briefly, but continue.

Hon. Wayne Caines: Thank you, Mr. Speaker.
Mr. Speaker, the farm has specific elements to it. The first part of the farming initiative is actually to get the Greenwich Farm to make it fit for purpose. This is a farm that had been overgrown. There were a number of things that were happening on the farm. There were so many different elements that had to be put together to actually get the farm ready. There are a number of pieces of equipment that have to be ordered. There are contracts that have to be drafted up. And so, we believe that the farming portion was the first portion.

The field has been cleared. They are starting to grow seedlings. And they have put together a farming plan.

The most important part of the initiative for Redemption Farm is actually the sociological piece. This is the piece where . . . remember, we are going to take six to eight young men or women who are at risk. And they are going to be getting a BARC [Bermuda Assessment and Referral Centre] assessment and referral to help if they have substance abuse. They are going to be assessed for whether they have any mental health issues and whether they have any issues with reference to violence.

And so, we are putting together a fulsome programme. That involves an academy study. That involves talking to other Ministers. And this part, we realise that this is the most significant part. And so, rather than run down the hill, we are preparing the farm. We are getting all of the farming pieces ready. And we are going to be prepared to accept candidates—i.e., young men or young women. And we believe that, when we have all of the elements in place, we believe that, in January, we will be able to accept people into the plan.

But that does not mean that we cannot have the farm ready and fit for purpose, seedlings ready, opportunities to discuss irrigation plans ready.

The Speaker: Thank you, Minister.

Supplementary? Because you used all three questions, it will have to be a supplementary.

SUPPLEMENTARY

Hon. Michael H. Dunkley: Supplementary.

Mr. Speaker, in regard to the answer, I appreciate that from the Minister.

What is the budget for the Redemption Farm? And have any funds been used, been paid to date?

Hon. Wayne Caines: We are still putting the plan together. There is a public—there will be an element of this, we are still putting the budget together. With reference to, have any funds been used to date? The answer is no.

The Speaker: No further questions? No further supplementary?

The next question for the next Statement on the Order Paper is that of the Minister of Tourism.

Minister, you have a question to be put from the Member from constituency 23.

Honourable Member.

[Crosstalk]

The Speaker: Oh. Sorry.

It is the Member from constituency 10.

Hon. Michael H. Dunkley: Thank you, Mr. Speaker. I know that my honourable colleague, Pat Gordon-Pamplin, and I get confused all the time.

[Laughter]

QUESTION 1: AIRLINE INCENTIVES

Hon. Michael H. Dunkley: Because we are hard-working politicians, like many in this House.

Mr. Speaker, the question to the Honourable Minister of Tourism in his Statement in regard to airline incentives. I refer to the second-to-the-last page, page 5. I know the Government has clearly, on a number of occasions, expressed their displeasure for the airport deal. And in spite of that, they are not in any position to change it. But, in the last part of the last paragraph on that page, the Honourable Minister says, "I wish to be clear that the Government . . . will continue to support air service development and the strengthening of our tourism product . . ."

Mr. Speaker, what is the vision and what is the current plan to continue to support and develop the tourism product through airline incentives?

The Speaker: Minister.

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

I would refer that Honourable Member to the Tourism Plan that was made public just a couple of weeks ago. It has everything in fine detail.

The Speaker: Minister, thank you.

[Inaudible interjection]

The Speaker: That is fine. No further question?

That brings us to the end of our . . .

[Crosstalk]

The Speaker: I beg your pardon, Members.

[Crosstalk]

The Speaker: Members, Members!

Members, that brings us to a close of the Question and Answer period. We now move on.

CONGRATULATORY AND/OR OBITUARY SPEECHES

The Speaker: Does any Member wish to speak?

I recognise the Honourable Member, the Minister of Education.

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

Mr. Speaker, I would like congratulations sent, and I want to associate the entire House, to the prize-giving that was held, to all of the students who received prizes from CedarBridge at the prize-giving that was held on Wednesday. Also, to the Berkeley

Institute students, whose prize-giving was held last night.

I would also like congratulations sent to the alumni of the Victor Scott Primary [School] who were honoured earlier this week, on Monday, Ms. Valerie Williams, Ms. Savannah DeVent, and our very own MP Neville Tyrrell. The Victor Scott School hosts an annual Heroes Day, where they recognise alumni. And they come back to the school to be recognised by the students and by the teachers.

Lastly, Mr. Speaker, a letter of congratulations sent to the Somerset Primary [School], who held their science fair on Tuesday. While I was unable to make it, I did have someone on the scene who told me that some of the events that went on up there were quite interesting. And it is very good to see that our primary schools are still continuing on with our STEM [science, technology, engineering and math] curriculum.

Thank you, Mr. Speaker.

The Speaker: Thank you.

We now recognise the honourable Member from constituency 32.

Mr. Scott Simmons: Good morning, Mr. Speaker.

I rise on this solemn occasion to ask that this Honourable House send condolences to the Tuzo family, who have lost a true Bermudian son in Mr. Ross Tuzo. Mr. Speaker, I associate a number of Members in the House in this regard—

An Hon. Member: Especially his MP.

Mr. Scott Simmons: Especially his MP, Mr. Speaker.

[Laughter]

Mr. Scott Simmons: It would be difficult, to speak in such affectionate terms of Uncle Ross without mentioning his endearing late wife, Gloria Tuzo, who passed about a year ago. Their impact on our Bermudian community will be long felt. And, although we see them both as a fantastic partnership that stood the test of time, Uncle Ross, in his own right, made an absolute mark in his own right, a mark in all that he met. And with his broad, beguiling smile and deep laugh, he left you knowing that you had met a man of true stature and strength.

Mr. Speaker, he at times appeared quite humble and mild. But, when he engaged me in conversation on politics and country, you saw his love for his family and the deep respect for the Bermuda he also loved. I can see him now, riding his motorcycle with a Bermuda window shutter, a pair, on the back. And he would stop me, and whatever preoccupied him, he always had time to chat and ask how Gladys was, my grandmother, how she was doing, and the family at large.

Mr. Speaker, we continue to lose true icons, and fellow Bermudians who epitomise the true spirit of Bermuda and the culture and the traditions which we love and we cherish. Present and upcoming generations would be wise to follow the example of Uncle Ross, of being true to their convictions and to live life to the fullest, with humility, respect, flair and dignity. May he rest in peace, and our hearts and prayers are extended to my cousin, Debby, and also my cousin Livingston, and the rest of the family.

Thank you so much, Mr. Speaker.

The Speaker: Thank you, Honourable Member.
We recognise . . . Premier?

[Inaudible interjection]

The Speaker: Okay. I thought you looked like you were about to step away that time. Premier, would you like to have the floor at this moment?

Hon. E. David Burt: Yes, I would, Mr. Speaker. And thank you very much.

Mr. Speaker, as you can recall, last week I was detained from my timely return to the House of Assembly due to unfortunate weather in the North-east. So, I was not present last week, Mr. Speaker, during congrats and obituaries. But I would like to make sure that, at least for the record, I associate myself with the messages of condolences that were shared for the family of Mr. Allan Smith, and also Mr. Kenny Paul.

Mr. Allan Smith was a member of the PLP family and no stranger to politics, an open advocate for the Bermudianisation of the workplace and a staunch supporter of racial justice on the Island. I send my heartfelt condolences to all of his family and friends. And, of course, two of his sons actually work directly for departments that are underneath my charge in the Government of Bermuda.

I would also like to acknowledge the passing of Mr. Kenny Paul, a shining light of the Bermuda Industrial Union [BIU], without question a [prominent] figure. The other day, I was in the BIU building, and his picture is, of course, there on the wall as the leader, who he was. Not only did he play an enormous role in the BELCO riots; but also, he was a community man demonstrating his talents for the wrong team at Cup Match.

[Laughter]

Some Hon. Members: No. No!

Hon. E. David Burt: That is why Chris Famous loves him so much.

But we do extend our condolences to his family and friends as they mourn the loss of this truly great man.

In addition to that, Mr. Speaker, I would like to send my condolences to the family and friends of my constituent, Mr. Beresford Mancerfield Wade, who passed away week before last at the age of 69. Mr. Wade leaves to mourn his two children, Jamika and Julani, and we wish them comfort during this difficult time.

On a specific note, and I sincerely hope the Minister who has responsibility for Sports will not get too upset at me. I would just like to say a very big note of congratulations and thanks to the players, coaches and family members and the Bermuda public for a spectacular atmosphere, in the driving rain, last Friday at the Bermuda National Stadium, for Bermuda versus El Salvador. Through that rain, our national squad performed phenomenally. And we have one more victory to earn so that we can, hopefully, advance to the Gold Cup.

With that, I would just like to let Members of the House know that the Government is working with the Bermuda Football Association to make sure that we can assist in whatever levels of preparation are necessary to give our team the best opportunity that they can have for success as they face the Dominican Republic in March. So, I just wanted to make sure that we publicly recognised the team and wished them success in their future endeavours.

Thank you, Mr. Speaker.

The Speaker: Thank you, Mr. Premier.

I now recognise the Deputy Premier. Deputy.

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

I wish to first ensure that the House acknowledges that a certain young gentleman turns 40 today and will be celebrating . . . the Honourable Premier E. David G. Burt. And I would hope that the House would see fit to acknowledge his special day today. Forty years ago was so long for me I just barely remember that it existed.

[Laughter]

Hon. Walter H. Roban: But since he has reached that plateau, then I congratulate him and his family for reaching that achievement.

An Hon. Member: A way, distant memory?

Hon. Walter H. Roban: A distant memory is 40, really distant.

[Inaudible interjections and laughter]

Hon. Walter H. Roban: Of course you are. You are still young.

Going on, Mr. Speaker, condolences I would like to now focus on just for a moment. I recently

heard of the passing of someone who is known very much to this side of the House, and perhaps to others on that side, Mr. Richard Daniels. He was a long-time stalwart of the PLP. Those of us who have been in the PLP for a number of years, and maybe even more recently, know of his work in the party. He was a long-standing educator committed to the education of our children. But he did sterling work behind the scenes in the Progressive Labour Party of which we all have, for many years, been grateful.

I just heard about this today. It is a sad moment for us in the PLP because Richard was one of us. And his work was monumental. And at some point, that story can be told about his work, which helped, frankly, to change this country in some ways, like many stories of people around Bermuda.

I would also like to acknowledge the passing of a constituent of mine, Ms. Diane Peterson, of Roberts Avenue. She was eulogised earlier this week. I would like to associate the Honourable Minister Lovitta Foggo with that.

Going back to a few congratulatory remarks, Mr. Speaker, this weekend the Grace Methodist Church in Pembroke will be celebrating their 14th annual *100 Women in White*. I know a number of Members on both sides have attended that event at the church. But it is their 14th year this weekend. They will be celebrating that.

Also, Mr. Speaker, another congratulatory message for someone who is being celebrated, Mr. Calvin "Bummy" Symonds, Sr., who will be celebrated this weekend at the CedarBridge Academy in a celebration put on by Mr. Berger Jennings for past and current, sports greats. He is one of the people who are going to be recognised. I will certainly associate Mr. Neville Tyrrell, who is his MP, with this, as well as others in this House. He obviously was a great captain of the team of St. George's. But I will associate the whole House, because he is really a national figure, perhaps a national treasure.

I have come to know him for many years, and he is a mentor and friend to myself. And it would be remiss of me to not make mention of this important recognition of one of our living sports legends.

Thank you, Mr. Speaker.

[Timer beeps]

The Speaker: You are right on the buzzer, Mr. Deputy Premier.

I now recognise the Honourable Member from constituency 19. Honourable Member, you have the floor.

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

Mr. Speaker, I would like to start off with some of what I call the sad acknowledgements. I would also like to be associated with the condolences to be sent to the family of the Ross Sinclair Tuzo. What lots of

people do not realise is that, back in the day, those people who were older, actually on either side of what I call the political divide, actually talked a lot because they had a real interest in Bermuda. And Mr. Tuzo was one of those individuals.

Mr. Tuzo was a carpenter, as was my father, Erskine Adderley. And I got to know Mr. Tuzo because my father said, *If you want somebody to do a really good carpentry job, go and see him.* And I did. But, Mr. Tuzo and I would have conversations about politics. And he would often ask me about how my dad was. And we would talk about what is happening. And I think, as we lament the passing of people like him and others, I think we always have to focus on the fact that they knew how to think about Bermuda. And they knew how to talk about things that were mutually important and significant. And I would like to think we will do more of that.

I would also like to have condolences sent to the family of Roland Clarence Skinner. Everyone knew Mr. Skinner as a photographer. But he was also a golfer. So, when Riddles Bay was opened, you know, we would have lots of conversations about what was happening in the golf world, what was happening on the Island. And I know that I have a book, and I am sure a couple of others have books that have his photography. And we have lost another individual, who did lots of things that brought Bermuda to the attention of the world. And I would like to make sure that condolences are sent to his family.

With respect to . . . and I am not one for jumping on anybody else's parade. But one of my constituents is Hilda Eatherley. Hilda was one of those individuals who, whenever I went out canvassing, I had to make sure that I at least went by and said hello. She was one of those individuals who was always happy to talk to you, a person who was full of being alive. And I am sad to hear of her passing.

I was also sad to hear of the passing of Micky Adderley, recognising that Adderley . . . I was Jeanne Adderley Atherden. But we are different Adderleys. But at least, I would get to talk to him and go into his shop, and I knew that he was an entrepreneur who did lots of things which were important.

And, last but not least, Mr. Speaker, I would like to be associated with the condolences being sent to the family of Richard Daniels. Richard and I went to school together. And, even though we went in different directions, at least we would have an opportunity to talk about what happened, where we were going, and what was happening in Bermuda. And, more and more, I think we are not always going to be in the same place—

[Timer beeps]

The Speaker: Thank you, Honourable Member.

We now recognise the Honourable Member from St. George's. Minister Foggo, you have the floor.

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

Mr. Speaker, I would like to be associated with the remarks given by the Premier with congratulations going out to our national football team, who were successful last week and will be successful, going forward. It deserves recognition from the Premier first.

Mr. Speaker, I would likewise wish to be associated with the congratulatory remarks going out for Cal “Bummy” Symonds, a great St. George’s Cup Match cricketer. He was a footballer and a trailblazer. So, he deserves the recognition that he, likewise, is getting.

Switching gears, Mr. Speaker, I would like to be associated with the remarks given out last week for an iconic figure in St. George’s, Ms. Ianthe Pearman. She taught most of St. George’s. And there are octogenarians right now who can attest to the fact that—

The Speaker: You are associating yourself with last week’s?

Hon. Lovitta F. Foggo: I did say I want to be associated with the remarks [from] last week.

The Speaker: Yes.

Hon. Lovitta F. Foggo: And also, with the condolences that were given for Mr. Eugene Wainwright, a well-known St. Georgian.

Mr. Speaker, it saddens my heart to give condolences to the [Fox] family for the passing of their mother, Ms. Sandy [(Fox) Hodgson]. Her daughters, Terry, Jennifer, Christina and Tracey, and all of her sisters and brothers who still follow her, are mourning her loss.

And I wish to be associated with the condolences going out to Richard Daniels, who, first and foremost, was a St. George’s man, born and bred in St. George’s, but did much work, as has been stated by the Deputy Premier. He will be sadly missed.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

I now recognise the Honourable Member from the other part of St. George’s, the Honourable Member from the East End there. Honourable Member Swan, you have the floor.

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

Mr. Speaker, I would like to be associated with the condolences going out to the family of Mr. Richard Daniels, for his sterling work for the Progressive Labour Party over many years, and for his community involvement. And, also, I would like to be associated with the condolences offered by the Minister to the family of Mrs. Sandra Hodgson. I am deeply saddened by her passing. And my sincere condolences go out to all of her family.

Mr. Speaker, on a happier note, I would like for congratulations to be sent and acknowledged for a young 14-year-old who is away attending a sporting academy for golf, one of my young charges, Mr. Kenny Leseur. Three years ago, I encouraged his parents to send him away to school because his talent far exceeded the ability available in Bermuda to provide him with the competition necessary. And now, three years later, this has been realised. And he won a golf tournament in Orlando, one of the IMG [International Management Group] events down there at Falcon’s Fire, shooting under par on the first round. But he has done some exciting things overseas prior [to this]. But he is under the tutelage of Mr. Gary Gilchrist at his Gilchrist Golf Academy, one of the top junior coaches, who also has coached many world number-one players in his time.

Young Mr. Leseur is on the Island with his family, and we wish him well and tell him to just keep his life in priority, with his schoolwork first, being a good person at the top of the list, schoolwork next, and then allow his golf talent to shine through.

Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

We now recognise the Honourable Member from constituency 7, if I am correct?

Mr. Sylvan D. Richards, Jr.: Yes.

The Speaker: Honourable Member, you have the floor.

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

Mr. Speaker, I would like to be associated with the condolences given by the Honourable Premier to my constituent, Mr. Allan Brunell Smith. Mr. Smith was a constituent of mine. He was a PLP supporter. But, every time I went to his house, he was always very gracious. He would let me come inside. And we would have a chat, and then I would be on my way. And his son is also a very good friend of mine.

[Inaudible interjection]

The Speaker: Yes, he is associating himself. He already said that, yes.

Mr. Sylvan D. Richards, Jr.: I am associating myself.

The Speaker: He said that. Yes, he is associating with the Premier’s comments from last week.

Mr. Sylvan D. Richards, Jr.: His son is also a very good friend of mine, and I expressed my condolences directly to him when his father passed over the break.

Mr. Speaker, another constituent of mine passed over the break, Mrs. Carole Anne Paynter.

She was a lovely, lovely woman, who, unfortunately, lost her husband, Tony Paynter, a couple of years ago. I would associate MP Jeanne Atherden. She was also a very, very gracious lady. She would invite me into her house. And I have very fond memories of sitting around the kitchen table with Carole and her husband, Tony, who actually was a good friend of my father's. And he shared a lot of good stories that he and my father had experienced. So, I just want to express my condolences on her passing. She will be greatly missed. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

I now recognise the Member from constituency 23. Honourable Member, you have the floor.

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

Mr. Speaker, I too would like to associate with the condolence remarks to the family of Ross Tuzo, who actually, in his carpentry environment, was a very dear friend of my Uncle Winslow, who also was a carpenter. So, I knew Mr. Tuzo from way back when.

Mr. Speaker, on a very happy note, I would ask that this Honourable House perhaps even join me in offering congratulations to the participants in the Premier's Concert last Saturday night. We were treated to an amazing array of talent, from dance to vocals to violins to trumpets. It was just an absolutely incredible display of the talent of our young people. And we would certainly want to be in a situation of encouraging them.

And my honourable colleague, the Honourable Member Sylvan Richards, from constituency 7, wants to be associated with those remarks, as well. Also, the Honourable Member from constituency 2, and I would imagine . . . well, obviously, the Premier was there, as was Minister De Silva, as well as Minister Foggo. Obviously, it was the Premier's concert. But the Ministry of Labour, Community Affairs and Sports was instrumental in ensuring that it was a good time had by all, as we exhibited the talents of our young people. So, I am sure they would want to be associated, and the Honourable Member Renee Ming as there, as well.

The Speaker: The Speaker enjoyed the evening, as well.

[Laughter]

The Speaker: Deputy Speaker, I recognise you.

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

Mr. Speaker, it was 40 very long years ago that the Premier of Bermuda, David Burt, was born. And we want to wish him happy birthday.

Mr. Speaker, I would also like to be associated with the remarks regarding Sir Calvin "Bummy" Symonds, who was a thorn in the side of Somerset.

The Speaker: Now I know why I kept missing that corner.

Hon. Derrick V. Burgess, Sr.: In fact, Mr. Speaker, every time the Somerset fans start talking, what I recall some "mistruths," I just mention his name and they all cringe.

[Laughter]

Hon. Derrick V. Burgess, Sr.: But, Mr. Speaker, Mr. Symonds, who represented Bermuda not only in cricket, but in football, and played at a high level, also played soccer in England, Mr. Speaker.

The Speaker: Yes, yes.

An Hon. Member: Rochdale, Rochdale.

Hon. Derrick V. Burgess, Sr.: Rochdale, Mr. Speaker. Yes, Mr. Speaker.

So, he was one of the few who represented Bermuda overseas in both sports, our national sport.

Also, Mr. Speaker, I would like to be associated with the remarks for Richard Daniels. And, Mr. Speaker, I would like to send condolences to the family of David Busby, who is being funeralised at this moment. So, Mr. Busby was a hard-hitting centre back for the Bombardiers. If you ran into David Busby, you knew you ran into a brick wall. But he has left us now, and he will be sorely missed by his wife, Ursula, his daughter Andrea, and son [Elroy], and family.

Thank you, Mr. Speaker.

The Speaker: Thank you, Deputy.

I recognise the Honourable Member from constituency 8.

Honourable Member.

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

Mr. Speaker, I rise to associate myself in regard to the comments made for Mr. Ross Tuzo. I have known Mr. Tuzo since I was a boy. When I was going to private school, I was in class with his son, Livingston. And many days we would go over there for lunch. And his late wife, Gloria, was the gracious host.

But what struck me most about that family is that Ross and his late wife, Gloria, were role models for married couples in this country. You never saw one without the other. They respected each other. She was a lady, and he was a gentleman. And many Bermudians could learn a lot from their lifestyle. They did not complain. They got on with life. They educated their children. And they did a sterling job in making their contributions. They were involved quietly in the

political side, obviously on the other side. But I do not hold that against them, because their strong character and respect for everyone makes it very palatable for me to embrace them, irrespective of their political leanings.

I would like to also associate myself with the comments made in regard to Mickey Adderley. He was a constituent of mine. He had a store in the Flatts, another kind man. He always embraced me when I visited him as his MP. And we always had a sat and chat.

Carole Paynter, another Smith's Parish lady. She was an advocate for seniors. She was a friend of my father's, as well. And, you know, I send condolences to her family.

Roland Skinner, I would say, by far, Roland Skinner is probably one of the world's better aerial photographers. The pictures that he has of Bermuda, the clarity, the Christmas—every photo he has taken just brings life to the person enjoying that picture.

The other person I would like to send condolences to the family of is Pat Gardner. She was Kristi Grayston's mother. And she passed away after struggles with an illness. And, again, I pass on my condolences to her family. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

We now recognise the Minister for Works. Honourable Member, you have the floor.

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

Let me firstly associate with the condolences of two of my constituents, actually, Mr. Ross Tuzo and Mr. Richard Daniels, both of whom were constituents of mine. In the case of Mr. Tuzo, Mr. Speaker, it has already been stated that he was a carpenter. He, of course, did quite a bit of work with my late father, George, who was a contractor. And we used to have long, long conversations, whenever I was supposed to be canvassing, about the old days. But it did not matter, Mr. Speaker, because even when his late wife was still alive and I would canvass, we would always make sure that theirs was the last house on the canvassing trail, because it was never going to be a hit-and-run situation.

[Inaudible interjections]

The Speaker: No, no.

Lt. Col. Hon. David A. Burch: We had to participate.

But it was also a pleasant task, Mr. Speaker, because she always made sure that there were some goodies to both eat and drink.

An Hon. Member: Oh, yeah!

[Laughter]

Lt. Col. Hon. David A. Burch: And so, I extend condolences to their son, Livingston, who also is a constituent of mine, and the rest of the extended family.

Mr. Richard Daniels, of course, a long-standing member of the PLP, originally, I think, from St. George's, but certainly from the last two elections in [constituency] 27, was a constituent of mine and a supporter of me in both elections.

Mr. Speaker, I would also like to send congratulations to the organisers and the partnership of the Skills Development Programme. I had the pleasure of attending on the 7th of November a presentation on those people who recently returned from Bournemouth in England. And, as you will know, Mr. Speaker, this is a partnership between the Parks Department, the Bermuda Garden Club, and the Bermuda Industrial Union. And I would like to commend and thank all three of those entities for their support in sending four of our young people to the United Kingdom.

And, finally, Mr. Speaker, I had the privilege last week of attending the Bermuda Zoological Society's Bi-annual Environmental Youth Conference at the Bermuda Aquarium, Museum and Zoo. Mr. Speaker, it was particularly enjoyable for me because, this year's theme was the "Importance of Preserving Open Space." And they had specifically selected the Southlands Park. And they spent one of the conference days actually visiting the park and walking the length and breadth of it, and then coming up with some ideas about what we could do with it in the future.

Mr. Speaker, I can tell you that they split themselves into six groups. And I went early before the presentation. The idea was that they were going to present their ideas to the Director of Parks, myself, and various other people. But I went earlier because I wanted to witness them actually putting together the presentation.

[Timer beeps]

Lt. Col. Hon. David A. Burch: And I was so encouraged by their enthusiasm and their passion for our country.

Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

Does any other Member wish to be recognised this morning?

We recognise the Honourable Member from constituency 36. Honourable Member, you have the floor.

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

I am sure Colonel Burch, the Honourable Member, was in complete full flow there. And I regret that he did not get a chance to finish.

But, Mr. Speaker, I too wish to rise and be associated with the condolence expressions on behalf

of Mr. Ross Tuzo and Mr. Richard Daniels. I offer my condolences, especially, to Dr. Deborah Tuzo and to Livingston.

Mr. Speaker, a number of persons have transitioned. And I would like to offer condolences of this House to an octogenarian—I beg your pardon, a centenarian, Ms. Angelina DeFontes Bean. I had the great pleasure of being with her as she celebrated her 100th birthday at Packwood some weeks ago.

Mrs. Sheila Margaret Kempe, a constituent of mine, to her children, Tim and Wiggy.

And so Mr. Ralph Harvey and to his wife, Gilda, all of these persons have passed over the course of our being on recess. So, to Mrs. Bean, her children, Loretta and Marion and Lorraine; to the wife of Mr. Ralph Harvey; and, certainly, to Mr. Harvey's sister, Shirley Foster, whom I am closely associated with, I offer my condolences to these families, Mr. Speaker. Thank you.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to be recognised? We recognise the Honourable Member from constituency 11. Honourable Member, you have the floor.

Mr. Christopher Famous: Good morning, Mr. Speaker.

The Speaker: Good morning.

Mr. Christopher Famous: I want to just say that I met Mr. Ross Tuzo when I was canvassing on behalf of somebody who is a Minister now. And Mr. Ross Tuzo was a Berkeleyite. Although he was on the right team politically, he was on the wrong team—

The Speaker: Green House, Green House fellow, good man. Good man.

Mr. Christopher Famous: You got it. See, I know that it was that wrong team when you guys said, *Green House*.

But the point I want to get at is that—

[Inaudible interjection and laughter]

Mr. Christopher Famous: His wife was from Berkeley, too.

Anyway, my point is that Mr. Tuzo took his time and spoke to me about the importance of Bermuda having craftsmen. And, yesterday, I was pleased, at the Berkeley prize-giving that many of the students who won prizes were actually dual-enrolment at Berkeley and the Bermuda College and learning trades such as construction, electronics, and engineering. I say that to say that we have a crisis in this country where we need more skilled tradespersons. And I am glad that two of my alma maters, Berkeley

and Bermuda College, are seeing that they are training Bermudians towards this to help fulfil the needs that Mr. Ross Tuzo talked about.

The last thing I want to speak about is to thank the people of White Hill *[sic]* for letting me come up there to celebrate the life of Ms. Fanny Hall.

An Hon. Member: Rose Hill.

Mr. Christopher Famous: Rose Hill, sorry. Sorry. Country people.

So, I just want to say it was a very valuable celebration of her life, her legacy, where she and Ms. Bascome (I want to say) helped to teach almost half of the people who are PLP supporters, in Somerset, that is. And I want to associate my colleagues, MP Swan and MP Scott Simmons. So, they also said something about some country food that I did not know anything about. So, it was very nice being up there.

Thank you, Mr. Speaker.

The Speaker: Thank you.

Any other Member?

We recognise the Honourable Member from constituency 10.

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

Mr. Speaker, I would like to be associated with the condolences previously given to the family of Mickey Adderley. I had known Mr. Adderley for many, many years. And I took the opportunity earlier this week to stop by his gift store in Flatts that many people use for their work clothes, to express my condolences. He died quite suddenly last weekend, and he will be a miss to the community.

Colleagues have already talked about Roland Skinner, and I have to echo those comments. He was a former constituent of mine a few years ago. And if you look around at many of the pictures of Bermuda, you will see the photo credit is to Roland Skinner. And he was certainly a trailblazer in that way. I used to enjoy going canvassing in his House because the scenery was just spectacular, with some of his favourites that he had out there.

Mr. Speaker, I would like to also ask these Honourable Chambers to send condolences to the family of Mr. Anthony Buckley, who died when we were off this summer. I think he died in August. I associate my colleague, the Honourable Cole Simons. Mr. Buckley was a very respected man in our community, who did not say much, but worked hard and was a great contributor.

I would like also for condolences to be sent to the family of Ms. Imogene Lawrence. We have the homestead down in Studio Lane in my constituency. The Lawrence family is quite big in that area. And Ms. Lawrence spent her later days at a rest home. But, for a number of years while I canvassed, I enjoyed having conversations with Ms. Lawrence, as she just enjoyed

the days in Hamilton Parish up on the balcony, on her porch, enjoying the sweet breeze coming off of the North Shore at that time. She lived to be a ripe age of 104. And she lived a good life and saw many things in our community.

I would like to be associated with the congratulations by the Honourable Minister to the Skills Development Programme, a programme that has gone on for a number of years, and just to also offer a thank-you to the private donors who, quite often, are not made public, who support that programme.

Mr. Speaker, I echo the comment by the Premier and other colleagues for the fantastic victory by Bermuda over El Salvador last week. Certainly, it was played in miserable conditions and was a very tough game. El Salvador is a very high-quality team. So, it speaks a lot to what we can do when we put our mind to it and we get our best players in the field. And it is starting to feel like we might have a long run in this competition. I know that the country will rally around the team as they do that.

And finally, Mr. Speaker, congratulations to the Deputy Commission-designate, Darrin Simons, and I associate my honourable colleagues with that, for the announcement of his selection to be the Deputy [Police] Commissioner in April of next year, I believe. I am sure there were many individuals who put their names forward, and some are disappointed. But, in my dealings as the former Premier and Minister of National Security, I know that Darrin Simons brings a lot to the table. And I know that he will do a tremendous job with his higher responsibilities.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

I recognise the Honourable Opposition Whip. Honourable Member, you have the floor.

Ms. Susan E. Jackson: Thank you, very much, Mr. Speaker. Just a moment of your time.

I would like to reflect and associate on Mr. Mickey Adderley. I did not know him personally. I did grow up in the Flatts community, and I remember going into his store on occasion. And it was always very exciting, because, at the time, I probably thought I was getting something quite fashionable.

[Laughter]

Ms. Susan E. Jackson: I know it was a men's store, but painters pants! I am going way back, maybe before your time, Member Famous.

[Inaudible interjections and laughter]

Ms. Susan E. Jackson: So, on the other piece, the more important piece, though, is that he truly is leav-

ing a legacy in this community, one which many people may not even recognise. But this man actually has mentored and brought to successful fruition a number of entrepreneurs on this Island. He has embraced young men, and he has taught them the ways of business. He has committed himself to making sure that they are successful in their own businesses and, when necessary, has provided all of the support needed to make sure that entrepreneurs in Bermuda have a future here. So, his legacy will live on. Clearly, he has been successful in business. He has maintained that store in Flatts for decades. And so, I just wanted to acknowledge to the community his commitment to our young people and entrepreneurs. Thank you.

The Speaker: Thank you, Honourable Member.

Does any other? No other?

I recognise the Honourable Member Ming, from St. George's.

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

The Speaker: Not too bad. It is afternoon now.

Mrs. Renee Ming: Oh, good afternoon.

The Speaker: Good afternoon.

Mrs. Renee Ming: I would like to extend condolences to the family of Richard Daniels. The Daniels family have a long history—

[Inaudible interjection]

Mrs. Renee Ming: Oh, I am sorry. I will be associating with the original comments, but I would like to provide my own comments, as well.

The Speaker: Sure. Go right ahead.

Mrs. Renee Ming: Thank you.

So, the Daniels family have a long history within St. George's. And most of them, or some of them I grew up with. Richard was definitely around the age of my mother. So, I did not grow up with him. But I do want the family to know that they are in our thoughts and prayers as they go through this difficult time.

On a happier note, Mr. Speaker, I would like to extend a congratulatory note to the St. George's Parish Council. Last week, they presented St. David's Primary [School], Clearwater Middle School and St. George's Preparatory School with cash donations that are to be used toward library expenses. And so, they were acknowledging the literacy programmes in the schools. The East End Primary did not receive because they had had a cash donation earlier in the year

toward a school trip. So, I just want to make sure that we . . . I am thanking the St. George's Parish Council for their continued commitment and acknowledging the literacy programme within our schools.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

At this time, because of where the hands are on the clock, I am going to call on Minister Burch.

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

Mr. Speaker, I move the House do adjourn for lunch until 2:00 pm.

The Speaker: Any objections?

No objections. The House is now adjourned until 2:00 pm.

[Gavel]

Proceedings suspended at 12:33 pm

Proceedings resumed at 2:01 pm

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

The Speaker: Good afternoon, Members. I trust everyone had a good lunch.

[Gavel]

MATTERS OF PRIVILEGE

The Speaker: There are none.

PERSONAL EXPLANATIONS

The Speaker: There are none.

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

The Speaker: There are none.

INTRODUCTION OF BILLS

The Speaker: There are none.

OPPOSITION BILLS

The Speaker: There are none.

PRIVATE MEMBERS' BILLS

The Speaker: There are none.

NOTICE OF MOTIONS

The Speaker: I believe we have one notice of motion down on the Order Paper for this afternoon and it is in the name of the Minister of Finance.

Minister, would you like to put your motion?

CONSIDERATION OF THE REPORT OF THE TAX COMMISSION 2018

Hon. Curtis L. Dickinson: Thank you, Mr. Speaker.

I give notice that I propose to move the following motion at the next day of meeting:

WHEREAS Honourable Members are mindful of the contents of the Report of the Tax Commission 2018;

BE IT RESOLVED that this Honourable House carefully consider both the content and implications of the said report.

The Speaker: Thank you, Minister.

ORDERS OF THE DAY

The Speaker: The understanding is that we are going to carry over items 1, 2, and 3 and begin with [Order] No. 4.

[Order] No. 4 is the second reading of the Nursing Amendment Act 2018 in the name of the Minister of Health.

Minister?

BILL

SECOND READING

NURSING AMENDMENT ACT 2018

Hon. Kim N. Wilson: Mr. Speaker, I move that the Bill entitled the Nursing Amendment Act 2018 be now read the second time.

The Speaker: Yes, continue.

Hon. Kim N. Wilson: Mr. Speaker, I stand before this Honourable House today to table the Bill entitled the Nursing Amendment Act 2018.

Mr. Speaker, the regulation of health care professionals is essential to meet the Ministry of Health's mandate to protect and promote public health and ensure high quality care. The Nursing Act 1997 is the legislation that assures standards of practice for nurses through registration, monitoring, complaint handling, and disciplinary procedures.

The Nursing Amendment Act 2018 (the 2018 Bill), Mr. Speaker, proposes to improve the regulation of midwives by incorporating midwives under the existing regulatory framework for nurses and transferring

the regulatory authority for midwives from the Bermuda Medical Council to the Bermuda Nursing and Midwifery Council. The 2018 Bill tabled today is the incorporation of midwives under the 1997 Act and the repeal of the Midwives Act 1949.

Mr. Speaker, the Ministry is committed to improving health professionals' regulation as a means to addressing efficiency in regulation and public safety. Honourable Members should be aware that the Midwives Act 1949 contained an outdated regulatory framework for midwives resulting in a limited scope of practice and regulatory oversight. The Ministry considered proposing amendments to the outdated Midwives Act, however, maintaining separate legislation for one profession with a small number of practitioners is not practical. In that now, Mr. Speaker, there are currently nine midwives in Bermuda—only five are practicing—so we are talking about a very small profession.

Mr. Speaker, the Ministry remains in ongoing consultation with registered midwives and other stakeholders for a phased approach to enhance safety and quality of care for women and babies as well as address choice and potential cost savings for the health system. So Mr. Speaker, I can just advise that we have had extensive consultation with the midwives here in Bermuda as well as other stakeholders—obstetricians and the like.

The first phase, Mr. Speaker, involves a transfer of regulatory oversight from the Bermuda Medical Council to the Bermuda Nursing and Midwifery Council (and hereinafter, Mr. Speaker, I will refer to that as “the Council”), which is improving the criteria for registration and re-registration and creating a code of conduct. So that is phase one, Mr. Speaker.

Both Councils—that is, the Bermuda Nursing Council as well as the Bermuda Medical Council (who were heavily involved in this amendment)—support the incorporation of midwives into the 1997 Act, which will align Bermuda with many other countries in the Caribbean, the UK and Ireland.

The second phase, Mr. Speaker, which we will be doing at some point in the future, will require continued engagement with multiple stakeholders to address some of the limitations impacting midwifery practice in Bermuda, such as prescribing rights specific to midwifery and the formalisation of collaborative practice among stakeholders and policies that ensure safe care of women and babies.

Mr. Speaker, the updates to the 1997 Act will include midwives in the majority of the provisions established for nurses. These updates, Mr. Speaker, include: the definition of midwifery profession and protecting the use of the title “midwife”; including a midwife on the Council; and making the necessary changes to the title of the 1997 Act, the Council as well as its committees; ensuring a midwifery registration process that includes registration criteria and re-registration every two years that is linked to continuing

education and minimal required practice; prescribing a code of conduct that includes a scope and standards of practice for midwifery; including midwives within the complaint handling and disciplinary process; and improving the Council's procedures as required.

Mr. Speaker, many of these provisions are familiar to currently registered midwives because all of the midwives registered under the Midwives Act 1949 are also nurses and duly registered under the 1997 Act. However, it is important to acknowledge, Mr. Speaker, that midwifery is a separate profession from nursing and the updates to the 1997 Act will include the regulation of midwives who are not nurses. The rules to accompany the Act will define a midwife as a person who has completed a midwifery education programme recognised by the Nursing Council and is registered as a midwife in their country of training as approved by the Nursing Council. Jurisdictions approved by the Nursing Council include, but are not limited to: Jamaica, the Bahamas, Barbados, BVI, St. Lucia, Cayman, Turks and Caicos . . . sorry, Trinidad and Tobago and Dominica. There are other countries as well, Mr. Speaker, which include: Canada and the United States, the UK, and Australia.

The 2018 Bill aims to standardise practices for midwives across health care professions, therefore, improving Bermuda's regulatory system. In addition, Mr. Speaker, the changes ensure that midwives are subject to a more robust regulatory framework.

Overall, Mr. Speaker, the Nursing Amendment Act 2018 ensures a higher regulatory standard for midwives that aims to protect the public by ensuring competent and safe providers of care for women and babies. And therein lies, Mr. Speaker, the objective of this legislation.

Thank you.

The Speaker: Thank you, Minister.

Does any Member wish to speak to it?

We recognise the Honourable Member from constituency 23.

Honourable Member Gordon-Pamplin, you have the floor.

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

Mr. Speaker, I thank the Minister for her overview of the intent of the Bill as well as for her providing me with a copy of the brief, which made life a little easier to follow along.

Let me first say, just in speaking to the issue of midwives, Mr. Speaker, most of us in the black community . . . I should say many people in the black community, would know the impact that midwives would have had, certainly in the mid- to late-1950s. Many of us were not born in the hospital, certainly, us in the black community. You went to the nursing home where the midwife and, especially in our particular situation, Nurse Stovell of Mount Hill, delivered more

babies than she would probably be able to have counted. So their impact on the community was significant in how they were able to service the community during a time when it was deemed that “sophistication” (if I can put that in quotes) in medicine had not reached the stage of advancement when it came to birthing and the utilisation of the hospital as the primary place for giving birth for expectant mothers.

Mr. Speaker, once the hospital was brought into being, there were some expectant mothers who believed that the clinical environment of the hospital did not suit their own purposes in terms of what they wanted and how comfortable they wanted to feel with respect to giving birth. And many expectant mothers decided that instead of going to the hospital, we almost wanted to go almost full-circle and go back to midwives and doulas, to assist in the birthing process.

Now the one thing that is important, as the Minister articulated, is the necessity to ensure effective and good health care and the safety and protection of both mothers and their newborn infants. So, the requirement of a midwife was to have a medical practitioner in attendance when the birth was being processed. And that would have allowed the circumstances under which this newborn was coming into the world to happen under the best and most clinically appropriate and safe medical circumstances.

Now, we had a situation, Mr. Speaker . . . and I have no doubt that somebody will speak to it because people always look for the things that were negative. There was a time when some mothers decided that not only did they not wish to go to the hospital, they wanted to have a midwife attend to them, they wanted to have a doula attend to them. (That is somebody who assists in the birthing process.) And that they did not necessarily want to rely on the five of nine registered midwives to which the Minister referred, but they would have preferred rather to have imported someone to assist them with the birthing process.

That importation of professionals in the midwifery profession caused not just a pushback from the Chief Medical Office, but also there was a lack of acceptance of the necessity for the immigration process to authorise the importation of midwife labour. And that caused a challenge because now you had an expectant mother who felt that this was her right to determine the circumstances under which she gave birth and you had the Health Department making the determination that maybe this was not ideal because, not so much just importing somebody, but I think it was a combination of whether whoever was being imported (for immigration purposes) whether they were as effective as the locally available expertise and professionals that we have.

So I think over time that situation resolved itself from the perspective of the people who led the charge at the time to reject the idea of being able to import someone—to bring somebody in through immi-

gration—they made it a point to . . . they satisfied the circumstances at the time. I am not certain since I left the Ministry whether that has continued, whether people have decided that if they want to bring in a midwife to assist in the birth of their child, whether they are able to do it or whether, in fact, that situation has just kind of calmed down and that remains . . . and the Minister will probably be able to give us some input with respect to that.

But as I mentioned, Mr. Speaker, it was necessary for midwives to actually have the assistance of a qualified medical practitioner. And we will also know, Mr. Speaker, that there are varying opinions with respect to the actual medical practitioners who might have been made themselves available to be able to assist in the birthing process to ensure safety for both mother and baby.

We had some very public discourse, Mr. Speaker, between two particular doctors who were at variance; they were at odds in terms of who should be deemed to be a qualified medical professional for the purposes of assisting a midwife through this process. And you had one who held the position that certain family physicians may qualify based on their experience; and then you had another school of thought which said that if a medical practitioner was not astute and was not well trained in neonatal resuscitation, then they may not be able to conduct the oversight that was necessary for a safe birth in the event of distress when the baby was born.

So these are things that, you know, where I think as time goes on, whatever happens, whatever legislation we put in place, we need to ensure that every birth is safe, that every baby is safe and that every mother is safe. We do not have the incidents as much today as we did, perhaps, in the 1940s and 1950s of death in childbirth of a mom because our systems have become more sophisticated and we are able to ensure that there is a safety element that is involved.

So, we are now merging the midwives who operated under the Act of 1949 with the nurses who operate under a Nursing Act of 1997 to ensure that there are efficiencies in respect of the administration of both nurses as well as midwives. The only concern . . . well, let me just point out first of all before I indicate my concern, that childbirth . . . I think it is important to point out how beautiful childbirth can be. It is the route by which we all have found ourselves on the planet. And I think it is an absolute miracle that has been bestowed upon us by our Creator so that we can continue to multiply and preserve our population and . . . it is what we do.

And the Lord decided in his wisdom, though, Mr. Speaker, that he would make mothers . . . that he would make females to be the ones to give birth. Because I think, Mr. Speaker, we probably would have become extinct—

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: —we would probably have become extinct—

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: —if we had to rely—

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: —if we have to rely on males to give birth. Mr. Speaker, we would be an extinct species. I think we know that. I think we know that.

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: Mr. Speaker, when you hear of how many men moan about the idea that they have got a hangnail or they have got an ingrown hair and they cannot handle that, Mr. Speaker—

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: —know for a fact that that is, perhaps, as much pain as many of them might be able to bear. So I give . . . I give great kudos to mothers and the supporting fathers.

I know that the fathers have to support [the mothers] through the process, through the birthing process, and many of them do, and they need to be applauded for that, it is their job. But we at least . . . we point out the fact that . . . we appreciate the fact that they are there to assist through what could sometimes be a very, very difficult process.

So, my only concern is . . . with the Midwifery Act 1949 there are members who were registered on that register. To merge the two associations . . . and I know that the midwives had initially wanted their own legislation updated some, and now I think the idea of having these two professions merge together is a positive thing for the efficiency and the management thereof . . . if someone were only qualified as a midwife and did not . . . and was not on the register of nurses, they were on the 1949 register (I am not saying that they were practicing in '49, but that they would have been eligible under that Act to be registered) are now being registered under the Nursing Act and it is going to be the renaming of . . . they are going to be under the auspices . . . from the Medical Council to the Nursing and Midwifery Council. They would have, historically, been managed by . . . or been answerable to and accountable to the Medical Council. But now it will be to the Nursing and Midwifery Council.

So we understand the efficiencies that come about as a result of having one umbrella under which

people operate who are operating in that professional environment. But the question is, with respect to the transitional arrangements that have been articulated in the legislation, if we have . . . the way I see it, if we have people who are registered under the 1949 Act, and they are merging with people who are under the Nursing Act . . . under this 2018 [Act], we are sort of effectively merging, let us call it, entity A with entity B to form a new revised entity B.

The question begs as to whether it would be appropriate . . . and this is a question, it is not a criticism, it is a question, as to whether it would be appropriate to grandfather those people who registered under the Midwifery Act of 1949 and subsequent registrants and grandfather them in. Because the one thing that this legislation provides for is that within six months . . . this legislation today effectively will repeal the 1949 Midwifery Act. So effectively the people who are registered thereunder will no longer have a registration there, they now will be registered under this new combined entity.

So the question is, if we are not saying that the people who are presently registered under the 1997 Act need to come within six months and re-register, then the midwives who are coming over and have to re-register within six months of the coming into force of the Act . . . unless I have misread this, the midwives have to come over, they have to register within a six-month period of time.

Continuing professional education is key to every profession. So when I looked at the transitional arrangements it just struck me as being odd that the people under the 1949 Act (now merging into this new Act) effectively have to re-register within six months, but I do not think that I saw that every existing person who is registered under the now 1997 Act (which will be revised by this 2018 amendment) that each of them also has to re-register within a six-month period of time.

That is just the way I saw it. I thought it was saying to me that only the midwives who are coming over will have to re-register in that six-month period of time. And I think that what that says to me is that we want to obtain parity between the professions, notwithstanding that we recognise that there are divisions of, you know, the types. But we do not want to see that somebody was over here and they were a midwife over here . . . if they were a midwife yesterday under the 1949 Act, they are a midwife today under the 2018 revision.

So I just wanted to make sure that we were not creating the feeling that there is some kind of second-class citizenry that is being done as a result of the requirement of these midwives coming over to re-register within a six-month period of time.

So, technically, we support the Bill from this point of view. Obviously . . . oh, also with the registration it says that a Minister could effectively extend that six-month period of time and that would be based on

the Minister's benevolence on application, presumably. So, if you grandfather into this Act and still require from each of the professions their necessary hours of continuing professional development, I am just not sure why we cannot just take the register from the . . . people who are registered under the 1949 Act and merge it with a grandfathering capability without them having to go through a separate registration process where they are being . . . the way the registration is worded appears to me that they are being treated separately and differently from people who actually are on the register under the 1997 Nursing Act.

So I just wanted to have that clarified so that there is no confusion. We certainly do not want to support something that might make any member of a merged profession to feel as though they are somehow not as good as, but that they rank *pari passu* with people with whom they are merging. And I think that this is important.

So, with those few comments, Mr. Speaker, as I said, we support the legislation in principle and we just want to know that whatever we are doing, it continues to enhance both the safety, the security, the comfort and the medical attention that is necessary to provide for a good outcome in terms of the child-birthing process for both mother and child.

Thank you, Mr. Speaker.

The Speaker: Thank you, Member.

Does any other Member wish to speak?

No other . . . I recognise the Honourable Member from [St. George's South]. Honourable Member Furbert, you have the floor.

Mrs. Tinee Furbert: Thank you, Mr. Speaker.

I just first want to start by actually thanking all the midwives that are out there, both present and past, who have added to the delivery of many babies in our Island and they have done an excellent job at that. I think a fellow colleague mentioned in regard to our infant mortality rates being one of the lowest over the world and so that just goes to show that they are doing an excellent job.

This Act just speaks to an amalgamation of like professions. So we have the nurses and nursing associates and now midwives, which we are now adding to the Nursing Act of 1997, so that they can continue to share legislative processes, which is a good thing given that the Minister of Health already mentioned how many midwives we actually have practicing in the Island of Bermuda. So we have taken an ancient piece of legislation and now brought it up to date with more recent legislation.

I was listening to my fellow colleague as she spoke about children being born in homes back way in the day and how midwives played a significant role in that childbirth experience. But I just wanted to add also that even in our current situation today with childbirth, that sometimes when you are . . . a woman is in

the hospital and they are delivering a baby, not all the time is the gynaecologist or obstetrician there. Sometimes they do not make it on time because babies come that fast sometimes. And so you are in the presence of a midwife who still has to deliver a child without the presence of a physician.

So it is great that this legislation is being aligned within the Nursing Act. There are so many changes in this Act that I think it is worth mentioning, which is a good thing, there is reference particularly in the—

[Gavel]

[Inaudible interjections]

The Speaker: Continue on, Member.

Mrs. Tinee Furbert: Thank you.

The Speaker: Continue on.

Mrs. Tinee Furbert: Particularly in the Midwives Act of 1949 in which the Permanent Secretary, at the time, was responsible for the register and they were responsible for managing the registry process and now this will no longer be. Now it will be managed through the actual Nursing Council.

Another change is particularly in the Act it speaks to only a woman being recognised as being a midwife. And this is no longer going to be the description in the current Act, although the majority of midwives are female, it still clears it up where we are not just recognising women only as being midwives, as there are men as well who can play a role as a midwife.

There is also the component of continuing education, which was not in the Midwifery Act, now being up to speed within the Nursing Act. So midwives will have to continue with continuing education, which is very important in staying current with current trends within your particular profession.

And I was just reading further in the Act where it speaks to the prohibition regarding the practice of midwives, where the Act now provides more protection for midwives, particularly in the instance where on the Council . . . a midwife [now] has the opportunity to sit on the actual Council. And it is very key because as issues come up within the Nursing Council, and the midwife is now actually able to sit on the Council, as issues come up pertaining to that particular profession, there will now be someone on that Council who has knowledge, who can speak to particular issues, not only on the Council but also as it pertains to professional conduct concerns.

So it is definitely an Act that has been brought up to date to include midwives. Also, it speaks to the protection of midwives that are in training, which is also very important because training, again, is very

important. And then there is some protection for midwives while they are in training to make sure that they are protected, should anything happen. And so it was important to highlight that as well.

So, Mr. Speaker, I definitely support this legislation. It is good legislation that has been brought up to date and I am sure the midwives that are out there are happy in regards to this legislation. And we have heard already that consultation has been done with the nursing body and also the midwife body. And it was also good to hear that further consultation will continue as it relates to midwives being able to prescribe medication as it relates to childbirth. Because there are many jurisdictions who actually do recognise this for midwives, and it would also help the efficiency with childbirth. So it is good to hear that we will continue with these sorts of conversations in the industry of midwifery.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

We recognise the Honourable Member from constituency 20.

Honourable Member, you have the floor.

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

I just have a few words. Again, I am standing in support of the legislation which has been tabled and is being debated today.

But I just wanted to have a couple of words about the profession of midwives in Bermuda in general and how this is an opportunity for us as a country to consider a vocation for our young people to consider getting training and qualifications so that they can become midwives and we can broaden this profession here in Bermuda.

I mean, certainly, we are all aware of the costs of going into the hospital and having a child delivered in the hospital, and we can also to a certain extent have a testament to the fact that, in general, Bermuda tends to have a very healthy maternity population. And the idea that we could have the option and the choice of having our children delivered by midwives versus having an obstetrician would certainly make all the difference.

And so I am making a suggestion that we not stop with this legislation, but that we continue to develop both at maybe the Bermuda College an offering of qualification and study so that we can certify and become a member of the list that the Minister just read of jurisdictions that do have qualifications and certifications in this profession and that we are able to continue to foster this profession as a means of providing an alternative to mothers who are looking to have their children outside of the hospital, in particular.

I do know that there are some concerns about that. I understand that this legislation is looking at the codes of conduct, or codes of practice, looking at the regulatory framework, but I believe that it is quite restrictive for a midwife to go into a private home or a location outside of the hospital and find the supervision that will support the midwife in his or her duties.

And if we have a situation where: (1) insurance companies [cannot] cover the birth of a child outside of the hospital, or (2) [if] we cannot find the doctors to come and supervise childbirth at home because their insurance [does not cover them] outside of the hospital or their place of practice, then it is really . . . all of the legislation that we put here today to register midwives really comes to naught if we cannot grow the number of people that are on the register and if we cannot provide the environment for them to practice. Because, ultimately, it just becomes almost a moot point.

Now, one of the pieces that could help is that I do understand that with the nurses and the midwives amalgamating through this legislation that there is an opportunity, if we had more midwives that were not already registered nurses, but that they were midwives that could be registered, then there would be opportunities for additional training, there would be opportunities for collaboration between the Medical Council, the Nursing Council as well as midwives. And in and of itself that could breed a level of support that could, again, enhance the profession.

So, I guess, in closing my real concern is that . . . you know, it is one thing to have this legislation in place, but if we do not have the people to be registered on the Council, then I do not see why . . . you know, where the growth is. And I would certainly like to see more growth and development in this area.

Thank you.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

We recognise the Honourable Member from constituency 19. Honourable Member, you have the floor.

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

Mr. Speaker, I think that this Nursing Amendment Act, which we support, obviously, is what I call the direction in which many of the Acts have been going so that you start to have umbrella organisations rather than individual organisations. So I think it is very important for us to recognise that, rather than having many, if you can have what I call the significant ones—whether it be the doctors, the health . . . allied health, and then the nursing—then it means that you have three major organisations that you can start to deal with, especially when you start to need to make changes.

And, as you can see from all the amendments that are . . . the consequential amendments that have had to be made here, whether it be the Police Act or whether it is the Poisons Act, et cetera, every time you have something that has to happen, if you had every organisation that you had to go through and start amending all their Acts, this would make life really difficult. So I know that this is something that the Ministry has been working towards and I think that it is very good that it is coming.

And, as we all have indicated, the ability to be able to ensure that anybody that is in the profession gets the type of continuing education and the type of supervision in terms of professional conduct, I think is to be applauded. And I think we, obviously, support that and look forward to seeing some other amendments to some other professional Acts.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

Minister?

Hon. Kim N. Wilson: Thank you, Mr. Speaker, and I thank my colleagues for their participation in this debate and the bipartisan support that it is receiving.

It would have been nice, perhaps, to have heard from—

The Speaker: A male voice.

Hon. Kim N. Wilson: —the male persuasion.

The Speaker: I was looking around for one myself, Minister.

Hon. Kim N. Wilson: But I believe that my Shadow opposite said it right when she spoke to the importance of women and the fact that we are the ones that are birthing and creating—

The Speaker: Well—

Hon. Kim N. Wilson: —the population.

The Speaker: Well, I was trying to have that offset, but none of the gentlemen took it.

Hon. Kim N. Wilson: So with that, Mr. Speaker—

[Inaudible interjections]

Hon. Kim N. Wilson: Mr. Speaker—

[Inaudible interjections]

An Hon. Member: Can you change the name from “midwife” to “midperson”?

Hon. Kim N. Wilson: Okay, okay.

The Speaker: Good point, good point, there, Minister.

Hon. Kim N. Wilson: Good point. I stand corrected.

The Speaker: Good point.

Hon. Kim N. Wilson: I stand corrected.

So Mr. Speaker, there was, I believe, a couple of questions.

[Inaudible interjections]

Hon. Kim N. Wilson: Yes, there was one question in particular raised by the Honourable Member from constituency 23 and I will get to that . . . well, I will start with that.

Currently, under the 1949 Midwives Act, there is no requirement for registration. So the midwives that are currently practicing on this . . . and I do not want to use your word because you said the “old midwives”—

[Inaudible interjection]

Hon. Kim N. Wilson: I know what you meant, I know. But when you say “old midwives,” it has a different connotation. But the midwives that are practicing now (let us use it that way) will be grandfathered in, Mr. Speaker. But they will have to re-register, because under the 1949 Act there was no requirement for midwives to be registered. One of the components, principal components, of this Act is that they will now fit within the nursing regime and they will have to do a registration. So they will be grandfathered in, and they will have to re-register under this new provision, under this Act.

And then there was another comment—and I thank the Member who just took her seat—with respect to the profession of . . . trying to encourage midwives and locals to participate in that profession. However, I would also like at this point to—given our declining birth rate—encourage persons to study things like gerontology or social work or rehabilitation services. And I am sure my honourable friend and member from constituency 5—

Mrs. Tinee Furbert: Four

Hon. Kim N. Wilson: —[constituency] 4—would obviously support such a position, [having] more persons studying rehabilitation services, therapy services, and social work.

However, in that, Mr. Speaker, again, I am glad to stand here with bipartisan support with respect to this Bill and I would like, Mr. Speaker, to now move that this Bill be committed.

The Speaker: Thank you, Minister.
Deputy?

House in Committee at 2:42 pm

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

COMMITTEE ON BILL

NURSING AMENDMENT ACT 2018

The Chairman: Honourable Members, we are now in Committee of the whole [House] for further consideration of the Bill entitled the [Nursing Amendment Act 2018](#).

Minister, you have the floor.

Hon. Kim N. Wilson: Thank you, Mr. Chairman.
I would like to move clauses 1 through 4.

The Chairman: Continue.

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

Mr. Chairman, the Bill amends the Nursing Act 1997 (the “principal Act”) to cause the Act to apply to both nurses and midwives by changing the title of the Act to include midwives; by transferring the regulatory oversight for midwives from the Bermuda Medical Council to the Bermuda Nursing and Midwifery Council; by providing for an updated regulatory framework for midwives in accordance with best practice; and by providing for incidental matters.

Mr. Chairman, clause 1 provides a citation for the Bill.

Mr. Chairman, clause 2 amends the principal Act by repealing the title of the Act and substituting the title “Nursing and Midwifery Act 1997.”

Mr. Chairman, clause 3 amends the principal Act by renaming the Bermuda Nursing Council as the “Bermuda Nursing and Midwifery Council.”

Mr. Chairman, clause 4 amends the principal Act by renaming the Nursing Profession Complaints Committee as the “Nursing and Midwifery Professions Complaints Committee.”

The Chairman: Any further speakers on clauses 1 through 4?

There appear to be none.
Minister, you have the floor.

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

I would like to proceed by moving clauses 5 through 7.

The Chairman: Well let’s approve clauses 1 through 4 first.

Do you want to move clauses 1 through 4?

Hon. Kim N. Wilson: Mr. Chairman, I move that clauses 1 through 4 be accepted and stand and form part of the Bill.

The Chairman: Any objections to clauses 1 through 4 being approved?

There appear to be none.
Approved.

[Motion carried: Clauses 1 through 4 passed.]

The Chairman: Continue, Minister.

Hon. Kim N. Wilson: Thank you.

Clause 5 amends section 2 of the principal Act to insert a definition for the term “midwife.” A “midwife” is defined as a person who holds the qualifications and competencies as may be prescribed in the rules. The clause also amends the definition of “the register” so as to provide that “part of the register” means part of a division of the register. This is to take account of the register divisions as provided under clause 8.

Clause 6 amends section 3 of the principal Act to remove the Council’s corporate status.

Clause 7 amends the principal Act by inserting a new section 3A to provide protection for Council members from liability during the course of the discharge of the Council’s functions, except in cases where it is proved that the act or omission was done in bad faith.

The Chairman: Any speakers to clauses 5 through 7?
There appear to be none.
Minister?

Hon. Kim N. Wilson: Mr. Chairman, I move that clauses 5 through 7 stand—

The Chairman: It has been moved that clauses 5 through 7 be approved.

Are there any objections to that?
There appear to be none.
Approved.

[Motion carried: Clauses 5 through 7 passed.]

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

I would like to now move clauses 8 through 10, concerning the registration division in the register.

The Chairman: Continue.

Hon. Kim N. Wilson: Clause 8 amends section 4 of the principal Act to provide for the register of nurses and nursing associates to include midwives and for the register to consist of: a nurses and nursing associates division and a midwives division. Each division is to include the names of those professionals regis-

tered in relation to that division and such other identifying particulars of those professionals as are specified.

Clause 9 amends section 6B of the principal Act by inserting the terms “midwife” “midwives” and “midwifery” so as to empower the Council to prescribe a code of conduct for midwives.

Clause 10 amends sections 5, 6E and 8 to provide reference to the divisions of the register in order to take account of the divisions to the register introduced under clause 8.

The Chairman: Any further speakers to clauses 8 through 10?

There appear to be none.
Minister?

Hon. Kim N. Wilson: Mr. Chairman, I move that clauses 8 through 10 be approved.

The Chairman: It has been moved that clauses 8 through 10 be approved.

Are there any objections?
There appear to be none.
Approved.

[Motion carried: Clauses 8 through 10 passed.]

The Chairman: Minister, continue.

Hon. Kim N. Wilson: Thank you, Mr. Chairman.
I now move clauses 11 through 13.

The Chairman: Continue, Minister.

Hon. Kim N. Wilson: These clauses concern the registration of midwives, disciplinary powers, title and scope protection, prohibition to prescribe drugs, and the rules.

Clause 11 amends sections 3, 4, 5, 6, 6A, 6E, 8, 8A and 8B of the principal Act to cause the sections to also apply to midwives. Under the amended section 3, the functions of the Council are to include regulatory oversight of midwives. Under the amended section 4, the requirements with respect to the register apply to midwives. Under the amended section 5, the requirements for admission to a register apply to those seeking admission to the register for midwives. Under the amended section 6, the requirements with respect to renewal of registration apply to midwives. Under the amended section 6A, the requirements with respect to continuing education apply to midwives. Under the amended section 6E, the Council’s power to impose discipline extends to midwives where complaints against them have been proved. Under the amended section 8, it has been made an offence for any person to falsely claim to be a midwife. Under the amended section 8A, it is prohibited for any person to practise midwifery without being registered. Under the amend-

ed section 8B, it is prohibited for midwives to prescribe drugs.

Clause 12 amends the principal Act to insert section 8AA. The section is carried over from the repealed Midwives Act 1949. Section 8AA provides to prohibit any person to practise as a midwife without being registered as a midwife, except where such person is acting under the direction of a medical practitioner or in an emergency.

Clause 13 amends section 9 of the principal Act to empower the Minister, in consultation with the Council, to make rules for purposes of midwives.

The Chairman: Any further speakers to clauses 11 through 13?

The Chair recognises the Honourable Member Pat Gordon-Pamplin.

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

Mr. Chairman, I am not exactly certain where it should fit in. This is between [clauses] 11 and 13, where we talk about the . . . not being able to . . . maybe 12 . . . clause 12, [inserting section] 8AA “Prohibition regarding practice of midwives” where it says that “A person who is not a registered midwife shall not attend any woman in childbirth” . . . unless an emergency situation exists. That is [at clause 12], under new section [8AA (1)(b)].

The question . . . and that is without the supervision of a medical practitioner. The question that I have is this: Is there a requirement for a midwife to carry medical malpractice insurance, which would come under this circumstance, because, clearly, if somebody is going to attend to a birth and something goes horribly wrong, you know . . . is there going to be a requirement . . . is there a requirement for that?

The Chairman: Any further speakers?

The Chair recognises the Honourable Member Susan Jackson.

Ms. Susan E. Jackson: Thank you.

My question is around clause 12. So, if you are an overseas midwife and you have been asked to come to Bermuda, what is the process involved so that they are not just sort of getting . . . I do not know, a work permit, and then providing . . . is there a registration process for midwives coming from overseas?

The Chairman: Any further speakers?

Minister, you have the floor.
Okay, let the Minister speak first.
Do you want to?

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

There is no requirement, under law, for midwives to have indemnity insurance at this point in time.

And in order to practice as a midwife here you will have to be registered locally with the Nursing Midwifery Act of 2018.

The Chairman: Any further speakers?

The Chair recognises the Honourable Phyllis Atherden—

[Laughter]

The Chairman: —Jeanne Atherden.

[Laughter]

The Chairman: I do not know why I call you Phyllis.

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

The Chairman: Is that your second name?

Hon. Jeanne J. Atherden: No. Juanita . . . Juanita is my second name.

[Laughter]

Hon. Jeanne J. Atherden: Mr. Chairman, to the Minister, I have a question and I think it sort of ties into . . . we keep skirting around something which in the past has come up, this whole question of what we call the doulas.

And so if you could just clarify so that everybody understands what a doula does and, once this Act is put into place, whether the doula will only be able to practice under the direct supervision of a registered medical practitioner, or if doulas are able to qualify as registered midwives. And back to the question that came from my honourable colleague Susan [Jackson], whether if someone came—a doula—from the UK or whatever, whether they would be able to practice based on what I see in [clause] 12.

Thank you.

The Chairman: Any further speakers?
Minister?

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

A doula—for those persons listening . . . and sometimes people use that word interchangeably with a midwife, which is not accurate. A doula . . . they are trained and they are certified childbirth “companions” or coaches. Certification is the process by which they gain knowledge, skills and professional ethics to provide continuous physical, emotional and informational support to the mother before, during and shortly after childbirth to help her achieve the healthiest, most satisfying experience. But a doula does not provide any type of medical care. And the workshops that doulas must undertake to become certified are typically short and may take only a few days or weeks to complete.

So we just want to make sure people are aware that there is a distinction between a doula—

Hon. Jeanne J. Atherden: So a doula can become certified.

Hon. Kim N. Wilson: Oh, yes, absolutely. Well, a doula can undergo the requisite training to become a midwife and then upon that completion he or she can register here in Bermuda. Thank you for that question.

The Chairman: The Chair recognises the Honourable Pat Gordon-Pamplin.

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

Mr. Chairman, I just wanted to go back to the issue of the malpractice insurance. The Minister indicated that there is no necessity to carry indemnity insurance—

[Inaudible interjection]

Hon. Patricia J. Gordon-Pamplin: I am sorry, that there is no requirement . . . that there is no requirement, sorry, to carry indemnity. And I certainly did not wish to . . . that was certainly a slip of the tongue. There is no—

[Inaudible interjection]

Hon. Patricia J. Gordon-Pamplin: Yes, okay. But I am wondering whether the Minister or the Ministry is looking to require medical malpractice insurance or some kind of indemnity insurance going forward if we are looking at (a) best practice, and (b) ensuring that there is some coverage for ensuring a proper and good outcome and experience for mother and baby.

The Chairman: Any further speakers?
Minister?

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

As I indicated previously, this is phase 1. This is the beginning stage. We are looking at phase 2, which will include a number of things in consultation with the midwives as well as the other stakeholders, such as obstetricians, to consider things like whether or not there should be . . . whether they can prescribe medicine and the like.

Legally, there is no requirement for them to have indemnity insurance. The law does not provide for that . . . or does not require that. And, in fact, the only health professionals in Bermuda that are legally required to carry indemnity insurance are physicians and psychologists.

The Chairman: Any further speakers?
Minister, you have the floor.

Hon. Kim N. Wilson: Thank you, Mr. Chairman.
I would like to now move clauses . . .

The Chairman: Eleven through 13.

Hon. Kim N. Wilson: —[clauses] 11 through 13 be approved.

The Chairman: Yes.

It has been moved that clauses 11 through 13 be approved.

Are there any objections to that?

There appear to be none.

Approved.

[Motion carried: Clauses 11 through 13 passed.]

The Chairman: Continue.

Hon. Kim N. Wilson: Mr. Chairman, with your leave, can I move clauses 14 to the end, 18?

The Chairman: Continue.

Hon. Kim N. Wilson: Clause 14 amends the First Schedule to the principal Act to provide for midwives to be represented in the Council. The First Schedule is further amended to provide that the chairman of the council shall have a casting vote in the event of an equality of votes and to prevent members of the Council voting where there may be a conflict of interest.

Clause 15 amends the Second Schedule to the principal Act to provide for midwives to be represented in the Nursing and Midwifery Professions Complaints Committee.

Clause 16 repeals the Midwives Act 1949 and provides the saving of the registration of midwives made under the repealed Midwives Act 1949 for a period of six months from the date of the coming into operation of this Bill in order to enable registration of midwives under the Nursing and Midwifery Act 1997.

Clause 17 provides for consequential amendments to the Government Fees Regulations 1996, the Government Authorities (Fees) Act 1971, the Pharmacy and Poisons Act 1979, the Police and Criminal Evidence Act 2006, the Residential Care Homes and Nursing Homes Act 1999, the Registration (Births and Deaths) Act 1949 and the Misuse of Drugs Regulations 1973.

And finally, clause 18 provides for the Minister to cause the Act to come into operation on such date as the Minister may determine.

The Chairman: Thank you, Minister.

Any further speakers?

The Chair recognises the Honourable Member Pat Gordon-Pamplin.

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

Mr. Chairman, just for clarity, I just wanted to make sure that I understand that continuing professional education, which, under the principal Act, is under . . . and this is in respect of clause 16, with respect to the transitional provisions. As I mentioned in the debate before, I do not want to see us creating a second class . . . you know, creating second-class citizens of the midwives. So, if they are able to be grandfathered and transferred effectively en bloc to come under the umbrella of the Nursing Act, whether . . . the nurses are required to have continuing professional education, so for a midwife to be registered then, clearly, they would also have to show that they are proficient with their continuing professional education, you know, that it should be updated.

So I am just wondering whether we really need to . . . whether we could not just merge the two registers because one would not be able to operate as a midwife if under the legislation you have to have . . . you have to be current with your continuing professional education. That continuing professional education, we are saying we have to give them six months in which to qualify, in which to apply for registration. The Minister indicated that there was no necessity at the moment under the Midwives Act [1949] to register, so there is a registration process that was enabled under the Midwives Act, but the Minister indicated that there was no necessity for midwives to register under that Act so they chose not to . . . then they did not necessarily have to.

But if they were a midwife yesterday, they are going to be a midwife today upon the merging of the Act, and I just wondered whether we were unduly burdening the midwives to register and come up with what is necessary for continuing professional education when we are not saying to the nurses—

The Chairman: I think the Minister addressed that in her brief, about grandfathering, but anyhow.

Any further speakers?

Minister?

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

If I understand it correctly, the question is with respect to continuing legal education . . . that is where my mind is—continuing education. The midwives will also, Mr. Chairman, be required to complete a series of continuing education requirements . . . similar to their nurse counterparts.

Hon. Patricia J. Gordon-Pamplin: Okay.

The Chairman: Any further speakers?

There appear to be none.

Minister, do you want to move the clauses?

Hon. Kim N. Wilson: Yes, thank you.

Mr. Chairman, I move that clauses . . .

The Chairman: [Clauses] 14 through 18.

Hon. Kim N. Wilson: Thank you, Mr. Chairman, [clauses] 14 through 18 be approved.

The Chairman: It has been moved that clauses 14 through 18 be approved.

Are there any objections?

There appear to be none.

Approved.

[Motion carried: Clauses 14 through 18 passed.]

The Chairman: You can move the—

Hon. Kim N. Wilson: The preamble?

The Chairman: —the preamble, yes.

Hon. Kim N. Wilson: Yes, I move that the preamble be approved, Mr. Chairman.

The Chairman: It has been moved that the preamble be approved.

Are there any objections?

There appear to be none.

Approved.

Hon. Kim N. Wilson: Mr. Chairman, I move that the Bill be reported to the House as printed.

The Chairman: Are there any objections to the Bill being reported to the House as printed?

There appear to be none.

The Bill will be reported to the House.

Hon. Kim N. Wilson: Thank you.

[Motion carried: The Nursing Amendment Act 2018 was considered by a Committee of the whole House and passed without amendment.]

House resumed at 3:01 pm

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

REPORT OF COMMITTEE

NURSING AMENDMENT ACT 2018

The Speaker: Good afternoon, Members.

Are there any objections to the Bill entitled the Nursing Amendment Act 2018 being reported to the House as printed?

No objections?

So moved.

That now takes us on to the next Order on the Order Paper for today. And I believe the second Order we are dealing with today is Order No. 5, which is the second reading of the Bermuda Tourism Authority Amendment Act 2018 in the name of the Minister of Tourism and Transport.

Minister, would you like to present your Bill?

BILL

SECOND READING

BERMUDA TOURISM AUTHORITY AMENDMENT ACT 2018

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

Mr. Speaker, I move that the Bill entitled the Bermuda Tourism Authority Amendment Act 2018 be now read for the second time.

The Speaker: Any objections?

No objections. Continue on, Minister.

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

Mr. Speaker, the purpose of this Bill is to amend the Bermuda Tourism Authority Act 2013 to make provision for the Minister responsible for Tourism to: (a) make appointments to the Board of the Authority, including that of the Deputy Chairman; (b) make changes to the terms of the appointment of Board members; (c) give directions to the Board; and (d) remove from the Board members who are unwilling to carry out their functions.

Mr. Speaker, the Bill before the House today amends the powers of the Minister as they relate to the Board of the Bermuda Tourism Authority.

Mr. Speaker, this Honourable House will be aware that the Bermuda Tourism Authority Act 2013 established the Bermuda Tourism Authority to:

- develop and promote Bermuda as a tourist destination;
- advise and assist the Government on matters relating to travel and tourism;
- contribute to the economic growth of Bermuda by increasing the travel and tourism sector's contribution to the Bermudian economy;
- implement the National Tourism Plan and review and update the Plan on a periodic basis;
- provide appropriate tourism education and training;
- ensure the social and economic enhancement of Bermuda through the development of tourism and the implementation of the National Tourism Plan;
- ensure that the development of tourism is appropriate and sustainable given the size, environment, resources and population of Bermuda;

- to charge fees for services rendered to travel and tourism enterprises, as the Minister may determine in consultation with the Minister of Finance;
- and such other functions as the Minister may authorise the Board to carry out.

Mr. Speaker, the House is well aware of the importance of tourism to the economy of Bermuda. The Authority is established to promote Bermuda globally as a world-class destination for travellers. Until recently, when the function was transferred to the Business Development Agency, this included promoting the Island for tourism investment as well. Of note, our approach to tourism requires constant review and fine-tuning to assure that we are agile and responsive.

Mr. Speaker, the Authority is a corporation governed by a Board made up of a Chairman and seven other members. The Minister appoints the Chairman, and members of the Board, including the Deputy Chairman, are elected by the Board itself after consultation with the Minister. The Chairman is appointed for a three-year term and on expiry of that term may be reappointed by the Minister. The Board members serve for a four-year term and may be considered for re-election by the Board for one more term only, after consultation with the Minister. Such an election may be contested by another candidate who may be nominated by the Minister or the Chairman.

Mr. Speaker, the current makeup of the Board is:

- Paul Telford, the Chair (appointed October 2, 2017 until October 2, 2020);
- Jessica Mello, the Deputy (appointed December 19, 2017 until December 19, 2021);
- Earl Graves (term two, appointed December 19, 2015 until December 19, 2019);
- Peter Everson (term two, appointed December 19, 2015 until December 19, 2019);
- Sophia Greaves (term one, appointed May 1, 2017 until May 1, 2021);
- Phil Barnett (term two, appointed December 19, 2017 until December 19, 2021);
- Stephen Todd (term one, appointed November 30, 2017 until November 30, 2021); and
- Joseph Best (term one, appointed October 5, 2018 until October 5, 2022).

Mr. Speaker, in the context of Bermuda this system of Board members electing other Board members as well as the Deputy Chairman is unusual. It limits the ability of the Minister to recommend or appoint Board members, including the Deputy Chairman, who might bring to the Authority useful alternative points of view. It does not allow for the Authority to be refreshed with new ideas and energy from time to time.

In addition, the Act imposes a term limit on Board members, preventing them from continuing to serve when it might be prudent to retain them for a further term or terms. Further, the terms served by

Board members exceed in length the terms served by the Chairman.

Given the BTA is an entity that receives substantial taxpayer funds, it is appropriate for proper oversight to be in place and for the Board's work to be in alignment with the vision, goals and objectives of the Government of the day.

Mr. Speaker, amendments are sought which will provide for future Board members, including the Deputy Chairman, to be appointed by the Minister, after consultation with the Board. This brings the Authority more in line with other authorities in Bermuda, such as the Regulatory Authority, where the responsible Minister or a selection committee comprising several Ministers makes Board appointments. Also, Board members will be appointed for three-year terms, matching the length of term of the Chairman without limit as to the number of terms.

To be clear, Mr. Speaker, the terms of appointment of the current members are not affected by the Bill before the House today. Furthermore, the Bill does not allow the Minister to hire or fire any employee of the BTA.

An Hon. Member: Say that again.

Hon. Zane J. S. De Silva: Yes, I think it is worth repeating, Mr. Speaker.

The Bill does not allow the Minister to hire or fire any employee of the BTA; to select contract or grant recipients; or to determine the day-to-day operations of the BTA. I hope that point is clear.

Mr. Speaker, whilst the existing Act enables the Minister to authorise the Authority to carry out other functions, it does not directly provide for the Minister to give directions to the Board.

This Bill amends the Act to empower the Minister, after consultation with the Board, to give directions. Further, the Board must give effect to those directions. This allows for an improved alignment between Government and the Authority on critical matters of policy. This power to give direction is similar to the power which the Minister responsible for the West End Development Corporation and the Bermuda Land Development Corporation has.

Finally, Mr. Speaker, the Bill provides for members to be removed from the Board if they are unable, unfit or unwilling to perform their functions as a member. As stated, tourism plays a critical role in Bermuda's economy and, as such, it is important to ensure that the Bermuda Tourism Authority's governing board is properly positioned to succeed with the full participation of and contribution by all members. These decisions will be made after consultation with the Board.

Mr. Speaker, I am pleased, therefore, to introduce the Bermuda Tourism Authority Amendment Act 2018 which proposes amendments to the Bermuda

Tourism Authority Act 2013 to provide for the Minister to:

1. after consultation with the Board, appoint future members of the Board for terms of three years without limit on renewals;
2. after consultation with the Chairman, appoint a Deputy Chair of the Board who shall be responsible for assisting the Chairman in the efficient conduct of the affairs of the Authority and for certain delegated functions;
3. after consultation with the Board, give directions of a general character as to the exercise and performance by the Board of its functions, and require the Board to give effect to any such directions; and
4. after consultation with the Board, remove from the Board any person—whether Chairman, Deputy Chairman or member—who is unwilling to carry out his functions as a Board member in addition to being unable or unfit.

Mr. Speaker, with these amendments the Authority will be better aligned with and able to fulfil the Government's mandate of ensuring the social and economic enhancement of Bermuda through the development of tourism and the implementation of the National Tourism Plan.

Mr. Speaker, I move that the Bill now be committed.

The Speaker: Not committed yet . . . not committed yet. I know you are racing for a short day, which I agree to. But I think there are a few Members that would like to have a comment while we are in open discussion.

So with that, is there any Member that would like to contribute to the debate?

We recognise the Deputy Leader of the Opposition.

Honourable Member, you have the floor.

Ms. Leah K. Scott: Thank you, Mr. Speaker. I think my counterpart over there does not want me to talk.

[Laughter]

Ms. Leah K. Scott: Mr. Speaker, you never know where your mentors are going to come from. And for the years that I have been in this House I have watched Mr. De Silva during debates, and I have watched him have his files with all of his cuttings and all of his information and do his research. So what I have learned is that if I am going to be against him, I have to read the newspaper every day, and I have to make sure that I have my cuttings, and I have to make sure that I am careful about what I say because I know that he will repeat it back to me.

So Mr. Speaker, when the BTA first was established, the Government was critical of the BTA. And, like anything else, if it is something new, if it is

something that you are not used to, then of course there are going to be criticisms. Mr. Speaker, there was concern, or criticism, that the BTA was going to be run as a business. But my question is: What would be the alternative if it is not going to be run as a business?

Anyone who owns or runs a business, or works, knows that a business cycle is generally five years. So the BTA in its initial years, there was a decline in numbers in tourism, and those numbers have steadily increased. So last year we had record numbers, and it was with the boost of America's Cup. But this year, Mr. Speaker, we have record numbers again, and there was no America's Cup. Which says to me that the BTA is working; it is functioning as it should be, and its independence is necessary for it to continue to function as it does.

Mr. Speaker, we agree that the tourism industry in Bermuda is a key driver of economic growth, and it is the second pillar of our economy. And we have a National Tourism Plan, which seems to be working. We have a Tourism Department, which provides incentive funding, so they are creating entrepreneurs as mandated under their mission statement. And that is one of the things that the Minister had spoken about years back when he was a Shadow Minister—about creating investment and entrepreneurial opportunities—which the BTA has done.

So Mr. Speaker, the BTA has figured out how to grow our numbers and how to develop our product. They have attracted visitors to the Island and at some point the number of visitors that come here will actually level out. So, while attaining high numbers is important, we also want to be sustainable because there will be a time when the number of visitors that come to Bermuda will not increase, but we want to maintain the level of visitors in Bermuda that we already have. So what we want is a plan that has long-term, meaningful growth for Bermuda.

Now, Mr. Speaker, I was looking at . . . and if I may, the *Journal of Political Sciences & Public Affairs*, and "The Analysis of Tourism Policies":

"The most common barrier to sustainable tourism implementation . . . is economic policy over social and environmental concerns. This barrier is strongly linked to the short-term concerns of political leaders who play a main role in tourism policy implementation and development . . . As such, most barriers to policy implementation arise out of government influence. Politicians give much focus to short-term economic objectives that prioritise economic factors such as job creation and development that come up with immediate or short-term results, as opposed to those policies that take longer time to achieve such as tourism policies. Tourism sustainability policies often require more than ten years to be realised, whereas, political sequence, flexible policies should be designed to cope with this speedy progress on all spheres of influence in [the] tourism and travel world."

Mr. Speaker, we open our doors for people to come to experience Bermuda. A good tourism product allows Bermudians to become ambassadors—we share our culture and our history with our visitors, our places are attractions that we are proud of and proud of people to be able to come to. The experiences that people have here become stories and they talk about Bermuda over and over.

So with the efforts of the BTA and Kevin Dallas, who has done, as far as I am concerned, a stellar job, I am disappointed in the decision to amend the legislation. And I am not quite sure why the need for increased powers is necessary for the Minister.

The reality is that . . . is Government involvement to that degree really necessary? We have the advertising and marketing agencies who promote tourism. We have the travel agents who know how to successfully sell Bermuda as a destination. We have the hoteliers who run the hotels. We have the restaurants who know how to serve fabulous meals to our guests. And our artisans who create products and trinkets so that people can take a memory of Bermuda away with them. So why is it important for Government to have any more role than it already has in the BTA?

Good corporate governance, I think, has already been exercised. What this has the potential of is for the Board to be able to override the independence of the BTA and, you know, will we continue to be as successful as we have been?

There are some technical parts of the Bill that I will discuss when we get into Committee, but I would just encourage the Government to leave the BTA the way that it is. There is a . . . there is a general power in the legislation that is very broad and very wide, and I do not know that [this] it is necessary with all of the other powers that currently exists in the legislation.

And with that, Mr. Speaker, I will take my seat.

The Speaker: Thank you, Honourable Member.

Would any other Honourable Member like to speak?

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

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

I would have thought that the Honourable Members across from us would be jumping up to this piece of amendment.

Let me start out by saying this, Mr. Speaker—

[Crosstalk]

The Speaker: Let the Honourable Member speak. He has the floor.

Hon. L. Craig Cannonier: Yes, we have got a lot of chirping going on, but that is usual of the Government.

[Inaudible interjection]

Hon. L. Craig Cannonier: Oh, absolutely! We are going to talk about your chirping for sure.

This is going to be real interesting, Mr. Speaker. And through my tenure, as the Honourable Minister Zane De Silva, when he was the Shadow Minister, while we were Government . . . I would like him . . . and he has got a lot of energy. I would liken him to that Jack-in-the-box, you know. You play that tune and he will pop up and—

[Inaudible interjections]

The Speaker: Now, now, let's be nice, everyone. Let's be nice . . . Members, Members.

Hon. L. Craig Cannonier: —we are not being . . . I am talking about—

The Speaker: Members, Members, just let . . . Members.

Hon. L. Craig Cannonier: Yes, I am talking about the fact that he has got a lot of energy, okay?

[Inaudible interjections]

Hon. L. Craig Cannonier: Absolutely . . . absolutely.

So Mr. Speaker, you know, with that energy . . . sometimes it was entertaining, sometimes it was frustrating, as the OBA realised that it wanted to see the politics that were seemingly preventing tourism numbers [from getting] better out of the Ministry of Tourism. And so we came up with this Authority believing that it would have its autonomy to be able to enact, make recommendations, [and] work along with the Government as it sought to do what was best for the Island and the industry.

And when we became Government in 2013, we also had the opportunity to speak with many stakeholders—some in the room on my side were there—up at Southampton Princess, trying to understand better the industry and what the hotels were looking for, what visitors were looking for, and the likes. And the same message kept coming back—that we as Governments were missing the point, and we were not listening to the tourists and what they were looking for.

And I want to read something to you that the former Minister, the Honourable Member, Mr. Crockwell, said: “¹. . . this is no fault of any particular Government or no fault of any particular Minister, but the Government . . . believes that the methodology of how tourism was managed and implemented was broken.”

There was no blame being cast back and forth at all. But the fact is that we wanted to concentrate on

¹ *Official Hansard Report* 17 March 2014, page 1624

what was best for the Island. Hence now, if we wind the tape forward, we see where we are getting great results from the BTA.

And, as I said before, the Honourable Member . . . it seemed as though when the OBA Minister would get up . . . before he could even get up, the Shadow Minister was already standing up to have something to say. And I appreciated those back-and-forths in that kind of debate. It was lively. It kept us all, even at times, entertained and informed.

But I want to say I can remember in 2015, and we were getting into a bit of a debate on tourism, and I recall the then Shadow Minister (now the Minister). His exact words were, *The first thing that I'd do if I was the Minister . . . first . . . the first thing that I would do if I was in charge of tourism is increase advertising by \$10 million to \$20 million, \$40 million . . .* Mr. Speaker.

I remember clearly—

[Inaudible interjection]

Hon. L. Craig Cannonier: I remember clearly him saying those numbers—\$40 million to advertising—only to be . . . you know, disappointed as he went on with the debate to accuse the BTA of spending more money on salaries and staff than on advertising.

And, of course, the COO at that time—I think she still is the COO . . . Karla? She rightfully put him in his place to get the numbers correct, that that was not the case at all.

And then, you know, so the first thing he said was that, *If he was the Minister . . . this is the first thing that I'm going to do . . . the first thing.*

And so we are here today and now he is the Minister. And the first thing that he does is bring a Bill to the House—which some would believe is nothing more than a power grab . . . some would believe that.

Now, I am hoping . . . I am hoping that the decisions that this Government makes concerning the BTA will continue to enhance what we are seeing now. That is to be seen. What we do know is that the BTA has been able to turn the tide of the numbers that we were seeing back in 2013, 2012 numbers as well, that we now are seeing the tide having changed and the fact is tourism is thriving and doing well as our second pillar.

And I might add that even the United States . . . we continue to talk about the United States and how, you know, if they catch a cold we sneeze, or whatever the case may be. I have a subscription to the magazine *Travel*. And it mentions how their tourism numbers are booming through the roof as well.

And so I am hoping that the BTA will find its niche as far as some of the international markets that the US is looking for, because if they are getting over as far as the US, we can certainly get them another hour and a half to Bermuda, and some of these other foreign markets.

What I have not heard and what I am hoping that I will hear today is how these changes that we are looking at right now are going to benefit, are going to enhance the product. That is what we are looking for . . . to see—not stall it, not hold it up—but how is this going to enhance the product that we have today so that we continue to grow this market that is so important, as my honourable colleague who just spoke prior to me spoke to, that it is necessary because it is our second pillar.

I am excited about the fact that these numbers are increasing. But then I want to remind this House . . . and that this is why this is going to be interesting, Mr. Speaker. I want to remind this House how the then Shadow Minister (now Minister) also mentioned that the BTA was spending a whole lot of time in its efforts into social media, which he did not believe. And I have got the articles here. He did not believe [that effort] was going to cut it.

In today's world it does not get any better than social media if you want to get a message out there. In fact, we have seen over the last year, maybe two years, where people have been coming to Bermuda . . . individuals who have been coming to Bermuda, taking pictures of Bermuda and the advantage of that is that they have millions of followers. And we have seen how this has worked for us and we have also seen how this can also work against us.

I go back to the question once again: with these amendments that we are making—

Hon. Wayne Caines: Mr. Speaker, point of order.

The Speaker: Point of order.

POINT OF ORDER

[Misleading]

Hon. Wayne Caines: The Member is misleading the House. If he is mentioning statistics about social media, I ask this Member to table the statistics to substantiate his point. He cannot . . . you cannot draft or mention statistics willy-nilly without having substantiated facts to justify those claims, Mr. Speaker.

The Speaker: Thank you, Minister.

Hon. L. Craig Cannonier: Yes; oh, my goodness!

So the Honourable Member, actually the Minister, said that he did not believe that social media was the way to get the message out there as effectively as it could be. So, what I am saying is that social media is one of the mediums that is used out there—one that gets to millions of people. There are some who come here, who take pictures of Bermuda while they are in Bermuda and . . . millions of followers . . . they have millions of followers.

So, I mean, that point of order made no sense whatsoever and says a whole lot.

But the point is this, Mr. Speaker: We have some great opportunities as the Ministry is growing. And in July of . . . I am reminding the Minister of some of the things that he said in the past, because I am looking forward to his involvement with the energy that he does have so that he enhances the product. We have not heard that yet on how it is going to happen, but I am looking forward to that.

On July 17, 2015, the then Shadow Minister (now Minister) was upset that the BTA had stopped funding the tourism tent for Cup Match. I think we all remember that particular incident. And when he brought the incident up he said that it was a *decision that was paramount to “a boycott of Cup Match”*—a boycott of Cup Match. Now, the BTA had mentioned how they were doing several other things during Cup Match, but his words were *this was a boycott of Cup Match* . . . something so important to Bermudians.

So, Mr. Speaker, I recognise that that may have been . . . you know, his thought process that it was a boycott of Cup Match . . . and a lot was said thereafter from the BTA about what it was that they were doing with Cup Match.

But Mr. Speaker, I did not hear a word from this Minister when a wall was being denied being paid for for Somerset Cricket Club, and many people would have thought that that was a boycott of Cup Match. Many people would have thought that. It is a matter of interpretation. So, on the one hand, Mr. Speaker . . . I hear the chirping. So on the one hand it is okay for them to say it, but if I say something that I believe is a boycott, it cannot be right.

[Inaudible interjections]

Hon. L. Craig Cannonier: It cannot be right.

Mr. Speaker, not fixing that wall up there and then putting conditions on fixing that wall is, to me, paramount to a boycott of Cup Match! And then afterwards people stepped in to get the wall built.

Then we saw a donation being made to the Somerset Cricket Club after the fact. Just do it in the first place, it is for Cup Match, nobody was trying to get any brownie points, let us just fix the wall. That is all. But nothing was said by the Minister.

But yet, when the BTA decides not to do the tent, but do something else with Cup Match, it is paramount to a boycott—

[Inaudible interjections]

Hon. L. Craig Cannonier: Paramount to a boycott.

And so the duplicity and the back and forth . . . and you can hear it through the chirping right now. [It is] very clear and plain, Mr. Speaker, that the BTA has been doing a fantastic job. And not everyone is going to be happy over the fact that, you know, the OBA said they wanted an authority and they put it into

place and now it is doing well. I get that, and we have different opinions.

But what I will say is this, and this is how I started: I want to know how these amendments are going to benefit the BTA, how they are going to benefit the Ministry of Tourism, how they are going to benefit this country and our visitors. That is what we want to know. And if it is going to benefit us, then so be it. We are here for good legislation. But we have not heard that, Mr. Speaker, as of yet.

And so, I am sure this Bill will go through.

An Hon. Member: Exactly.

[Inaudible interjections]

Hon. L. Craig Cannonier: Again, as I said, I am sure it will go through. And I am glad . . . exactly, yes.

But I hope, Mr. Speaker, I hope . . . I hope that the BTA gets its \$40 million in advertising. I hope, Mr. Speaker, that Cup Match gets its tent back again, because we are watching the Honourable Minister. I hope that if there are some infrastructure issues that go on, whether it be St. George’s Cup Match or Somerset Cup Match, that we will find the Government pitching in to help because, after all, Mr. Speaker, the numbers are up. The BTA has gone a good job and we thank the BTA for its fine work, Mr. Speaker.

[Desk thumping]

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

No other . . .

[Inaudible interjections]

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

The Speaker: You all do realise that when the Minister rises on his feet, it is only because nobody else has moved, right?

An Hon. Member: Yes.

Mr. N. H. Cole Simons: Mr. Speaker—

The Speaker: It is only because nobody else has moved.

[Inaudible interjections and laughter]

Mr. N. H. Cole Simons: Mr. Speaker, I stand up to support what was said by my colleague.

As the Shadow Minister of Tourism said, the Tourism Authority is doing a splendid job. They are producing results. With my interaction with them they are a very professional team. They have energy. They

are creative and they are well-respected by all of the stakeholders and they are getting things done, Mr. Speaker.

Mr. Speaker, I think they represent Bermuda well. Their marketing material is refreshing and it is attractive to all sectors in the community and overseas. They have changed the flavour of its contents and the marketing material is very lively and engaging.

Mr. Speaker, why change something . . . why change its success?

Mr. Speaker, I think the real issue . . . let us get to it. The real issue was the situation that they had down at Shelly Bay. They had a beach economy planned, Mr. Speaker, and it was going well. It was going really well. They rolled it out in a professional manner. They had educational campaigns and everyone was on board, until they got kickback from the people of the Shelly Bay area. And to a degree, the Tourism Authority stood their ground, Mr. Speaker. They were not going to back down. And then that was where you saw the anxiety. That was where you saw, *Okay, they're getting too strong for their britches and, as a consequence, we need to take back some of that control.*

And I think this was the impetus . . . the impetus for them to say, *We need to put our people on this Board so that our agenda is progressed and that the political independence is compromised,* Mr. Speaker.

So Mr. Speaker, I have been watching this very carefully. And I watched that incident at Shelly Bay very carefully. And, up until then, that team at the Tourism Authority was respected by this Government and many of the Members of the PLP Government. In fact, the former Tourism Minister was quite comfortable with the performance of the Tourism Authority and their previous Minister.

So Mr. Speaker, all I have to say is, again, it is a power grab. It compromises the independence of the Tourism Authority [and] in addition it also sends a "mad/bad" message that Government must control everything in this country. They are not leaving the professionals to do what they do best, and they are going to compromise the quality and delivery of service.

Now we talked about . . . the Minister talked about committing \$30 million to \$40 million in marketing. Well, Mr. Speaker, you can commit it all you want, but if you have not done the marketing research to get the best value for money, then guess what? You can be throwing away dead money, Mr. Speaker. So I would prefer them to say they would review the marketing mix, the marketing programme, and see what is best for the country and then put a price tag on it. But to say that, *Oh, yeah, we're gonna throw that money at the Department of Tourism,* is not money well spent.

Mr. Speaker, I would encourage the Minister to step back, pause, and leave the Tourism Authority

alone. They have people on their Board that are representative of the industry and they will serve in the best interests of the industry. And I am certain that if the Minister were to talk to the CEO and the Chairman of the Tourism Authority and if they had concerns with the direction, I am sure they would listen to him and give him the attention that he rightfully deserves. But to have more influence within the Ministry is totally unacceptable and compromises the productivity and the success of the Tourism Authority.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

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

Mr. Ben Smith: Yes, Mr. Speaker.

I grew up in a household that was influenced by tourism greatly, my father being an entertainer. I remember a lot of stories of where tourism used to be a long time ago. Obviously, there were significant changes over the years. But at the time he would tell me of entertaining in multiple hotels, multiple places overnight because the tourists were filling the Island.

Obviously, with two pillars strong in the economy that tourism base was allowing for jobs in multiple levels. There were entertainers, there were chambermaids, there were bartenders, and lots of people within our country were participating in that economy. A lot of houses were built out of that tourism industry.

So it is important that we focus on getting to a position where we can get that tourism product that strong. It is taking a long time. It was a slow move to the point where tourism had dwindled to a point that it was very difficult for us to be competitive in the market because the market had changed. Other people had become involved, the world has gotten smaller, people have access to different markets that were different from Bermuda and we had to change what we were doing so that we could get back into the game.

To me it seems that the Tourism Authority was our opportunity to get back into the game. Those changes have started to show the green shoots. We are seeing the changes that our increased hotel beds and also the interaction of Airbnb and more people are getting involved, once again, how it used to be a long time ago, so that now our country is understanding that tourism can be and should be an important part of this Island.

The difficulty is you have to allow that group which has made these changes to continue to flourish in the way that they had. It seems that the independence that was given to them has allowed them to do a lot of the things that have led to the successes that I have heard over the last few months that we are seeing from the tourism product. It seems odd that now

you would want to change the actual area that is showing the successes.

So I just think it is important that we are careful that the group that we have put in place to try to bring our tourism product back, that we are not going to make any decisions that are going to maybe slow that process down. If it is not broken, we should not be fighting quickly to try to fix something that we have not seen a broken part to.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member . . . we recognise the Honourable Member Pearman.

Honourable Member Pearman, you have the floor.

Mr. Scott Pearman: Thank you, Mr. Speaker.

Only two short weeks ago we had the pleasure of a Throne Speech down on the lawn. And there were a whole host of Bills presented that the current Government proposed to bring to this Chamber. So it is a little bit surprising that here we are, and one of the first things out of the gates is a proposed change to the existing legislation for the Bermuda Tourism Authority.

The impression being given by the PLP is that the Minister's powers as they currently stand are somehow insufficient, and the Minister does not have enough control at the moment over the Tourism Authority. Respectfully, Mr. Speaker, that is not right. So let us just pause and take a look for a minute at what the Minister's powers already are under the existing legislation.

There is already a duty to consult with the Minister to elect any member of the Board. They must go consult first with the Minister—that is section 4(2)(a). But wait, there is more. The Minister already has a right to nominate candidates to the Board. He already has the right to nominate candidates to the Board. That is section 4(2)(b). The Minister already has the power to appoint where the Board fails to form a quorum. That is section 4(2)(c).

But wait, there is more. Section 5(1): The Minister shall appoint a Chairman of the Board of the BTA. So he already has that power, too. And there is more. Section 6, if the Board wants to appoint the CEO, the Board must do what? The Board must first consult with the Minister. So, why the need for the change?

Why the need for the change?

One of the explanations proffered in the media recently was the problem that needed fixing, apparently, was that the Board was perpetual, that the people who currently sit on the Board could sit on the Board for life. Now that is clearly wrong. Section 4(3) of the Act, as it already exists, [says] at the end of each term they are only re-electable for one further

term. So they are not perpetual, contrary to what was being said.

So, Mr. Speaker, what really is the problem? If it ain't broke, why fix it? Because the only conclusion that can be drawn is that there is a desire for—

[Inaudible interjection]

Mr. Scott Pearman: It is not broke.

There is a desire for political interference. If it is broken, why have we had three successive years of success under the BTA?

Now Mr. Speaker, we have seen this before. We saw this with gaming; we saw interference with gaming. And if gaming in Bermuda is not stone dead, well, it is certainly on life support. So we need to watch this space.

Mr. Dennis Lister III: Point of order, Mr. Speaker.

The Speaker: Point of order?

POINT OF ORDER

Mr. Dennis Lister III: The speaker, if he can cast his mind back to the OBA administration when under similar circumstances, they took control of the Corporation of Hamilton to introduce retroactive control, Mr. Speaker.

So what he is insinuating is that we are trying to take . . . it is contradicting, because the OBA did it in their time also, Mr. Speaker. And if you ask what their motives were, Mr. Speaker . . . so we have to ask why is he contradicting?

The Speaker: Okay. All right, I got your point. Continue on.

Mr. Scott Pearman: Mr. Speaker, as I said, *if it ain't broke, why fix it?* We have seen this before. We saw it with gaming. And we are going to watch this space.

The fact is, the Tourism Authority is not just an OBA success. The Tourism Authority is a Bermudian success. And we—all of us—should welcome it. We should welcome the success that we are seeing under the Tourism Authority now, as it is presently constituted.

It takes great wisdom to know what you do not know. And I would ask this Government to show restraint—

[Inaudible interjections]

Mr. Scott Pearman: I said, it takes great wisdom to know what you do not know.

An Hon. Member: Amen, brother!

Mr. Scott Pearman: Amen!

So I would ask this Government to show restraint and leave it the way it is. If you have any doubt, look around you, look at the tourists that are actually in Bermuda for the first time in three or four years, look at the fact that there are people walking down the streets, that there are people in the hotels and the restaurants again. Let us keep politics out of tourism. Let us leave the BTA to do what they are doing and they are doing it well.

Thank you, Mr. Speaker.

The Speaker: Thank you.

Does any other Member wish to speak?

We recognise the Honourable Member from constituency 32.

Honourable Member Simmons.

Mr. Scott Simmons: Good afternoon, Mr. Speaker.

Mr. Speaker, first and foremost, let me congratulate the Minister for bringing this particular Bill to this House as it relates to the Bermuda Tourism Authority Amendment Act 2018.

Let us be clear on a few things. I have listened carefully to Members opposite.

Mr. Speaker, we have to remember why this particular Authority was formed in the first place. We recognise the OBA for who and what they are and why the Tourism Authority, which, in my humble opinion, a Tourism Authority under the right circumstances is absolutely a good thing.

But let us get this clear—because we can gloss it all up, we can act as if we are not aware why you did it. You systematically created an environment in this country where you would be able to have departments that you could control in your absence.

An Hon. Member: Ooh!

Mr. Scott Simmons: That is the problem with what you see with this Authority.

Now let us get a couple of things clear, because I recognise that we have come into this House this afternoon . . . the Opposition has come into this House to try to get us to a position where we just see this as an absolute affront by the governing party. An affront, stepping into this House, putting our soily mitts on what is supposed to be, legitimately, something that you said you have set up—not to abuse the word—"legitimately."

The BTA falls under this Government. It is an independent entity that receives what from this Government?

Some Hon. Members: Funding.

Mr. Scott Simmons: We supply the funding for the BTA. Its independence should be restricted somewhat as it relates to the responsibility to the people of Bermuda who fund it.

[Desk thumping]

Mr. Scott Simmons: The people of Bermuda appointed the Bermuda Progressive Labour Party to govern. As a result, the BTA must recognise their responsibility to this Government.

But do you know what you have gone and done? And I said "you," with all respect, to the OBA. What you have created in the BTA, and you are creating around this country, are entities that are refusing . . . because of the belligerence that you created, [we] have an atmosphere in this country that the minute the Bermuda Progressive Labour Party says it, it is illegitimate, and don't follow it.

So what you get . . . we are going to get it all this afternoon. What we get is an entity in this country, the Bermuda Tourism Authority, irrespective of all the good they have done . . . because, make no mistake about it, they have done some good. All you have to do is stand up on South Shore and you see that there are more tourists. But that is not the reason to have the BTA acting the way that they are by any means necessary.

An Hon. Member: How are they acting?

Mr. Scott Simmons: We cannot have it.

An Hon. Member: How are they acting?

Mr. Scott Simmons: Cannot have it.

And so we must recognise that there is a responsibility in this country for us to absolutely respect the people of this country and give us an opportunity for us to exert, at the very minimum . . . at the very minimum, some government controls on this particular department.

Now, I realise that the Honourable Opposition . . . and I will repeat what I said earlier and I will move on from there. But I will say this: You set up entities . . . and I am going to broaden it. You set up entities that refuse—refuse—to work with this Government, or have an attitude towards this Government, and then feel as though they can officiate in the absence of this Government. This Government has decided that we are not going to have that. As long as we are Government, we will have, at the very minimum—minimum—some authority over this particular Authority.

Now I realise that this flies in the face of the fact that we live in a Bermuda where individuals govern by absentia. They tell you what to do from the shadows. They govern way over there to tell you what to do over here. And that is the thing that is the problem here because you set it up that way. And now when you see that this Government is not prepared—by a supermajority—to allow you to continue to tell or to govern in our absence . . . it is not going to happen.

So if we understand that as the premise, then we can move forward from there. Because I wanted to state today that we have to get to a position in this country where we understand and respect this Government. I heard “power grab” from the Honourable Opposition Leader. Everyone is scared to death the minute Zane De Silva, the Honourable Member . . . with all due respect, the minute he was named . . . the minute the Honourable Member Jamahl Simmons was named, it was . . . it was . . . everybody went berserk. *They are going to take away the power of the BTA, they are going to destroy the autonomy of what it is.* What we have to establish are elements of respect.

This Bill . . . this amendment does not take away that. It does not take away anything from the BTA. What it does is instill an understanding that there must be—must be—a relationship with this Government. There must be, at the very minimum, dialogue. And that going forward you have to recognise that the Government of the day should have a say and you have to consult them.

But no, you want to put every single department on autopilot . . . in your absence. We want to tell them what to do, just sit back, we will bring it all home. I just heard it from the Honourable Member. He said that *tourism numbers are up, then why change a beautiful thing?* We do not want to interrupt the BTA, but we want them to recognise that as long as we are funding it, when they become an independent body . . . because I do believe there was a promise of some three years, maybe that is a figment of my imagination. But there was a promise that said that after a certain period of time . . . now, if you are paying . . . and I will say this: If you are paying for the meal, you need to have some say on what is on that menu.

[Laughter and inaudible interjections]

Mr. Scott Simmons: You have to have some say.

And I am making it clear today that as it relates to this particular amendment . . . and I believe we have a responsibility to inform the Government and the government departments, that you cannot ignore a Government that is voted in and the mandate that they were given. Whether you like it or not, the majority of Bermudians have said that this is the road that we must travel. They have expressed their concerns about entities that seem to think that they are islands unto themselves.

We applaud the BTA for the work that they are doing, irrespective of the irreverent and, in my humble opinion, sometimes the affront that comes from the head of the BTA. And I get extremely offended.

But if you can attack Zane De Silva—the Honourable Member . . . if you can attack the former Minister, then I can, at the very minimum, on the floor of this House say that there are times that I do not appreciate what the CEO of the BTA has to say. I can

make sure that I can say that. Because you can criticise all of us all the time. The very minimum . . . I can criticise you. And the minute that we criticise, all of sudden, we are not the, how shall we say, the experts in the industry. *We do not know anything about it, so stay out of it.*

The same way you treat finance, the same way you treat tourism, the same way you treat other issues—you tell us we do not know anything about it! As if we do not talk to people, as if people do not consult us, as if in the ministries they do not say anything to us, as if we are stubborn enough to govern irrespective.

But when we, at the very minimum, accept the fact that the people of Bermuda must be represented, all of sudden, *Oh my God! Oh, no, they are out of step.*

An Hon. Member: It's a power grab.

Mr. Scott Simmons: *We are out of step. We need to fix this.* And this is seen as us moving forward to just pull a . . . no, no, no, no, no . . . at the end of the day, it is to create a recognition that we are all in this together, that we all have to work together, and that everyone's opinion on this must be—must be—respected and included.

I recognise that this is a hard and bitter pill. I realise that there are individuals in the industry . . . I work in hospitality. I am not just a casual person standing here; I have been in hospitality for quite a long time, as have many others. But at the end of the day, I realise that that is an industry that individuals treat as a sacred grail. And the minute you start talking about it, for some reason, if you happen to be of a certain ilk, nobody wants to listen to you. But when you set it up where certain individuals are in there, all of a sudden they are experts because, let us get it, and they are, the owners and all the rest.

But you discount an entire group. You discount an entire group of individuals from bartenders to managers to maids to bellmen, to all the individuals who . . . I tell you what. I met a gentleman last night [with] 64 years in the industry—64! But yet you are going to tell him that because he comes from a particular corner, because he is of a certain ilk, and because he does not own the hotel, because he does not have enough money, because he has not actually risen to the level of general manager and all that, you tell him his opinion does not matter! But yet, you have built an industry off of him.

The point needs to be made that the BTA and any other Authority in this country . . . they must begin the process, because . . . Do you know why this is a bitter thing for us? And I say “us” because we are all in it. Why it is bitter? It is bitter because finally you have a Government that has the moxy to be able to say, at the very minimum, that we are going to begin the process of being a part of every entity that this

Government is responsible for. You tell us “fiscal responsibility.” We are telling you there is going to be administrative responsibility over the BTA.

[Desk thumping]

Mr. Scott Simmons: And Mr. Speaker, I labour over this very industry because of the arrogance that I see and I have to listen to all the time. I listen to the BTA.

The other day, and I am not going to bring them down, but I am going to mention this, this lackadaisical, casual approach to how we manage this tourism industry. I went to a particular function and several members of the BTA, with all due respect to them (I am not going to degrade them and name who they are) . . . they should be ashamed.

[Laughter]

Mr. Scott Simmons: They came out looking pitiful!

An Hon. Member: Yes!

Mr. Scott Simmons: The CEO had not shaved, he was carrying himself in a certain manner, and I was appalled. I was appalled!

Then another member of the BTA . . . and I said if, over on this side of the House, had we carried on like that you would have said, *Oh, exactly! That is the reason why they don't have control of the BTA.* That is what you would have said.

But yet we continuously act as if this is a mirage, like this is all made up by the Government. All you are doing is running over there to run the show. All we are asking for is fair play. All we are asking for is a say at the table because we are paying and that there must be an audit. And this audit is this Government that must say that we have to work together, but we are going to make sure—we are going to make sure—that we are a part of it.

This was your creation. This was the Opposition's . . . this was the Government's creation. And you did it for obvious reasons. Because it is dismantling, everybody is lined up to preserve it. We are working and we plan to work hard together. This is what we feel is the best thing for Bermuda.

We think that going forward we have to exert some kind of responsible administration on all of the departments that we have, as long as we are paying. We are not going to assume that we know everything. I am not going to walk over there, as the Honourable Member prepares to speak after me, and try to dismantle all we have said today. But at the end of the day, the Honourable Member . . . I will not tell him how to do his business. I would not tell him how to do his show.

This is not to dismantle. But all I want to say is that . . . and I will finish on this note, Mr. Speaker. The reason I mention the line workers, the blue-collar

workers in tourism, throughout this country, is that we and the unions are the only voice they have. For a long time in this country the owners, those who were the managers . . . and we are not going to get into who they were, what they were and what colour they were. But they ran this industry to benefit them. We have a responsibility to look out for those individuals and to use their money wisely and to assist every department and the Authorities to get that done.

You are not being attacked, you are not being diminished. What you have to start to learn to do is . . . and I hate this, but you are going to have to learn to begin the process to share. To share. It does not . . . the intelligence and the knowledge does not come just from one side. And that is what we are trying to instil with this.

Mr. Speaker, I apologise that I did not go in depth into why on the points that the Minister brought out. I would be happy to continue, but I do believe I have used up the majority of my time—

[Laughter]

Mr. Scott Simmons: --but . . . the majority of my time. But I will say that this Government will continue to work hard and will continue to change things. I believe that the country is aware that this particular Bermuda Progressive Labour Party is prepared to recognise that when we do not like certain things, we say so. We do it in its proper form and in its proper place. But we disagree and then we move on and we move forward for the betterment of Bermuda.

And when we find that we could be making mistakes, we make sure that we change them. This is not one of them. But we are going to see this, we are going to change it up, and we are going to do the things that need to be done.

Thank you, Mr. Speaker.

[Desk thumping]

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

We recognise the Honourable Member from constituency 10. Honourable Member, you have the floor.

Hon. Michael H. Dunkley: Thank you, Mr. Speaker. And it is nice that Honourable Members on that side now have somebody else to join the Minister in this because, other than some interpolations on that side, the Minister has had little support. But the Honourable Member who just spoke—

An Hon. Member: Oh, no, stop!

[Inaudible interjections]

The Speaker: Members, Members, Members!

Hon. Michael H. Dunkley: There we go. The interpolations again, Mr. Speaker.

The Speaker: Members!

[Inaudible interjections]

The Speaker: Members!

Hon. Michael H. Dunkley: They can stand up and speak.

[Inaudible interjections]

Hon. Michael H. Dunkley: They can stand up and speak, Mr. Speaker.

But, Mr. Speaker, the Honourable Member who just spoke was very interesting in what he said. But he spoke with broad generalisations—in my view, blatant misinformation and errant nonsense. And here is why, Mr. Speaker—

[Inaudible interjections]

Hon. Michael H. Dunkley: —the Honourable Member—

The Speaker: Let the Member talk.

Hon. Michael H. Dunkley: All those Members over there—

The Speaker: Let the Member talk.

Hon. Michael H. Dunkley: —who have got a lot of interpolation . . . we could be here all day.

The Speaker: Let the Member talk.

Hon. Michael H. Dunkley: I know they have somewhere to go.

But the Honourable Member said, *If you are paying for the meal, you should be able to consult on the menu.* If you are paying for the meal, you should be able to consult on the menu. And I have to say, Mr. Speaker, that there is no one from the BTA, I believe, in the Gallery today. But the BTA better watch out because if they have not been consulted on the meal, they are the menu, Mr. Speaker.

Very clearly, they are the menu because the Honourable Member who just finished speaking said, *We are dismantling it.* He can give me a point of order now if he did not say those words, Mr. Speaker, because they are in Hansard.

POINT OF ORDER

[Misleading]

Mr. Scott Simmons: Mr. Speaker, the Honourable Member is misleading the House. You know for a fact, Mr. Speaker—

[Inaudible interjections]

Mr. Scott Simmons: —if . . . and I apologise if it came across that way. That was not the intention of saying that we are going to dismantle the BTA. As a matter of fact, Mr. Speaker, you will notice that in my remarks I praised the BTA. I made it clear that they have absolutely done a phenomenal job, and this is not what this is all about.

[Inaudible interjections]

The Speaker: Continue on, Member.

Hon. Michael H. Dunkley: Thank you, Mr. Speaker. Thank you for that correction, because he did admit he said it and he retracted it. So, I appreciate that.

But on one hand, if you want to praise somebody and then get into vehement criticism about them, Mr. Speaker—

[Inaudible interjections]

Hon. Michael H. Dunkley: —then you have to balance the praise with the criticism, Mr. Speaker. And the reason why, Mr. Speaker, I take great exception to the Honourable Member's comments, is because he said, you know, *We are getting our soily mitts on them.*

An Hon. Member: That is right.

Hon. Michael H. Dunkley: And he used words that bring back to my mind what the Honourable Members in the PLP often try to bring up—the bogeyman. In your absence, they are controlling a situation.

[Inaudible interjections]

Hon. Michael H. Dunkley: But he gave no examples. He gave no examples of how in your absence anybody can control the situation there, Mr. Speaker.

[Inaudible interjections]

The Speaker: Members, Members!

Hon. Michael H. Dunkley: He said from the shadows, Mr. Speaker. From the shadows, the Honourable Member said that people will control the situation. Well, how do they do that, Mr. Speaker? Perhaps the Honourable Member, instead of just rolling out the

bogeyman, can actually give some facts on what they mean, rather than have that bogeyman out there. Mr. Speaker—

Mr. Scott Simmons: Point of order, Mr. Speaker.

The Speaker: Point of order?

POINT OF ORDER

[Misleading]

Mr. Scott Simmons: Mr. Speaker, he is misleading—the Honourable Member is misleading the House.

I made it crystal clear that it was not the bogeyman, nor the shadows, as it relates to the Bermuda Tourism Authority. I was saying and making it clear that throughout Bermuda there were those who hide in the shadows who try to govern from afar and they—

[General uproar and desk thumping]

Mr. Scott Simmons: [You] never see them and you never hear them.

The Speaker: Members! Members! Members!

[Desk thumping]

The Speaker: Members!

Continue on, continue on.

Hon. Michael H. Dunkley: So, Mr. Speaker—

The Speaker: Members!

Hon. Michael H. Dunkley: Mr. Speaker, the Honourable Member seems to have great support from his colleagues, which I would expect.

[Inaudible interjections]

Hon. Michael H. Dunkley: But, you know, he rolls the bogeyman tactics out there without giving any information on how it could happen. And, you know what, Mr. Speaker, if we are the past, then we certainly still are part of the present and the future if he believes we have that power. We do not have that power, Mr. Speaker. The BTA Act of 2013 is the Act, Mr. Speaker. It is what we follow, Mr. Speaker, and now the Government wants to dismantle it because they are not respected.

Now, Mr. Speaker, respect was earned when they were elected. But, Mr. Speaker, respect must continue to be maintained and earned. And we all talk in this community. If something happens to us, if we get questioned, if our character is besmirched in any way, we like to say, Mr. Speaker, *But you are not respecting me*. Well, Mr. Speaker, how do the BTA feel today with some of the comments they have just

heard earlier in this debate? On one hand we say we really support them and on the other hand he should have shaved before he came to a presentation. Come on, Mr. Speaker.

That was said by Members . . . and it is November. It is cancer awareness month. Many people are supporting a charity.

Mr. Scott Simmons: Mr. Speaker, Point of order. Point of order, Mr. Speaker.

Hon. Michael H. Dunkley: But we want to say you should shave.

Mr. Scott Simmons: Mr. Speaker—

The Speaker: Point of order.

POINT OF ORDER

[Misleading]

Mr. Scott Simmons: And I apologise, Mr. Speaker, but the Honourable Member is misleading the House. What I was making quite clear was the fact that as far as the individual is concerned, I was simply saying that there is a certain presentation that we must give on a continuous basis, and it is the responsibility of those in authority to act, look, and be right. And that was what I was trying to get across.

The Speaker: Ah, Ah—

[Laughter and inaudible interjections]

An Hon. Member: Sorry Mr. Speaker, I did my best.

The Speaker: Continue on.

Hon. Michael H. Dunkley: And, Mr. Speaker—

The Speaker: You brought them to their knees. See that?

Hon. Michael H. Dunkley: Mr. Speaker—

The Speaker: Go ahead.

Hon. Michael H. Dunkley: I do not have that type of authority, Mr. Speaker.

[Laughter]

An Hon. Member: Not anymore.

Hon. Michael H. Dunkley: Mr. Speaker, but I accept the Honourable Member's correction on that, because I do agree. And in that case—

An Hon. Member: Look how you look.

Hon. Michael H. Dunkley: —it could be handled a lot differently.

An Hon. Member: You look good. Look at you!

Hon. Michael H. Dunkley: Well, you know, I will stay away from taking that compliment too close because, after that, there is probably a kick in the butt coming too, Mr. Speaker.

[Inaudible interjections]

Hon. Michael H. Dunkley: But, Mr. Speaker, I accept what the Honourable Member has to say.

But, you know what? The way, Mr. Speaker, if, if people in leadership positions feel that this is a valid point, the way to do it is to have a direct conversation with the people. And I hear the Honourable Members say that we are not in charge. We get that. But we are in here having a debate. That is what democracy is about, Mr. Speaker.

[Inaudible interjections]

Hon. Michael H. Dunkley: And I am going to use my time in this debate to show you that there are two sides to this question. There are two sides to this amendment today. And there are important points in both sides of the House. And if this Government cannot get used to listening, to having to field questions, it is going to a long journey that is going to end very quickly for them, Mr. Speaker.

[Laughter]

Hon. Michael H. Dunkley: Because that is what democracy is about.

[Inaudible interjections]

Hon. Michael H. Dunkley: It is about back and forth. And you know, Mr. Speaker, I believe that this “super majority” over here has gone to their head and people are already starting to get frustrated, Mr. Speaker.

[Inaudible interjections]

Hon. Michael H. Dunkley: And, Mr. Speaker, Mr. Speaker, I am sure I will draw many out to speak afterward. And that is good, because they were stuck to the chairs before.

[Inaudible interjections and general uproar]

Hon. Michael H. Dunkley: They were stuck to the chairs before, Mr. Speaker! And if I do not draw them out to speak, Mr. Speaker, it means—

[Inaudible interjections]

Hon. Michael H. Dunkley: —they agree with everything I did, Mr. Speaker, with everything I said.

[Inaudible interjections]

Hon. Michael H. Dunkley: But, Mr. Speaker, just yesterday I had two people stop me—

The Speaker: Yes.

Hon. Michael H. Dunkley: And I was not out and about much yesterday—

The Speaker: Yes.

Hon. Michael H. Dunkley: —because I have family at home. And it was not family members, but two blue-collar workers for the chief interpolator over there from constituency 14.

[Inaudible interjections]

An Hon. Member: Spell it.

The Speaker: Aha.

[Laughter]

Hon. Michael H. Dunkley: One-four, 1-4, 14, Mr. Speaker. Two blue-collar workers said, *This super majority has gone too far. Stand up. Be firm, my brother.* That is what they said to me. That is what they said to me.

An Hon. Member: To you?

Hon. Michael H. Dunkley: And so we will do. My colleagues will do so because they are hearing the same thing.

[Inaudible interjections]

Hon. Michael H. Dunkley: Now, Mr. Speaker, back to the amendment.

The Speaker: Yes.

Hon. Michael H. Dunkley: Because I have only got 30 minutes to speak here, Mr. Speaker.

[Inaudible interjections]

The Speaker: Yes, your 30 minutes are ticking away.

Hon. Michael H. Dunkley: Mr. Speaker, so we have had our colleagues [speak]. And the Shadow Minister who spoke to lead off this debate on our side, Mr. Speaker, I thought did a commendable job with the Leader of the Opposition in discussing tourism. But

we need to reflect back, Mr. Speaker, on how we got to this point. How we got to this point in 2018, how the OBA got to this point in 2013 with the BTA, Mr. Speaker.

You will recall in 1997, 1998 in the change of Government at that time, there was a great deal of talk about tourism, because tourism was on its downward journey, Mr. Speaker. And there had been many political—

[Crosstalk]

Hon. Michael H. Dunkley: —many political moves to improve tourism. But in 1998, when the PLP came into power, there was a 100-day rescue mission for tourism, Mr. Speaker. The 100-day rescue mission for tourism which went 500, 1,000, 1,500, 2,000 . . . it went for many, many days.

There have been many, many Ministers of Tourism, Mr. Speaker, that have gotten involved and every single one of those Ministers of Tourism has had their political fantasies or political vision, Mr. Speaker. And every time a Minister would change, the vision or the fantasy would change, Mr. Speaker. So there was no continuity in this situation.

Mr. Speaker, you remember the so-called “platinum period” of tourism, which never materialised. And in 2012 . . . my honourable colleague, the Shadow spokesperson for this gave me a clipping the other day. In 2012, I made the comment, Mr. Speaker, that in 2010 the PLP Government talked about a National [Tourism] Plan. And 18 months later, in 2012, the National [Tourism] Plan still had not materialised. I was in another place, Mr. Speaker, but the plan had not materialised.

[Inaudible interjections]

Hon. Michael H. Dunkley: So, in 18 months—and my exact comments then were, *Well, in 18 months you could make two babies but you cannot make a National Tourism Plan.* And, so, the OBA—

Hon. Wayne L. Furbert: Point of order, point of order, Mr. Speaker.

The Speaker: Point of order?

POINT OF ORDER

[Misleading]

Hon. Wayne L. Furbert: The actual tourism plan was completed in 2012. As a matter of fact, the Tourism Authority adopted the plan for the Government.

An Hon. Member: Yes.

Another Hon. Member: Ah!

Hon. Michael H. Dunkley: Mr. Speaker, the former Minister and the current Junior Minister (how long may that last) is correct. I was speaking after the plan was produced.

[Inaudible interjections]

Hon. Michael H. Dunkley: I was speaking in May after the plan was produced. I am setting the table that, in spite of the best efforts of politicians, we had been fighting an uphill battle to turn around tourism, Mr. Speaker.

So, when the OBA became the Government in 2012 at Christmastime, Mr. Speaker, one of the first things we did, which was in our platform, was to create the BTA. And then in 2013, Mr. Speaker—

[Inaudible interjections]

Hon. Michael H. Dunkley: —try . . . and, you know, the chirpers can continue. They can speak.

So, in 2013, in September of 2013, on the 27th when we had the debate here to create the BTA, it was a momentous occasion, Mr. Speaker. And I took the opportunity over the past few days to read through almost 200 pages of Hansard—because I knew I would get some kernels of wisdom out of those 200 pages of Hansard, Mr. Speaker.

And what was interesting about it, when we look at it . . . and you know the Honourable Minister who asked for stats on social media, Mr. Speaker, should have never gone there. Because that Minister knows better than anybody in this place the power of social media, Mr. Speaker.

That was the Minister from constituency 14.

[Inaudible interjections]

Hon. Michael H. Dunkley: That is the Minister from constituency 14. He knows the power—he does not need stats.

The Speaker: Stay on topic. Stay on topic.

Hon. Michael H. Dunkley: He knows the power.

So, Mr. Speaker, I am staying on topic. I answered a question about stats.

[Inaudible interjections]

Hon. Michael H. Dunkley: He lived it. He learned it, Mr. Speaker.

Now, Mr. Speaker, in reading the debate—

[Inaudible interjections]

Hon. Michael H. Dunkley: —from the Hansard—

The Speaker: Members, Members.

Hon. Michael H. Dunkley: Mr. Speaker, I love interpolation. It means you are hitting line and length and they cannot do anything but play a straight bat.

In reading through the Hansard, Mr. Speaker, the key points that came out of that—and I will share that with them, and I am sure they can google it themselves and see it—there was concern about hiring Corey Butterfield as a consultant.

Wow! They [have] gone 360. He is back now as a consultant by the Government who complained, who were concerned about him being hired in 2013, Mr. Speaker. That was one item we spent a lot of time during that debate—

[Inaudible interjections]

Hon. Michael H. Dunkley: So, now . . . now he has been rehired again, Mr. Speaker. Wow.

[Inaudible interjections]

Hon. Michael H. Dunkley: There was concern. There was concern, Mr. Speaker, about hiring Bermudians in the industry because the initial CEO was a non-Bermudian who went through the process and came out on top and well-respected and did a good job. In spite of the berating and bantering from Members of the Opposition PLP at that time—inflating numbers, saying the salary was pushing six figures . . . I remembered. It said six figures by the Honourable Member—and it was not. It was not. And the Honourable Member likes to float a number and then back-track on it, but the initial float is out there.

An Hon. Member: What was the number?

Hon. Michael H. Dunkley: I hope that is not like the estimates they give out to people.

[Inaudible interjections]

The Speaker: Members, Members!

Hon. Michael H. Dunkley: But they talk about the hiring of Bermudians. But now, Mr. Speaker, we have a Bermudian that is hired and he is not acceptable. Wow, Mr. Speaker.

[Inaudible interjections]

An Hon. Member: Nobody said that.

Hon. Michael H. Dunkley: They talked about, Mr. Speaker, they talked about redundancy—

Hon. Wayne Caines: Point of order, point of order, point of order, Mr. Speaker.

The Speaker: I will take your point of order.

POINT OF ORDER

[Misleading]

Hon. Wayne Caines: There . . . no one . . . the Member is misleading the House. At no time has any Member said that this CEO of the Bermuda Tourism Authority was not fit for purpose. That has not been said in this House this afternoon. No one has said that. That Member must withdraw that salacious comment!

The Speaker: Member, be mindful of the fact that . . . your terminology. If it does not fall with what was said already, you may be stretching your point a little.

Hon. Michael H. Dunkley: Thank you, Mr. Speaker. And I think everybody needs to bear that in mind.

But, Mr. Speaker, when you listen to the debate that has already transpired, it is clear that—

[Inaudible interjections]

Hon. Michael H. Dunkley: —there are individuals in here who—

[Inaudible interjections]

Hon. Michael H. Dunkley: —have some concerns about him, Mr. Speaker. And, so, Mr. Speaker, I know—

POINT OF ORDER

[Misleading]

Hon. Wayne Caines: Point of order, Mr. Speaker. He needs to withdraw the comment. He is misleading the House. That was not said.

The Speaker: Thank you.

Hon. Wayne Caines: It is not factual.

Hon. Michael H. Dunkley: Mr. Speaker, I have no intention to mislead the House.

Now, Mr. Speaker, another big point during that debate was the conversation around redundancy. The Opposition PLP at that time spent a great deal of time talking about redundancy, and that Bermudians were going to be just pushed out and not have opportunity.

Well, Mr. Speaker, the truth. History has shown that other than maybe one or two people who left, most of those people are still working within that industry, and some have gone on to other departments. So, we spent a great deal of time during that debate, which I think is acceptable, talking about the bogeyman of redundancy, when, clearly, the former Minister, Minister Crockwell (God rest his soul), explained—

[Inaudible interjection]

Hon. Michael H. Dunkley: I did use his name.

The Speaker: Members, Members.

Hon. Michael H. Dunkley: Very touchy over there today, Mr. Speaker.

The Speaker: Members, Members.

Hon. Michael H. Dunkley: The issue of redundancy was not even a matter, Mr. Speaker.

Now, Mr. Speaker, during that debate—and I could stand to be corrected if anybody has researched the Hansard—but there were very few amendments which were put forward. One of the amendments which was put forward by the loyal Opposition at the time was to get rid of a \$5 fee. But the changes that they talk about today, Mr. Speaker, were not even covered to any extent during the debate.

So, Mr. Speaker—

An Hon. Member: We are here now.

Hon. Michael H. Dunkley: They are here now. We get that. I can read. I can hear.

An Hon. Member: We are here now.

Hon. Michael H. Dunkley: Seen it all. But at that time, the market was not laid, Mr. Speaker. So, what has changed? So, what has changed, Mr. Speaker?

Now, Mr. Speaker, the bogeyman was rolled out during that debate because if you look at the ²*Hansard*, on page 2195, Mr. Speaker, the current Minister said at that time, “The Bermuda Tourism Authority—they are going to struggle.” Those are his words.

Reflect the Hansard. The Bermuda Tourism Authority is going to struggle.

An Hon. Member: What was the date? What was the date?

Hon. Michael H. Dunkley: And, you know, it was when we had . . . the 27th of September 2013. I have already been through that. You can have a copy of the Hansard.

[Inaudible interjections]

Hon. Michael H. Dunkley: He said the BTA will struggle. The BTA will struggle. And then he went on to talk about conflicts of interest. And everything the Honourable Member talked about proved to be false. Proved to be false, Mr. Speaker.

Now, Mr. Speaker, I will be real. When they first set up, like any new business, as my honourable colleague, MP Scott, has said, the Shadow spokesman for this, when it is new you are going to have to find your line and length, Mr. Speaker. The first couple of years they were putting the team together. They were building the team. They were working the plan that was already in place. They were building a new plan. They were turning around the doldrums that we faced. But in two short years, in 2016/17, the numbers turned around drastically. We have had almost probably a couple of dozens of quarters of reporting where air arrivals have gone up. Tourism numbers in Bermuda have gone up. The latest just came out a couple of weeks ago, Mr. Speaker.

[Inaudible interjections]

Hon. Zane J. S. De Silva: Get your fact right!

Hon. Michael H. Dunkley: Now, Mr. Speaker—

The Speaker: Members, Members.

Hon. Michael H. Dunkley: And you know the Honourable Member—

Hon. Zane J. S. De Silva: Point of order, Mr. Speaker. Point of order.

POINT OF ORDER

[Misleading]

Hon. Zane J. S. De Silva: The Honourable Member just misled the House. He said we have had a couple a dozen quarters of successful increase in numbers. Come on, get your numbers right.

Hon. Michael H. Dunkley: How many is a bit, Honourable Minister? How many is a bit?

Hon. Zane J. S. De Silva: The Honourable Member obviously cannot count too good. Instead of saying 12 quarters . . . obviously, he does not know his four times table, Mr. Speaker.

The Speaker: Continue on. Keep your facts in line.

Hon. Michael H. Dunkley: Yes, Mr. Speaker, that was intentional, because the Honourable Member is loose with his numbers all the time—

[Inaudible interjections]

Hon. Michael H. Dunkley: And when I asked him what the numbers were, he could not provide them. Just like this morning when I asked the question about airline incentives. He said *check the tourism plan*. It is

² [Official Hansard Report](#), 27 September 2013

not in the plan! So, he just fell back on it. Here is a Minister who is always—

[Inaudible interjections]

Hon. Michael H. Dunkley: And now the Honourable Member is going on a plantation question. We will have it all out here today. And you know what, Mr. Speaker, I love it.

The Speaker: All right. Keep it, keep it coming this way.

Hon. Michael H. Dunkley: I am keeping it coming to you, Mr. Speaker.

The Speaker: Keep it coming this way.

Hon. Michael H. Dunkley: But when they talk, I listen. And I will speak, Mr. Speaker. There is no doubt about it.

The Speaker: Keep it coming this way.

Hon. Michael H. Dunkley: So, here we have a Government where the BTA has turned things around. They are riding in the right direction. They are feeling the tailwind. Bermuda is feeling the tailwind. People are positive about Bermuda. People are filling our hotels. People are coming to Bermuda for new experiences. People are coming for Airbnb. And this Government wants to change something that is working.
Mr. Speaker—

[Inaudible interjections]

Hon. Michael H. Dunkley: Mr. Speaker, the people of Bermuda elected a Government to serve. But the people of Bermuda also clearly understand that at times if politicians do not get out of the way, they can mess up something that is working, Mr. Speaker.

[Inaudible interjections]

Hon. Michael H. Dunkley: Yes, Mr. Speaker. And while the chirping continues, I know I am hitting that length, Mr. Speaker.

[Inaudible interjections]

Hon. Michael H. Dunkley: So, Mr. Speaker, the Honourable Minister now is in charge. And he is on record saying that the BTA will struggle. Mr. Speaker, well, they will struggle with these amendments here today.

Some Hon. Members: How? How?

Hon. Michael H. Dunkley: They will struggle with these amendments here today. And the Honourable

Minister . . . we will get into this in Committee, Mr. Speaker—

Mr. Scott Simmons: Point of order, Mr. Speaker. Point of order, Mr. Speaker.

The Speaker: Point of order.

POINT OF ORDER

Mr. Scott Simmons: I will be brief. The Honourable Member is stating that the other Honourable Member stated that the BTA would struggle. It would cause a problem with it if you removed the Government grants to that particular department. It would struggle, and it would not exist, as far as I am concerned. So, what he is saying is, as far as that Member is concerned, it would struggle—and it has struggled, and it continues to struggle.

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

The Speaker: Continue on.

Hon. Michael H. Dunkley: That was a pretty weak point of order, Mr. Speaker.
Now, Mr. Speaker—

An Hon. Member: Says who?

Hon. Michael H. Dunkley: With the change here today, we will see the BTA struggle, and we will see Bermuda tourism struggle, Mr. Speaker.

Now, Mr. Speaker, the Honourable Minister said in his very short brief, and I quote the words and the Minister can correct me if I wrote them down wrong, that the Bill does not allow the Minister to hire or fire, Mr. Speaker. The Bill does not allow the Minister to hire or fire. But, Mr. Speaker, it clearly says that the Minister should consult . . . and I will not get into the clause because we will get to that. The Minister should consult, and the board needs to give effect to any directions.

What does that mean? That is like, Mr. Speaker, you invite me out to lunch and you say, *Dunkley, I do not like your approach in the House of Assembly. You need to do certain things or, you know, we will have to have a chat again.*

[Inaudible interjections]

Hon. Michael H. Dunkley: Now, Mr. Speaker—

[Inaudible interjections]

Hon. Michael H. Dunkley: Mr. Speaker, that is your authority. The same thing could happen to the BTA and the Minister. So, yes, the Minister is not going to hire and fire people—

[Inaudible interjections]

Hon. Michael H. Dunkley: —but he can have . . . he can go in and sit down with the board, and the board better follow that direction, Mr. Speaker.

And, so, Mr. Speaker, it is very duplicitous that the Minister would have a brief like that, because there is no doubt in my view that the BTA is on the menu. And we are concerned on this side, right down [to] every man and woman, starting with the leader, that this could create challenges with tourism going forward.

Now, Mr. Speaker, I look forward to hearing the justification for these clauses when we get into Committee. But, clearly, the BTA took some flak in the beginning when it was set up. It took some flak in the first couple of years because we all want results right away. But the BTA has delivered over the past couple of years. And these changes, while the Government might say on paper they are small, the real truth is that the Government wants to have the control, and politicians need to understand when they should get involved and when they should pull back.

These changes do not send the right message to the industry. These changes are going to lead to negative views going forward, and these changes will allow the BTA to be hamstrung in trying to fulfil their mandate of moving tourism forward. And, Mr. Speaker, I hope the Government takes on board my criticisms in this, and my colleagues as well, because we do not sit here just to pull back the Government and the agenda that they have, Mr. Speaker.

Mr. Speaker, tourism is part of us. Tourism is part of every Bermudian, and has been for many, many years. And, now, over the past two or three years, we are starting to see that flame flicker again. We have started to see hotel development here. We have started to see people come to the Island. We are seeing Bermuda talked about in more places than you could ever imagine. And people want to come here for vacations. But, if you tinker with something that is not broken, if you tinker with something just because you want respect and you believe you have earned it and you are not getting it, Mr. Speaker, then you better be ready for *any* consequence you get—good or bad, Mr. Speaker.

Thank you.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

I recognise the Honourable Member from constituency 20. Honourable Member, you have the floor.

Ms. Susan E. Jackson: Thank you, Mr. Speaker. So, I just want to get up for a few minutes and address what I believe to be the elephant in the room.

There are a number of us, including myself, who have spent a good deal of, especially their younger years, studying and having almost a passion for what we believed we could do to support and promote Bermuda to the rest of the world and generate tourism numbers. And there are a slew of people out there, whether they have gotten formal training in tourism, marketing, advertising, promotion, who want to come back to Bermuda and give it their all because everybody has got an idea of how Bermuda should succeed in the tourism industry.

And it goes all the way across the board. I certainly have conversations with everybody, from the taxi industry, people in the hotel industry. And everybody has got an idea about how the tourism product should be sold to the rest of the world.

Well, probably one of the most, you know, rudest awakenings for me, Mr. Speaker, was being a young professional and being qualified to go to the Department of Tourism back in the day and wanting to have a job because I felt that I had a great idea to promote the Island. And, it took some time and some learning to realise that in order to run the formula necessary, the strategy, to execute on a strategy necessary to have a successful tourism product here in Bermuda, does not necessarily mean that my idea or a single idea is the one that is going to work.

There is a science to it, Mr. Speaker, and it takes a number of people working as a team in order to figure that science out. Now, yes, I remember . . . and I feel as though I have stood up here in the House of Assembly and said this before. We have had so many Ministers over the years who have come out, stood as Minister of Tourism and come up with all kinds of ideas and, to be honest with you, Mr. Speaker, the one that sticks in my mind is the Tourism Minister going to the baseball game to sing, I mean, in order to promote a beautiful product for Bermuda. I mean, hey, great idea in theory. Great idea in theory—

[Crosstalk]

Ms. Susan E. Jackson: —but, hey, I do not believe that we got a single person coming to Bermuda because of it.

And, my point is that it just . . . we can feel as though everything that we have got in our hearts is going to work and if all we can do is execute on it, then the people would just come flooding to this Island. But that is not the case. And I get it. I get the fact that, you know, a whole bunch of people would like to sit on the Tourism Board and be a participant in it. But we have seen from past governments who have pulled together groups of people in an effort to, you know, kind of, I believe manifest or realise what they believe is going to be the best promotion for the Island and that *if we could just do this, then we are going to bring these people here.*

Unfortunately, Mr. Speaker, that has not been the case. And we have, you know, watched. We have watched agencies come here. You know, we had the whole GlobalHue environment where we were going to bring these folks in and they were going to speak to a whole different target market and they were going to bring all these people here. And all we did was spend a lot of money, of taxpayers' good earned dollars, and had no product to provide. We had no success from the situation, or if we did, it was minimal, at that.

So, I get it. We would love very much to bring in people that we are familiar with, or people who we feel are going to represent and get our ideas on the table. And if we could just shuffle that around and have a little influence that, you know, we are going to get the job done. And, you know, I want to believe in that, Mr. Speaker. And maybe—maybe—one day there will be a Minister out there that might be able to say that they can identify somebody who is going to be some monumental change to a tourism team and, you know, sort of change or alter the effects and the productivity of the team.

But, you know what? Why are we absolutely messing with something that is not broken? And right now, that is . . . we are not dealing with a broken situation. We have a successful strategy that is being implemented right now and it is working for the audiences that want to come to Bermuda. And, you know, sure, we would like to change it. We feel as though, you know, if we could get, you know, the representation that we would like to have and get them on the board that we can make a pivot and we are going to, you know, change the whole dynamic of things. But we also have to realise that no matter how much we may feel that we want to be at the table to do the job, we have to also understand the fact that the science of tourism is based on a formula that may not have anything to do with what we want.

It has to do with what the customer wants. And we have to realise that whatever the demographic, whatever the equation is that resonates with the people who are going to come here and spend those dollars—which is the ultimate goal. It is not necessarily the people that in our heart we want to invite here or the way in which we want to promote the Island. Sometimes we just have to sit back, and we have to allow that customer experience and that customer journey to be the priority.

And putting people in positions, or trying to shuffle something for the sake of shuffling it, is not always going to be the thing that is going to provide us with the success that we need to bring in that investment that is required to keep this country economically stable.

So, I just plead with the Government that if we are going to pass this legislation today that we think carefully. And I get it. I get it. You know, I get the idea, if we can just reshuffle the board, if we could just get our ideas on the table . . . but if we can show some

sign of restraint and discipline . . . take a moment, learn the product, spend some time with the team, really understand what the formula and what the real strategy is. Then let us get a full understanding of that. And I hope that this new Minister of Tourism allows the Bermuda Tourism Authority to, to really teach him—

[Laughter]

An Hon. Member: Teach him?

Ms. Susan E. Jackson: —give him the information—yes! You know what? “Teach” him. Because if we are going to sit up here and ask what is his résumé in tourism—

[Laughter]

Ms. Susan E. Jackson: —what is his résumé in tourism? What is his qualification to understand marketing? What is it?

[Inaudible interjections]

The Speaker: Just talk to me. Talk to me. Talk to me. Talk to me.

Ms. Susan E. Jackson: Mr. Speaker, I say that if he takes the time to invest and understand what the strategy is, what is going on at the Bermuda Tourism Authority before he makes any rash decisions to change the formula and the dynamic that is there just for the sake of changing it, [which] would be a real mistake.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

We recognise the Honourable Member from constituency 23.

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

Mr. Speaker, I am going to make a couple of observations in my contribution to this debate. And I just want to pick up on the last comment that my honourable colleague just made where she got some kind of interpolation basically indicating that the present Minister has an extremely successful company. And let me just point out that you can have a billion dollar corporation selling widgets, but it does not necessarily say that you know what it takes to reach a market that is the underpinning of our economy, i.e., tourism. So, I just wanted to point that out.

Now, the Honourable Member from constituency 32 in his comments, which I find to be extremely

offensive, made the comment, *We recognise the OBA for who and what they are.*

An Hon. Member: That's right.

Hon. Patricia J. Gordon-Pamplin: Now, Mr. Speaker, let me just say it was not the OBA who hired GlobalHue at an incredible cost to the public purse with virtually zero results coming out of it—

Hon. Zane J. S. De Silva: Point of order, Mr. Speaker.

[Laughter]

An Hon. Member: Aren't we surprised!

Hon. Zane J. S. De Silva: I am not going to let that Honourable Member—

The Speaker: Point of order.

POINT OF ORDER

[Misleading]

Hon. Zane J. S. De Silva: —mislead the House in such a horrible, horrible way. And she knows it, because Mr. Speaker, when she says—

The Speaker: The Honourable Member.

Hon. Zane J. S. De Silva: The Honourable Member says “for near zero results.” You know, when we say the future and the past, as it was said in here today—

The Speaker: Point of order should be short.

Hon. Zane J. S. De Silva: But my point of order, Mr. Speaker—

The Speaker: It should be short and brief.

Hon. Zane J. S. De Silva: My point of order is this, GlobalHue produced, at the time in 2007, the absolute record numbers of air arrivals in our history. So, let us just put that marker down. And when she says “zero results” . . . you talk about intentionally misleading this House, Mr. Speaker? Come on.

An Hon. Member: Hear, hear!

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

Hon. Patricia J. Gordon-Pamplin: I said near—

The Speaker: Continue Member.

Hon. Patricia J. Gordon-Pamplin: Near zero results, Mr. Speaker, and I stand by it—compared to what they were paid to do the job that they did.

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: Mr. Speaker, you will recall that it was not the OBA Government that bypassed the tourism tender when it came to GlobalHue. Why? Because there was a situation of—

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: —ministerial interference.

[Laughter]

Hon. Patricia J. Gordon-Pamplin: It was not the OBA who hired Ambling at \$400,000, to the chagrin of their then Finance Minister, who said she did not support the hiring of Ambling because she had not approved it from a financial perspective. But that was as a result of ministerial interference.

It was not the OBA Government, Mr. Speaker, who chose to turn over Coco Reef under terms of reference that had nothing to do with the initial contract that had been put out. They ended up getting a sweetheart deal at Coco Reef, Mr. Speaker, which ultimately became the subject of the Auditor General because she (or whomever it was at the time) had tremendous disquiet as to the terms and conditions because the heads of terms that were given had nothing to do with what had been tendered.

So, it is under that backdrop, Mr. Speaker, and against that background of what history existed that we understood that there were challenges then and we do not want to see mistakes being repeated. That was the context in which we showed that we had concerns over the present legislation.

Mr. Speaker, you may also recall that the . . . way back in the late 1990s, I would want to say, when I first came to this Honourable House, we had a Member here who was a hotelier, who was a Member of Parliament, who spoke about having a Tourism Authority in order to remove the ministerial and parliamentary influence from the tourism industry. And it was his contention at that point in time that suggested that we should give over to experts in the field, people who knew what they were doing, in order to create a success and in order to be able to rebuild what had then become a failing industry for us as a country, Mr. Speaker.

Then we were, at that point in time, virtually 100 per cent reliant on international business. And tourism had waned to the extent of almost extinction. And that was dangerous because we have, Mr. Speaker, many, many, many blue-collar workers who would never be able to get employment in the interna-

tional field at their present levels of . . . of training who would require significant investment in further education of a completely different kind in order for them to be able to make a living. But tourism was something, Mr. Speaker, that helped to bolster our industry and to make sure that we kept bread on the tables of some of our employees, some of our citizens, who otherwise would not be able to fit into that international company arena.

And I do recall at the time, Mr. Speaker, that the Honourable Member from constituency 2, as he led the party with which I was affiliated at that time, spoke passionately about the necessity to have a Tourism Authority because, as they said, *we got to fish where the fish are*. I know Members sitting Opposite who were here at that point in time will remember that admonition to the then Government, and they remember it very clearly. *Fish where the fish are*.

We remember how the interference of the Ministers at the time dismantled some of the tourism offices in various parts of the United States, and that GlobalHue as a company effectively set out—and it is in the public domain—to destroy the career of one of the long-time members of the Tourism Department who had worked assiduously to try to improve our lot when it came to tourism.

So, Mr. Speaker, when the Honourable Members start to talk about they know who we are, or they know who the OBA is, or they know who we are and for who and for what we are . . . yes, Mr. Speaker. One thing we are is consistent because it was determined that tourism was not surviving in the manner in which it was being handled. Hence, the Tourism Authority was formed.

I do remember the [late] Honourable Shawn Crockwell when he stood to establish the legislation and to bring to this Honourable House the legislation surrounding the Tourism Authority the pushback that he got, the criticism that he got, the ridicule that he got in setting it up. And, then, he swallowed it, Mr. Speaker. We swallowed it as a Government. We then made it a point that to the extent that it was efficacious to do that it would be important to allow the Tourism Authority to get on with their job in the context for which they were established.

Now, the Government has now come in and they may see things differently. I understand that they might see things differently, Mr. Speaker. But it would be foolhardy when I sit and I hear the Honourable Members say that, *Those OBA people, they are accustomed to—what did he say?—tell you what to do by governing from over here because you set something up to suit your purposes*.

Mr. Speaker, let me tell you about governing from over here. Did we not hear when we had this Government take-over just very recently, you know a year plus, a year and a half ago, did we not hear somebody come and say, *I want money because the legislation from a previous Government deprived me*

*of some of my revenue—*we heard the numbers this morning—*deprived me of some of my revenue, therefore you have to give me some back*. That is not somebody who sat in this Honourable House. That is somebody whose determination and representations were made that the Government that acquiesced to pay out the monies that we saw in the response that we had this morning to the Parliamentary Questions that I asked of the Minister.

Mr. W. Lawrence Scott: Point of order, Mr. Speaker.

The Speaker: Point of order, yes?

POINT OF ORDER

[Misleading]

Mr. W. Lawrence Scott: Yes, the Honourable Member is misleading the House, because she is making it . . . the Honourable Member is making it seem as though there is only one individual that got reimbursed for the faulty legislation that the OBA passed, when it was actually multiple organisations which included the Bermuda Hospital itself—

[Inaudible interjections]

Mr. W. Lawrence Scott: —which was impacted. And that impact also hurt the health insurance costs of the country which were increased for everybody because they did not listen to their technical officers and they were governing from afar.

The Speaker: Thank you.

Hon. Patricia J. Gordon-Pamplin: Mr. Speaker, the Honourable Member has no clue. You know, he who knows not and knows not that he knows not, needs to be avoided. That is all I can say about that Honourable Member because he does not know of what he speaks. Because let me say, first of all, the Hospitals Board did not ask for money in terms of regularising the diagnostic—

The Speaker: Do not, do not take on that debate. Keep the debate coming this way.

Hon. Patricia J. Gordon-Pamplin: —the diagnostic imaging reimbursement.

The Speaker: Stay on point. Stay on point.

Hon. Patricia J. Gordon-Pamplin: So, let me just point that out.

POINT OF ORDER

[Misleading]

Mr. W. Lawrence Scott: Point of order, Mr. Speaker.

The Honourable Member is misleading the House because the Minister had it included in her Statement this morning that the hospital was one of those that was reimbursed.

The Speaker: Thank you. Okay.

Hon. Patricia J. Gordon-Pamplin: Mr. Speaker—

The Speaker: Keep the debate flowing this way. Do not get side tracked on what your topic was.

Hon. Patricia J. Gordon-Pamplin: Mr. Speaker, I just want to make one more comment.

The Speaker: Do not get side tracked.

Hon. Patricia J. Gordon-Pamplin: There is no point in harping on this particular issue. But let me just say that, contrary to what the Honourable Member said, if he had listened to what my comment was, I said that the Hospitals Board *did not ask* for relief from the money that resulted from the lesser reimbursement on DI that resulted from the legislation. That is all I said. That is all I said. I said they *did not ask* for it. I did not say they did not get it. I said they did not ask for it.

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: There is a distinct difference because governing from afar and having far reaching to the point, Mr. Speaker, that the now, Mr. Acting Speaker—

[Mr. Hubert (Kim) E. Swan, Acting Speaker, in the Chair]

Hon. Patricia J. Gordon-Pamplin: —and thank you, you have now taken the Chair, the Acting Speaker, who was the Member to whom I referred from constituency 2—the Honourable Member—who spoke passionately about the Tourism Authority and the benefits that it would have for the development of tourism in this country.

So, when I hear the kinds of comments coming from the Honourable Member from [constituency] 32, not only is he offensive, he is wrong. And, you know, I have no problem, Mr. Acting Speaker, in being the person he says, *I know who you are and what you are*, because who I am is honest. And who I am is consistent. And what I am is someone who is always going to look out, not for protecting governmental or ministerial interference, but somebody who is going to look out for the bigger picture, for the better good of this country. That is who I am, and that is who I am proud to be. That is who I am absolutely proud to be.

So, let me just say that some of the results that have come out from the Tourism Authority, in its present terms . . . it has produced positive results. We

can go back to some of the headlines. Go back to 2012, which at the time [read], you know, *Bermuda tourism is at an all-time low. Hotels are on the brink.* We were basically going through an environment in which the disastrous numbers were impacting our ability to survive as a country. Otherwise, you would not have had a Premier who bemoaned the fact that there was a \$400,000, practically a gift, to Ambling for which she could not justify and was not prepared to accept the fact that it was a good decision.

So, when we look at how the Tourism Authority has handled itself, has been a successful entity, whether the CEO shaved or did not shave that day . . . I do not think that whether he did not shave . . . not one tourist said, *I am not getting off the plane* (having arrived in Bermuda) *because this guy over there who operates in that environment did not shave.* You know, we can look for whatever minutia we choose to. We can be as petty as we want, when we want to overlook that there is a bigger and a larger picture that has benefitted Bermuda.

What we were suggesting and what we had concern about in mentioning that the entity as the Authority seemed to be operating well in its present context, we are not by any means trying to detract from the Minister's responsibility to do what he has to do, what he believes to be appropriate. We are not trying to detract from that. We are trying to say that if we have experience that shows that something is working, we just want to put our side of the argument out for the Minister's consideration. He can ignore it—which he will. And that is fine. You know, they do not hear because they do not care, and we understand that. I get that.

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: I get that. I get that.

You know, we heard earlier that, you know, the cruise ships—

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: I know, I know, and you love me. I know—

[Laughter]

Hon. Patricia J. Gordon-Pamplin: The cruise ships . . . that there was a time when cruise ship passengers were looked at as the forgotten stepchildren of the tourism industry. And the reason for that at the time was the recognition that an on-land [air-arrival] visitor spent far more money on-Island and contributed far more to the economy than did a cruise ship visitor. And the reason we wanted to focus on that and to enhance that concept was for the very reason that I mentioned earlier. That our economy, especially for

our blue-collar workers and our treasured hotel workers, depends on, not people coming off the cruise ship, but our economy if we have to be realistic about it and we have to recognise and support some of the decisions that were made by the Tourism Authority to continue to go after sustained cruise ship visitors is because you have to have something that is going to help to bolster you.

So, in the absence of our land visitors in the hotels, we have to have something that is coming into the economy so that even if the people who work in the hotels are unable to find employment, there is at least something in the funds that could go to . . . if they require some of the retraining, that money is there. If they, heaven forbid, require financial assistance, that there is money there. So, the benefit of cruise visitors has its place.

What we were just trying to suggest is that when the Minister wants to upset the balance of what exists, then I think it is important that we look at what could be the unintended consequences. So, we do not want to see something which is now successful being diminished as a result of a decision that is made that could perhaps come out differently if a different decision is made. If the Minister elected . . . according to the legislation, the Minister will be appointing the Deputy—the Deputy Chairman of the Board—and he will consult with the Chairman in order to make that recommendation . . . sorry, in order to make that appointment, he will consult with the Chairman. We understand that he wants to do that.

But just imagine, Mr. Acting Speaker, if the Minister continued to have a hands-off approach, not to say that the Tourism Authority needs to operate in a wild Wild West environment, because, remember, one of the advents at the time that the Tourism Authority first came into being, the idea was that they would ultimately become self-sufficient. One of the things that happened, you will recall very recently, was the imposition of the 4.5 per cent tax on Airbnb. And I do declare an interest, because I do have an Airbnb apartment. But—

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: And a fine one it is. There is no question . . . second to none.

But let me just say, Mr. Acting Speaker, that those kinds of funds coming into the Authority, which would assist them in being able to operate autonomously but still being responsible to the Government, for the grant that they are getting from the Government, but it can work in the manner in which it works. My honourable colleague from constituency 22 indicated the points in the existing legislation in which the Minister already has oversight.

So, when it looks as though there is additional unnecessary oversight being brought to bear, it just begs a question that the system seemed to be work-

ing. The results that have been envisaged seem to be manifesting themselves, and we basically are on the right track to getting to where we need to be. And if we are, is there really a reason for taking us off track?

You know, we look for new ideas. We look for energetic Ministers. We look for engagement in the House of Assembly. We look for cooperation. And because there is a criticism, it does not necessarily say that we are negative. It is just that there could be a different point of view that may be considered in order to be able to reach the ultimate optimum end to which we are attempting to strive. So, when I hear things coming from the Honourable Member from [constituency] 32 such as, *we know who and what they are*, Mr. Acting Speaker, I can tell you, I would hate to start to talk about who and what some people are, because that would not positively contribute to effective discourse in the country. It would not contribute to it effectively.

Hence, I am not going to go down that path other than to say that I am offended by the Honourable Member's comments, because I think he was completely off base.

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: He was completely off base. I understood very fully. I understood fully, understood fully.

Mr. . . . you know, I just made a statement that I am not going to go down that path. And, therefore, I am going to cross out that comment that I was going to make because it is completely . . . it would be inappropriate—

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: —and it would be, it would be, it would be contraindicative of what I have just finished saying.

But let me just make one final comment, that the Honourable Member from [constituency] 32 did mention—and he has subsequently corrected—so, maybe we can get the Minister to correct when the Honourable Member spoke of . . . now that they are in power and they do things the way they do it, that effectively it is their way of dismantling something that we feel aggrieved by . . . that they are dismantling it. Now the Honourable Member said it when he made his comments. He subsequently said he did not intend to say that it was going to be dismantled.

[Inaudible interjections]

The Acting Speaker: He did correct that. He did correct that.

Hon. Patricia J. Gordon-Pamplin: He said that he did not intend to say it. But I would like to hear from the Minister whether it is the intention . . . I have no

doubt that the Minister will speak. But I have no . . . you know, I just want to hear from the Minister, because we get different messages.

We are getting different messages, and I think what is important is that there is a consistent message, not so much for Members of Parliament on this side of the aisle, because technically those of us who sit here do not necessarily have to rely on a parliamentary pay to get from week to week or to be able to eat. Some might. We do not. We do not. So, we do not have to make those levels of criticism because of any personal observation. It is how are the choices that we are making and the steps that we are taking likely to impact the majority of our citizens whose interests (as we pray every Friday morning) have been committed to our charge.

That is our responsibility, Mr. Acting Speaker. We want to ensure that when we walk through these hallowed halls every Friday morning that the things that we do, that we debate and that we pass here, (a) is not just good legislation, but (b) is good legislation that is being done and that it will all go well for the community at large. That is our responsibility.

The democratic process requires that we contribute not just to the debates, but that if there is an idea that we wish to share, that it is our obligation so to do, Mr. Acting Speaker, so that the ultimate end is something that will benefit Bermuda at large.

Thank you very much, Mr. Acting Speaker.

The Acting Speaker: Thank you, Honourable Member.

The Chair recognises the Honourable Member from constituency 7. Mr. Richards, you have the floor.

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

You know there is a saying that has been floating around Parliament for years, and it is very applicable today, once again. The saying is, *The Opposition has its say, and the Government has its way*. And that is going to happen today. There is no doubt about it.

There is also another saying, a bit of a cliché, but, you know, clichés, a lot of them are true. That is what a cliché is. And this cliché is, "If you do not know your history, you are doomed to repeat it." *If you do not know your history, you are doomed to repeat it*.

[Inaudible interjections]

Mr. Sylvan D. Richards, Jr.: So, why do I say that, Mr. Acting Speaker?

You know, tourism has always been important to the Island after, you know, World War II when the Americans came down and they built the airport and they built the runway. And then Americans on the East Coast of the United States figured out that there was a

little Island and a little gem out in the middle of the Atlantic that they could travel to in just a couple of hours, and our tourism product began in earnest.

Then, through the 1940s, the 1950s, 1960s, even the 1970s, our tourism product was booming. I know some of us in here are old enough to remember when we would have hundreds of tourists here for college weeks.

An Hon. Member: Yes.

Mr. Sylvan D. Richards, Jr.: And then, we would have many, many tourists stay in Bermudian homes. You know, we kind of . . . Bermuda has kind of pioneered that Airbnb concept. My grandmother had tourists staying in her cottage on Pomander Road when I was a child. So, things have gone full circle. This Airbnb is . . . I would like to think that it is something that Bermuda has pioneered. Now, it just has a traditional name.

But, then we get up into the 1980s and then we get into the 1990s, and other jurisdictions basically looked at Bermuda and said, *Let's do what Bermuda is doing. They are doing something right*. Imitation is the greatest form of flattery. And then tourists figured out, *Hey, we have other destinations that we can travel to that are maybe a little cheaper than Bermuda*. Maybe the weather is a little warmer in November or December than Bermuda. Maybe there are newer hotels in these jurisdictions other than Bermuda. So, our product became a bit stale and our tourism numbers started to drop off.

And then we hit a period that I call the "doldrums" of tourism, where we struggled as a tourism destination. As a result of that struggle, and tourism was still part of the Government, it was a Ministry, it would have Minister after Minister after Minister getting into that seat, sometimes for a few months, sometimes for a few years. And when the Minister would leave, the vision would change. There was no continuity. There was no cohesive vision of where Bermuda should be as a tourist destination. And this went on for years and years and years and we watched our tourism numbers go down.

The traditional approach to tourism was clearly failing. So, when the OBA became the Government in 2012, we had made it known that we were going to take tourism out of Government and set up an independent Tourism Authority. And I must say, Mr. Speaker, when this first happened I was not initially sold on the idea. I thought it was risky. I thought there was a lot of money being thrown at the Tourism Authority and I just prayed that they would be successful.

And they were successful. And I was pleased with that. Sometimes you just have to roll the dice. Sometimes you just have to do something different.

Now, the Member for constituency 32, during his remarks . . . and if I heard correctly, he said that the BTA was set up for obvious reasons. But then he

kind of attached these nefarious . . . I was trying to follow his train of thought, but I had a little difficulty. It sounded like it was kind of Machiavellian why the Tourism Authority was set up so that we would have control when we were no longer Government, or something or the other.

But in a way, the Member was correct. The BTA was set up for obvious reasons. It was set up because what we were doing was not working. The traditional approach to tourism was failing. You cannot run tourism, which is a business . . . whether we like it or not, it is a business. It is not like other government departments where you have a board and the board advises a department and they are not making money because they are a government department. Tourism is different. Tourism exists to make money for the Government, for average Bermudians, for the people who are brave enough to invest in Bermuda to build hotels. It is a business and it has to be run as a business.

So, the Tourism Authority was set up for the obvious reason of having our tourism product run like a business, and to take it out of the hands of Ministers of Tourism who had no expertise in tourism. It is okay to go to New York and sing on the pitch of a baseball game. That is all well and good. But that is not going to bring tourists to Bermuda.

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

Mr. Sylvan D. Richards, Jr.: So, the Tourism Authority was set up.

Mr. Bill Hanbury was hired. He had a proven track record of growing tourism. And, unfortunately, I sat in this place, and for the first couple of years I watched the CEO of the BTA be attacked relentlessly because of his pay package, because some on that side did not think that the Tourism Authority should have been set up in the first place, that it should have remained a government department. And, it is very ironic to me, Mr. Speaker, that the current Tourism Minister, MP De Silva, was leading the charge in attacking the BTA and the CEO of the BTA.

An Hon. Member: That is true.

Mr. Sylvan D. Richards, Jr.: And it went on for years. It is in the Hansard. It is in the public domain, and in the daily. He attacked the BTA incessantly. However—

Hon. Zane J. S. De Silva: Point of order, point of order, Mr. Speaker.

Mr. Sylvan D. Richards, Jr.: I knew that was coming.

The Speaker: I will take your point of order.

POINT OF ORDER

[Misleading]

Hon. Zane J. S. De Silva: The Honourable [Member] is misleading the House. I may have gone after Mr. Hanbury, but I did not continuously go after the BTA. In fact, I praised them on many occasions. It was Mr. Hanbury . . . and we all know why. And I will talk about that in detail later, Mr. Speaker.

The Speaker: Thank you, Honourable Member.
Continue, Mr. Richards.

Mr. Sylvan D. Richards, Jr.: Thank you, Mr. Speaker. It is on the public record. The Member attacked the BTA. He attacked the CEO. And in spite of that . . . the BTA thrived in spite of the constant barrage of criticism from the then Opposition, now the current Government, and, in particular, the Member from constituency 29.

For the first time in decades, finally, our tourism product is moving in the right direction.

[Inaudible interjections]

Mr. Sylvan D. Richards, Jr.: I have watched the employees of the Bermuda Tourism Authority—

[Inaudible interjections]

Mr. Sylvan D. Richards, Jr.: —and their first CEO, Bill Hanbury—

The Speaker: Members.

Mr. Sylvan D. Richards, Jr.: —and the current CEO, Mr. Kevin Dallas, do amazing things that I did not think that they were going to be able to do with our tourism product. They have modernised our tourism product. They have made Bermuda “hip” again. They have made Bermuda a place where people that I want to hang out with come to visit. We saw it this summer. We had so many social media influencers coming in and out of Bermuda all summer. I could not even keep up.

Hon. Zane J. S. De Silva: You could. I saw you out there. You done a good job of trying.

[Laughter]

The Speaker: Do not get taken off track, now. Just speak to the Chair. Speak to the Chair.

Mr. Sylvan D. Richards, Jr.: He almost took me off my—

The Speaker: I saw you almost slip into that.

Mr. Sylvan D. Richards, Jr.: He almost took me off my thing, Mr. Speaker.

Hon. Zane J. S. De Silva: Sorry, Sylvan.

Mr. Sylvan D. Richards, Jr.: No problem. Yeah, I like to have fun. So does the—

[Inaudible interjections]

Mr. Sylvan D. Richards, Jr.:—Honourable Member.

The Speaker: See, now you are caught off track.

Mr. Sylvan D. Richards, Jr.: I see him, and he sees me. We just give each other a little nod. He says to me, *It's just politics. You know, it's just politics, what we talk up in the House.* And that is all fine and good. But this is a serious matter, Mr. Speaker.

The formation of the Bermuda Tourism Authority by the One Bermuda Alliance was a game-changing advance in our tourism product. It changed everything. So, here we are today. A Bill has been laid that will give the Minister the ability to basically dictate to the Tourism Authority—the very thing that we did not want to do and did not want to happen when we set up the Bermuda Tourism Authority.

So, I think last week we talked about the cynic in me . . . and I am going to talk about the cynic in me again this week. The cynic in me is asking these questions: Is this the first move by the PLP Government to ditch the heretofore independent Bermuda Tourism Authority? Time will tell.

The second question the cynic in me is asking: Is this the first move by the PLP Government to bring tourism back in-house as a government department? Time will tell.

The third question the cynic in me is asking: Will the PLP Government force the Bermuda Tourism Authority to secure its own funds? Time will tell.

Mr. Speaker, like I said, the Opposition will have its say, and the Government will have its way. Once again, that is democracy. The people did speak. But I caution this Government, the people are watching. The people are listening. The people are observing. The people can clearly see that the Bermuda Tourism Authority has been successful. Those who work in tourism in Bermuda can clearly feel the difference in their pockets and with the investment that is being made in tourism.

So, Mr. Speaker, I am on my feet because time will tell what this change to the Tourism Authority is going to do to our tourism product. Just like in 2012 when we set up the Tourism Authority, I hope that this Bill does not impede the way that the Bermuda Tourism Authority does its business. I pray that this does not happen because tourism right now is the one bright spot that we have. It is the only thing that is going in the right direction and it would be a shame for it

to be interfered with because some Members in this House feel that they are not getting respect.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to contribute to this debate? Minister, I see you jumped quick . . . but I see no one else move, so I am going to recognise you, Minister.

Minister, feel free to make some comments at this point.

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

Well, Mr. Speaker, I do have some comments to make. But before I do, let me just state for the record that I think the BTA have done some very good work over the last few years. I have said it before, and I will say it again today. So, let me make that clear.

And for those that may think that as the incoming Minister I have been sitting up at a desk with my feet laid across it, Mr. Speaker, I have been quite busy. In fact, I spent quite a bit of time with the CEO of the Bermuda Tourism Authority himself. And having done that, I can tell you that I am quite impressed. I am not saying that we will not fight because, you know what, Mr. Speaker, I have been in business a long time. I fight with my partners all the time. I have disagreements with my family all the time. I am not saying it is not going to happen. But I have been impressed with Mr. Dallas, in particular.

Now, with that being said, Mr. Speaker, I think it is important for us to point out to the people of the country that when you hear almost every Member on the other side talk about political interference and what we are doing with the BTA board, la, da, da, da, da, da, da . . . what none of them told you, Mr. Speaker, is that this board, when it was appointed, when we passed that Act in this House, it was a politically appointed board. Every member of that board was appointed by the OBA. But I did not hear one Member mention that. Not one.

Now, what happens when you have a change of Government, Mr. Speaker? Look around the world. I am not even going to mention Trump's day. He changes somebody every day. Why is that? You know why, Mr. Speaker? You know why we make changes? Because different governments have different visions. And when you have visions that the people of the country elect you to carry out, you must make changes necessary to make sure that the visions that have been laid out to get you elected in the first place are carried out and they are fulfilled for the voters that put us in place.

So, Mr. Speaker, yes, we are going to make some changes. And there may be more to come because this Progressive Labour Party Government has a vision and that vision includes the people of this country that voted us in. And let us be clear, Mr.

Speaker, the changes that we are going to make here today, they only bring us in line with other independent bodies. And it is important to note. Independent bodies that receive Government funding—the taxpayers' dollars. And, Mr. Speaker, it has worked fine for decades. This will be no different.

Now, Mr. Speaker, the Members Opposite, almost to a person, talk about, *Why is he going to get closer? Why does he have to go make these changes? Why, why, why does he have to get more involved?* Well, you know, there was an incident or an event, a situation, with St. Peter's Church this week. We had some noise down east, at St. Peter's Church. Well, what have we heard? Well, we heard that the BTA cut their funding. Hmmm. Who do you think got most of the calls, Mr. Speaker? Do you think the BTA got all the calls?

[Inaudible interjections]

Hon. Zane J. S. De Silva: Because I will tell you I spent two hours, at least, on my phone yesterday.

[Inaudible interjections]

Hon. Zane J. S. De Silva: The people's representative, Mr. Swan, or the Honourable Member Swan, the Honourable Member Renee Ming, the Honourable Member Foggo from down east—

An Hon. Member: Ringing off the hook.

Hon. Zane J. S. De Silva: Because their constituents are calling them and saying what? Check out your Minister. But, of course, guess what? The Minister knew nothing about it!

An Hon. Member: Ah!

Hon. Zane J. S. De Silva: He knew nothing about it! And you wonder why I want to get closer? I will tell you what . . . get used to it! This Minister turns over stones. Bob Richards who lifted up the hood . . . I'm pulling the car apart!

[Laughter]

Hon. Zane J. S. De Silva: I am going to tear that engine apart!

[Laughter]

Hon. Zane J. S. De Silva: Oh, yes, I will!

So, they better get used to it. This is the beginning, Mr. Speaker. I just got here. I just got here. The people of this country expect us to show action, and we will give them action. Trust me.

[Inaudible interjections]

Hon. Zane J. S. De Silva: Now, Mr. Speaker, I heard a couple of Members over there talk about the success of the BTA and how the numbers have increased. A former Premier, Dunkley, who could not count too well talked about 12 quarters of success, blah, blah, blah, blah. Well, Mr. Speaker . . . and they talked about how critical I was at the time when I was Shadow Minister of Tourism.

Yes, I was critical! And you will remember our Finance, Shadow Finance Minister at the time, the Honourable, now Premier, David Burt, brought to this House how the numbers were—the tourist arrivals—were the lowest in 48 years. And why did I criticise the former CEO Bill Hanbury and, of course, the Honourable Member said the BTA and, yes, I tell you what, I did give them some criticism because a CEO and members of the BTA were receiving bonuses when we had our worst performance numbers in 48 years. And that is why I was critical.

And if they were the same today, I would be the same critical person, because you know what? In my life, in my space, where I come from, Mr. Speaker, you do not get bonuses for poor performance and bad results. You do not get it. You just do not get it, Mr. Speaker. And if we are going to pay . . . well, I challenge the Honourable Member Dunkley to say how much the former CEO was making in terms of wages. And yes, oh yes, he said a million dollars and said I threw it out there. I said, well, we do not know what it is. We know, it is, you know, \$400 here, a house here, a car here, a telephone here, first-class business trips here. You know, who knows what is was, Mr. Speaker. I could find out though . . .

But the thing is, Mr. Speaker, my issue at the time was that we had our worst numbers in 48 years—worst! And I would be doing my constituents and the people of this country a disservice if I did not point that out to them—with the millions of dollars, millions of dollars that we were spending.

And I will take nothing away from the recent results, the good results. But I did say back then when you are at rock bottom, Mr. Speaker, there is only one way. There is only one way. I said it then. The Honourable Member Sylvan Richards talks about Hansard. Go check that out and see what I said back then. I said those numbers will get better. There is only one way up from the bottom, Mr. Speaker.

The Honourable Opposition Leader, again, he was talking, quoting me, saying the first thing I am going to do—he quoted me when I was the Opposition Shadow, and I said the problem is, we do not spend enough money in advertising. And I said then, and he repeated tonight, I said they should be getting \$10 [million], \$20 [million], \$40 million more for advertising. And he said it, and I agree with it. The only issue is, Honourable Opposition Leader . . . the difference now is that your Government doubled our debt in four and a half years. And we are so close to our debt

ceiling that I would not even be able to get close, close—

Mr. Scott Pearman: Point of order.

The Speaker: Point of order.

POINT OF ORDER

[Misleading]

Mr. Scott Pearman: Mr. Speaker, the Honourable Member is misleading the House. I know he had trouble with maths earlier in this conversation, but the OBA did not double the debt. The debt when the OBA came into power in 2012 was \$1.5, \$1.6, they borrowed \$800,000, that takes us to \$2.3, \$2.4—

[Inaudible interjections]

Mr. Scott Pearman: That is not double—

Hon. Zane J. S. De Silva: Sit down, sit down.

Mr. Scott Pearman: —on any maths.

The Speaker: Thank you.

Hon. Zane J. S. De Silva: You see, the Honourable Member says I cannot add. He needs to go back to math school because he is not the only lawyer that cannot count. That, I know.

[Laughter]

Hon. Zane J. S. De Silva: And let me tell you something else, Mr. Speaker, when I came in, that debt stood at just under \$1.2—not \$1.4. It was \$1.2. and \$1.2 and \$1.2 is \$2.4, Mr. Speaker, in my book. That is what it is in my book, Mr. Speaker.

POINT OF ORDER

[Misleading]

Mr. Scott Pearman: Point of order. Again, the Honourable Member is misleading the House. It was \$1.4, \$1.5.

Hon. Zane J. S. De Silva: So, he does not even know what it is—\$1.4, \$1.5. You see how he throws out numbers, Mr. Speaker? That is what I am saying. The fact of the matter is, you get my drift.

[Inaudible interjections]

Hon. Zane J. S. De Silva: I tell you what, let us give him the benefit of the doubt. Let us say it was \$1.4. Okay, a billion dollars in four years! A billion in four years! Give him \$400 million. A billion in four years, Mr. Speaker. But they criticise us for amassing \$1.4 in

14 years. And the reason is . . . and I have said it many times, I can pull my notes out from underneath, I can give you a litany, a litany of things that this Progressive Labour Party did in 14 years, where that money was spent.

The Speaker: Now, now, let us keep it on the Bill before us right now.

Hon. Zane J. S. De Silva: Well documented.
Yes, yes, Mr. Speaker.

The Speaker: So, we can get to a conclusion of that.

Hon. Zane J. S. De Silva: So, Mr. Speaker, yes, I did say that. And I will repeat it today.

I will tell you what, if you gave me a choice of spending \$70 million on a boat race or take that \$70 million and scatter it all over the States, especially the Eastern seaboard, I will tell you what, we would have a hell of a lot more tourists in hotels than what we did for that America's Cup. Because as we know, as we know, we were told we would have two cruise ships out in the harbour because all the hotels were going to be full. Well, if I remember correctly, we had chamber maids that were being laid off during the America's Cup. Lest we forget.

An Hon. Member: That's a fact.

Another Hon. Member: That's true.

Hon. Zane J. S. De Silva: You give me \$70 million and see if I do not increase the numbers to this country in hotel beds, in occupancy rates.

[Crosstalk]

Hon. Zane J. S. De Silva: So, Mr. Smith, the Honourable Member, when he asked me why am I changing, I hope I answered his question. And, then, of course, the Honourable Member Smith said, *Let's leave politics out of it*. Well, I know you were not in the House at the time, but as I said, the OBA started by appointing their board.

Now, Mr. Speaker, a couple of more points and I will be done. But one thing I cannot let slip by us, Mr. Speaker . . . you know, Mr. Speaker, there is an old adage that says, you know what? *If you were to grow a brain, you would be overweight.*

[Laughter]

The Speaker: Ah, ah, ah—let us—

Hon. Zane J. S. De Silva: I did not call any names, Mr. Speaker—

The Speaker: Let us—

Hon. Zane J. S. De Silva: I said there is an old adage—

The Speaker: Let us just keep it clean.

Hon. Zane J. S. De Silva: —that says, *If you had a brain—*

The Speaker: Let us keep it clean.

Hon. Zane J. S. De Silva: —*you would be overweight.*

The Speaker: Let us keep it clean.

Hon. Zane J. S. De Silva: So, that is all I am saying, Mr. Speaker. That adage came to mind today, and that is all I am going to say about that.

But, Mr. Speaker, I found it very, very rich, very rich, when the former Premier Dunkley got up and said that we are scaremongering.

Some Hon. Members: Wow!

An Hon. Member: Bogeyman.

Hon. Zane J. S. De Silva: We are scaremongering. And he said the PLP are the kings of bogeymen.

Why, look, Mr. Speaker. You know what? I do not think that that really justifies a comment. But the other thing that I think is important to note, too, the Honourable Member Pat Gordon-Pamplin said that the success of the BTA is going to be diminished with these changes. You talk about scaremongering, Mr. Speaker. All right?

These changes have been outlined specifically several times today, certainly in my brief. And I am sure we will talk about it a little bit more in Committee. But, Mr. Speaker, how can that Honourable Member draw that conclusion that the success is going to be diminished because of these changes? Yes, that is what she said.

Now, the other thing—

[Inaudible interjection]

Hon. Zane J. S. De Silva: No, no, no, I will not . . . oh, okay, all right, I thought you were talking about . . . I am talking about Pat Gordon-Pamplin, not you, Honourable Member.

An Hon. Member: The Honourable Member.

Hon. Zane J. S. De Silva: Yes.

Now, Mr. Speaker, I think another thing to point out is the fact when we talk about cruise ships and air arrivals in the country . . . you might recall, Mr. Speaker, when . . . because somebody called his name today. The Honourable Member (he is passed

now, Mr. Jim Woolridge, may he rest in peace), talked about Mr. Jim Woolridge. Now, if anybody remembers. . . because, you know, that side likes to give a little history today. So I am going to give a little history, too. Because it is important.

When Jim Woolridge was the Tourism Minister . . . I do not know how many people in the House will remember, Mr. Speaker, but he did not want to increase cruise lines. Why did he not want to increase cruise lines and cruise visits to the country? Why, Mr. Speaker? We had over 10,000 beds at that time. Well, what has happened since then? The hotel [bed count] has dropped significantly. And I would venture to say, I do not know what the number is, Mr. Speaker, but I would think it [has decreased by] 40 [per cent] or 50 per cent.

So, Mr. Speaker, I would like to take this opportunity to thank the former Premier of this country, Dr. Ewart Brown, for building those docks up in Dockyard, because I would venture to say that if we did not have those docks, where would be today?

[Inaudible interjections]

An Hon. Member: We would be a ghost town.

Hon. Zane J. S. De Silva: Where would we be today?

So, thank God we had a Premier that had vision beyond his years and thank God we did.

Now, Mr. Speaker, two Members on that side tonight criticised my colleague, the former Tourism Minister, Wayne Furbert, for his singing advertisement at the Boston . . . where was it? At the Boston baseball game?

An Hon. Member: They have won ever since.

[Laughter]

Hon. Zane J. S. De Silva: Now, look, I will tell you what, when I heard that Wayne Furbert likes to sing . . . Mr. Speaker, I had my doubts. But I will tell you what. He actually made me cry one day in church.

[Inaudible interjections]

Hon. Zane J. S. De Silva: He, he, he . . . not that he was that bad; but he was actually that good!

The Speaker: I was about to ask the same thing.

Hon. Zane J. S. De Silva: Sylvan, Honourable Member Sylvan Richards, I am telling you, he will make you cry.

[Inaudible interjections]

Hon. Zane J. S. De Silva: But, but, I will say this. Now, when the Honourable Member, I think it was the

Honourable Member Susan Jackson who stood up and said that she thought that it was a waste of money. I will tell you what. I cannot sing; I cannot even get close to him. But if I could get out there in the middle of that park and not even say a word, but throw that ball and say I am from Bermuda to all the people at that game, I would do it tomorrow. I would do it.

And then the Honourable Member said she doubts if we got any mileage out of it. Are you serious? I will tell you what. I will tell you what. If we spent, say \$10 million going towards the baseball games every time, we would get more tourists than we did for that boat race. I will tell you what.

[Inaudible interjections]

Hon. Zane J. S. De Silva: Oh, yes, we would.

Now, Mr. Speaker, the Honourable Member Jackson said something. I could have jumped up. I could get really rough, but I did not, because I think she just gets a little confused sometimes.

The Speaker: Honourable Member, the Honourable Member.

Hon. Zane J. S. De Silva: The Honourable Member gets a little confused. She says, you know, what are my qualifications to be able to sit in this seat? Well, Mr. Speaker, I am going to answer that this way. I am just going to answer it this way. The Honourable Member really shows, I would say, her political and parliamentary immaturity to make a comment in this House of that nature.

All I am going to say, Mr. Speaker, is this: The voters of this country know who they voted for and what they expect us to do. They know who I am. They know who every Cabinet Minister is in this party. They know who every PLP Backbencher is in this party. And they know our qualities!

Hon. Wayne L. Furbert: Ask them what Michael Fahy knows about tourism. He was a Tourism Minister.

Hon. Zane J. S. De Silva: So, let me just say, Mr. Speaker . . . I am not going to say, Mr. Speaker, for a moment that I own several companies, multi-million-dollar projects under management. Mr. Speaker, I am not going to say all that. Mr. Speaker, all I am going to say is that I am going to leave it up to my constituents. I will leave it up to them. I can tell you—leave it up to them. I can tell you—

[Inaudible interjections and laughter]

Hon. Zane J. S. De Silva: I can tell you this, Mr. Speaker: I have had a lot of conversations with bankers, lawyers, accountants, engineers. And I will tell you what, Mr. Speaker, I will tell you what. I am going to leave it right there.

[Inaudible interjections]

Hon. Zane J. S. De Silva: As they say in some circles, *pick the bones out of that*.

Now, Mr. Speaker, there was also another comment, the Honourable Member Michael Dunkley talked about the question in this morning when I referred him to the Tourism Plan.

Well, what the Honourable Member did not tell you is that the Airport Authority is producing an airline incentive plan that is tied into the Tourism Plan. So, he is probably being a little tricky. So, that is why I said you asked a plantation question, you get a plantation answer.

[Gavel]

Hon. Zane J. S. De Silva: All right? So, we are not going to play that game. So let us . . . and he knows that. He knows that. That is why he asked the question. But he did not really think I really knew what was going on. But, to me? That is the kind of answer that you are going to get when you ask that kind of question.

Now, Mr. Speaker, I would like to bring another example, when we talk about this change we are making today and how I am going to be a little bit closer to the Bermuda Tourism Authority. Imagine a Fortune 500 company, Mr. Speaker, with a board. Imagine the owners and shareholders. Imagine the BMA, Mr. Speaker, and who they have to answer to. I think to the Minister of Finance?

An Hon. Member: Yes.

Hon. Zane J. S. De Silva: Hello. The Bermuda Regulatory Authority. Who do they answer to, Mr. Speaker? Hmm. WEDCO? BLDC and the Bermuda Airport Authority? Yes . . . do these entities work okay? Is there any problem with the Bermuda Monetary Authority? The Bermuda Housing Corporation? Yeoman work done by those folks over at the Corporation. And, of course, I know they are enjoying having the Minister back there—the man that drives the . . . we should put up a statue one day of Colonel Burch with the housing complex in his hand.

[Laughter]

Hon. Zane J. S. De Silva: Because the man has got a passion for our people, and they are loving it.

But, Mr. Speaker . . . look, I am just going to wrap up because I think it is important. This change we are making, you will recall many people in the country, (particularly the Members Opposite [will recall]), right, the people of this country tell us, *Listen, you guys, we trust you. We trust you with our purse. We are going to vote you in in record numbers. We want you.* And then you hear the other side saying,

You got to control spending. You have to reduce the debt. You have to reduce the deficit. We have to watch the taxpayers' money. Well, that is exactly what this Bill is going to do.

We are going to get a little closer to the money because, contrary to popular belief, the Opposition would have you believe, they would have you believe, Mr. Speaker, that we dictate where the money goes. BTA . . . BTA, they get almost \$30 million, Mr. Speaker, and what do they do? They disburse it as they see fit.

So, Mr. Speaker, our people want us to get things under control, want us to be closer, want us to have our fingers on the pulse. And, Mr. Speaker, I will have mine on the pulse. And I just want to remind Members on the other side that they are the past, we are the future. And I ask that this Bill be committed, Mr. Speaker.

[Desk thumping]

The Speaker: Thank you, Minister.
Deputy?

House in Committee at 5:33 pm

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

COMMITTEE ON BILL

BERMUDA TOURISM AUTHORITY AMENDMENT ACT 2018

The Chairman: Honourable Members, we are now in Committee of the whole [House] for further consideration of the Bill entitled the [Bermuda Tourism Authority Amendment Act 2018](#).

Minister, you have the floor.

Hon. Zane J. S. De Silva: Okay, give me a second, Mr. Chairman.

The Chairman: Yes, indeed.

Hon. Zane J. S. De Silva: Mr. Speaker—

The Chairman: Yes?

Hon. Zane J. S. De Silva: [Mr. Chairman], sorry, I would propose that we move all seven clauses.

The Chairman: Continue.

Hon. Zane J. S. De Silva: With the House's permission.

The Chairman: Continue, sir.

Hon. Zane J. S. De Silva: Thank you.

Okay, Mr. Chairman, clause 1 provides the citation of the Bill.

Clause 2 amends section 2 of the Act by adding a definition of "Deputy Chairman."

Clause 3 amends section 4 of the Act by inserting the appointment of a Deputy Chairman and it repeals and replaces subsection (2) of section 4 to give the Minister the authority to appoint the six other members of the Board. In addition, the term limit of the Board members is removed by repealing subsection (3), which has restricted members to two terms and substituting it with the ability of a Board member at the end of his term to be considered for reappointment by the Minister. Section 5 which provided for the Board to elect a Deputy Chairman from amongst its members is repealed. Subsection (7) is amended to include the Deputy Chairman so that the Deputy is also entitled to fees and allowances as the Minister may determine.

Clause 4 inserts new section 5A which gives the Minister the power to appoint the Deputy Chairman after consultation with the Chairman. The Deputy Chairman need not be a current member of the Board, but shall have suitable qualifications and experience in travel and tourism. The term for the Deputy Chairman is three years and the Minister may appoint the Deputy for a further term. The Deputy Chairman is responsible for assisting the Chairman with the efficient conduct of the Authority's affairs.

Clause 5 amends section 9 of the principal Act to include the Deputy Chairman and the list of Board members to whom the Board can delegate any of its functions or power of the Authority under the Act, except the power of delegation.

Clause 6 inserts a new section 12A into the principal Act. This empowers the Minister, after consultation with the Board, to issue to the Board general directions as to the exercise and performance by the Board of its functions. Further, the new section requires the Board to give effect to those changes, those directions.

Clause 7 makes consequential amendments in Part 1 of the Schedule to the principal Act which addresses resignation and removal from office to include reference to the Deputy Chairman. Also, the amendments empower the Minister after consultation with the Board to remove a person from office as Chairman, Deputy Chairman or a member of the Board if he is satisfied the person is unable, unfit or unwilling to perform his functions as a member.

The Chairman: Thank you, Minister.

Any further speakers?

The Chair recognises the Honourable Member Leah Scott from constituency 30.

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

I just have a couple of questions on section 4, sorry, [clause] 3 which is amending section 4.

The section 4(b) it was previously seven members and now it is being reduced to six. Is there any particular reason why? I was just thinking, sitting on boards, when you have an even board, if you have a tie-breaker, does the Chairman have a casting vote or . . .

The second question is, I see you are repealing the whole of subsection (2), and I understand the explanation for subsection (3), where a member is eligible upon the expiry of the member's term of appointment to be considered for reappointment by the Minister. So, I understand that you provide for continuity in terms of having somebody be able to stay on the Board and roll over and roll over and roll over. But there is also the opportunity for ideas to become stale because then you have somebody that is rolling over, rolling over, rolling over.

So, would consideration be given to maybe capping the term? Or just having it completely be evergreen? It has its pros and cons, so I understand it, so I was just wondering if there is some discretion or flexibility to be able to change it.

The original section 4(5) did give the Board the ability to elect a Deputy Chairman. And I understand that the Minister has the ability to appoint a Chairman. Why does the Minister need to have the ability to appoint a Deputy Chairman as well?

In [clause] 6 which amends section 12A under the General Powers [of the Minister] (and the general powers are quite broad) . . . so the Minister can give the Board directions of a general nature. What happens if the Board just starts not to effect those directions? What are the consequences?

[Laughter]

Ms. Leah K. Scott: Just asking!

And, under the Bermuda Monetary Authority [BMA] Act, there is a section called "Relations with Government." The directions that you are giving, will they be written directions? Because in the BMA Act it has to be in writing. If you look at . . . and would you be willing to consider, I guess, some of the terms of section 21 of the BMA Act to be imposed in this Act?

And those are all my questions. Thank you.

The Chairman: The Chair recognises the Honourable Member Pat Gordon-Pamplin.

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

Mr. Chairman, I wonder if the Minister would be good enough to explain under clause 4, on page 2, section 5A(2) with respect to the Deputy Chairman. It says that, "The person appointed as Deputy Chairman may be a current member of the Board or some other person . . .". The makeup, the criteria for the makeup of the Board at the moment, is a [Chairman] and seven other members.

So, if the Minister appoints such other person, does that mean we have to change the principal Act to allow for seven or such other number as the Minister may determine? Or . . . because if you have got a full Board, but the Minister wants to appoint a Deputy from outside based on what he is now doing in this legislation, does that mean we have to increase . . . would that increase the number or would he make sure that this person . . . I do not know if you understand the question. But if you make sure that this person, that Deputy, becomes a member of the Board, does somebody step down to remain within the seven—seven plus the Chairman?

The Chairman: Okay. the Chair recognises the Honourable Member, Mr. Pearman, from Paget.

Mr. Scott Pearman: Thank you, Mr. Chairman.

Just one question on [clause] 6 in relation to the insertion of 12A. There we see that this will allow the Minister, after consultation with the Board, to give the Board directions of a general character. Given what the Minister has said in the debate, can he confirm whether or not directions of a general character would include directions to the Board as to the hiring or firing of executive staff and employees?

Thank you, Mr. Chairman.

The Chairman: Any further speakers? Minister.

[Crosstalk]

[Pause]

Hon. Zane J. S. De Silva: Mr. Chairman, there seems to be a little confusion about the [number] of members. There are six members. You have a Deputy and a Chairman, so that is eight in total.

[Inaudible interjections]

Hon. Zane J. S. De Silva: Yes, eight in total. Okay? Eight in total.

I think there is a question about capping the term. I think, you know . . . well we will, you know, all things can be considered.

Why appoint a Deputy? Why not?

Ms. Leah K. Scott: Sorry—

The Chairman: The Chair recognises . . . hang on, my dear. The Chair recognises the Honourable Member Leah Scott.

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

I am not saying that, . . . why not appoint a Deputy Chairman. I am saying that the mechanism is

already in the legislation for a Deputy Chairman to be appointed by the Board.

Hon. Zane J. S. De Silva: The simple answer is that I get to do it now.

An Hon. Member: Well, the Minister.

Hon. Zane J. S. De Silva: Yes, the Minister.

[Laughter]

[Inaudible interjections]

Hon. Zane J. S. De Silva: The Minister.

Someone had mentioned when the . . . when the . . . when the Board does not give effect to directions, of course, then in clause 7 it does say at the end, and I will read it for you, also the amendments empower the Minister, after consultation with the Board, to remove a person from office as Chairman, Deputy Chairman, or a member of the Board if he is satisfied the person is unable, unfit or unwilling to perform his functions as a member.

[Inaudible interjections]

Hon. Zane J. S. De Silva: The other question was, Mr. Chairman, will directions be written. Well, in this day and age I would think that certainly this is going to happen, yes. Just, you know, a simple email—that is how it will be done.

I think we answered about the member. And, of course, I think the Honourable Member Pearman asked about, you know, hiring and firing. I did make it very clear that the Minister will not be able to hire or fire anybody in the BTA.

The Chairman: Any further speakers?

There appear to be none. Minister, you have the floor.

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

The Chairman: You want to move—

Hon. Zane J. S. De Silva: I move the preamble be approved.

The Chairman: No, move the clauses.

Hon. Zane J. S. De Silva: Oh! I move clauses, I move clauses 1 through 7.

The Chairman: [Clauses] 1 through 7. It has been moved that clauses 1 through 7 be approved.

Any objections to that? There appear to be none.

Approved.

[Motion carried: Clauses 1 through 7 passed.]

Hon. Zane J. S. De Silva: I move that the preamble be approved.

The Chairman: It has been moved that the preamble be approved. Any objections to that?

No objections.

Approved.

Hon. Zane J. S. De Silva: I move that the Bill be reported to the House as printed.

The Chairman: Are there any objections to reporting this Bill to the House? There appear to be none.

Approved.

The Bill will be reported to the House, as printed.

[Motion carried: The Bermuda Tourism Authority Amendment Act 2018 was considered by a Committee of the whole House and passed without amendment.]

House resumed at 5:46 pm

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

REPORT OF COMMITTEE

BERMUDA TOURISM AUTHORITY AMENDMENT ACT 2018

The Speaker: Members, are there any objections to the Bill entitled the Bermuda Tourism Authority Amendment [Act] 2018 being reported to the House as printed?

No objections. So reported.

That now brings us to a close of that item and I believe all other items are being carried over.

At this point we will have our third readings.

The Minister . . . is someone going to do it for the Minister of Health?

Hon. Walter H. Roban: I am going to do it on behalf of the Minister of Health.

The Speaker: Yes.

SUSPENSION OF STANDING ORDER 21

Hon. Walter H. Roban: Mr. Speaker, I move that Standing Order 21 be suspended to enable me to move that the following Bill, entitled the Nursing Amendment Act 2018, be now read a third time by its title only.

The Speaker: Any objections? Any objections?

No.

Continue on, Minister.

[Motion carried: Standing Order 21 suspended.]

BILL

THIRD READING

NURSING AMENDMENT ACT 2018

Hon. Walter H. Roban: I move that the Bill be now read a third time by its title only and passed.

The Speaker: Any objections? No objections.
So, now the Bill is now passed as printed.

[Motion carried: The Nursing Amendment Act 2018 was read a third time and passed.]

The Speaker: Minister of Tourism, third reading.

Hon. Zane J. S. De Silva: Mr. Speaker, I move that the Bill be now a read a third time—

The Speaker: Any objections?
Continue.

Hon. Zane J. S. De Silva: Oh, that is it? Oh, I move—
oh . . .

[Crosstalk]

SUSPENSION OF STANDING ORDER 21

Hon. Zane J. S. De Silva: Oh, I move that Standing Order 21 be suspended to enable me to move that the Bill entitled the Bermuda Tourism Authority Amendment Act 2018 be now read for a third time by its title only.

The Speaker: No objections? Continue, Minister.

[Motion carried: Standing Order 21 suspended.]

BILL

THIRD READING

BERMUDA TOURISM AUTHORITY AMENDMENT ACT 2018

Hon. Zane J. S. De Silva: I move that the Bill be now read a third time by its title only and passed.

The Speaker: Any objections? No objections.
So passed.

[Motion carried: The Bermuda Tourism Authority Amendment Act 2018 was read a third time and passed.]

The Speaker: That now brings us to the close of all business, other than the matter for the Deputy Premier to do.

ADJOURNMENT

Hon. Walter H. Roban: Thank you, Mr. Premier *[sic]*. I do now move—

The Speaker: “Speaker,” “Mr. Speaker.” That’s all right. I enjoy this Chair; I do not want the other Chair.

[Laughter]

Hon. Walter H. Roban: Mr. Speaker, I know you are not looking for any other jobs right now.

Mr. Speaker, I do move that we adjourn to sit next week on the 30th of November, Friday.

The Speaker: Yes. Any objections to that? Any . . . okay, I have a Member who wants to speak to that. I recognise the Deputy Speaker.

Deputy Speaker, you have the floor.

AIRLINE INCENTIVES

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

Mr. Speaker, this morning we heard about the Skyport operators and part owners for 30 years of the airport. And from what we gather they do not want to pay the incentive that we pay the airlines that bring our passengers into Bermuda, Mr. Speaker.

The Speaker: Mm-hmm. Continue.

Hon. Derrick V. Burgess, Sr.: When the PLP Government secured the Miami flight via American Airlines and were paying this incentive, there was much criticism from all concerned. But it has turned out to be the most successful flight that we have had in the last 10, 15 years, Mr. Speaker. And the Honourable Tourism Minister then (the former Premier Dr. Brown), got other airlines to come in here with the incentive to pay based on the MRGs.

Mr. Speaker, most countries that have tourism as one of their main industries do the same thing. Now, we find out that this group down there that has been given the deal of a lifetime says they are not going to pay. But from what we have heard from the previous Government they, by building that airport, would increase traffic, flights and numbers coming to Bermuda. And I really hope so. And I say that sincerely, because if that is so, then all in Bermuda stand to gain.

But, Mr. Speaker, with this revelation today that they do not think they should pay [but they] think that Mr. and Mrs. Smith should pay, this is outright disrespectful and insulting to those, even those that signed that contract with them. I am sure the previous Government did not think that this would happen. If not, they should correct me. I am sure they thought they would carry on as normal and do whatever is necessary to get these flights into Bermuda, Mr. Speaker.

So, this . . . and we really do not know. I do not know what is in the agreement. I do not know if it is spelled out in the agreement in clear terms that this is one of the things they have to do in order to get flights and bring people into this country. And hopefully if you reach the required numbers, you would not have to pay out that incentive. That is always our hope. So, I know the Minister for Tourism will be on to that and the Government and the rest of his colleagues will be on to that to try to get that situation sorted out.

DOCKYARD PREFAB HOUSES

Hon. Derrick V. Burgess, Sr.: Mr. Speaker, again we heard today about the housing, the prefab housing, in Dockyard. Mr. Speaker, we have had much criticism, this Government, whether it be warranted or not about the [Grand Atlantic]. It is going to fall off the cliff and all the money we paid for it. But, Mr. Speaker, when we have a project at Dockyard that was started by the PLP Government and finished under the last Government, the OBA, one where houses were supposed to cost \$360,000 for each, and I would venture to say, and I think I am pretty safe on that those houses are about 12,000 square feet. Probably no more than that—1,200 square feet, I am sorry, 1,200 square feet. That is not very large. That is not very large, Mr. Speaker.

But, Mr. Speaker, what we find out now, is that they are supposed to be . . . the final arrangement was, we were supposed to build 100. Only 20 were built and it cost \$25 million. Mr. Speaker, that is \$1.25 million per apartment. That is what it cost—

An Hon. Member: Are you serious?

Hon. Derrick V. Burgess, Sr.: For 1,200 square feet, Mr. Speaker!

Mr. Speaker, the most expensive real estate in the country, with concrete roofs, which creates a lot of humidity, when it is high. And I understand most of the people in those places had to buy air-conditioning units in order to try and keep them cool. You really do not do concrete roofs in Bermuda with some type of . . . if you do not have the proper insulation, Mr. Speaker.

I am not sure who the Minister was for the other side, because they had about three or four with-

in that period. But one thing I do know, it was the OBA Government that wasted that money—we just heard it today from . . . I am sure if we did not have a Minister like we have now, the Honourable Member Colonel Burch, dig into this and find this out, we probably would have never known, Mr. Speaker.

[It was] \$1.25 million per unit. That is what it cost. The taxpayers in this country are on the hook for \$25 million, plus \$2.2 million in materials that they cannot use, at least as it has been recommended by us.

Mr. Speaker, it seems like a lot of things went on up there with construction costs. Who is going to pay? Because the reclamation of land up there, that cost \$39 million. We heard the former Chair of WEDCO say that the Minister and the Finance Minister at that time were trying to force WEDCO to sign the note for \$39 million, which they did not sign.

Mr. Speaker, so, again, the taxpayer is on the hook for that.

An Hon. Member: [That is] \$6 million a year.

Hon. Derrick V. Burgess, Sr.: Mr. Speaker, \$6 million a year. We have wasted all this money and I think the project, I will not say the land reclamation was a waste of money. I think that is something we needed. I am certainly . . . because that started under us. We were going to do the same thing. My problem is who is going to pay for it, because the intent was that WEDCO was going to pay for it. Now the people of Bermuda have to pay for it. Just like the 22 . . . the \$1.25 million per unit up there, Mr. Speaker.

Mr. Speaker, what is more unbelievable is the Auditor General at that time did not, has not whispered a word. Nothing in her reports, the reports by the Auditor General, on this project going over budget. Not a word. No special audits. No nothing. It was okay to spend this type of money endorsed by the Auditor General of the day. Only answerable to the . . . the occupant of the largest house on Langton Hill. And that person has not said anything, because the response from them . . . they have said nothing.

Wasted this money when Ms. Smith cannot pay for her medical bills, struggling to buy food to feed the children, struggling to pay for rent, and we are wasting this money.

Mr. Speaker, this is something that the people of Bermuda should be very concerned and annoyed at because if that had happened under the PLP Government, there would have been four or five Auditor's reports, special reports. It would have been in the papers for 40 days and 40 nights.

[Inaudible interjections]

Hon. Derrick V. Burgess, Sr.: Reporting us—how incompetent this Government would have been and particularly the Minister—particularly if it was me.

[Inaudible interjections]

Hon. Derrick V. Burgess, Sr.: Oh, yes, Mr. Speaker.

This is cause for concern. We should have an inquiry on this here based on the Governor not ordering a special report on this here, based on the Auditor General not even doing a special report or even mentioning the waste of money in none of their reports.

There should be an inquiry on this. It is a serious, serious matter, Mr. Speaker. And I would hope that those concerned . . . because the Auditor General does not come under the Government, does not come under the Premier, does not come under the head of civil service, but comes under the occupant of the largest house in Langton Hill, Mr. Speaker.

Mr. Speaker, with that, I will take my seat.

The Speaker: [Microphone off.]

I recognise the Honourable Member from constituency 11.

Mr. Christopher Famous: Thank you, Mr. Speaker, and good evening colleagues and the listening public of Bermuda.

I will not be long—

The Speaker: Thank you.

Mr. Christopher Famous: —because somebody said there is a party to go to.

[Inaudible interjection]

ROLL OF THE OPPOSITION

Mr. Christopher Famous: And I was not long.

Mr. Speaker, you ever hear of a guy called Bob Marley? He has a song that goes, *They do not want to see us unite, they do not want to see us live together. All they want to see us do is fussing and fighting. All they want to see us [do] is killing each other.* Bob Marley.

Mr. Speaker, around the [period of the] 1500s, Europeans looked around the world. They looked at Asia. They looked at Africa. And they looked at America. And they said, *Wow. We would like to take all of that. But you know what, it is a little bit too much of them and a little bit too little of us. So, how are we going to take all of that from them? Hmmm. Let's think about this, guys.*

And they said, *I know. Let's go divide and conquer them. Let's go tell this set one thing, that set another thing, and that set something else. That way we can take everything from them.*

So, it kind of worked out, up until last week. Last week, there was a gentleman, an Honourable Member in here. I will not call his name, but people know who I am talking about. He stood up, he looked around and he said, *Hey, how can I conquer these*

guys? It is like one-third of us and two-thirds of them. I know! Let's go do the whole coloniser thing again. Divide and conquer. Let's go pit the Cabinet against the Backbenchers. Let's go make the Backbenchers go after the Cabinet! And he thought it was going to work. But, you know, that whole coloniser thing has played out now. Let me help him out. It will not ever work, ever again.

So, let me speak to the public of Bermuda about the role of a Backbencher, because some people do not know what a Backbencher is. They think we just sit up here and just sit across from the Cabinet and say, *I want that seat, I want that seat.* No, that is not how it goes. Backbenchers, Backbenchers—

An Hon. Member: It does not happen on this side anyway.

[Laughter]

An Hon. Member: What? Huh?

Another Hon. Member: Excuse me? Excuse me?

The Speaker: Ah. Ah. Ah. Ah. Ah, Member! You are walking . . . Yes. Yes. Just come . . . keep going through.

An Hon. Member: Ooh! Man!

[Laughter]

The Speaker: Keep going through there.

[Laughter]

An Hon. Member: Ooh! Right!

[Laughter]

The Speaker: All right, mate. Come on. Continue speaking! Continue speaking.

Mr. Christopher Famous: Backbenchers! Backbenchers. This is the role of a Backbencher—

An Hon. Member: Yes.

Mr. Christopher Famous: —at least in this party.

A Backbencher's role is to support the Government's mandate. A Backbencher's role is to do committee work, because that is how we shape legislation. A Backbencher's role is to have oversight of what the Government is doing, so people do not go off the rails. That is what Backbenchers do.

More importantly, a Backbencher's role is keeping relationships with our social partners. You know, like the unions, the teachers, all the community

clubs. That is what we do as Backbenchers. We keep relationships with our social partners.

And most important, a Backbencher's role is to keep engaging with voters—you know, the people that actually put us here. The people that put that "X" next to our name every election. So, how do we do that?

We call them up [and say], *How are you doing, Ms. Smith?*

[She says,] Yes, Famous, everything is cool but look, that cane grass . . .

[I say,] I am on you. I am on you. Right?

We go and we canvass, knock on doors. That is how we win seats. We have the trust of the people. That is the role of a Backbencher. So, I say that to my colleagues on that side. Do not ever let anyone put in your mind that we are here plotting against you, because that is not the case. We are here to support you.

An Hon. Member: We love you, too, bro.

Mr. Christopher Famous: We are here to support the mandate of this Government that we were voted in. We will not fall for the whole divide and conquer.

An Hon. Member: Okey-dokey.

Mr. Christopher Famous: That is right, the okey-dokey. That is correct.

So, I want to say this to the people of Bermuda, all right? When people come with their coloured lies and mind-set, that is divide the people against the party. That is divide the party against the people. *Do not fall for that.*

Some Hon. Members: Hear, hear!

Mr. Christopher Famous: We are all here, whether we are politicians, whether we are church members, whether we are in the unions, we are here to make this country better. We will not fall for people saying, *Well, you know, the PLP, they are really in it for themselves. Well, you know, the PLP they are trying to take tourism for themselves.* No!

And we as Backbenchers . . . and I speak to everyone here who is a Backbencher, everyone who has ever been a Backbencher—

[Inaudible interjection]

Mr. Christopher Famous: You have never been a Backbencher.

[Laughter]

Mr. Christopher Famous: Not yet.

[Laughter and desk thumping]

An Hon. Member: Divide and conquer! Divide and conquer!

[General uproar]

An Hon. Member: He was a real good one! I want you—

Mr. Christopher Famous: We are sharing!

An Hon. Member: Not yet.

Mr. Christopher Famous: We are sharing! We shall be Government for the next 15 years.

An Hon. Member: Not yet.

Mr. Christopher Famous: He wants a time to relax as well.

An Hon. Member: I do not want to be a Backbencher.

Mr. Christopher Famous: Well. This is my point: to everyone, I even include the OBA, because some of you need some lessons on how to be Backbenchers.

An Hon. Member: They know everything, do they not?

[Inaudible interjections and laughter]

The Speaker: Speak to the Chair. Speak to the Chair. Do not get distracted.

Mr. Christopher Famous: We, as elected Members in this party, in this country, are here to serve the people. Yes, we get up and we kind of argue against each other, we crack jokes; we go in the back room and slap each other on the back. But our role is to make sure that we are delivering accurate information to the people.

An Hon. Member: Yes.

Mr. Christopher Famous: Not telling them fairy tales about single payer makes the country go bankrupt. That is craziness. Not telling them that the PLP is trying to grab tourism for themselves. And for our side, I am not saying that every OBA Member is, I do not know, a little bit evil. You cannot say that.

[Laughter]

An Hon. Member: You just did.

Mr. Christopher Famous: I said not everyone.

An Hon. Member: Okay.

Mr. Christopher Famous: So, my point Mr. Speaker, I am going to close up here, because we have a party to go to.

The Speaker: You are reminding them that we are all equals here, right?

Mr. Christopher Famous: We are all equals.

The Speaker: We all came up, we all got here the same way—by the stroke of the pen.

[Inaudible interjections]

The Speaker: Someone cast the “X” in the same spot.

Mr. Christopher Famous: We are all equals here. Let us all remember, all 36 of us, including you, Mr. Speaker, that we have constituents to answer to.

An Hon. Member: That’s right.

Mr. Christopher Famous: We have to knock on doors.

An Hon. Member: You can’t deal with it with this.

The Speaker: No, the Speaker talks to his constituents.

Mr. Christopher Famous: We have to answer their calls. If they email us, do not say, *Oh, well, that’s just Ms. Jones just complaining about her cat again.*

No. You never know.

Because the next week, we may be up here saying, *Oh, well, you know my constituent, Ms. Jones, she was such a wonderful person.*

No. We have to care about the people. The people have to feel our empathy.

So, I say to you Cabinet Ministers, I say to you in the Opposition, I say to us in the Robin Hood Corner, right? That the role of every elected Member is what? The people. So, to that Honourable Member whose name I will not call, let me remind you: We will not be conquered. We will not be divided. So, do not waste your time again. Thank you, Mr. Speaker.

The Speaker: Thank you.

Any other Honourable Member wish to speak? I recognise the Member from constituency 10.

Honourable Member, you have the floor.

AMERICA’S CUP

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

Mr. Speaker, the Honourable Member from constituency 11 had me right up to the point where he said, “Not yet.” His divide-and-conquer approach—he

had me! I was listening to him. I thought he was battling on solid turf this time. And then he went across to the . . . and he said, *Not yet.* So, he was pretty convincing, but he lost me right at the end.

Now, the Honourable Member who interpolates from the wrong seat can certainly speak. He has lost his voice today, other than when he interpolates. I look forward to him speaking sometime.

Mr. Speaker, I want to take some time to address—

[Inaudible interjections]

The Speaker: Let the Member have the floor. He is the only one on his feet.

Hon. Michael H. Dunkley: —the motion to adjourn . . . and the longer he interpolates . . . I might use the 20 minutes, Mr. Speaker. And they will be later for their party.

But Mr. Speaker, there were a couple of comments that were made last week in the motion to adjourn. I want to specifically address those.

The first comment was made by the Honourable Minister from constituency 29 where he made the comment that, in his words, these are his words that, *Black people cannot rub shoulders with billionaires.*

Hon. Zane J. S. De Silva: I said, *You think we can’t.*

An Hon. Member: Point of order.

Hon. Michael H. Dunkley: And there are two—

Hon. Zane J. S. De Silva: Point of order, Mr. Speaker.

An Hon. Member: Point of order him.

The Speaker: Point of order.

POINT OF ORDER

Hon. Zane J. S. De Silva: I said that *they* think that PLP Members cannot rub shoulders with—

An Hon. Member: That is what he said.

Hon. Zane J. S. De Silva: —billionaires. Yes! Black people!

An Hon. Member: You ain’t black.

[Laughter]

Hon. Zane J. S. De Silva: You think that . . . you think that, yes . . . you got me.

[Inaudible interjections]

The Speaker: Okay, just restate it. Don't take him on. Just restate it.

An Hon. Member: He is one of us!

Hon. Zane J. S. De Silva: Oh, that is right!

An Hon. Member: Ooh!

The Speaker: Okay.

Hon. Zane J. S. De Silva: But when I say "we black people," I am talking about us over here.

The Speaker: Okay.

Hon. Zane J. S. De Silva: *They* think that we cannot rub shoulders with billionaires.

The Speaker: Okay. Go ahead.

An Hon. Member: He is one of us. Don't you forget it!

Hon. Michael H. Dunkley: Mr. Speaker, he is so quick to jump up, I have not even finished setting the stage for that. His exact comment was, *Yes, the OBA feels that*. That is where I was going. But, Mr. Speaker, I disagree. I disagree fully. His opinion is not correct. And I think it is a pathetic use of race to try to divide and conquer us, as the Honourable Member said just before me, Mr. Speaker.

Hon. Zane J. S. De Silva: I was just speaking—

Hon. Michael H. Dunkley: But let me, Mr. Speaker, give a little context here as I speak.

Hon. Zane J. S. De Silva: You are a white supremacist.

The Speaker: Okay, Members! Members! Members!

Hon. Michael H. Dunkley: Mr. Speaker, I ask for that comment be withdrawn.

[Inaudible interjections]

Hon. Michael H. Dunkley: Mr. Speaker, I ask for that comment be withdrawn. It was inappropriate, Mr. Speaker.

The Speaker: Gentlemen, gentlemen.
Members, everyone take your seat.

An Hon. Member: What did he say?

Another Hon. Member: White supremacist.

[Inaudible interjections]

[Gavel]

The Speaker: The decorum that we want to set is that the comments that go back and forth, even in heckling, aren't the tone that we want to set for the tenor of this House. So, Minister?
Minister?

[Crosstalk]

The Speaker: I am going to ask . . . I am going to ask, because I think we are going down a slope that could get this last little piece of the House of today out of whack. And if it seemed to be offensive to someone, I know that you are big enough to withdraw it.

Hon. Zane J. S. De Silva: Of course.

The Speaker: So, you will withdraw it for us. Thank you.

Hon. Zane J. S. De Silva: Of course. Oh, let me say . . . I did not know you were talking to me, Mr. Speaker. But if I said anything that certainly offended anyone, I will withdraw that in a heartbeat.

The Speaker: Thank you.

Hon. Zane J. S. De Silva: Absolutely.

The Speaker: Thank you.

Hon. Michael H. Dunkley: Thank you, Mr. Speaker.
Getting back to the comment that I was making . . . and so, I disagree with the comments that the Honourable Minister made last week. And just some context behind it, Mr. Speaker.

We have heard great criticism from the PLP in Opposition about the America's Cup. The America's Cup brought a number of billionaires to the Island. In fact, the PLP deemed the America's Cup as the "Billionaires Raft Up," Mr. Speaker. How would you expect to feel comfortable rubbing shoulders with people that you might castigate, Mr. Speaker?

An Hon. Member: You have done it.

Hon. Michael H. Dunkley: How would you expect to make progress if you castigate people, Mr. Speaker?

Hon. Derrick V. Burgess, Sr.: I have been castigated all my life.

Hon. Michael H. Dunkley: How would you expect to make progress if you create divide and demean people, Mr. Speaker? Now, Mr. Speaker, the Honourable Government Member—

The Speaker: Members! Members!

POINT OF ORDER*[Misleading]*

Hon. Zane J. S. De Silva: Point of order, Mr. Speaker.

The Honourable Member is misleading the House. I think he is taking things way out of context because he is talking about how we castigate. But no one castigated a billionaire in that conversation, Mr. Speaker. The comment was that *they* think that we black people cannot rub shoulders with billionaires. I did not castigate any billionaire, Mr. Speaker!

What it is . . . they do not like the fact that we have billionaires that want to come to Bermuda and rub shoulders with *black people*. That is what they do not like, Mr. Speaker. And the Honourable Member Pat [Gordon-]Pamplin spoke earlier about GlobalHue, another black wealthy man. But because he is black, because he has done business with the PLP, they do not like it! But if he was *white*, you would never hear from them!

[Desk thumping]

The Speaker: Thank you.
Continue on.

Hon. Michael H. Dunkley: Mr. Speaker, that is not a point of order. That is a speech and—

[Inaudible interjections]

The Speaker: Continue.

[Inaudible interjections]

Hon. Michael H. Dunkley: You know, the last time I checked, Minister De Silva was a white person of Portuguese descent, Mr. Speaker.

Now, Mr. Speaker—

The Speaker: Continue on.

Hon. Michael H. Dunkley: This is my opinion, Mr. Speaker.

[Inaudible interjections]

The Speaker: Continue.

[Inaudible interjections and laughter]

Hon. Michael H. Dunkley: When you are in Opposition—

[Laughter]

Hon. Michael H. Dunkley: Mr. Speaker, how can you—

The Speaker: Members!

[Gavel]

Hon. Michael H. Dunkley: How can you make a mockery of an event—

[Laughter]

An Hon. Member: Shut up!

Hon. Michael H. Dunkley: —that brought billionaires to Bermuda when you had the opportunity to rub shoulders with them? But the PLP said, Mr. Speaker—

[Inaudible interjections]

Hon. Michael H. Dunkley: —that they were going to boycott the event.

Well, a lot of them said they boycotted the event, but a lot of them went up to the America's Cup, Mr. Speaker. So, the nonsense that the Honourable Minister talked about last week . . . we do not agree with. I wanted to set the record straight.

An Hon. Member: What record are you setting straight?

Hon. Michael H. Dunkley: That the PLP can rub shoulders with anyone they build relationships with.

[Inaudible interjections]

Hon. Michael H. Dunkley: It is simple.

[Inaudible interjections]

An Hon. Member: We know that!

Hon. Michael H. Dunkley: It is simple, Mr. Speaker.

Hon. Derrick V. Burgess, Sr.: Point of order, Mr. Speaker. Point of order. Point of order, Mr. Speaker.

[Inaudible interjections]

The Speaker: One person has the microphone.

POINT OF ORDER*[Misleading]*

Hon. Derrick V. Burgess, Sr.: The Honourable Member is misleading the House. The PLP *never* stated that they were boycotting the America's Cup. *Never* stated.

[Inaudible interjections and general uproar]

Hon. Derrick V. Burgess, Sr.: I am sorry, Mr. Speaker. The Honourable Member needs to withdraw that statement.

[Inaudible interjections]

An Hon. Member: Yes, man. Come on!

Hon. Michael H. Dunkley: Mr. Speaker, that is my opinion.

Some Hon. Members: No! No! No!

Hon. Michael H. Dunkley: Mr. Speaker, that is—

An Hon. Member: He made a statement!

[General uproar]

The Speaker: Let's . . . Let's . . . Let's try and turn it back a bit. Let's try and turn it back a bit. Let's turn it back.

[Inaudible interjections]

The Speaker: Let's quiet it down. Let the Member finish his comments, and then anyone who wants to speak to rebut what he says, you have the full floor to get up and rebut what he says—when he finishes!

Hon. Wayne Caines: Mr. Speaker—

Hon. Michael H. Dunkley: Mr. Speaker, remind him, he is not in his seat.

The Speaker: When he finishes.

[Laughter]

Hon. Michael H. Dunkley: Thank you, Mr. Speaker.
So, Mr. Speaker, moving on to the second comment from last week by the Honourable Premier. The Honourable Premier said that anyone can spend \$100 million.

An Hon. Member: Amen.

Hon. Michael H. Dunkley: Amen. There is no reason that anyone could disagree with that comment, because it is easy to spend money. And you spend it with joy. Now, Mr. Speaker—

An Hon. Member: No, you do not!

Hon. Michael H. Dunkley: We have seen that by politicians for decades.

An Hon. Member: Speak for yourself.

Hon. Michael H. Dunkley: Some has been worthwhile spending, some has been poor spending. But, Mr. Speaker, what is important when you spend \$100 million (and I assume that he is referring to the America's Cup, and that is where I want to get the correction) . . . if you spend the money, it has to be a worthwhile investment, Mr. Speaker.

And in that comment that the Honourable Premier made, he is totally discounting the PwC report that came up about the America's Cup. Mr. Speaker, \$64.1 million was spent, and it was \$13 million under budget, I believe, Mr. Speaker. Now, can you imagine if we had spent \$13 million *over* the budget what an uproar that would have been? And I am coming to Cross Island, so do not worry about that, Honourable Member. The impact on GDP was \$336 million, Mr. Speaker. I remind people because these are figures from the PwC report that the current Government did not dispute.

Mr. Speaker, that is one dollar spent and \$3.80 comes back into the Bermudian economy. It seems like a pretty wise investment, Mr. Speaker. Now, Mr. Speaker, if you add in future tourism spending, it is \$5.25 put back into the economy. So, Mr. Speaker, that is a 525 per cent return on investment. Now, in anyone's terms, that is a good idea. You are not getting it from bitcoin right now, Mr. Speaker. Mr. Speaker, when you look at the value of that money—

An Hon. Member: He sounds so dumb.

Hon. Michael H. Dunkley: I heard that comment too, but you know that he is entitled to his opinion.

That event was viewed by 452 million people around the world.

An Hon. Member: Where are they now?

Hon. Michael H. Dunkley: Four-hundred and fifty-two million people viewed that event—

The Speaker: The Honourable Member is talking. One Member talks.

CROSS ISLAND

Hon. Michael H. Dunkley: —around the world, in 163 countries, Mr. Speaker. That is a pretty broad scope of reach, Mr. Speaker. [There were] 22,000 news articles printed about that. Over 76 countries, Mr. Speaker! Mr. Speaker, we had 745 visiting yachts come to the Island. And so, Mr. Speaker, the impact of America's Cup was money well spent.

Now what about Cross Island, Mr. Speaker? Well, what about Cross Island? The Honourable Member who spoke two before me, from constituency 5, Mr. Speaker, said, *You know what?* And I am just transposing [it in] my words, that *the Cross Island development started in another form under the current*

Government. So he really does not have much disagreement with it, but the way the money was spent, because we have to pay it back. But that is an asset that we have, Mr. Speaker. That is an asset that we can use. That is an asset that people have looked at and are trying to find a way they can find a best way forward, Mr. Speaker.

So, you know, I would love to see it put to good use, Mr. Speaker. And I think it will be. So, yes, anyone can spend \$100 million. And we will stand up and defend our record in spending the \$63 million for the America's Cup and everything that was involved in it, Mr. Speaker.

ARBITRADE

Hon. Michael H. Dunkley: Now, the last comment that I want to deal with from last week, Mr. Speaker, is a comment by the Honourable Member from constituency 29 again when he says, *The owners of Arbitrade are ticked off that an MP would trash their name.* Now, Mr. Speaker, the Honourable Member, when I challenged him in interpolation to use the words or the phrases that the Arbitrade personnel disagreed with, could not find the comments where I trashed him

So, first, let me say Mr. Speaker, I will always endeavour whenever I speak on issues of importance to Bermuda or any issue affecting Bermuda to try to do it in the appropriate way. And I realise—

An Hon. Member: That is not correct.

Hon. Michael H. Dunkley: —just how fleeting—

An Hon. Member: That is not correct. You do not do that.

Hon. Michael H. Dunkley: The Honourable Member who interpolates from . . . Mr. Speaker, he should be in his seat.

The Speaker: I have asked Members—

An Hon. Member: You do not do that.

The Speaker: I have asked Members to hold their comments. They have a full opportunity when the Member sits down to do as he is doing, take the floor and express your opinion.

[Inaudible interjections]

Hon. Michael H. Dunkley: Mr. Speaker, have we had seat row organisation tonight because the Honourable Member is interpolating up from his seat.

[Inaudible interjections]

The Speaker: Go on.

Hon. Michael H. Dunkley: So, Mr. Speaker, I asked the Honourable Member from constituency 29 if he can find those comments, I will certainly apologise for those. Because there is at times a delicate balance between asking questions, giving your views, and trying to get answers. But, Mr. Speaker, what is particularly concerning about all of this is they talk about, you know, owners of Arbitrade being upset about being trashed, which I disagree with. But all that was done was ask questions. Ask questions directly to Arbitrade; they have not replied. Ask questions to individuals on social media who pump up a business or a stock, and they will not reply.

But you know what? When I asked a question directly to this person, all of a sudden, I started to get their social media feeds popping up programs they were involved in. And then when I told them who I was, they cut me off. And I said, *Well, why not answer the questions?*

An Hon. Member: Because you are a troll.

Hon. Michael H. Dunkley: Mr. Speaker, if you cannot ask . . . if you cannot answer questions, it leads me to believe that you potentially are uncomfortable with the position you are in.

Now, Mr. Speaker, in July, I asked the Honourable Premier (and I understand where he is tonight) questions about Arbitrade. I asked him whom he met with, asked him who the local principals are, asked him whom he met with at a Convergence conference, I believe. The Premier could not answer at that time. That is acceptable. The Premier vowed to give a reply, and in spite of following up, has not followed up.

So, Mr. Speaker, we as an Opposition, we have a responsibility. We have a responsibility to come to this place to debate legislation, while we have . . . and we have done it today. And I think we have had good debates on two pieces of legislation. But, Mr. Speaker, we also have the responsibility to ask questions. And if questions are not answered, you can assume a number of different things, Mr. Speaker. But one thing about my colleagues and me, we will keep asking those questions.

An Hon. Member: For yourself.

Hon. Michael H. Dunkley: And since those questions have not been answered, we will continue to ask those questions. And in the case with this business, Mr. Speaker, there is a lot that needs to be answered. And why do we ask these questions? We know how hard it is to get investment into Bermuda. We know how hard it is to get investment into Bermuda that passes the smell test. We all want to protect our reputation. We all want to make sure that as we move forward, we support the future well-being of Bermuda. We all want to make sure that as we move forward,

everything that we do here passes the smell test of people all across the world. And we spend a lot of time talking about that, Mr. Speaker.

And so we ask these questions to draw out answers. And if those answers are legitimate and provide the information, this is fine. But when you cannot get answers, you have to ask questions. And if you look back at some of the businesses and some of the plans of these businesses, if you ask people in the community, they will tell you straight up that there is something funny there, Mr. Speaker.

Now, I stand here tonight because I have been urged to continue to speak on this matter, Mr. Speaker. And I look forward to some clarity. And if I owe Arbitrade or anyone else an apology, I am man enough to give it to them, Mr. Speaker. Because sometimes you do not get it right and all you can do is ask questions. And when you get the answers, you have got to move forward.

And so, the Government, instead of trying to not answer the questions, to run away from them and to disengage, I think it is best to come forward. Because transparency and accountability will also protect you with the sunshine of public scrutiny. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member. Does any other Honourable Member . . . ? I recognise the Minister for National Security.

Minister Caines, you have the floor.

ARBITRADE

Hon. Wayne Caines: Mr. Speaker, last November this country looked at the predicament that we were in with reference to our economy, looked at the challenge that we had with tourism, with companies coming to Bermuda, the contraction of the reinsurance market, and the Premier of this country had to make a decision.

He had to make a decision on a new path looking at things like where we were with economic substance, looking at what was going on with Brexit, being able to consider what was going on in our economy, preserving the reputation that we have with reinsurance, making sure that we are paying the attention to keeping these companies coming to Bermuda, managing immigration, and he made the decision to develop what we now know as the “Bermuda FinTech Plan.”

If you look at the Bermuda FinTech Plan, it was never centred around cryptocurrencies. I have listened to the Opposition speak, I have read the Throne Speech, and on every occasion when they reference FinTech, they highlight their *absolute ignorance* as to the direction that this Government is going into.

When you look at the companies that have set up in Bermuda, there are 44 companies that have set

up businesses in Bermuda. Now let us talk about Arbitrade. We passed three pieces of legislation: 1) the ICO legislation. The ICO legislation was centred around how we raised money for initial coin offerings. That legislation . . . we discussed it with the Opposition. They came to our offices and we went through it line upon line. Guess what? When we had the discussion the Honourable Michael Dunkley was present. He did not ask one question.

An Hon. Member: No.

Hon. Wayne Caines: Not one question.

Some Hon. Members: No, not one.

Hon. Wayne Caines: We went around the room. We asked, *Were there challenges with the legislation? What can we do to make it stronger?* The majority of his team in the room highlighted what their challenges were. He *said nothing* when there was an opportunity for him to have an impact.

Now, after the legislation is passed, he in his impish way hides behind his keyboard and becomes a “keyboard politician”—

An Hon. Member: There you go!

Hon. Wayne Caines: —responding on Twitter, on Facebook. That is not how politicians question political decisions.

[Inaudible interjections]

Hon. Wayne Caines: That is not how we question decisions!

[Inaudible interjections]

Hon. Wayne Caines: Arbitrade had the opportunity to go through their part of it through investigations through the Bermuda Monetary Authority. The Bermuda Monetary Authority is an independent financial entity.

An Hon. Member: That is right.

Hon. Wayne Caines: But you look at what they are doing in Bermuda. Nothing that they have done has come through the Progressive Labour Party. So, if this were a reinsurance company and we were trying to woo a reinsurance company coming to Bermuda, and a former Premier of this country starts at every opportunity throwing stones, casting aspersions, tweeting, writing, would you not think that this was a concerted effort to castigate your business?

An Hon. Member: Definitely.

Hon. Wayne Caines: And he speaks of a delicate balance in our country? How he can speak of a delicate balance when he—

The Speaker: Honourable Member, Honourable Member.

Hon. Wayne Caines: —when the Honourable Member . . . how can he speak about protecting the infrastructure of this country when he is hell-bent on destroying it? If there is a problem, it will show itself through the BMA. He should not be going around casting aspersions on a company that has invested millions of dollars buying a building in Bermuda!

There is a point. Either we respect the BMA's decisions, or we do not. The Progressive Labour Party did not go out and hold their hand. We are not receiving anything from them coming to our country. All of the companies that come to Bermuda go through the same vetting. They go through the vetting with the Registrar of Companies. They go through the vetting of the Bermuda Monetary Authority.

So, when a Member says that because a black Government is bringing international business to Bermuda, and that Member does not like it and it has racial overtones, how can it not have racial overtones? How, when he went and brought in the America's Cup it was business, when he brought in \$100 million, he was being an astute businessman. But when we bring it to Bermuda, we are bringing in criminals. Do you not see the underlying undertones in that Member's statements?

Some Hon. Members: That's right. That is correct.

Hon. Wayne Caines: This Government, through the leadership of the Honourable David Burt, has brought in 44 FinTech companies to these beloved Isles. And guess what? *Where are the jobs?* they [ask]. Have you ever seen a company in one day get 44 jobs? Do you understand the challenges that we are facing with the banking legislation, and that all these companies are struggling to open up bank accounts in this country? And we are going back to the same statement to understand the same oligarchy that we are fighting?

We have the opportunity to do something different. And we often hear the people that sit across from us using these hallowed words, that, *We are in it together. It is for Bermuda incorporated.* And they sing that when they talk about tourism and when it suits their interests. But when this Government does everything in their power to change the lives of everyone in this country, what do they do? They get on Twitter, they go on the news and they dog and besmirch the very things that we are trying to make our country better.

An Hon. Member: That is right.

Hon. Wayne Caines: You must practice what you preach, Mr. Speaker.

Some Hon. Members: Yes.

Hon. Wayne Caines: This is an opportunity for us to not speak with forked tongues, for us to work hard as a country. How can we not be given the opportunity to change things around in our country, but we only do it when it is the BTA. But when we are trying to do it with FinTech, there is a problem. We must be bringing in criminals, and that is why he sits in Opposition. He does not even understand from that which he speaks.

The Speaker: Honourable Member.

Hon. Wayne Caines: The Honourable Member does not even understand the concept of white supremacy. He does not understand that when a person has the opportunity to do things differently, by the very colour and the nature of who they are, they think that a subset of people do not have the qualifications to do it! That is white supremacy.

An Hon. Member: That is what it is.

Hon. Wayne Caines: That is at the heart of his statements.

The Speaker: Now keep it in general, not at any individual. Keep it in general, but no individual.

Hon. Wayne Caines: We have the opportunity to do something different. And just like he thought it was vision to do the Bermuda Tourism Authority, we think it is a vision to bring FinTech to Bermuda, and we are not going to apologise to him.

An Hon. Member: That is right.

Hon. Wayne Caines: Tell him to keep digging and find himself something to do instead of being idle. Thank you, Mr. Speaker.

[Desk thumping]

The Speaker: Members! Members! We recognise the Minister of Tourism.

Honourable Member, you have the floor.

DOCKYARD PREFAB HOUSES

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

Mr. Speaker, I want to start from where our honourable colleague finished off. He just made a statement, you know, or told him to *keep digging*. You know what that Honourable Member needs to do, Mr. Speaker? This morning we had a Ministerial Statement made by the Minister of Works.

An Hon. Member: That is right.

Another Hon. Member: Yes.

Hon. Zane J. S. De Silva: Colonel Burch. Why does he not take his time—

The Speaker: Honourable Member.

Hon. Zane J. S. De Silva: —and find out, the Honourable Member, do some investigating as to why it cost \$25 million for 20 homes up in Dockyard?

An Hon. Member: Under his watch.

Hon. Zane J. S. De Silva: Under his watch!

Why doesn't he talk to that? I would have thought after that royal flogging this morning from the Colonel, and this information that has come to light for the first time for the people of this country, that we would have had a motion to adjourn speech by the former Premier explaining why. But no! He wants to talk about Arbitrade. And let me state for the record, Mr. Speaker. Arbitrade are listening again tonight.

[Inaudible interjection]

Hon. Zane J. S. De Silva: And the Honourable Member says, *Good*. And he says, *When have you heard me dis him? When you have you heard me castigate Arbitrade?*

Now let me point some things out to you, Mr. Speaker, because this is how they work. Okay? And I talked about this last week and this was an article with the Honourable Member's picture.

An Hon. Member: Yes.

ARBITRADE

Hon. Zane J. S. De Silva: I will quote "The press comments by Arbitrade raise more red flags than a hurricane on South Shore."

Now, Mr. Speaker, what do you think that says about Arbitrade? *Oh, we welcome them here; that's great! We are putting up some green flags!*

No! It raises red flags. More than a hurricane on South Shore. What is that saying about Arbitrade?

An Hon. Member: He does not understand.

Hon. Zane J. S. De Silva: If that is not dissing somebody, what is? And then they do it sneakily. And he did it tonight. And I will quote. The Honourable Member when he spoke just a few minutes ago said that we need to protect our reputation.

An Hon. Member: Can you imagine?

Hon. Zane J. S. De Silva: He is talking about Arbitrade! So, he is not calling them crooks. He is not calling them thieves in the night.

An Hon. Member: Inference.

Hon. Zane J. S. De Silva: But do you know what he is saying? We need to protect our reputation against people like Arbitrade. So what is he saying? What does the Arbitrade board, who is listening right now, think about that? What do they think about when they heard him say, *We want to make sure they pass the smell test?*

Some Hon. Members: Ooh!

An Hon. Member: Can you imagine?

Hon. Zane J. S. De Silva: Pass the smell test, Mr. Speaker!

You see, this is what I am talking about when that Honourable Member casts aspersions against a company that just bought a building in this country for millions of dollars, and they promise jobs, whether they be non-Bermudian or Bermudian. And the Honourable Member says that he asks questions, but he does not get any answers. He has had a whole week to ask me a question. I have told him that Arbitrade are listening last week and again this week. Let me see if he calls me tomorrow and says, *Listen, can you give me that contact? I would like to call them.*

An Hon. Member: No, he is going to be tweeting.

Hon. Zane J. S. De Silva: But he will jump on Twitter and talk all that stuff. Like, *I am not going to castigate him, but you know what? We need to protect our reputation and, you know, we have to see if they pass the smell test.* What the heck do you think the BMA did? Do they not check their backgrounds, Mr. Speaker? Do they not do their due diligence on companies that come to the country before they give them permission to come in?

He also mentioned bitcoin just now. And it was not in a favourable manner, was it, colleagues, on both sides? Did I hear the Honourable Member say, *That's great. The Progressive Labour Party are looking at bitcoin.* No, it was not in that vein, was it? But that is what they do. Arbitrade has said, *Listen. Once we get set up and running, we want to help you with your seniors. We want to help you with your gangs.* They have made that commitment. They have shown faith and confidence—another word that they like to throw around.

You notice all of a sudden now they are talking about *lack of confidence in Bermuda*. Well, the people we talked to, the 44 [companies] registered in Bermuda, what about their confidence? But they will start that. They will talk about the debt. They will talk

about confidence. But do you know what? That might have worked in 2012, it ain't working no more.

They talk about jobs. *Where are the jobs from Arbitrade?* We heard in 2012, *We are going to create 2,000 jobs for Bermudians.* And we know they lost 2,000. That is 4,000 jobs. But they have got to talk about, *Where are the jobs that Arbitrade said that they are going to give to the country?* They had four and a half years. They lost 2,000 jobs, Mr. Speaker. So let me . . . Mr. Speaker, let me finish on this note.

I told them last week, and especially that Honourable Member in particular, and I will repeat it again this week. Stop! Stop what you accused us of earlier, about the bogeyman and scaremongering and all that. Stop it! Because there are . . . and I will apologise to Arbitrade and the other 43 companies that have signed up, Mr. Speaker, under a PLP Government. I will apologise to them. I am going to apologise to them for some of the things they hear from those Honourable Members—not all of them. But I will apologise because if more than Arbitrade are listening, I want them to know that they are welcome in this country.

An Hon. Member: Thank you!

[Desk thumping]

Hon. Zane J. S. De Silva: And I hope that they do not let that rhetoric stop them from continuing on looking at business opportunities, and other opportunities, in Bermuda. And, Mr. Speaker, I say this with all sincerity. Stop! Just stop it!

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

I recognise the Honourable Member from St. George's. Honourable Member Swan.

ROLL OF THE OPPOSITION

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

Mr. Speaker, I think it is important to reiterate a very important point with regard to Bermuda and the position that we find ourselves in. This point is that the recession that hit Bermuda in 2009 was not of the making of the workers of Bermuda. It was not the fault of the Progressive Labour Party. It was borne out of decisions made in the business community, globally and locally, many of whom escaped scrutiny. Many of whom have spent time in recent years trying to recoup on poor decisions that they made.

I think it is important to reiterate the Bermuda recession because in the [context] of when that recession was at its worse, the Government of that time, the Progressive Labour Party Government, found itself in the midst of a very difficult quandary. Leading

up to that period, I saw a *modus operandi* [with which] I am all too familiar.

In 2006, 2005, 2007, I think very few people would argue that Bermuda enjoyed unprecedented success, financially. I think the period leading up to that was probably the most buoyant, economically, that Bermuda could possibly remember. And there was a concerted effort to . . . and I will declare my interest. I was in political opposition. I knew nothing of being in government. Although I supported a government, I was not in the legislature until 1998 and served for 14 years in Opposition. I think I am probably one of the most experienced Opposition persons in Bermuda. Save and except for those who spent 30-odd years in Opposition prior to 1998. I mention them because that is who I learned from. I took the time to study what they had to offer the Government of that time, which I supported. They offered solutions. They offered many, many solutions.

And I would encourage the current Opposition to go back and study the Progressive Labour Party Opposition, as I did when I came into the legislature in 1998. Exactly around 20 years ago. And look at the speeches of the late L. Frederick Wade and the late Dame Lois Browne-Evans (Mrs. Browne-Evans at that time). and Mr. C. Eugene Cox, who were the authors of the Throne Speech replies and the Budget replies of that day. Look at the number of solutions that were offered. And take a page out of that book, Mr. Speaker.

I think you would understand that because you are the most senior person in the legislature, in this House. Whilst I ran in 1983, I did not come into this House until 1998 and spent 14 years in Opposition. But what I hear from the Opposition today, I understand that playbook a little bit better than they. I participated in it. And I know, *sow the seeds of discontent in Bermuda every chance you get!*

An Hon. Member: Absolutely.

Another Hon. Member: Yes.

Mr. Hubert (Kim) E. Swan: Sow it! Cause the divide in this country because that is where the Achilles heel of black people lie. And if you can find black people to do it, so much the better. It is true.

I encourage the current Opposition, who has in my opinion, insurmountable difficulties to overcome, internally, do not take that same playbook that was used in 2007, 2008. What would that playbook be?

There were pundits. I heard someone come up in the House, it was the Honourable Member Mr. Sylvan Richards, made a statement . . . he is not here, but I am not mentioning this in a derogatory sense. But he mentioned that Mr. Bob Richards was the one that was forecasting a recession. It was not Mr. Bob Richards that forecasted a recession coming. It was Mr. Gregory Slayton and Mr. Phil Butterfield.

I remember when they approached me down at the Royal Hamilton Amateur Dinghy Club at a function and said, *Listen, can you come on board? We have a Bermuda First initiative that we feel is necessary because there is a recession coming.* Mr. Slayton was a man in the financial world who is deeply respected, highly respected. And they went out and they recruited Mr. Donald Kramer to be the person to go to the business community. Dr. [Ewart] Brown was the Premier. You know my relationship with Dr. Brown at that particular time. You know, I was the Opposition Leader. He was the Premier of the day. I was . . . as an Opposition Member, I went after him.

But on that particular occasion, given that it was necessary for Bermuda to craft a way forward to head off this recession, we held hands. And all the records will show that an Opposition at that particular time did not go out of step and betray the trust of working towards Bermuda First. It did not happen. It did not happen. We worked together. We participated in bringing the business community and the political entities together. I encourage you to go back and look.

But I can tell you this. Political rhetoric was still coming that it was the PLP's fault that people were leaving Bermuda.

An Hon. Member: That's right.

Mr. Hubert (Kim) E. Swan: It was, it was said. And, it was an easy argument to sell from a political standpoint of view. Right? It is an easy argument to sell, because people were uncomfortable about Bermuda's climate. But they were not going to tell you that their boards had made decisions that compromised their very existence.

Ask yourself, did the PLP have the power to cause AIG to change its name to Chartis? You will not read about that too highly in the *Royal Gazette*. You won't. But it is the truth. The PLP would have the power to cause XL to go down to about \$2.00 in shares.

[Inaudible interjections]

Mr. Hubert (Kim) E. Swan: And bring in a heavy hitter, Mr. Mike McGavick to claw them out of a hole. And the people of Bermuda were feeling the brunt of this. And when companies like British American, where persons who worked there for years lost everything, their pensions and everything. And persons who had put their money in gas tubes, like my momma, they lost all of that. Where was all of that?

[Inaudible interjections]

Mr. Hubert (Kim) E. Swan: Lehman Brothers and Sonesta. Oh, boy! Fire sale of the century came up a little bit longer. Right?

[Inaudible interjection]

Mr. Hubert (Kim) E. Swan: Oh, yes. Allen Stanford and the cricket.

An Hon. Member: That's right.

[Inaudible interjections]

Mr. Hubert (Kim) E. Swan: Right? Enron. Right? Madoff. All under our noses! All happening in that perfect storm. And yes, as an Opposition . . . oh yes, it was easy to pin the tail on the PLP.

And people believe that, really.

An Hon. Member: Yes, they sure did.

Mr. Hubert (Kim) E. Swan: And when you look at . . . and the Honourable Member Zane De Silva . . . and you people talk about consistency. When I used to try to jam the PLP up on that score, persons used to come with that long list, because I was in the House then . . . they used to come with that long list and [say], *Look, look at the fast ferries that you criticised.* Remember that? Look at the Dockyard. Look at the Dockyard. Look at Perimeter Lane. Look at Butterfield Lane. Look at this! And all those . . . this infrastructure that you can still find today.

An Hon. Member: That's right.

Another Hon. Member: Anchorage View.

[Inaudible interjections]

Mr. Hubert (Kim) E. Swan: And Anchorage View.

Oh, yes! I know Anchorage View very well.

And so . . . but what really caused the debt to escalate . . . the recession. Because the Government of the day had to make a choice. Were they going to send people home? There was a recession in the 1990s when the UBP Government sent people home. Everybody remembers that. That is why Portuguese voters went with the PLP in 1998. Because it was a Progressive Labour Party led by decisions made by the late Dame Lois Browne-Evans, who was looking out for all workers, you know.

Some Hon. Members: That's right.

Mr. Hubert (Kim) E. Swan: I learnt that as Opposition Leader when I used to go around to the annual event around where Rosebank Theatre used to be down at West End Mariner's Club. They had that annual thing for the unions, and realised that, you know, a union is a union is a union. Just that in Bermuda where people look at union and think black, but union represents any seaman that falls afoul anywhere in the world.

And what I am trying to say is, you know, people of Bermuda, and Opposition, we need to sort through what political expediencies are, and what the reality is. The reality is that we have an Opposition today trying to make itself relevant. And it would be easy if it could circumvent some good initiatives.

See the Honourable Member, Mr. Caines? Honourable Member Caines and the Honourable Premier have been traveling. They have not been traveling frivolously (and other Ministers). They have been doing necessary work as a result of what is required internationally for this country and also to bring us some business that is much needed in an emergency merging industry. We are on the front end. Other countries are copying our example with the Digital Asset [Business] Bill.

So, when you have a former Premier who would understand how to, you know, be politically mischievous as good as anybody, and, as a consequence, there is a time when you have got to take a statesman's approach. There is a time when an Opposition has got to take an approach that is consistent with the needs of the country. And I do not see it! I see you using the same playbook that the Opposition used in 2007, 2008, and 2009. Okay? I see it. I can feel it. I understand it. I helped to deliver it.

And what I am saying is that for the current Opposition Leader, I am asking you, if you really want to look at solutions, do not go with that same playbook. There is another Opposition that you can study. The same one that I studied.

And let me tell you this. for those who might snicker. When the UBP, who only could garner 22 per cent of the black vote in this country, mathematically . . . you say, *Corral all the white vote and let's see if we can find 20 or so, 22 per cent*. In order to win a seat that was 85 per cent black, a person had to go out and find 45 . . . had to defy that logic, had to defy that logic.

What I am saying is this: The Opposition today is irrelevant, and it is trying to find some type of relevancy by hindering the agenda of the Government. And I am here to tell you that I understand that playbook. Find another play. Find another play! It is transparent, it is consistent, and it is detrimental to the progress of this country, especially given the dysfunctionality when it comes to race, that no one really wants to talk about, economic disparity, that no one wants to talk about, and the adverse effect of this country's systematic embracement of the status quo, how it adversely affected black people yesterday, today, and unless we change it, tomorrow.

We must change that. And the Opposition, One Bermuda, whatever you want to call yourselves, have a role to play in that. But it will not be a proper contributor if you continue to embrace the same playbook that was used during the leadup and through the recession.

Because let me tell you this in closing, Mr. Speaker. When a government finds itself in the grips of a recession, that some are hoping will appear to cause the PLP the same bother, so that they can get past making some fundamental changes in this country, a government who has [been] unable to operate in a surplus, will easily . . . \$200,000 in deficit spending, times four years, is \$800,000. And that is a reality. And when the Honourable Member, Mr. De Silva, points out this, *if I left you 1.2, and it is now double that amount, look at the circumstances of the debt and the reasons why the debt was caused*. That had to be created during the PLP administration.

[Inaudible interjections]

Mr. Hubert (Kim) E. Swan: And nobody wants to look back. This country has not had a proper social economic audit of that period. That is why I am so . . . and some people do not want that because their fingerprints are all over it. And they got a bypass of it.

They were in the board rooms. They were doubling up on decision-making. And it annoys me because, you know what? When the Honourable Member makes references to billionaires, what he is really talking about is that you can wear two hats in a conservative Bermuda Government, call yourselves whatever! But if you are labour, man oh man, you cannot be the head of this and be the head of that. You just can't. It just cannot happen. Why? Because it fits into what we have to untangle.

I spend my life as a teacher, either trying to teach fundamentals from the start, or using those same fundamentals to untangle a tangled weave. OBA, you are a tangled weave. My grandpa used to say, *You either gotta cut the line, or have the patience to untangle the ball*. I just happen to be that fool that understands how to untangle a ball. And it does not happen, but I understand what a tangled ball looks like, and I see one on the other side of Boundary Lane.

Thank you, Mr. Speaker.

The Speaker: I recognise the Honourable Leader of the Opposition.

[Crosstalk]

The Speaker: Mr. Opposition Leader, it looks like you are getting a lot of attention tonight.

[Laughter]

ROLL OF THE OPPOSITION

Hon. L. Craig Cannonier: Honourable Members speaking and circulating secret documents. I keep saying, *Be careful what you pray for. I've seen your secret documents*.

[Inaudible interjections]

Hon. L. Craig Cannonier: So—

The Speaker: Speak to the Chair. Speak to the Chair.

Hon. L. Craig Cannonier: You see?

The Speaker: Speak to the Chair.

[Inaudible interjections]

Hon. L. Craig Cannonier: I had not even said a word—

The Speaker: Members, Members.

Hon. L. Craig Cannonier: —I just stood up.

[Inaudible interjections]

The Speaker: Members.

Hon. L. Craig Cannonier: And the calling for peace, and I just stood up. That is all I did; stand up.

[Inaudible interjections]

Hon. L. Craig Cannonier: I am the guy. We're gonna pick on him. It's okay.

The Speaker: Speak to the Chair.

Hon. L. Craig Cannonier: Yes, Mr. Speaker, I appreciate all of the . . . some of the comments that have been made—

The Speaker: Mr. Allen.

Hon. L. Craig Cannonier: —and I appreciate where—

The Speaker: Mr. Allen.

Hon. L. Craig Cannonier: —people—

The Speaker: Sergeant!

Hon. L. Craig Cannonier: Sorry?

[Inaudible interjection]

Hon. L. Craig Cannonier: I appreciate where many Members are coming from. I also appreciate the fact that sometimes when we get up and speak and we have something to say and we say, *Well, the other fellow is being political.*

The Speaker: Thank you.

Hon. L. Craig Cannonier: But yet for ourselves, we fail to recognise that in many things we might be saying, we also are being political. And that is kind of like the pot calling the kettle black, because I have heard many Members say, *Oh, well, it is not personal. It is because you are the Leader.* As we just heard, [INAUDIBLE 04:56:08] *It has nothing to do with you, but you know . . . it is not personal, but you know, we got to bring you down.*

And these are actual comments that have been made to me over the years. So I can appreciate the thrust of politics and sometimes the strategies that parties will employ to bring out . . . not necessarily bring down, but I am not in favour of that. But, certainly, to bring out inconsistencies.

At the Parliamentary Breakfast we were told about signs. I want to concentrate on those signs. Because one of the things that I have learned throughout my business career is that it is not always easy. You go through your highs and your lows, and things are wonderful at one time. And then you may be struggling at another time. But unless you face the signs, and the actual predicament that you are in at that very point in time, it becomes difficult to come up with solutions. And so I took to heart what Bishop Lambe had to say about the signs.

[Inaudible interjection]

Hon. L. Craig Cannonier: Yes, and we are getting interpolations already about misreading them. It goes to the state of mind which I am actually talking about, because if you were listening to him, you would not make such a silly comment.

[Inaudible interjection]

Hon. L. Craig Cannonier: But the silly comments continue.

[Inaudible interjection]

Hon. L. Craig Cannonier: So—

[Inaudible interjection]

Hon. L. Craig Cannonier: No one is getting personal here, you are the one getting personal. I am just talking about the signs, Mr. Speaker.

[Inaudible interjections]

The Speaker: Speak to the Chair.

Hon. L. Craig Cannonier: If he wants me to get personal, I will.

The Speaker: No, no.

Hon. L. Craig Cannonier: Retail sales, we know, we are challenged. The GDP, we know we are challenged there. Salaries, we know we are challenged there. Confidence, we know we are challenged there.

And so what Bermuda needs is . . . it certainly needs a Parliament that is going to be seeking out answers to these challenges that we have. And I think we have heard very clearly from our Government, the long-term strategy that they have with FinTech. And to be sure, I want the Minister to know, that we are also rooting for him that, long-term, this plays out.

We have heard comments about how we have been in other industries and it took time. And I believe that this will take time. And I think we are all hoping that this industry, as we call FinTech, will take a hold, because we believe that an industry like that will hire, per se, middle class Bermudians who pay for the goods that the upper class and their businesses have, but will also take care of the lower class as well out of their pocket and through the taxes that they pay, and the likes. So the middle class of any society is vitally important.

My concern today is, as my kids have always said, *here and now*. Yes, we need to be looking out for the future. But what are we doing about here and right now? So what I continue to hear, here and right now, are strategies and the OBA trying to untangle itself. You know, we are on a journey here. And it is easy to look at someone else and say, *Well, you know, you are tangled*, and the likes. But I can assure the Honourable Member who spoke just prior to me, and I think he remembers the first conversation that we actually had together several years ago.

He does not need to be worrying about whether or not I, as the Leader, am going down some strategy or road that he may have been involved in when he was the leader of a party. That certainly is not the route and the place that I am going. And I made it clear back then, that was how I felt about the strategies I saw being employed amongst the parties at the time. So, you know, I am hoping that this Government will find a way to deal with the signs that we see right now, here and right now.

One of the challenges that we had when we became Government in December 2012, was that many of the situations that we were dealing with caused a bit of urgency amongst the initial Cabinet. It was, *Listen, we have got to get something done and we got to get something done right now*. We saw the signs, and we saw that people were really hurting and in pain.

And, after having gone through a recession . . . many of us in this room who have our own businesses, know what that is like. We saw many of our friends go out of business. Hundreds of people lost their jobs, maybe thousands we could say. Unemployment was at its highest back then. And so there was a sense of urgency about, What was it that we needed to do?

Now, we can certainly have our squabbles amongst ourselves, within parties. And we certainly have played that out in the public, and you have seen them. But I have also see the Government of today play out some of its challenges as well internally that it has.

So, besides that, though, the real issue is, What are we doing about here and now? What are we doing about the people who are, right now, not making it? It is a difficulty. And every one of us here in this room comes into contact with several of those people daily. Daily! Some of us in this room are helping people to get groceries on a regular basis, just to help. Some of us in these four walls, in this House of Assembly, Mr. Speaker, are struggling even ourselves, just to keep the lights on, per se.

So I do not believe that when we get up into the thrust of this Parliament House . . . I think sometimes we get so concerned about how we are going to be speaking to one another that we forget that we are here on behalf of the people who are needy, on behalf of the people who are looking for a promise and a hope for tomorrow. And so we get into the cut and the thrust of sometimes personalities, sometimes because it boils down to ethnicity. Yet at the same time, Mr. Speaker, I believe that each and every person up here is looking to fix our current situation.

And so, the urgency of 2012, when we became Government, was that we needed to get people working as quickly as possible. We needed to get it happening. Some may not have liked the projects and the likes, but we do know that as we look at it today many of those projects were a success. They have people working today. They are still producing jobs today on the initiatives that we put into place.

But I am imploring this Government to please not forget to look at the current situation today and the signs that are there, today. Not in a bogeyman way, but to simply look at the signs to help guide where we need to be going to help today. Because if retail sale are down, and they have been down consecutively, month on month, then there is a problem. What is stimulating that? What is causing that? If GDP is down, if salaries are down . . . we saw the reports that salaries are down by \$15 million, confidence is down. These are indicators that say we need to do something about the right here and now. And I am not hearing how we are going to deal with today. How are we going to deal with tomorrow? I hear what we are working on for the next couple of years, but I need to understand, and Bermuda needs to know, how are we going to get people working today? That is what we want to hear.

So half of tonight, really we have gone back and forth, and you know, I have heard . . . most of us here in this House of Assembly have heard these things over and over and over—us going at each other over and over and over. What we need to hear, and what the listening Bermuda needs to know, is how are

we going to give these things today. Because people are losing their homes, today. Their jobs, today. They cannot buy groceries, today. And so without pointing fingers, without trying to have anyone looking as if they are being attacked, what are we going to do?

So we had the Throne Speech and we had the Throne Speech Reply. And I believe that amongst the two there were a lot of solutions to some of the things that we can do. Now what we need to do is move towards working on what those are. That is what we need to do.

So I go back to the signs. I am not trying to . . . I am trying to set a reality in that we all know, so that when we come into this House, you know the reality of what is going on out there right now. And we need to bear that in mind every time we come into this House. The reality is that people are losing their jobs, and they cannot find one.

And I know . . . I am sure immediate Members . . . I mean, I got a son-in-law, he has been sitting there . . . it has been a year, still has not found a job. He got his degree. He still cannot find a job. We need to relieve that situation. And let me remind everyone, since we always like to . . . you know, some people do not have to worry about it. I am talking about a black family just trying to make it. And the truth is, I am coming into contact with white families who are just trying to make it, as well.

And so we have got to find a way. And I know there are some good minds across there that are willing to cross the divide to figure out how we come to some solutions. So my advice is this: I am seeing some of the good, bad and ugly. I have said before. I just want to see some folks in here take the high road every so often. If you feel like something is getting to you, you can ignore it. Get to the solution of the issues that we are having right now. Do not get so hyped up into the [cut] and thrust of what you think might be contentious and the likes, because there is a whole lot of that mud to be thrown around. There is plenty of it. Let's figure out what we are going to do now.

I wanted to say, if the Premier is listening, I realise that it is birthday today. I did not get an invite to the party, but—

[Inaudible interjections]

Hon. L. Craig Cannonier: I do know the house that maybe he is having the party in very well. But I do want to wish him Happy Birthday. And I am hoping that as we move forward that we are going to see a bit of, Mr. Speaker, and I am encouraging you to help us, to keep a line and length, as we debate on how we fix Bermuda today. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

I now recognise the Deputy Premier, who will close us out. Thank you, Deputy.

ROLL OF THE OPPOSITION

Hon. Walter H. Roban: Yes, I will.

Mr. Speaker, I guess, as usual, the motion to adjourn brings about certain surprises and interesting commentary. And I must say that . . . hmm, no, I will not say that. But what I will say is this: What the motion to adjourn often does is reveal some of the clear, stark realities of where we are in this House. And I have listened to the Opposition Leader, one of the two speakers who have spoken tonight from their side, and I guess I cannot really come back from the view that I have had already, which is that I am not sure I am seeing sustainability on the other side. I am seeing perhaps a road to extinction. But time will tell.

And as I said last week, they are one less Member, but closer to a zero. And I have to reiterate that point because what I have seen tonight is two different types of approach to the roles and responsibilities that the other side has in this House. It opened with a very antagonistic, accusatory and, frankly, unhelpful presentation, and a reiteration of an ongoing play from a certain Member of this House.

But I also saw it last week when we had the issue of . . . the Throne Speech debate. How there was a convenient effort to get up and have their say, when you yourself invited Members of this House to have their say before the Honourable Premier closed out.

My problem is this, Mr. Speaker, with that episode, but what seems to be a continuing episode by at least one Member of the Opposition. It is a disrespect, but a use of the House to force and promote an agenda that is not complimentary to what, I think, more people in this House want to participate in, which is dealing with the issues that the country faces.

By virtue of the conduct and behaviour of that Honourable Member, I did not see that. And the disturbing thing is that it appears as if the Opposition Leader ended on a very honourable and noble position tonight—

An Hon. Member: Yes.

Hon. Walter H. Roban: —with his articulation. But that is not how his bench started. And it was almost as if part of what he was saying was to clean up that. But that is an ongoing weekly saga.

[Inaudible interjections]

Hon. Walter H. Roban: An ongoing weekly saga in this House. The soap opera that seems to exist on Reid Street, I do not . . . you know, whether there is a belief . . . now, I do not know whether, I do not know if they caucus or not, or whether they talk or communicate. Maybe that is the plan. But it is not contributory to the environment that I certainly believe that the Opposition Leader is seeking to promote, at least since

he has come to the office again, is professing to promote.

What did we see tonight? We saw a castigation of the efforts of the . . . or suspicion, or questioning some of the efforts that the Government is putting around FinTech. But the Opposition Leader says he actually supports, or at least encourages, the efforts of FinTech. We see what was referred to earlier, an effort by a Member to set . . . the setting of division within, certainly, the Government benches. But the Opposition Leader professes to want us to work in unity and get along. Contradictory. But that lack of unity in message, at least in presentation in this House, is for the Opposition Leader to sort out in his house. That is not the business of the Government to fix for them.

[Inaudible interjections]

Hon. Walter H. Roban: But we have seen other things, Mr. Speaker. We continue to hear messaging that rejects our efforts to reform health care, to make it affordable for our people. We see a rejection of the efforts, or certainly cold water spilt on our efforts, to deal with attacking the cost of living in a legitimate way, whether it be through efforts in living wage or other methods that we are trying to deploy, to try and change the situation for the people in this country.

Now, I have said it before, and I do not like repeating myself, because I actually prefer to concentrate my time on what the Government is doing, not on what the Opposition is doing. Because that is really what my job is, to focus on the Government's work, bring it to this House, and work with my colleagues to see that it is done. Not on the antics, or the confusion, or the mayhem that the Opposition, presumably, or certain Members of the Opposition, seeks to bring to this House. Because I know what every Member on this side is concentrating on.

They are concentrating on delivering an agenda; that agenda which was presented to the country in July of 2017, through repeated Throne Speeches, through the Throne Speech that was presented to the country two weeks ago, and to the legislation that we brought to this House today, and we will continue to bring. That is our focus.

But there seems to be an element that is not aligned, presumably, with the vision of their leadership to do something else up here on the other side. Our Members who are part of the Robin Hood Corner, are articulating how they feel they fit into this process. And we will work with our colleagues who, just because the House is not big enough, to have us all on one side of the House, sit over there.

An Hon. Member: You have been there before.

Hon. Walter H. Roban: Absolutely. I know what the Backbench is and what its role is.

And I greatly depend on my PLP Members who sit in that little corner to make sure that I can be successful, that the other Members of my Cabinet who I sit with, can be successful. They are essential to our process. We cannot be successful as a Government without working with them. That is a fact. And that is on the principle and the basis that this Government has always worked on and will continue to work on.

So as an Honourable Member of our side said earlier, *Don't waste your time*. Because we work as a team together. We are also a family, so we have the things that families go on with too. But we are a team in this House. And that will remain, Mr. Speaker.

An Hon. Member: Yes, sir.

Another Hon. Member: Yes.

Hon. Walter H. Roban: But I will end with this, the act or the play that resides at Reid Street still seems to be trying to sort out what its role is in this particular place. Because there is a lot of confusion that articulates from over that side.

The Government hopes that they will be . . . as the Premier articulated last week, we have some serious agenda items coming to this House around tax reform, around health care reform. And whether they will be prepared to stand with us and take some of the hard decisions and choices that the country has to face around these issues, remains to be seen. And we look forward to seeing that group sort themselves out so that they can be prepared to walk with the Government with the tough choices that they presumably understand that we have to face, we will have to deal with. I look forward to seeing that happen, if they can get their act together to be a part of it.

[Crosstalk]

Hon. Walter H. Roban: I am looking at the Opposition. They are led by that honourable gentleman. He has a prominent . . . lack of identification, then he needs to sort that out himself.

[Inaudible interjections]

Hon. Walter H. Roban: Seemingly, he wanted the job, so he has got it, Mr. Speaker—

[Crosstalk]

Hon. Walter H. Roban: So, Mr. Speaker, they need to sort themselves out so that they can participate in the process. If they believe that we do need a fairer and better Bermuda.

Thank you.

The Speaker: The House now stands adjourned until Friday next, at 10:00 am.

Members, have a good weekend.

[Gavel]

[At 7:18 pm, the House stood adjourned until 10:00 am, Friday, 30 November 2018.]

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BERMUDA HOUSE OF ASSEMBLY**OFFICIAL HANSARD REPORT
30 NOVEMBER 2018****10:02 AM***Sitting Number 4 of the 2018/19 Session**[Hon. Dennis P. Lister, Jr., Speaker, in the Chair]***PRAYERS***[Prayers read by Mrs. Shernette Wolffe, Clerk]***CONFIRMATION OF MINUTES***[Minutes of 23 November 2018]***The Speaker:** Good morning, Members.

The Minutes of November 23rd have been circulated. Are there any omissions or amendments to these Minutes?

There are none.

The Minutes are approved as printed.

*[Minutes of 23 November 2018 confirmed]***MESSAGES FROM THE GOVERNOR****The Speaker:** There are none.**ANNOUNCEMENTS BY THE SPEAKER
OR MEMBER PRESIDING****APOLOGIES****The Speaker:** The announcements this morning are that we have been informed that three Members will be absent today.

The Premier is overseas on Government business, as well as Minister Caines. And MP Sylvan Richards has also given notice that he will be absent today.

MESSAGES FROM THE SENATE**The Speaker:** There are none.**PAPERS AND OTHER
COMMUNICATIONS TO THE HOUSE****The Speaker:** There are four papers to be communicated to the House today. The first two are in the name of Minister Brown.

Minister Brown, would you like to present your papers?

Hon. Walton Brown: Yes. Good morning, Mr. Speaker.**The Speaker:** Good morning.**HUMAN RIGHTS COMMISSION ANNUAL
REPORTS FOR 2016 AND 2017****Hon. Walton Brown:** Mr. Speaker, I have the honour to attach and submit for the information of the Honourable House of Assembly the Human Rights Commission Annual Reports for 2016 and 2017.**The Speaker:** Thank you.**The Clerk:** Good morning, Members. Just to let you know that these two reports will be circulated to all Members electronically.**The Speaker:** The next Minister we would like to recognise is the Minister for Finance.

Minister, turn you microphone on.

Hon. Curtis L. Dickinson: Good morning, Mr. Speaker.**The Speaker:** Good morning.**CONTRIBUTORY PENSIONS (AMENDMENT OF
BENEFITS) ORDER 2018****Hon. Curtis L. Dickinson:** Mr. Speaker, I have the honour to attach and submit for the consideration of the Honourable House of Assembly the Contributory Pensions (Amendment of Benefits) Order 2018, proposed to be made by the Minister of Finance under section 37 of the Contributory Pensions Act 1970.**The Speaker:** Thank you.

And, Minister of Tourism, would you like to present yours at this point?

Hon. Zane J. S. De Silva: Thank you, Mr. Speaker. Yes.**The Speaker:** Yes. Go ahead.

TOURISM INVESTMENT (BERMUDIANA BEACH RESORT) ORDER 2018

Hon. Zane J. S. De Silva: Mr. Speaker, I have the honour to attach and submit for the consideration of the Honourable House of Assembly the Tourism Investment (Bermudiana Beach Resort) Order 2018, proposed to be made by the Minister responsible for Tourism, with the written agreement of the Minister of Finance, under section 5 of the Tourism Investment Act 2017.

The Speaker: Thank you.

PETITIONS

The Speaker: There are none.

STATEMENTS BY MINISTERS AND JUNIOR MINISTERS

The Speaker: We have two Statements on the Order Paper this morning. The first is in the name of Minister Brown.

Minister.

RE-ORGANISATION OF THE HUMAN RESOURCE FUNCTION IN THE PUBLIC SERVICE

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

Mr. Speaker, Members will already be aware that the government is Bermuda's largest employer. As at November 2018, there were 4,680 employees in the public service.

Mr. Speaker, the government's workforce is represented by six unions and/or associations, and the conditions of employment are set out in [seven] separate collective bargaining agreements and/or conditions of service orders.

Mr. Speaker, human resource services are delivered in accordance with statutory provisions, as set out in the Public Service Commission Regulations 2001 and the Public Service (Delegation of Powers) Regulations 2001, as well as statutory provisions contained in other legislation such as Contributory Pensions Act 1970, Payroll Tax Act 1995, Payroll Tax Rates Act 1995 and Public Service Superannuation Act 1981, to name a few.

Mr. Speaker, currently, the government of Bermuda relies upon a decentralised HR [Human Resource] service delivery model, which has grown organically over the years. Services are delivered by way of 68 posts spread across nine different human resources departments and units, in addition to the Department of Human Resources.

Notably, the Department of [Human Resources](#) is responsible for the provision of human resource services only to the members of the Bermuda Public

Services Union (general membership), those officers, traditionally referred to as civil servants, which is approximately 40 per cent of the workforce.

Mr. Speaker, some of the primary HR functions, including employee compensation and benefits, and job evaluations, are executed outside of the human resource service centres by the Accountant General's Department and the Management Consulting Section, Cabinet Office, respectively.

Mr. Speaker, this decentralised delivery model, coupled with the layers of collective agreements and regulatory requirements, has long been regarded as an impediment to the public service. As a result, there are duplication of effort, inconsistent service delivery, a weighty compliance regime and an inordinate amount of time to execute basic functions. Further, there is limited talent management across every level of the service, as well as a lack of consistent performance structure, including recognition and aligning performance commitments with career development.

Mr. Speaker, this Government aims to establish the following: conditions within the public service that attract, develop, motivate and retain a quality talent pool; an environment where a strong performance culture is present and public officers are rewarded for effectiveness and achievement of clearly stated outcomes; and a workplace where public officers feel empowered and accountable for achieving performance metrics.

To this end, the Government has taken the decision to reform its human resource function to ensure increased efficiency, effectiveness and equity. Mr. Speaker, the Government will take steps to centralise its human resource and organisational development functions.

Mr. Speaker, the Cabinet Office, working through a project team and using a consultative and collaborative approach, has designed a new structure which aligns all HR services under one department. The new structure will facilitate the strategic repositioning of the role of HR with respect to organisational capital development and improvement. Mr. Speaker, the new structure, to be entitled the Department of Employee and Organisational Development, establishes a strategic leadership and change management position. The proposed Chief Employee and Organisational Development Officer will lead the transformational change, and develop high impact strategies and programmes in consultation with stakeholders.

Mr. Speaker, the new department is expected to result in improved service delivery and understanding of the business needs through the creation of HR Business Partners. It will have the responsibility for managing all seven union agreements and union partners; this is expected to enhance labour relations and employment practices within the service. The introduction of an Employee Relations Adviser will also enable a proactive approach to industrial and employee relations.

Mr. Speaker, the Talent Acquisition Manager will modernise recruitment and position Government as an employer of choice. The creation of a dedicated Recruitment Unit will reduce time to recruit. The renewed focus on talent management will improve the Government's capability to deliver value to the public, by developing a talent pool and thus filling a critical skills gap.

Mr. Speaker, further, an HR Systems Specialist is fundamental for the digital transformation of HR, a critical enabler for success of the proposed structure. Moreover, the service will benefit from integrated employee management services.

Mr. Speaker, given the complexity and magnitude of the change, the structure will be implemented in three phases. In phase 1, the new department will be established administratively, the Chief Employee and Organisational Development Officer will be recruited, and the transfer of the Management Consulting Section and the Compensation and Benefits Section to the new department will be completed. It is expected that phase 1 will occur over the next six months. Mr. Speaker, phases 2 and 3, which will see the transition of all of the other HR resources from across government into the new department, will be executed over the course of 12 to 24 months. As a part of the latter phases, the existing Department of Human Resources will be abolished.

As a note, Mr. Speaker, it is anticipated that all of the existing resources will be incorporated into new roles within the new department. Mr. Speaker, the new Department of Employee and Organisational Development will be built on a shared services philosophy, which will reduce the duplication of services, as well as ultimately reduce the cost of service delivery.

Mr. Speaker, this Government will continue to take bold steps to transform the public service as we work towards establishing a future-forward Government for the people of Bermuda.

Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

The second Statement this morning is in the name of Minister Foggo.

Minister, would you like to present your Statement?

COMMUNITY OUTREACH: CAREER DEVELOPMENT, REGISTRATION AND TRAINING DRIVE

Hon. Lovitta F. Foggo: Thank you, Mr. Speaker. Good morning to Bermuda, and good morning to Members of the House.

Mr. Speaker, I rise today to provide this Honourable House with an update on the progress made following my Statement to the House on the 16th of November about Workforce Development initiatives. The House is aware that the department provides two

primary services, namely, career development and training. The Career Development Section provides employment readiness services and training, while the Training Section funds educational programmes, oversees apprenticeship and trainee programmes, and regulates certification standards in four designated trades.

The Department of Workforce Development is keen to increase awareness of their services through a widespread [community outreach](#) campaign. For this purpose, the department will host a Career Development, Training and Registration Drive on the 6th of December, from 10:30 am to 2:30 pm, at the Devonshire Recreation Club. Several similar events are planned for the new year, which will take the department's services to the eastern and western parishes. The intent is to take the department's services "to the streets." By hosting these community initiatives and collaborating with community clubs, the department hopes to achieve the following:

- establish a presence in the community, becoming more visible and providing coordinated services by partnering with community organisations;
- educate the public about available services and how best to utilise the services to re-enter the workforce;
- provide career development and employment readiness services in the community;
- empower Bermudians and equip them with proven strategies to reach their career and employment goals;
- capture details on skills and qualifications for unemployed persons who would not ordinarily come to the department for services; and
- rebrand the department as a viable resource for career development services, workforce programmes, scholarships, funding, apprenticeships and training opportunities.

Mr. Speaker, the event at the Devonshire Recreation Club will include general workshops covering Interview Skills: Winning Over the Recruiter; Understanding What Employers Want: Employability Skills; and Your Digital Footprint (Online Image) and Employment.

Additionally, professionals will be onsite to assist individuals with résumé development and critique; assist with registering on the Bermuda Job Board; provide job leads; discuss national certification; discuss apprenticeships; and provide information on upcoming training initiatives.

Attendees will have the opportunity to speak with professionals about their job search efforts—what has been working, what has not been working, and what the individual might do differently to become more marketable to employers. Attendees will work together with the department to increase their prospects of success.

Bermuda College recruiters will also be present at the event to share information on their degree, certificate and diploma programmes. They will also share details on the many pathways by which persons can earn a bachelor's degree, or beyond, through the Bermuda College.

Mr. Speaker, while the department is not an employment agency, employers do contact the Career Development Section regularly for suitable candidates to fill their vacancies. Employers must make contact with the section for the restricted job categories, as outlined in the work permit policy. In response to the employers' request, the section looks to identify suitable referrals in their internal database to submit for consideration. For this reason, it is important for anyone seeking employment or a career change to register with the department so that they can be considered for these opportunities, Mr. Speaker.

We are very encouraged by the reduction in unemployment, published earlier this week in the 2018 Labour Force Survey. However, there is much more work to do. Bermuda's job market has become increasingly competitive. In order to compete, persons must engage in continuous improvement, professional development and life-long learning.

The department is in talks with Take Five and the Bermuda Hospitality Institute to design a waiter/server training programme to meet workforce demands. Further, the department has engaged several cleaning companies to design a training initiative for certified commercial cleaners. Both training programmes will launch in January 2019. Persons completing the programme will obtain internationally recognised credentials as a Certified Custodial Technician or Certified Food and Beverage Server, respectively. Training in court transcription is being explored to provide the necessary manpower locally. These are just a few of the training initiatives to be launched in the New Year, Mr. Speaker.

Mr. Speaker, a town hall meeting is also planned for January 2019 to engage the public in frank dialogue. The department wants to understand how they can better serve the unemployed and underemployed. This will be an opportunity for *real talk* and solution-driven conversation about how to improve the department's services, how the department can help, and how job seekers and the department can forge a shared partnership to work together.

The department has had the opportunity to revamp their services and wants to take these services to the streets. Professionals, as stated, will be on hand on December the 6th to help the unemployed and underemployed to present themselves more confidently to employers, enhance their résumés and increase their chances of success. Staff will follow up with attendees to ensure that they receive the full range of services necessary to become employment ready and marketable. I encourage the public to take advantage of these services, Mr. Speaker.

Mr. Speaker, the Department of Workforce Development will continue to assist and prepare persons for employment and a career. Once again, Mr. Speaker, it gives me a great deal of pleasure at this time to have had this opportunity to update this Honourable House and the good people of Bermuda about the progress of the programmes within the department. Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

That brings us to a close of Ministerial Statements.

REPORTS OF COMMITTEES

The Speaker: There are none.

QUESTION PERIOD

The Speaker: This morning we have three sets of questions that have been put in written form for the Ministers. All three are for written reply; none for oral response.

Members, have you received your responses from the respective Ministers? Yes? Okay.

QUESTION: MOTT MACDONALD REPORT ON KING'S WHARF, DOCKYARD

Hon. L. Craig Cannonier: Will the Honourable Minister please provide to this Honourable House the [seventy-seven \(77\) page report](#) and recommendations produced by UK firm, Mott Macdonald regarding the state of King's Wharf, Dockyard, Bermuda?

QUESTION: PUBLIC SERVICE EMPLOYEES, STATS

Ms. Susan E. Jackson: 1. Will the Honourable Minister please provide to this Honourable House the number of paid civil servants by Ministry?

2. Will the Honourable Minister please provide to this Honourable House a list of the one-hundred forty-eight (148) "hard to fill" positions identified for succession planning and which positions are occupied by work permit holders?

3. Will the Honourable Minister please provide to this Honourable House a list of all Public Service Bursary Award recipients and list all recipients presently working in the civil service by job function and please identify which of these job functions are identified as "hard to fill"?

QUESTION: BERMUDA SPORT ANTI-DOPING AUTHORITY, TEST FEE STATS

Mr. Ben Smith: 1. Will the Honourable Minister please provide to this Honourable House the [breakdown of the fifty-seven \(57\) anti-doping tests which cost The Bermuda Sport Anti-Doping Authority the total of \\$102,996, delineating how many Performance Enhancing tests and how many Illicit Drug Screening tests were conducted, by sport?](#)

2. Will the Honourable Minister please provide to this Honourable House the [breakdown, by number of full-time and part-time employees, by category of Performance Enhancement Testing/Illicit Drug Screening/General Administration, salary and employee benefits that comprise the \\$419,257 as articulated in Note 7 to The Bermuda Sport Anti-Doping Authority Financial Statements?](#)

3. Will the Honourable Minister please provide to this Honourable House what [changes were made to the Board](#) to account for an increase in members fees?

The Speaker: We will then move on to the questions for the Statements this morning.

And again, I remind Members that this is a 60-minute period of questions and answers, so we will start that clock now.

The first question that arises this morning out of Statements is for Minister Brown. In reference to your Statement this morning, we have two Members who wish to ask questions.

The first Member is the Member from constituency 10. You can put your question now.

QUESTION 1: THE RE-ORGANISATION OF THE HUMAN RESOURCE FUNCTION IN THE PUBLIC SERVICE

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

In regard to the Statement by Minister Brown, on page 3, the Honourable Minister lists, in the second paragraph, that "As a result, there are duplication of effort, inconsistent service delivery, a weighty compliance regime and an inordinate amount of time required to execute basic functions."

Mr. Speaker, I can see that there is a duplication of effort. But the question to the Honourable Minister is, How can we be assured that this amalgamation of the services will be able to do away with (1) the inconsistent service delivery; and (2) the inordinate amount of time it takes to execute basic functions?

The Speaker: Thank you, Member. Minister.

Hon. Walton Brown: Thank you.

The duplication will be avoided because the streamlining process has been specifically designed to cut down on duplication. There has been a very thorough examination of the processes that are involved in coming to this decision. And we have determined that the decision-making process will be a lot simpler, therefore streamlined and more effective. And we will also eliminate the duplicated effort by, as I said, having a streamlined approach.

The Speaker: Thank you, Minister.

A new question or supplementary?

Hon. Michael H. Dunkley: This is a supplementary.

The Speaker: Supplementary.

SUPPLEMENTARY

Hon. Michael H. Dunkley: Related to the first question, Mr. Speaker. I accept the duplication effort across the civil service. Obviously, I had some responsibility in that area, so I am well aware of that.

My specific question is in regard to inconsistent service delivery and the inordinate amount of time it takes to execute basic functions. So, how will this amalgamation deal with those two challenges? Because, unless we get to the root of inconsistent service delivery and the amount of time it takes to exercise basic functions, we will not make the improvement we expect.

The Speaker: Thank you. Minister.

Hon. Walton Brown: We will make the improvement in time precisely because we have thoroughly examined the steps that are involved. And we are looking at cutting unnecessary steps and procedures to get to enhanced service delivery.

The Speaker: Thank you. Supplementary?

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

The Speaker: We have a supplementary from the Honourable Member from constituency 23. Honourable Member.

SUPPLEMENTARIES

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

Mr. Speaker, the Minister spoke to duplications. But on page 6, he is indicating that all of the existing resources will be incorporated into new roles within the new department. So the question is, If we are literally just shifting the chairs on the deck, if we are not creating efficiencies, how is the new department likely to be better?

The Speaker: Minister.

Hon. Walton Brown: The new department will be better because we will have a clearly defined approach to dealing with the situation, dealing with the challenges. We are taking the people who are in existing positions and we are putting them in new positions. That is still part of a streamlined approach, because we are going to ensure that there is a much greater focus on achieving the outcome and a focus on service delivery.

The Speaker: Thank you.
Second supplementary?

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

And that is, "streamlining" means making slimmer. If we are not making it slimmer, we are actually just doing a lateral integration. And the question is, How is that lateral integration going to improve what it is that is being offered by this new, burgeoning, combined resources within the new department?

Hon. Walton Brown: Well, it is not going to be a burgeoning entity. It is going to be a streamlined approach. We are going to look more carefully at all of the resources that are being applied and streamlining the application of staff to the work that is going to be undertaken.

The Speaker: Thank you.
Supplementary? Second supplementary?

SUPPLEMENTARY

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

Mr. Speaker, we all, I guess, appreciate that human resource time is important, because if people apply and they wait an inordinate amount of time, they could move on to another position. So, the Honourable Minister said, in response to my first supplementary, that they intend to . . . his exact words were, "cutting unnecessary steps and procedures."

Can the Honourable Minister elucidate which steps and procedures that are unnecessary will be cut out?

The Speaker: Minister.

Hon. Walton Brown: Well, by having everything under one [roof], you have the benefit of shared expertise. And, therefore, you will not need to have unnecessary steps involved. I cannot speak specifically to the steps in each and every case. But there will be an elimination of unnecessary steps which the whole process will fine-tune in the service delivery.

The Speaker: Thank you, Minister.
Supplementary?

Hon. Jeanne J. Atherden: I have a supplementary.

The Speaker: Supplementary.

SUPPLEMENTARY

Hon. Jeanne J. Atherden: My supplementary is this. I can understand why everybody might come across initially. But I do not understand why one would not expect that there could be opportunities, if you will, for duplication of individual responsibilities, and therefore the possibilities of moving some of those staff to other jobs. Because it is unfathomable that with all of these human resources doing the same thing you are not going to find that some people are overlapping and, therefore, become . . . not redundant, but they become—

The Speaker: So, put it in a direct question for him.

Hon. Jeanne J. Atherden: So, I wonder if there had been any examination of the various departments that you are amalgamating to see whether there is duplication that could result in redundancies. Because it just does not seem like it is possible that this could happen without some degree of redundancy. Has there been any examination of that?

Hon. Walton Brown: Well, we had a very thorough examination of this whole process by KPMG. They developed a plan for us that we are acting on. And it does contain within it a programme for dealing with all incumbent positions.

The Speaker: Thank you.
Supplementaries? No supplementary.
Would you like to put your second question, or your new question, second question?

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

The Clerk: A new question?

The Speaker: Yes, a new question.

Hon. Michael H. Dunkley: New question. Yes, I do not have any more supplementaries. I would try to take one, but I do not have any more left.

The Speaker: No, no. No, no. New question.

QUESTION 2: THE RE-ORGANISATION OF THE HUMAN RESOURCE FUNCTION IN THE PUBLIC SERVICE

Hon. Michael H. Dunkley: The Speaker has got it covered today.

In regard to the amalgamation, is it fair to say that all . . . every single government department will come under this new unit? And that includes certain departments within the National Security, such as the Bermuda Police Service and Corrections.

The Speaker: Minister.

Hon. Walton Brown: Yes, that is correct.

The Speaker: Supplementary?

SUPPLEMENTARY

Hon. Michael H. Dunkley: Supplementary in that regard, Mr. Speaker.

And I asked that specifically because, in those areas, I was always of the belief that, certainly with the police, it might be better for their human resources to be handled within, and the same with Corrections, because they have some specialised services that are important for them to get to grips with.

So, has the Minister considered that, in regard to certain departments, the amalgamation might not be the most effective way?

The Speaker: Minister.

Hon. Walton Brown: Well, we have determined that amalgamation is the most effective way.

For those areas that are specialised, we will have specialised people within the Department of Human Resources to deal with those specialised matters.

But we do believe that it is the best way to go forward, to have all of the HR functions under one roof.

The Speaker: Thank you.

Do you have a supplementary?

SUPPLEMENTARIES

Hon. Patricia J. Gordon-Pamplin: Yes. I have a supplementary in respect of the Minister's answer.

How will the disparity of union agreements be able to be effectively coordinated under this new structure?

The Speaker: Minister.

Hon. Walton Brown: Well, that is precisely the point. There are disparate agreements. We will have one entity that will deal with all of the agreements.

And we believe that there is great synergy in achieving this here, because then you will be able to look at the totality of the agreements and see what can be brought under one regime, to the extent to which they can be brought under one regime.

The Speaker: Thank you.
Second supplementary?

Hon. Patricia J. Gordon-Pamplin: Yes, second supplementary.

So, the Honourable Member said that there would be one party looking out for all of the union agreements and that, where possible, they will all be able to be brought under the same regime. But, does this mean that the terms and conditions that are the subject of such union agreements are going to be re-negotiated under this new, combined, consolidated body?

Or will they still continue to have things that are disparate within the public service, such as payment for insurance or the like?

The Speaker: Minister.

Hon. Walton Brown: Well, let me first of all say that this decision to amalgamate the HR functions has been done with the full agreement of the unions. So, they fully recognise that there is a transition process that is involved. And we will work to address all of those issues, including the disparate nature of the trade union agreements.

The Speaker: Thank you.
Supplementary, from . . . yes?

Hon. Jeanne J. Atherden: I have a supplementary.

The Speaker: Yes.

SUPPLEMENTARIES

Hon. Jeanne J. Atherden: The Minister has indicated that KPMG has provided the consultancy, et cetera, for this exercise. And I know that . . .

My question is, were KPMG given the directive to look to see whether there was any duplication that could result in a reduction in the resources that are in this new amalgamated department?

The Speaker: Minister.

Hon. Walton Brown: They undertook a holistic approach. I cannot speak specifically to whether they were given a directive to find efficiencies. But I do know that they were given a mandate to do a holistic approach and analysis of the HR functions.

The Speaker: Thank you.
Second supplementary?

Hon. Jeanne J. Atherden: Second supplementary.
I guess my question is, bearing in mind that there was a SAGE report which talked about trying to right-size government and to try and look at opportunities for reducing, did they look at the SAGE report to see whether there was anything there that could be considered?

Hon. Walton Brown: I have no doubt that KPMG did, in fact, look at the SAGE report in their analysis.

The Speaker: Supplementary or your third question?

Hon. Michael H. Dunkley: Third question.

The Speaker: Third question.

**QUESTION 3: THE RE-ORGANISATION OF
THE HUMAN RESOURCE FUNCTION IN
THE PUBLIC SERVICE**

Hon. Michael H. Dunkley: Thank you, Mr. Speaker.
Mr. Speaker, the Honourable Minister says, on the last page, "it is anticipated that all of the existing resources will be incorporated into new roles within the new department," and some of my colleagues have touched on that. Can the Minister inform this Honourable House that there will be no extra budget considerations, that there will be no extra new positions, and there will be no non-Bermudians hired in this process?

The Speaker: Thank you.
Minister.

Hon. Walton Brown: While I cannot guarantee—

The Speaker: Wait, wait, wait!
Sergeant!
Go ahead. Go ahead, go ahead, go ahead.
Go ahead, go ahead.

[Laughter]

The Speaker: Go ahead.
Minister.

Hon. Walton Brown: I can say that there were three fewer positions overall. But I cannot guarantee that there will be no new hires whatsoever.

The Speaker: Thank you.
Supplementary?

Hon. Michael H. Dunkley: No, just for clarification. That was one part of the question answered.
And I appreciate that from the Honourable Minister. But, will there be any extra budget considerations? And is there any consideration for hiring a non-Bermudian?

The Speaker: Minister.

Hon. Walton Brown: Well, first of all, there is no extra budget currently under consideration.
Secondly, when it comes to the hiring of Bermudians, we always look to hire Bermudians. And if there is no Bermudian identified, then we will go overseas. But the intent is always to hire Bermudians first.

The Speaker: Thank you, Minister.
Supplementary?

SUPPLEMENTARY

Hon. Patricia J. Gordon-Pamplin: Yes, I have a supplementary, Mr. Speaker.
Could the Minister advise on how many people there are in total among all of the Human Resources departments? I did not see that [mentioned], Mr. Speaker.

The Speaker: I believe that was contained in the Statement.

Hon. Patricia J. Gordon-Pamplin: I have looked. I am sorry, I may have missed it.

The Speaker: There are 68 posts, I believe that he indicated, if I am correct.

[Crosstalk]

Hon. Patricia J. Gordon-Pamplin: Okay. Okay. That is fine. That is fine. Thank you.

The Speaker: Thank you.
Supplementary?

Hon. Michael H. Dunkley: Yes, my final supplementary, I believe, Mr. Speaker.

The Speaker: Yes.

SUPPLEMENTARY

Hon. Michael H. Dunkley: Mr. Speaker, to the Honourable Minister, because there are a number of people who will have to be amalgamated into the new department, how is it going to be decided on seniority as we go forward? Is it going to be done by PSC [Public Service Commission] codes? Or is it going to be done by the head of the civil service and unions negotiating who leads this department?

The Speaker: Thank you.
Minister.

Hon. Walton Brown: That will be done by the head of the civil service, leading that dialogue and working through the processes, involving the unions, as well.

The Speaker: Thank you.
Supplementary? I recognise the Honourable Member from constituency 19.
Go ahead.

SUPPLEMENTARIES

Hon. Jeanne J. Atherden: Mr. Speaker, to the Minister: Recognising that there will be the recruitment of a Chief Employee and Organisation Development Officer, I wondered if the Minister could indicate, what will be what I call the most important criteria that this person will have to have in terms of experience. Recognising that it is not just recruitment, there are going to be pensions, there are going to be union agreements, what is going to be identified as the most [important] experience or skill that the individual has to have?

The Speaker: Thank you.
Minister.

Hon. Walton Brown: I cannot speak to the single most important skill that they will require. We have a multitude of considerations involving their experience, the breadth of their experience. I cannot speak to any particular skill set that is going to be an absolute requirement.

The Speaker: Thank you, Minister.
Second supplementary?

Hon. Jeanne J. Atherden: Second supplementary.
Is one of the requirements having the experience in terms of working within a government organisation, as opposed to business?

Hon. Walton Brown: Well, it certainly helps if they have had experience within government. But it would not necessarily be an impediment if they also had just had outside experience.

The Speaker: Thank you, Minister.
Supplementary?

SUPPLEMENTARIES

Hon. Patricia J. Gordon-Pamplin: Yes, I have a supplementary, because the Statement is not very clear. Could the Minister tell us how many . . . what the totals are in respect of each of the various service departments? Not the nine different human resources departments—how many people are employed in each of those nine areas? Because it says, “in addition to the Department of Human Resource.” Is that something extra, or is the Department of Human Resources included in the 68 within that? Could the Minister let us know who is employed within the nine different—

The Speaker: So, your question is, Can he provide a breakdown of the 68 persons via departments, current departments?

Hon. Patricia J. Gordon-Pamplin: Yes, that is correct. But, is that 68 . . . where it says, “in addition to the Department of Human Resources,” I am just not sure if that is something extra, or if the Human Resources is included in the 68. It needs to be clear.

The Speaker: Okay.
Minister.

Hon. Walton Brown: Right. The 68 is in addition to the Department of Human Resources. I cannot speak to the breakdowns by different departments. I will have to get back to you on that. I do not have that at my fingertips.

The Speaker: Thank you.

Hon. Patricia J. Gordon-Pamplin: Supplementary, Mr. Speaker.

The Speaker: Okay. Your last supplementary.

Hon. Patricia J. Gordon-Pamplin: Yes.
Based on that response, Mr. Speaker, he says this is in addition to the Department of Human Resources. So the Minister has not asked how many posts there are in respect of human resources. If there are 68 spread over nine different human resource departments, in addition to the Department of Human Resources, how many people are in the Department of Human Resources?

[So], combined with the 68, what is that total number?

The Speaker: Minister.

Hon. Walton Brown: Actually, I misspoke. The 68 is combined with HR. That is the total number. It is inclusive of HR.

The Speaker: It is inclusive of HR.

Hon. Patricia J. Gordon-Pamplin: Okay.

The Speaker: Okay.

That brings us to a close of the questions that were raised by the first Member. Minister, you also have a second Member who would like to put a question.

The Member from constituency 20, would you still like to put your question?

Ms. Susan E. Jackson: Good morning, Mr. Speaker. Most of my questions were answered already. But I do have one.

The Speaker: Okay.

QUESTION 1: THE RE-ORGANISATION OF THE HUMAN RESOURCE FUNCTION IN THE PUBLIC SERVICE

Ms. Susan E. Jackson: You have mentioned a couple of times KPMG. I am just wondering, are they a paid consultant in this project, being paid for their analysis?

Hon. Walton Brown: Yes. They were paid to undertake the assignment.

The Speaker: Thank you, Minister.
No further . . . Supplementary, yes.

Ms. Susan E. Jackson: Yes. I have one other question.

So, on your third page, you were just . . . no, it is not the third. I think it is the first page.

The Speaker: So, this is actually your second question, not a supplementary.

Ms. Susan E. Jackson: This is my second question, yes.

The Speaker: Yes.

QUESTION 2: THE RE-ORGANISATION OF THE HUMAN RESOURCE FUNCTION IN THE PUBLIC SERVICE

Ms. Susan E. Jackson: Page 3, you make mention of a “culture . . . public officers are rewarded for effectiveness and achievement of clearly stated outcomes” It is the “rewarded” that I am asking about. So, are there going to be separate awards, whether it is

payment or such, above and beyond what sounds like is already what they are supposed to be doing in their daily functions?

The Speaker: Minister.

Hon. Walton Brown: There will be no such bonuses given out. These are just recognition awards for sterling performance.

The Speaker: Supplementary? Yes.

SUPPLEMENTARY

Hon. Jeanne J. Atherden: Supplementary.

Could the Minister indicate, in the current structure, are performance appraisals done for everyone right now that might form the basis of this award?

The Speaker: Minister.

Hon. Walton Brown: Yes, that is correct. Performance appraisals are done for everyone.

The Speaker: Thank you.

Hon. Patricia J. Gordon-Pamplin: Supplementary.

The Speaker: Supplementary?

SUPPLEMENTARY

Hon. Patricia J. Gordon-Pamplin: Yes.

Mr. Speaker, I wonder if the Honourable Minister could respond to “the effectiveness and achievement of clearly stated outcomes” Presumably, that would be a part of their job description. They are required. So, is the Minister saying that there will be delineated roles outside of their job description—

The Speaker: Now, I think you may be straying from the original question. Because your supplementary—

Hon. Patricia J. Gordon-Pamplin: No. That was his response, the Minister’s response.

The Speaker: Okay. All right. I will let you proceed off of his response. Go ahead.

Hon. Patricia J. Gordon-Pamplin: Okay. Yes. It says, “an environment where a strong performance culture is present and public officers are rewarded for effectiveness and achievement of clearly stated outcomes” Their job, presumably, would be being effective and achieving clearly stated outcomes. Is the Minister saying that the rewards will be for outcomes that are above and beyond what their normal occupational requirements will be?

The Speaker: Minister.

Hon. Walton Brown: No. The rewards are simply recognition awards for achieving the stated objectives.

The Speaker: Second supplementary.

SUPPLEMENTARY

Hon. Jeanne J. Atherden: Yes, Mr. Speaker.

On page 3, the Minister indicated that “there is limited talent management across every level of service, as well as a lack of consistent performance structure” And I just wondered whether . . . and then he talks about recognition, et cetera. But, on the other side of recognition is also persons who are not performing. And I just wondered whether there is going to be emphasis on that, as well, because if you want to develop the talent, the talent has to be developed in all aspects of it, not just at the higher levels.

The Speaker: Minister.

Hon. Walton Brown: Right. Well, where there is a lack of performance, there is a plan developed by each manager to enhance the performance delivery of the relevant staff. So, that is something that is ongoing.

The Speaker: Thank you.

No further supplementaries or questions?

That actually brings us to a close of the Question Period, because there are no questions that have been indicated for the second Statement this morning.

Thank you, Members. We will move on.

CONGRATULATORY AND/OR OBITUARY SPEECHES

The Speaker: Would any Member wish to speak to this? We recognise the Honourable Member from constituency 36.

Honourable Member Scott, you have the floor.

Hon. Michael J. Scott: Good morning, Mr. Speaker.

Mr. Speaker, I rise to ask that this House offer a letter of condolences to the family of Mr. Alan Pigott, of Sandys Parish, Watford Bridge. Alan was the husband of an attorney and colleague of mine, Mrs. Christine Hoskins Pigott. He leaves to mourn his three children, Amie, Alexander (A. J.), and Nick. Mr. Pigott was an effective and well-known electrical engineer, who worked for many years at the Cambridge Beaches Resort & Spa. He will be missed. He was a good, good resident of our community and contributed to it. I appreciate the opportunity to offer condolences to Christine. Thanks.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member [wish to speak]? We recognise the Honourable Member from constituency 23.

Honourable Member, you have the floor.

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

Mr. Speaker, I would just ask that this Honourable House send a letter of congratulations to the managers and owners of the MarketPlace, who hosted, along with the Corporation of Hamilton, the Santa [Clause] parade on Sunday. I believe that it is something to which our young people look forward to on an annual basis. But I think, even more so, the parents. Because it is just delightful to see the Christmas spirit starting to roll in on us, even though it was hardly a breath since Thanksgiving. But, to have the Santa [Clause] parade and the exhibits, the participants were really stellar this year. I think they did an excellent job. And I think that the organisers need to be congratulated.

Thank you, Mr. Speaker.

The Speaker: Thank you.

Does any other Member wish to speak?

We recognise the Deputy Premier.

Sir, you have the floor.

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

I would just like to have a note of congratulations sent to . . . actually, sent, but at least to be on the record, if not sent, to the Corporation of St. George's and the participants in their recent tree-lighting, which was attended by a number of Members of this House, the Honourable Members for constituencies 1 and 2, Mr. Kim Swan and Ms. Renee Ming. And the Consul General of the United States, and others, were there as guests, including His Excellency the Governor. I think this may have actually been the first sort of holiday event for the season. It started in the east, where I guess many things have started already. And I was honoured to be there. I applaud their efforts to sort of have inaugural activities to begin this season, which is very important to many people in the country.

So, just congratulations to them, the organisers, the mayor, the staff and all of their people who helped and participated in putting the whole event together. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

I recognise the Honourable Member from constituency 20.

Honourable Member, you have the floor.

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

I would like to send out very sad condolences to the family and friends of Charles Tatem, who, in my opinion, has gone way too soon, at the age of 71. Charles Tatem might be known by a number of us.

One, he enjoyed photography. He was one of Bermuda's first sort of kitchen designers and had the "Kitchen by Charles" out on Serpentine Road for a number of years. And he also was very much involved with the Department of Community and Cultural Affairs in that he had a real passion for Bermuda architecture, and really made his legacy, or established his legacy, through his conversations about Bermuda's architecture and how important it was to maintain the traditions that we have. So, I would very much like to send out to the community my sincere condolences.

In addition, I would also like to send out condolences to the family and friends of Brian Anfossi, whose, again, was an untimely death. And, certainly, he was well known in the marine community. He was "Anfossi Marine" down at Mill Creek. And he was certainly the person who did not say no and was able to, I am sure (quote/unquote) "save many a mariner" by his repairing of engines and such. So, yes, my sincere condolences to both.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

I recognise the Honourable Member from constituency 22, is it?

Mr. Rolfe Commissiong: [It is] 21.

The Speaker: All right, 21.

Honourable Member Commissiong. You have the floor.

Mr. Rolfe Commissiong: Good morning, Mr. Speaker, and thank you.

Firstly, I would like to offer condolences to the family of Ms. Mariae Camela Agatha Dixon. She was my constituent, came from a Roman Catholic family, as well. And I know her family well. This is a sad occasion. She was also involved in this nascent sport of Olympic walking that has been gaining traction over the last few weeks. And she is going to be sadly missed by the fellow members of that growing organisation. She leaves to mourn her sister, Theresa, and her brother, Anthony.

And, very quickly, Mr. Speaker, I was not able last week to get up to address this. I want to give heartfelt congratulations to Ms. Ariana Caines. She is the daughter of Tina Evans-Caines. She was called to the Middle Temple Bar last month. And she also became the recipient . . . (now just give me a second here) of a very important scholarship. Or, what I can say is that she just achieved the [Dame Lois Browne-Evans Criminal] Pupillage Award by the Bermuda Bar Association, in partnership with the UK Bar Council and Carmelite Chambers. Ms. Caines is a former Berkeley Institute graduate, who earned her Bachelor of Laws degree at the University of Buckingham. I want to associate the whole House. And, clearly, she

is avidly going to be walking in her grandmother's shoes.

In fact, very quickly, she said that her inspiration to go into law was when her grandmother would come to visit the family over in Philadelphia, I believe, which is where they were living at the time. And the grandmother (Aunt Lois to me) would sit down and they would watch one of those criminal law shows. (What is the name of the most popular one?)

An Hon. Member: *Law & Order*.

Mr. Rolfe Commissiong: [*Law*] & *Order*, for hours on end, the reruns. And that was her inspiration to go into this profession. Very quickly, I am pretty sure that, in addition to the professional expertise she is picking up, she will also be committed to issues of social and racial justice, in line with her family's tradition. Thank you, Mr. Speaker.

The Speaker: You did not name who her grandmother was.

[*Laughter*]

Some Hon. Members: Yes, yes.

Mr. Rolfe Commissiong: Dame Lois Browne-Evans, the great one. I said, *Aunt Lois*. That is how I refer to her. Thank you, Mr. Speaker.

The Speaker: Would any other Honourable Member like to speak?

I recognise the Honourable Member Weeks.

Honourable Member Weeks, are you on your feet? Yes? Okay. We recognise Honourable Member Weeks.

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

Mr. Speaker, I would like to have some congratulatory remarks sent to Mr. Clevonte Lodge and Ms. Sanaa Rae Morris, two teenagers who were presented by the Bermuda Pacers Track Club as the two Athletes of the Year. In particular, Mr. Speaker, I mention Mr. Lodge because he is a constituent of mine. And I have seen his growth from when he first started to do track, as a sprinter. His current coach, actually, is none other than our Director of Sport, Mr. Norbert Simons. So, I would like to shout out to him. He puts in a lot of time with Clevonte. I met him personally, Mr. Speaker, when I was down at the CARIFTA Games in March. And he was on track to make the final, but he ended up being injured. But his whole attitude was, *I'll be back*. And I would like to tell everybody, keep your eye and ear on Mr. Clevonte Lodge, because he is going to be making Bermuda proud in the very near future. Thank you, Mr. Speaker.

The Speaker: Thank you, Member.

Does any other Member wish to speak?

I recognise the Honourable Member Tyrrell.

Honourable Member Tyrrell, you have the floor.

Mr. Neville S. Tyrrell: Good morning, Mr. Speaker, and thank you very much. Good morning, all.

Mr. Speaker, life has not been very kind to the Bermuda Technical Institute alumni this week. We have had the passing of two of our members. So, I would certainly like to add my condolences to the passing of Charles Tatem, better known to us as "Chilli." Chilli Tatem was one of the few persons who did not look like me. They went to Tech around my time. And he was a very talented technical drawer, a person in technical drawing. So, obviously, he was drawn to his kitchen endeavours in his later life. And he was certainly the sort of person who was not afraid to give his opinion, even though he was outnumbered in many cases. But I am sure he will be missed.

The other person in the Tech alumni who will be missed sadly is Leonard Dayle Wendell Butterfield, who was a character during his school days, and carried on as a character after that. And he will certainly be missed. So, I ask if a letter of condolences could be sent to his family.

And, finally, Mr. Speaker, a very close family association, Ms. Dorothy Louise Cann. She was a very strong Seventh-day Adventist person, which runs in her family, as well, throughout the rest of the family. She was, I think, in her early 90s, and a very, very nice person, a very nice person to be around. She gave me good advice on many occasions. So, she will certainly be missed by myself and the rest of the family. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak? We recognise the Honourable Member from constituency 10.

You have the floor.

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

Mr. Speaker, I would like to be associated with the condolences given by Honourable Members who came before me, and to the family of Charles Tatem, who passed away recently.

I would also like to thank the Honourable Member from constituency 11. I often do not agree with the op-eds he writes in the paper, but I thought this one was spot-on. So I thank him for taking the time to recognise that.

Mr. Tatem, I had known a long time, and I always found that he was a stalwart of our community who was willing to get involved in our community. And that speaks volumes for him.

I would also like to send condolences to the family of Dayle Butterfield, who passed away very un-

expectedly earlier this week, and to his loving wife, Jennifer, and his children whom he leaves behind. He was beset by illness and passed quickly. I had the pleasure of having him, in recent years, as a constituent. I am not sure that he voted for me. But I certainly enjoyed the political conversations we had, and I think I had him close to voting for me, Mr. Speaker. I remember the last time I was at the house, he was fixing a dinner. And he was sitting off there in the kitchen, making it up. And it was hard for me to get out of there because the smell of the food and the conversation were very enjoyable.

So I just saw his wife probably on Tuesday, I believe, about two hours before he took ill and passed quickly. And certainly, gone too soon, and it shows how fragile our world is, quite often, Mr. Speaker.

On a brighter note, I would like to be associated with the thanks to the MarketPlace for the [Santa Claus] Parade. And also, in this season, where people think about giving to staff at the Hamilton Princess for reaching out to Salvation Army and offering meals for the needy during Thanksgiving period.

And I would assume that most Members, or all Members of the House, would like to be associated with the congratulations sent to our champion, Nikki Bascome, on winning the bout on Saturday night up at Fairmont Southampton, coming back from a devastating defeat some months ago. Nikki has stuck to it, and congratulations to him on winning the fight. And I look for many, many more victories. And congratulations to him on sticking to it, separating himself when he had to from the community, getting the training he required and picking himself back up. And now he has a belt to his name. And I expect that there will be many, many more victories, as well, Mr. Speaker. I am proud of him, and congratulations.

The Speaker: Thank you.

Does any other Member wish to speak?

We recognise the Honourable Member.

Minister Foggo, you have the floor.

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

A few congratulatory remarks.

One, Mr. Mark "Burger" Jennings, who hosted a Sport Bermuda Magazine Awards up at Ruth Seaton James [Centre for Performing Arts]. It was an excellent event, and, hopefully, the first of many. And many sporting figures, mostly older, but young and old, were recognised for their contribution to sports. I would like to associate the Deputy Premier with those remarks, and also MP Neville Tyrrell, Minister Caines, MP Ming, MP Kim Swan, and Minister Zane De Silva. It was an absolute excellent event.

I also would like to congratulate, through association, the young man, Mr. Lodge, and Ms. Morris, on their award just given to them through the Pacers Club. I would like to, likewise, say congratulations to Nikki Bascome.

I did put out a press release regarding that. But whenever we see our local sporting talent reign supreme, they deserve the recognition and honour that goes along with that, because I think anyone who has been committed to athletics of any type recognises the commitment and dedication that are required to get to the highest of heights.

So, Mr. Speaker, with those remarks made, I will take my seat.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak? We recognise the Honourable Member from constituency 11.

Honourable Member, you have the floor.

Mr. Christopher Famous: Good morning, Mr. Speaker, colleagues, and Bermuda.

The Speaker: Good morning.

Mr. Christopher Famous: Everybody beat me to the punch. It is all right.

An Hon. Member: No pun intended.

[Laughter]

Mr. Christopher Famous: You are eating into my time.

I want to say it is not often I agree with the Member from constituency 10—never, really.

The Speaker: Well, you have got common ground here this morning.

Mr. Christopher Famous: Yes, we are both from Devonshire. That is it.

The Speaker: Yes.

Mr. Christopher Famous: But one of the things I have learned from him or about him is that he even goes to people's yards who will never, ever vote for him. And I said to myself, *Let me do the same thing.* People I thought would not vote for me.

The Speaker: Are you congratulating him this morning?

Mr. Christopher Famous: No, no. I am not congratulating him.

The Speaker: Well, I'm trying to follow where your congratulations are going.

[Laughter]

Mr. Christopher Famous: I am giving an early obituary.

But anyway, in doing so, I meet a lot of new people whom I normally did not get to meet. And one of the persons was Mr. Charles Tatem. And what struck me with him is that we both had a love for technical things—architecture, technical institute, and just the fact that we want people in Bermuda to get into the technical trades. About a month ago, he went down to one of my houses and drew up plans to do a kitchen for me. I was supposed to give him a deposit this week. I do not think I am going to do that. But I want to say that this man exemplified tradesmen in Bermuda.

And my last obituary would be towards Mr. Dayle Butterfield, someone who was considered a cousin to me. He was in my yard every week, and at BELCO every week, as well. And this man, he would light up the room wherever he went. He also was a skilled tradesman. So, I just want to say that it is very important for us as politicians to always go to everybody's house, even if we think they might not vote for us. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

I recognise the Honourable Member from constituency 1.

Honourable Member, you have the floor.

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

I, too, would just like to add to the obituary notes for Mr. Charles Tatem. I met Mr. Tatem when I joined the Corporation of St. George's as a counsellor. And he was sitting on the St. George's Preservation Authority. So, I knew that the one thing we had in common was the admiration he had for St. George's. I have always admired the fact that he was very strong and definitely advocated for the history and the heritage of the old town through the Preservation Authority. So, I would just like to let his family know that they too are in our thoughts and prayers.

On a happier note, Mr. Speaker, I would like to congratulate the St. George's Cricket Club. One of the events for their Founders Day Week was having a panel discussion on the influence of women in sports clubs. And it was admirable to see seven women sit on a panel, who are all actively involved in the sporting clubs in this country and who are nurturing our children, and note that they had integral roles. They spoke on the love they have for their clubs. And they also spoke on the challenges that they see in club life. And those of you who have been involved in club life know that it is not an easy path to take. But I truly do encourage them and ask them to remain steadfast in what they are doing.

Also, Mr. Speaker, I would like to congratulate the East End Mini Yacht Club for their annual seniors tea, and the St. George's Seventh-day Adventist

Church for their annual Thanksgiving Day service, which was held last week.

Mr. Speaker, just a quick congratulations to the Corporation of St. George's. I know the comments were already made, but to the workmen who worked very hard to make sure that the town looked absolutely beautiful this time of the year, because I am pretty sure that there is nowhere else in Bermuda that looks like St. George's right now. So, Mr. Speaker, I would like to have messages sent to those entities.

Thank you very much.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

We recognise the Honourable Member from constituency 2, is it?

Mr. Hubert (Kim) E. Swan: Yes, sir.

The Speaker: Honourable Member Swan, you have the floor.

Mr. Hubert (Kim) E. Swan: Thank you, Mr. Speaker.

Mr. Speaker, I would like to be associated with the comments just made by my colleague from constituency 1, particularly as it relates to St. George's Cricket Club and the Town of St. George's. I associate the Honourable Member from constituency 3, the Minister Foggo, with those remarks, as well. The Mayor of the Town of St. George's does outstanding work. And, in addition to the lighting of the town, which has become an annual ritual now, she also had her annual Christmas party last evening. And we are having the [Christmas] Boat Parade on Saturday.

And I cannot think of a better location for a boat parade than the Town of St. George's. Looking down from above, I think the only little town that could rival St. George's is the little town of Bethlehem.

[Laughter]

Mr. Hubert (Kim) E. Swan: As I look down, I often think of that miracle location.

And, Mr. Speaker, I would like a letter of condolences sent to the family of the late Arthur Fox, from the Cut Road community. I associate the Member from constituencies 1 and 3 with those remarks, as well. Mr. Fox was a friend of mine. I knew his father even better, before him, the late Arthur Fox, as well as his aunt. And they were dear friends of mine. And I know many are saddened by his passing, as am I. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member [wish to speak]?

I recognise the Honourable Member from constituency 4.

Honourable Member, you have the floor.

Mrs. Tinee Furbert: Yes, good morning. Thank you, Mr. Speaker.

I want to send congratulations to the group, or organisation, which helped the *Race and Resistance: [Understanding Bermuda Today]* symposium. We had the special guests, our fellow MP, Walton Brown, and MP Derrick Burgess, who sat on some of the panels. They did this in collaboration with Bermuda College, the Human Rights Commission, and the Oxford Centre for Global History. And it was an event that was well-done and well-received in our community, with topics such as Founding of Bermuda and the Fight for Freedom; Struggle for Desegregation: Post-emancipation identity and immigration; The Pursuit of Equality and Justice: Past and Present; and Resistance and Transformation Today: What does that look like?

So, it was a very enlightening talk, a symposium that left you with many questions that you wanted answered. It was also a great group of panellists, Bermudians at that, who were able to share a great deal of history about Bermuda. Of course, I am hoping that they will continue with this, because there are many more other people who would like to have the opportunity to share their story and their knowledge of Bermuda's history.

Mr. Speaker, I also want to congratulate the organisation, Project 100, which had a Black & White Ball last weekend. And what is great about Project 100 is that they raise money to house the developmentally disabled in our community so that they no longer have to live in institutions, but can actually live in our community and be part of our community. What I also like about this organisation is that, whenever they put on their ball, they actually involve persons with developmental disabilities and they are able to come to this event and be part of the festivities.

There are organisations who have fundraising events for persons with disabilities, but they never invite them. And I find that to be very shameful, because we will raise money for them, but we do not invite them to come or allow them to come. And they are a part of our community. So, I would like to just congratulate Project 100 for continuing to be real in their quest of assisting persons with disabilities. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Member . . . ?

I recognise the Honourable Member from constituency 19.

Honourable Member, you have the floor.

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

Mr. Speaker, I would like to have congratulations sent to the founders of the 15th annual Bermuda Railway Trek (walk) that was held on Tuesday. I went last year. Unfortunately, I did not go this year. But it is important for us to recognise that all of the donations go directly towards Bermudian students attending Georgia State University, pursuing a management or actuarial science undergraduate degree. And it is nice to know that people who are in the industry get out and walk. And you would be surprised at how many people are understanding now that there is an opportunity, and this is the way to help fund it.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

No other? I recognise the Honourable Member from constituency 29.

Honourable Member, you have the floor.

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

Mr. Speaker, I would like the House to send congratulations to a young man by the name of Jaden Smith. He was recently appointed Head Boy of Port Royal School. This young man is also the House Vice Captain. And he plays football for PHC [Pembroke Hamilton Club]. Jaden Smith, who is none other than the son of my sister, Penny, Mr. Speaker, has a passion for football. I am trying to get him to change his teams to come out and play for Somerset Eagles. That was my old team, Mr. Speaker. And, of course, he is an ardent supporter of Manchester United.

The Speaker: Is he?

Hon. Zane J. S. De Silva: I am trying to get him to become a fan of Liverpool.

[Inaudible interjection]

Hon. Zane J. S. De Silva: That is right.

But he is doing very well, Mr. Speaker, and I think that congratulations are certainly due.

And whilst I am on my feet, Mr. Speaker, there have been congratulations and thanks given to MarketPlace for the [Santa Claus] Parade. I would like to join in with colleagues who have given that credit. But I would also like to give thanks to all of the volunteers who helped organise that event, Mr. Speaker. There are many, many, many people who make that whole parade a success. So, I would like to give them thanks, as well.

And whilst I am on my feet, Mr. Speaker, I would also like to thank the branch members of constituency 29 for hosting yet another seniors tea party this weekend just past. And they do an excellent job. And, as you know, Mr. Speaker, it has been going on for 12 years. And our seniors, not only in constituen-

cy 29, but all over the Island, come to take part. And I would like to give them a big round of thanks for what they have done and continue to do.

The Speaker: Thank you.

Would any other Honourable Member wish to speak?

No other Honourable Member? That brings us to a close of condolences and congratulatory speeches.

MATTERS OF PRIVILEGE

The Speaker: There are none.

PERSONAL EXPLANATIONS

The Speaker: There are none.

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

The Speaker: There are none.

INTRODUCTION OF BILLS

GOVERNMENT BILLS

The Speaker: There are none.

[Laughter]

The Speaker: I am sorry. You read it along quickly that time.

[Inaudible interjections and laughter]

The Speaker: There are five Government Bills to be introduced this morning. The first is in the name of the Minister of Finance.

I believe the first two are yours, Minister. Would you like to introduce your Bills?

FIRST READINGS

BERMUDA MONETARY AUTHORITY AMENDMENT (NO. 3) ACT 2018

INSURANCE AMENDMENT (NO. 3) ACT 2018

Hon. Curtis L. Dickinson: Thank you, Mr. Speaker.

I am introducing the following Bills for their first readings so that they may be placed on the Order Paper for the next day of meeting: the first is the Bermuda Monetary Authority Amendment (No. 3) Act

2018; and the second is the Insurance Amendment (No. 3) Act 2018.

The Speaker: Thank you, Minister.

The next is in the name of the Minister of Health.

Minister, would you like to introduce your Bills?

FIRST READINGS

ALLIED HEALTH PROFESSIONS AMENDMENT ACT 2018

CRIMINAL CODE (SEX OFFENDER MANAGEMENT) AMENDMENT ACT 2018

CHILDREN AMENDMENT ACT 2018

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

I am introducing the following Bills for their first readings so that they may be placed on the Order Paper for the next day of meeting, namely, the Allied Health Professions Amendment Act 2018; the Criminal Code (Sex Offenders Management) Amendment Act 2018; and the Children Amendment Act 2018.

The Speaker: Thank you, Minister.

Those are the five Bills that have been introduced. We now move on.

OPPOSITION BILLS

The Speaker: There are none.

PRIVATE MEMBERS' BILLS

The Speaker: There are none.

NOTICES OF MOTIONS

The Speaker: There are none.

ORDERS OF THE DAY

The Speaker: The understanding is that there are four Orders that will be taken up today. The first Order is actually the second Order on today's paper.

ANNOUNCEMENT BY THE SPEAKER

APOLOGY

The Speaker: But, before we actually get there, let me just acknowledge that the MP Cole Simons had also indicated his absence today. It was not on the Order Paper, but I do feel it should be acknowledged because he did inform us.

The second Order which will be taken up today is the Customs Tariff Amendment (No. 3) Act 2018, in the name of the Minister of Finance.

Minister, would you like to proceed with your matter now?

Hon. Curtis L. Dickinson: Yes. Thank you, Mr. Speaker.

With the Governor's recommendation, I move that the Bill entitled Customs Tariff Amendment (No. 3) Act 2018 be now read the second time.

The Speaker: No objections to that, right? Continue, Minister.

BILL

SECOND READING

CUSTOMS TARIFF AMENDMENT (NO. 3) ACT 2018

Hon. Curtis L. Dickinson: Mr. Speaker, Honourable Members are requested now to give consideration to the Bill entitled Customs Tariff Amendment (No. 3) Act 2018.

The Speaker: Continue.

Hon. Curtis L. Dickinson: Mr. Speaker, the Bill proposes to amend the Customs Tariff Act 1970, the principal Act, with measures that include the following:

1. amendment of CPC 4229 in the Fifth Schedule to the principal Act, end-use duty concession for goods for local commercial manufacturing; and
2. amendment in the Fifth Schedule to the principal Act by inserting new CPC 4232, End-Use Duty Relief for Goods for seniors' housing.

Mr. Speaker, I must highlight that following further consideration of the scope and certification of the new CPC 4232 I will be proposing certain amendments on the floor, which I will outline shortly.

Mr. Speaker, I now turn to the measures of the Bill that amend Fifth Schedule CPC 4229. Honourable Members will recall that CPC 4229 was inserted in the Fifth Schedule of the principal Act by the Customs Tariff Amendment Act 2017. CPC 4229 was designed to give the Minister of Finance greater flexibility in promoting manufacturing undertakings carried on in Bermuda, especially where the undertaking is likely to create new jobs and be of benefit to the general economy of Bermuda.

Mr. Speaker, currently, the low 5 per cent concessionary rate under CPC 4229 is available in respect of all goods, provided that such goods are imported for and used only in the local commercial manufacture of goods by an approved business, and

provided further that the goods must be incorporated in locally manufactured goods.

Mr. Speaker, as it stands, CPC 4229, unhelpfully, affords the Minister no discretion to restrict the scope of qualifying goods in respect of any particular approved business. In order to address this issue, the Bill provides the Minister of Finance with discretion to determine the scope and qualifying goods in any approved business notice made by him under CPC 4229. This will give the Minister of Finance better flexibility in the administration of the concessionary 5 per cent duty rate.

Mr. Speaker, I will now progress to the measures of the Bill that insert new CPC 4232 in the Fifth Schedule to the principal Act. Honourable Members will recall that, on the 19th of July 2018, the Premier and former Minister of Finance gave a national address to the people of Bermuda, in which the Government promised to take steps to support seniors ageing at home. One of the measures proposed by Government is the creation of a new duty relief for goods for improved projects to seniors' homes. The proposed duty relief is intended to encourage installation of fittings and fixtures that will enhance senior mobility, safety and comfort while at home. It is intended that the duty exemption should also apply to existing and new residential care homes, as they also play an important part in Bermuda's health care system.

Mr. Speaker, in order to ensure adequate control of the proposed duty relief, it is proposed that the Department of Ageing and Disability Services [ADS] should certify the particular goods that will qualify for the duty relief in any given case. It is intended that the Ageing and Disability Services Department certificate should be then be presented to Customs in support of any application for duty relief. Further consideration of the relief will specify that qualifying goods must be installed only on the premises specified in the ADS certificate, and that qualifying goods must be used for the purposes of enhancing seniors' mobility, safety and comfort.

While the new CPC 4232 benefits seniors, we will propose an amendment to allow the benefit of this relief to extend to disabled persons, as well, whether they live at home or in a residential care home, and to provide published guidelines that the Director of the Department of Ageing and Disability Services will follow in certifying goods as eligible for the relief.

Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

Does any other Member wish to speak?

We recognise the Honourable Member from constituency 23.

Honourable Member Gordon-Pamplin, you have the floor.

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

Mr. Speaker, I thank the Minister for his overview of the intent of this Customs Tariff Amendment (No. 3) Act 2018. He ended where I wanted to begin, because, obviously, having a Department of Ageing and Disability and having an amendment to a Bill that speaks to goods for seniors' housing and not relating to those with disabilities would be, obviously, something that was a blatant oversight, in my estimation.

Especially having just heard the Honourable Member from constituency 4 speak to the congratulatory messages to Project 100 and the jobs which they do for the disabled community, it just seemed inconsistent and incongruent that we would have a Bill that ignored them. So, the Minister has corrected that by indicating that he wants to do a floor amendment to include those disabled people and the goods that are going to assist in their comfort and their mobility situation.

I think specifically of a place such as Summerhaven, which does not necessarily house seniors, but certainly may require the installation of specialised equipment in order to accommodate the disabled, or physically challenged, individuals. So, it was important that I saw that particular amendment being made. So, I am pleased to hear that.

Mr. Speaker, the seniors ageing at home, very clearly, is something that we support. It is something, the concept of it, which was certainly started under our administration to indicate that we wanted to enhance and embrace anything that was going to assist our seniors in their comfort and their ability to live and age at home effectively.

Mr. Speaker, in addition to that, we also want to ensure that there is an incentive for anyone who decides that they want to build new seniors' homes or new homes for physically challenged individuals, that there would be some kind of carrot, as it were, to say, *Please. We need this.* We will have an ageing population as time goes on. You know, we have a declining birth rate, but an incredibly rapidly ageing community. So, the seniors' homes that are presently in existence, we may find that we do not have sufficient capacity to be able to accommodate what the ultimate need is going to be.

And in forward thinking, we obviously have to be able to provide for that burgeoning demand that we anticipate, and therefore [we need] to have duty relief for goods that are coming in, in order that developers and entrepreneurs may have the opportunity to build additional nursing homes of a quality that would be appropriate for seniors' living.

So, we certainly support this. I look forward, obviously, to the amendment that the Minister has indicated both in his comment, and now we actually have received a copy of the amendment that he intends to make.

My only other observation is with respect to CPC 4229 in the Fifth Schedule. And that is the one which the Minister referred to as being able to broaden his discretion with respect to what is a qualifying good that the Minister may approve for manufacturing businesses. And the only thing that the Minister did not mention in his comment—I mean, that I have a question for—is whether, in fact, when he has the oversight to make the determination as to what is appropriate, I did not get the understanding of whose recommendations for concessions he will take into account.

I certainly would not anticipate that the Minister, during the course of his very busy day and very important schedule, would be stopping to vet every application that comes through. So, presumably, by the time an application comes through to his desk for sign-off and approval, somewhere along the line, somebody in the manufacturing industry would have been able to have an oversight to say, *This is an appropriate manufacturing entity for which we would invite the Minister to use his discretion to consider a preferential customs tariff.*

So, those are my only observations and concerns. And, certainly, from our perspective, we certainly do support the comfort of our seniors to make sure that, whatever we can do to make their lives easy, and, more importantly, to make the lives of those who have to care for them, to care for seniors, in a commercial environment, people who are going to be utilising the benefit of this customs tariff relief, we certainly want to support their comfort.

I did look at some of the end-use restrictions and conditions. And I guess I can speak to that more specifically when we get into Committee, because we are talking about the residential care homes. But it is only for people who are over 65—I mean, a senior being a person who is over 65. So, I would look to see that the amendment also shall have included someone, irrespective of age, who has a disability. Those needs also should be considered.

So, those are my observations and concerns. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak? I recognise the Honourable Minister Wilson.

You have the floor.

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

And, I too would like to join in on this debate, for a number of reasons, first and foremost, because it is going to be a tremendous asset to those persons who are in our senior community, including the one or two who may actually be present here.

And also, with respect to CPC 4229, the amendments that are being proposed under CPC 4229, you will recall during the debate when we spoke about the sugar tax and the implementation of that,

there was some concern which was raised by members of the community as it related to the small businessperson, such as the home bakers or the candy makers and so forth. So, I know the Minister will address this in further detail, and in particular when we go clause by clause. But it does provide clarity and allows for the Minister, in his absolute discretion, as is indicated in the legislation, to provide that 5 per cent concession for that relevant, approved business establishment.

Now, just turning to the other sections with respect to the amendments as it relates to the provision for seniors, Mr. Speaker, there is no doubt that everybody is familiar with our alarming statistics. And I am just quoting from the statistics data of 2010 when the Census said that there were 8,639 seniors aged 65 and over, which represented 13 per cent of our population. However, it is anticipated that, by 2030, which is almost tomorrow, we will see an increase of almost 22 per cent of our population being over the age of 65, with 25 per cent representing a seniors population by 2050. So, clearly, as the Honourable Member who just took her seat spoke to, we are seeing an ever-increasing ageing population, in Bermuda and worldwide. That is a phenomenon that is not known just here in Bermuda. And then, of course, we have the declining birth rates.

So, Mr. Speaker, there are a number of reasons why there is a benefit for seniors to age at home. And anything that we can do to help support that, obviously, is why the mischief that is being created with respect to this piece of legislation. There was a study, Mr. Speaker, in 2015, somewhat dated, in the United States, that found that 80 per cent of all seniors who [when] asked [about where to live, said they] wished to remain at home. They wanted to age in place at home, as opposed to in a facility.

And there are a number of benefits to that, Mr. Speaker. Growing in age in your own home and in your own comfortable surroundings, obviously, has tremendous benefits to your mental health, which, clearly, affects your physical health. You can wake up when you like to. You can eat when you like to. You can cook whatever you want to eat. You have no restrictions in that regard. You have personal freedom. You can have family and friends visit you at all hours of the night or day. You can sleep in until twelve o'clock if you want and get up when you want, and drink your coffee, and the like. So, there are a number of benefits to ageing well in place, physically, as well as emotionally and psychologically.

Also, Mr. Speaker, unfortunately, we recognise that the cost of living in a care facility is crippling. On average, a facility can cost anywhere from \$5,000 up to \$11,000 a month here in Bermuda. And many, many families cannot afford that. So, if they are able to have a concession such as this, this important concession, this will allow them to adapt their homes so that the senior is more comfortable, is safer, has bet-

ter mobility and the ability to remain at home, then, obviously, that does decrease the necessity for having that senior having to reside in a care facility.

Another [factor], Mr. Speaker, is that, unfortunately, there is an increase in ailments and an increase in contracting certain diseases in seniors. Because, as we get older our immune system drops; it decreases. And, therefore, there is more likelihood of the prospect of somebody contracting a particular disease and the like whilst they are residing in these residential facilities. So, there is a host of reasons why it is more beneficial for us to support legislation like this which will allow a senior to age in place.

Mr. Speaker, there are a number of benefits to the adaptation of a property. So, for example, if we have a home and the senior is fairly mobile, we can make adaptations to the property that will, again, allow for the senior to age in place in their own comfortable surroundings. Small changes can make a big difference in the life of a senior residing in their home and ageing in place, and it will allow them to continue to live comfortably in their own homes.

Such things as installing shower ramps and shower installations, ramps within the property—if you have, perhaps, a step to get up or a staircase, you can do ramps. You can provide lower access in the entranceways just in case a senior, perhaps, has a wheelchair or the like. You can get stair lifts. You see them on TV now, where you can get these lifts that go up a couple of flights of stairs. You can install the standing tubs, widen the doorways, as well as install toilets [on the entrance level of the home].

These are the types of things that are going to be looked at with respect to a concession. The Ageing and Disability Services, which comes under my Ministry, have a very capable staff, very committed to this. And they are supporting this exercise, as well. And they will assist in driving this exercise by putting together the criteria and the like. So, I am really pleased to be able to support this Bill, working in tandem with my colleague to my right, the Minister of Finance, to allow for seniors to be able to age well in place, for it will be more cost-effective for their families, for them to be surrounded by their loved ones, who can visit at any time and any place. They have the freedom and the comfort to live at home.

So, I support this legislation. And thank you for your time, Mr. Speaker.

The Speaker: Thank you, Minister.

Does any other Member wish to speak?

We recognise the Honourable Member from constituency 19.

Honourable Member, you have the floor.

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

Obviously, on this side, as my colleague said from the start, we support this legislation because, when I was the Minister of Health and Seniors, these

were some of the things that we actually worked on. And as the Minister said, not only did we work on this, but we started the benefits so that people could work at home. They could live at home and actually have their insurance cover this. And so, when you start talking about people living at home, you start to realise that, if you are going to have seniors living at home, you have to modify their premises. And you have to be able to make sure that your home is actually able to house them.

So, from my perspective, I am really pleased also that, even though we have not got the enhanced care for disabled people, perhaps that will be something that will come next—

[Inaudible interjections]

Hon. Jeanne J. Atherden: May I finish, please? Thank you.

I am talking about having insurance for disabled people. Perhaps that will come next. I am not talking about this. I know what I am talking about.

The Speaker: Well, speak to the Chair. You will be all right. Speak to the Chair.

Hon. Jeanne J. Atherden: I realise that it is important. And if we are going to talk about the amendment, then I guess I should maybe make the notation right now before we come to Committee that, if you are changing the description, the description still should be “goods for seniors and disabled housing.” That top part has not been changed. So, perhaps the Minister can change it.

The Speaker: No, you can save that for Committee. Save that for committee.

Hon. Jeanne J. Atherden: But he can work on it before we get to Committee.

The Speaker: Okay.

Hon. Jeanne J. Atherden: And I just want to say that it is important for us to recognise that seniors, or those persons who want to keep seniors in their homes, will be very much able to take advantage of this. But the question in my mind was, people like Medical House and other places that actually bring in a lot of this equipment, will they be able to apply to have the reduction when they are doing their customs duty applications?

Because, obviously, this stuff could go to seniors. Or is it going to be one of those things, because I guess you could put a bar and other things in a home, and the person who is in there is not actually 65. Or would it be that it will only be if you are importing it, and you are the duty importer, as opposed to using something that actually was imported and you are

buying it? So, I just wondered if that could be clarified, because the recognition is that it would be a shame that a senior or the senior's family who has to go and buy some of these things, and does not import them, [may] not have the benefit of being able to get the duty relief.

And I say this because I am mindful of something that the Minister said when they were talking about the sugar thing. When we recognise that, sometimes, people are buying stuff on the Island, and they were going to get some benefit for duty because they could prove that they were a manufacturer, is it possible, maybe, that if you are going to buy this for your home that you could get the 5 per cent [duty]? Is the Minister not prepared to give someone like a commercial importer the 5 per cent duty because something like a towel bar and something else could be used for younger people? So, I wondered if that could be addressed.

And I just want to say I am not going to belabour the fact that all of these things are part of the progress of recognising that the more that you can make seniors stay active and the more that you can make sure that they are mobile and protected, it prevents people from having falls and accidents, et cetera. Because we start to realise that what happens, most of all, is that when people fall, when they start to lose their mobility . . . that is when things happen, after that. Afterwards, they are either hospitalised or they start to slow down. And, therefore, their lives are shortened.

So, anything that can be done to protect their mobility is very important. And I am not going to go on and on about the fact that this is good and we support it. And I look forward to response to my questions.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

We recognise the Honourable Member Furbert, from constituency 6.

Honourable Member, you have the floor.

Hon. Wayne L. Furbert: Thank you, Mr. Speaker.

First of all, let me congratulate the Minister of Finance and the Minister of Health for the work that is being done today. I think it is very progressive, the direction that we are heading.

I would also like to thank two particular Members, the Honourable Tinee Furbert and Derrick Burgess, for some of the roles that they played in some of the suggestions for the amendments. Of course, they are Hamilton Parish, which makes it reasonable why some things move in that direction.

But, Mr. Speaker, I heard the Honourable Member, and I appreciate the Honourable Member from constituency 20, say that they were working on this. It took five years to work on this. Do you know how long it took me to work on this? Three hours. I

just find it quite extraordinary. It took five years for the Honourable Members to work on this, and the technical officer realised—

An Hon. Member: It took you three hours to find the file.

Hon. Wayne L. Furbert: It took us three hours to sit down and work on this—

[Inaudible interjections]

Hon. Wayne L. Furbert: In other words, when the Government makes a decision, we make a decision and we work on this. We do not take five years to work on a certain project.

So, I would like to recognise and thank the—

[Inaudible interjections]

Hon. Wayne L. Furbert: It took three hours. Yes, three hours instead of five years of working on this particular amendment.

But there is one thing, Mr. Speaker, which I think we could go further on. I think there is one thing which we could go further on. I think we have recognised the seniors. I think it is great, this clause, the disabled again are recognised by the Members from Hamilton Parish. But the part about the director—I will be wearing my hat as Chairman of the Efficiency Committee within Government—[says] that the director has to go out and verify everything. That is not efficient.

I think we, and any further Members of Government, should be bringing it forward, recognising those items. The Minister mentioned some items—towel racks and stuff, those things, and stuff for the bathroom. Identify the items that we need, which the seniors, and the disabled can utilise. Instead of having someone, every five minutes, running out and signing a certificate so that they can go to Customs and get their towel racks and things like that. So that is one thing I think that we could work on, and hopefully, we will bring that amendment.

Because if we make it more efficient for people instead of going through the agony of trying to find the director, who is also already busy, then I think we can make it much easier for our seniors and the disabled.

So, Mr. Speaker, with those few words, I will take my seat. Thank you.

The Speaker: Thank you, Member.

Does any other Member wish to speak?

I recognise the Honourable Member from constituency 20.

Honourable Member, you have the floor.

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

I just would like to get up and explain the reason why the OBA's efforts in the previous years to get to this very beneficial point for the community [took some time] is that this is not about a towel bar. The point of this exercise, and there has been considerable thought given to it, I am sure, by both the OBA and the present Government, is based on the fact that there are a number of people out there who are ageing, who will be disabled, who are disabled and ageing. And there is a growing market for us to consider the fact that people may want to go into the business of creating residential facilities for those who are ageing or those with disabilities.

And in order to do that, I would imagine that, in the best scenario, the Department of Ageing and Disability Services should be consulting with entrepreneurs who are interested in renovating their homes for seniors in advance of making these actual renovations. So, we are talking about a new business establishment, and we are talking about a major investment.

So, in consultation with the Director of Ageing and Disability Services, I would imagine that consideration and consultation around licensing of a residence, senior residential care facility, would take place. Planning about how we are going to accommodate seniors in a home. And then, of course, the collection of information around any kind of renovations that would need to be done and the purchasing of new equipment, which would mean that this is going to be a relatively major project for this entrepreneur.

So, with the approval of the Director of Ageing and Disability Services, the entrepreneur can then make the purchases, get involved in the renovation of a home so that it is capable . . .

An Hon. Member: It is a towel rack!

Ms. Susan E. Jackson: It is much more than a towel rack!

The Speaker: Member, speak to the Chair. Speak to the Chair.

Ms. Susan E. Jackson: A residential home could then be fully fitted without this entrepreneur having to go through the extra expense of the duties that would be incurred.

And that, to me, is a reasonable scenario. I believe that it is going to be most helpful not only having the pre-consultation with the Ministry in advance of making renovations for the disabled and seniors, but also the fact that they would have this tariff, or custom relief, on the importation of goods to renovate a facility for residential care homes. So, these are two very good things. And I appreciate it.

Now, I have spent the last couple of years at Summerhaven. And I can appreciate the accommodation that needs to be made to make a comfortable and

accessible dwelling for people who are living with disabilities, as well as for seniors. And, yes, absolutely, we look at equipment. But there are also a number of construction adaptations that make that much better. And, certainly, any of that equipment that is needed certainly is greatly appreciated at a duty-free rate.

So, yes, let us get down to the details of it all. So, if I want to purchase some equipment for my home because I have a senior who is living at home, then I would expect not to necessarily import equipment. Let us say, it could be an adapted shower or maybe there are hand rails, maybe a bench. I am not necessarily going to order those things directly, which would be quite cumbersome, you know, the idea to have to go to the Director of Ageing and Disability Services. I mean, that is just not what a consumer does.

But what I would hope is that, when I go to the likes of a Medical House or Lighthouse or any of the other retail facilities, that there would either be a balancing-out of the prices of these goods and services because of this tax relief, or that the price may even decrease slightly because, I would hope, that in some way, shape or form they may be able to pass on a little of that savings to the consumer. Because, actually, it is the owner of an establishment, a retail establishment like a Medical House that is going to be ordering in bulk for adaptive equipment for seniors and the disabled.

And they are the ones who should be getting the tax relief on the importation of the goods. So, this is not necessarily about me, as Ms. Bermudian, living in Bermuda. But it is about those who are actually supporting this as an industry, whether it is as a residential home or whether it is as a retail outlet that will be importing these goods and equipment for the disabled, those living with disabilities, or seniors. So, that is the way I understand this legislation. And I fully support that.

[Inaudible interjections]

The Speaker: Members. Members!

Ms. Susan E. Jackson: Now, if I want to adapt my home because maybe I have a mother and a father, or a grandmother and grandfather whom I would like to live in my home, again, it is not my inclination that the renovation that I may be making—which railings, ramps, maybe a lift of some sort—I am probably not going to want to make as big a deal about this that I would have to go to the Director of Disability Services. And if that is the case, then I believe that the Ministry needs to at least be aware of the fact that there may be an increased volume of queries around this customs tax relief until people kind of get a better understanding of the levels of volume of importation of these goods that the Ministry is really getting at.

But again, if I am looking for railings, a lift, some adaptive equipment in the house, I would expect that I would make that arrangement with the likes of a retailer such as a Medical House.

So, that is my understanding of this legislation. I am fully supportive of it. I do notice, through my extended family at Summerhaven, that we are meeting and we are caring for more seniors who are living with disabilities. And anything that we can do to make their lives more accessible and to help them remain very much an active part of our community is certainly our obligation to the country. So, with that, I will take my seat. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Anything further?

We now recognise the Deputy Speaker.

Deputy Speaker, you have the floor.

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

Mr. Speaker, first, I would like to thank the Premier for moving this Bill along when he was the Finance Minister. It was earlier this year that we received a letter from a rest home that was bringing in some equipment, appliances, and they were requesting a tax exemption. At that time, it could not be done. It was not within the law. But the Premier promised me that he would fix this. And the new Finance Minister, Mr. Dickinson, had brought it. So, I thank the Premier and our new Minister, the Honourable Member Curtis Dickinson, Mr. Speaker.

Mr. Speaker, when we talk about seniors, there are many challenges there to try to accommodate them because of the increasing number of that population, the fastest increasing segment of our population. You have heard the figures, in 10 years' time what it will be. And, normally, when you get an increase in numbers, you get increasing problems—and problems meaning health problems, whether it be physical or mental, Mr. Speaker.

So, what we need is more beds. And, certainly, this would be an incentive for investors to come in, because there are some tax exemptions already on the books for when you are constructing seniors' homes. This particular Bill is about supplies, whether it be [adult diapers] and the major appliances like refrigerators and that type of thing. That is what this particular amendment is about, Mr. Speaker.

Mr. Speaker, as you know, you probably know, in the rest homes today, a lot of the charges are passed on to families for like [adult diapers] and toiletries, because that \$5,000 or whatever the rate may be does not cover these items. And, some families are struggling even to pay the fee that is charged monthly to stay there. And many rest homes are footing . . . well, their accounts are in arrears. So, they are struggling because the majority of our rest homes, the fees are within the \$5,000 or \$6,000 range, Mr. Speaker.

But, Mr. Speaker, the disease or the sickness, dementia, is prevalent today. And what we would encourage any investor to do is, if they are going to construct a rest home, that they consider putting in dementia units within that property to take care of folks. Because there have been courses that have been held in Bermuda to train people on how to deal with the dementia patient. So, that is a plus.

And, Mr. Speaker, one of the biggest challenges is how we are going to pay for these services. In one country, I think it is in Germany, they have long-term care insurance. And they take out a fee off of your gross. And, depending on your age, they determine what particular charge it would be. I think we will come to a stage where we will have to do that because there have been some cases of abuse by families and those who have been in charge, or have the authority over seniors, of paying. And our seniors, a lot of them, are not treated the way they should be treated. And that is why we are talking about a charter, a long-term care charter for human rights for the seniors and those who are disabled. And so, we are hoping that this will come before this House to discuss, and the basis for any laws would be that charter, Mr. Speaker.

Mr. Speaker, one thing before I sit down, that I think is definitely needed, because a lot of our seniors are on their own. Some are staying by themselves. And, there is nowhere for them to go during the day. We need a facility where our seniors can go during the day to just exercise their mind, their muscles and everything else. Because if you are sitting up at home by yourself, that certainly will, in my opinion, contribute to how long you are going to stay with us. And it is good for those who have got a lot of grandchildren and a lot of children. You know someone is going to come around.

But we have a lot of our seniors who do not have any children at all. So, it is difficult on them even preparing their meals, because Meals on Wheels—and I pray for them and praise them for what they do—but they provide one meal a day. You have churches providing meals throughout the country, and other organisations. But I would hope that we would seriously consider some type of day facilities where seniors can go and exercise everything that they have, their minds, their bodies and everything else, and this would enhance their lives. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

We recognise the Honourable Member from constituency 4.

Honourable Member Furbert, you have the floor.

Mrs. Tinee Furbert: Thank you, Mr. Speaker.

What everyone has shared already today has been very valuable. But I just wanted to speak on this topic, and also declare my interest. I am an occupational therapist by profession. And one of the things that I do—as do many occupational therapists who are out there—is go and do assessments in people's homes to make their homes, or even residential facilities, accessible. And so, it is a great assessment to have home assessments to make sure that, when people are able to return back to their home, they are safe.

I would just like to also say that this Bill, I had nothing to do with this Bill. This is an awesome Bill that was actually laid out in our platform. And again, someone mentioned the foresight of our Premier to push forward with a Bill such as this. So, I want to thank him in advance for having the foresight for a Bill such as this.

We do know that we would all like to age at home. We speak of seniors sometimes as though we will never get there ourselves. But ageing at home is very important. When you invest money into a home, a piece of the rock, and it is a lot of money, that is something that you hope that you would be able to stay in for the rest of your life. And so, ageing at home is very important for us as we age.

There was also a survey done by Age Concern that also showed that over 80 per cent of our seniors, when the survey was done, owned their own homes. And so, having a progressive Bill such as this come to fruition is also nice. I would say that we are stepping it up into the 21st century.

I also wanted to add that, as we age and our income is not as steady as it used to be, when we consider all of the other costs that we have to factor in—health care, food, sometimes it is prescription drugs, sometimes it is care staff and then the increasing costs of health care . . . And even our nursing homes and residential homes also experience those increased costs of having to run a home. The overhead as it has to do with electricity, as it has to do with paying staff, as it has to do with paying staff's health care, these are all astronomical costs that make it very difficult to run a nursing home or residential home. And so, with any sort of relief such as this, it will be very helpful to nursing homes.

I just wanted to also add that, as we age, some things happen to our bodies. And our vision declines. That is happening to me now.

[Inaudible interjections and laughter]

The Speaker: What was that, Honourable Member? I missed that. You are ageing already?

[Laughter]

Mrs. Tinee Furbert: As we age, our vision does decline. Our bones are not as strong as they used to be.

That is why they tell us we have to increase our calcium level.

And something else which happens, because our vision is declining, is our balance is also affected. And so, our ageing population has a huge, huge problem and concern with falling. And they could just turn really quickly, and then, you know, tumble to the ground. And that can cause a co-morbidity where they break their hip or break their shoulder or break their arm. And so, then we can link this to the hospital, and another problem that we have is being able to get our seniors out of the hospital. And sometimes, it is because they just cannot get in their house and they cannot move around their house.

And with our architectural structuring of our homes, our Bermuda homes, we have tons of steps—steps to get in, steps within the house—where people are having to make decisions to move their bedroom or their living situation down into places like living rooms, where they are more accessible because that master bedroom that you built is up on that top level. And you can no longer get to that top level anymore.

And so, this concession on this tax will help with one of the most impactful things that affects seniors with getting in their homes, which is stairs, right? So, hopefully, people will take advantage of such a tax, or no tax, such as this so that we can get them safely in their homes and able to move around their homes a lot more safely. So, it will, hopefully, include things such as ramps.

One thing I do want to correct is the terminology of “towel bar.” A towel bar? We do not use towel bars. We use “grab bars.” If you try hanging on a towel bar, you will fall [down]. Okay? So, it is a grab bar. They are made to standard. They are made to withhold certain degrees of force. And they are not just grab bars that you buy and hang up on the wall. They are supposed to be done to a specific measurement. So, there are things that have to be done correctly. And already, there are firms that are out there that are doing these sorts of things. There are architectural firms that actually are specific in accessible planning and design. So, these companies are already out there, and they exist. So it is not a new industry that we would have to create. These companies are out there, and they do exist, and they can help our seniors and our disabled in the community.

I did want to speak to something that MP Wayne [Furbert] did speak about in regard to the Director of the Department of Ageing and Disability Services certifying these goods. I remember we had passed some legislation before where the Chief Medical Officer was responsible for signing off or certifying vehicles, disabled vehicles. And we actually removed that out of the Chief Medical Officer's hands to make the process a little bit more seamless, because it became too tedious for them to manage. And I am just hoping that, in the hands of the Director of Ageing and Disability Services, the process does not become too

difficult and tedious for our seniors and disabled to have to have access to these goods.

So, I just wanted to share that this is a progressive Bill. The Ageing and Disability Services are already ingrained in the process of regulation of our nursing homes and residential homes. So, they are pretty familiar with the equipment that would be needed around mobility, safety and comfort. But, again, I still think that requiring the Director of Ageing and Disability Services to certify and sign off on documents would actually cause a delay in the actual processing of access to goods.

So, I just want to say that this, again, is a progressive Bill. And, interestingly enough, in some jurisdictions, insurance companies actually cover some of the costs of adaptable equipment in making seniors' homes and the homes of persons with disabilities a little accessible. So, I would actually like to see insurance companies stepping up to the plate, as well, in assisting with our seniors and persons with disabilities in providing some type of coverage for things such as ramps and grab bars, because I know that they are not providing coverage for those things right now.

So, without further ado, thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

I recognise the Honourable Member from constituency 21.

Honourable Member, you have the floor.

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

Mr. Speaker, this is a welcomed Bill that we have before us, Customs Tariff Amendment (No. 3) Act 2018. But let us not delude ourselves. This is not enough. We have facing us a tsunami, a demographic tsunami that is going to overwhelm Bermuda unless we step up the pace. And this is a challenge to all of us here to step up the pace of meaningful reform to ensure that, as the baby boomers begin to go into retirement, we are going to have the necessary resources to meet their needs. And I am telling you that the clock is ticking.

We had one of the Ministers not too long ago, and forgive me for not remembering which one, who indicated that in the next five years you are going to have over 500 civil servants who are going to age out in terms of employment—500. Those are people right now between the ages of 58, 59, 60, all the way to 63 or 64. Five hundred! And I am not going to speak too long here, Mr. Speaker. But I just want to say this, as well, that we have got to understand that there are many within the baby boomer population who are not prepared for retirement. They are not going to be prepared for retirement and for those ailments that accompany one's ageing.

We know, for example, talking about my generation, that there will be thousands, particularly black Bermudians, who, on average, because of the institution of racism and other impediments within our society, as they were in their peak earning years, are not going to have the levels of income and multi-generational wealth [of some Bermudians] to begin to help insulate them from these impacts.

Now, I am not saying that this is going to be the worst-case scenario only for black Bermudians, as some would probably want to jump up and say. But they will be disproportionately represented.

So, my point is this: The dependency ratios are going to go through the roof, putting an inordinate burden on young people. I heard the Deputy Speaker speak about the fact that we have a number of persons who may have only two or three children. I think he said something like that. But, the reality is, if you look at the demographics, there are a growing minority with no children, heading towards retirement. Look at the fertility rates over the last 30–40 years. And, moreover, there is a larger percentage of persons who will only have one child, [and this child] will probably have to meet the demands of ageing parents, both mother and father.

So, again, let us not be too complacent here. We are just at the beginning of this wave to begin to legislate the sort of reforms that are going to be needed to meet this pending challenge, demographically. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Member wish to speak?

No other Member?

Minister, would you like to respond?

Hon. Curtis L. Dickinson: Mr. Speaker, there were a couple of questions that I would like to respond to. In the first instance, from the Honourable Member from constituency 25 [*sic*], the Minister will take recommendations from customs officers and technical officers in the Ministry of Finance. Typically, as has been done in the past, vendors would ask for relief from customs and the Ministry of Finance. So, we will consider the input from technical folks and customs officials in making a decision and ensuring that the decision that is made is consistent with policy.

There was a question with respect to, I guess, vendors who provide or sell equipment or the goods or fixtures or furnishings. The general provision of the Fifth Schedule allows for retroactive authorisation of the duty relief for individuals who purchase things. And so, I would suspect that, inasmuch as people purchase goods from vendors, they can apply for the relief once they have made their purchase.

I would also suggest that, working with the Ageing and Disability Services, perhaps a form be provided to the vendor, which they could provide to the person purchasing the goods, with a stamp of

some sort, that can then be submitted for refund of the duty that was levied on the goods being purchased.

[Crosstalk]

Hon. Curtis L. Dickinson: I was just getting some clarification on the question from the Honourable Member from constituency 19. And I think I just covered that ground just now. So, the duty will apply to commercial vendors, and the relief will be provided once the goods have been sold onwards to consumers. There is 12 months retroactivity.

I think I have addressed the questions that were asked, Mr. Speaker.

And with that being said, I move that the Bill be committed.

The Speaker: Thank you, Minister.
Deputy.

House in Committee at 12:07 pm

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

COMMITTEE ON BILL

CUSTOMS TARIFF AMENDMENT (NO. 3) ACT 2018

The Chairman: Honourable Members, we are now in Committee of the whole [House] for further consideration of the Bill entitled the [Customs Tariff Amendment \(No. 3\) Act 2018](#).

Minister, you have the floor.

Hon. Curtis L. Dickinson: Mr. Chairman, this Bill seeks to amend the Customs Tariff Act 1970, the principal Act.

Clause 1 is the citation.

[Pause]

The Chairman: Continue.

Hon. Curtis L. Dickinson: Clause 2 amends CPC 4229 in the Fifth Schedule to the principal Act (goods for local commercial manufacturing) to provide that the discounted duty rate of 5 per cent will not apply to all goods, but to goods of such description or quantity as may be approved by the Minister in the relevant approved business notice made under the CPC in accordance with policy guidelines issued and published by the Minister.

The Chairman: You may continue, sir.

Hon. Curtis L. Dickinson: Clause 3.

The Chairman: Yes. We are going to move all clauses. It is very short.

Hon. Curtis L. Dickinson: Clause 3 amends the Fifth Schedule to the principal Act by inserting CPC 4232. Originally, it was proposed to provide duty exemption in relation to goods for seniors only. However, after further consideration, it is proposed to allow the benefit of this relief to extend to disabled persons, as well. Therefore, I propose the following amendment to CPC, which has been handed out to Members. I move that the Bill be amended—

The Chairman: Okay. Being that we have got an amendment on the third clause, let us just do clauses 1 and 2 first.

Would any Member want to speak to clauses 1 and 2?

The Chair recognises the Honourable Member Pat Gordon-Pamplin.

Hon. Patricia J. Gordon-Pamplin: Thank you, Mr. Chairman. Good morning.

Mr. Chairman, I wonder if the Minister could just clarify in clause 2, when it says that “a quantity as may be approved by the Minister in the relevant approved business notice made under this CPC . . .,” relief referred to in the Fifth Schedule, how is that determination going to be made? I think that there needs to be some kind of parameters established. It does say that, in accordance with the policy guidelines issued by the Minister and published in such a manner as he sees fit.

You may have, as the Honourable Health Minister indicated earlier, somebody who is going to be exempt from their sugar tax because they are a manufacturer of baked goods and the like. And the relevant goods that need to be imported will differ according to various agencies. So, there has got to be some kind of cap with parameters. And I am just curious—

The Chairman: Well, why do you not let him answer the question?

Hon. Patricia J. Gordon-Pamplin: Right. Okay.

And the second question, he can answer at the same time, is, How is it going to be managed to ensure that the exemptions are not being taken advantage of by ancillary involvement by the person who is making that application?

The Chairman: Any further speakers?

Minister, you may respond.

Hon. Curtis L. Dickinson: In the first instance, the amendment presented in clause 2 is an attempt to narrow the scope of goods that would actually qualify. I think Members will see that, in the instance of the existing legislation, pretty much anything could apply. Anyone could apply for relief. The intention of the amendment is to kind of close that loophole, to give

the Minister some discretion around which goods can and cannot apply for the relief.

I think it would be a bit of a fruitless exercise for me to try to articulate everything that would apply or would be subject to relief. The purpose of this amendment is to grant the Minister some discretion to make calls with respect to goods which qualify for relief and those which do not.

I am sorry, Member. I missed the second part of your question.

The Chairman: The Chair recognises the Honourable Pat Gordon-Pamplin.

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

The second part of my question was, How is this going to be managed? And my question really would be, let us say, for the sake of argument, a grocery store imports sugar. And there is going to be a per cent exemption, or an exemption on sugar for the bakery. How is this going to be managed so that the grocery store is not claiming exemption for *all* sugar that they bring in, for the manufacturer as well as for everybody else?

Or, will the manufacturer then be able to go to the grocery store for some kind of reimbursement? Or will the grocery store have to go to Customs for some kind of reimbursement? Or are we determining from the outset that, when the importation is made, the exemption is provided, and this supply of inventory is set aside specifically?

I am just curious about the practical applications of the management.

The Chairman: Minister.

Hon. Curtis L. Dickinson: Mr. Chairman, individuals will have the option to apply for relief. Their applications will be considered, and a decision will be made. It is as simple as that.

The Chairman: Further speakers?

Ms. Gordon-Pamplin.

Hon. Patricia J. Gordon-Pamplin: Thank you, Mr. Chairman. Just for clarity.

So, the individuals would be able to go back to the Ministry to ask for the reimbursement? If they purchased, obviously, from a grocery store, who has already imported and who has already paid the duty, will then the individual goes back to the Ministry? Or will the individual go back to the importer, who will then go back to the Ministry? I am just wondering how we deal with this on a practical basis.

Hon. Curtis L. Dickinson: Mr. Chairman, I appreciate the question. I believe the way that it should work is that the individual would pay the cost at the store,

where they are acquiring the sugar. And then, the individual would apply for the relief.

In my own mind, grocery stores or suppliers should not be in the business, [or have] the administrative burden, of applying for duty relief for their customers. The customer should apply for it. And so, the person would pay what they need to pay to the distributor. And then, the customer would then go and seek the relief.

The Chairman: Any further speakers?

The Chair recognises the Honourable Susan Jackson.

You have the floor, Member.

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

Yes, I am still working through this clause 2, and the CPC 4229. So, it seems as though this could apply to absolutely anything, that the Minister can consider it as long as it is being brought in for manufacturing of goods. So, I mean, Goslings, anybody who is manufacturing stuff on the Island.

Can you just explain to me how this would not be a loophole?

The Chairman: Minister.

Hon. Curtis L. Dickinson: The existing legislation allows for any and all goods. The proposed amendment closes that loophole to provide the Minister with some discretion on what would qualify for relief. So, in effect, we are closing the loophole. There is [now] some discretion that the Minister did not have before to grant relief or not.

The Chairman: Any further speakers?

The Chair recognises the Honourable Pat Pamplin . . . Pat Gordon-Pamplin.

Hon. Patricia J. Gordon-Pamplin: That is fine, Mr. Chairman.

The Chairman: You answer to both.

Hon. Patricia J. Gordon-Pamplin: Yes, I answer to even different ones.

[Laughter]

Hon. Patricia J. Gordon-Pamplin: But I will not say what.

[Laughter]

Hon. Patricia J. Gordon-Pamplin: *Sweetheart, Darling*, all those kinds of things.

[Laughter]

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

I do not wish necessarily to be pedantic about this. But just in kind of thinking this through a little bit more and having a brief conversation with one of my colleagues that many manufacturers actually purchase, because they are purchasing in bulk, it is not likely to come through a grocery store. It is likely to come through a wholesaler. And that wholesaler—is there any possibility, especially if you are dealing with a small business, while the amount may be relatively insignificant in total to the wholesaler, to the business owner it could effectively make or break their business if they are paying this extra little bit every single time.

And the question begs as to whether there is a manner in which the wholesaler can assist. Because if you are going to be a one-man-band, you are home, you are baking, you are requiring these exemptions. And now you have got to run down to Customs or to the Ministry to get your clearance to be able to get your rebate of the customs duty.

If you are doing that, then, especially for small businesses, you are not going to be able to be manufacturing or producing the goods during that period of time. So, you know, we do not want an administrative burden to encumber a manufacturer from maximum and optimum productivity because of having to run back and forth to the Ministry.

So, I am just wondering if there is a way that, within the policy, it can be built in that the wholesaler can, as the person comes to purchase, that wholesaler can perhaps fill in a form at the time so that he has verified that this person has made the purchase. And the purchaser can then either have that document with them, which he can then forward up to the Ministry . . . just to try to make life a little bit easier. I am just trying to not encumber a sole practitioner in manufacturing to be unduly burdened through the process of trying to get their money back.

The Chairman: Minister, do you want to respond?

Hon. Michael H. Dunkley: Mr. Chairman.

The Chairman: Oh, I'm sorry.

The Chair recognises the Honourable Member Michael Dunkley.

Hon. Michael H. Dunkley: Thank you, Mr. Chairman. Just to support my honourable colleague, then declare my interest. In my business, I am processor and wholesaler.

But to the Minister, it would make prudent, good sense to take it on board, because as my honourable colleague has said, if someone buys from a retailer, and then has to go through the extra work of applying for that rebate or that discount back, if you look at it, for some items it might be a reasonable \$25 or \$30 or \$40. And so, for the time and the cost for

that individual's small business to [get] that rebate, they might get caught up in the busyness of their day, and they are just going to say, *You know what? It is \$25. I would like to have the \$25, but it is going to cost me more in my time to actually do that.*

I think if we can look at streamlining the system in a certain way, we can make it work all around. And the benefits that Government has so wisely seen to give the discount to could actually go right back to the small business, and then to the consumer. And I think it would be a much more efficient and effective system.

The Chairman: Well, let us remember now. This is concerning seniors' rest homes.

Some Hon. Members: No, no, no, no, no, no, no.

[Inaudible interjections]

The Chairman: At clause 2?

[Inaudible interjections]

The Chairman: Okay.

Minister, do you want to respond?

Hon. Curtis L. Dickinson: Mr. Chairman, I think I have mentioned this earlier with respect to the seniors, and I think that the same concept applies to clause 2, which is, if you go to a wholesaler and you make a purchase, and you believe that you qualify for relief, the wholesaler should help in the administrative burden in terms of providing proof of purchase. And then the person, the customer who is buying from the wholesaler, will then present that proof of purchase to be refunded the duty relief, to get the duty relief back.

Hopefully, that clarifies.

The Chairman: Any further speakers?

The Chair recognises the Honourable Member Pat Gordon-Pamplin.

Hon. Patricia J. Gordon-Pamplin: Thanks, Mr. Chairman.

And when we were in the debate of the whole, the Minister indicated that there would be a retroactive period for the application of rebates for 12 months. And I am just wondering whether there is likely to be any clawback for this "all goods" versus "specific goods" versus "named goods." In other words, if somebody has received from the time that the legislation came into being a rebate, will we just let that slide? You will not be going back after them and saying that, *Really, it should be all goods.*

And that it is not the all goods that is going to be retroactive? It is just going to be the amount of the money that is going to be retroactive? I just wanted to make sure so that nobody who has been purchasing

goods that are now outside of what the Minister will approve, that they are not going to be asked to pay more, and that whatever they have paid, that they effectively will have their 12 months retroactivity?

The Chairman: Any further speakers?

The Chair recognises the Minister, Mr. Dickinson.

Hon. Curtis L. Dickinson: My understanding is that the retroactivity will apply to the amendment and not to the existing position in legislation. So, the amended Bill provides for a relief, under clause 2, the Minister, with discretion. And clause 3 provides with respect to items for seniors and disabled. I am just taking a general point. But the 12-month retroactivity will apply to these amendments in this Bill as opposed to all goods.

The Chairman: Any further speakers?

The Chair recognises the Honourable Member Susan Jackson.

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

Just to kind of make a distinction in clause 2. So, this is not just about the goods for seniors and disability housing? This is across the board, CPC 4229? So, how are you planning on notifying all of the people who import goods that would have to now go through this new process? Because we are talking about everything—importation of cement and sand if it is to build blocks.

[Inaudible interjections]

Ms. Susan E. Jackson: This is anything that we are manufacturing in Bermuda. So, if you are manufacturing bricks and you want to import the cement to manufacture bricks, then you now have to go through this more stringent approval and rebate process. So, I am just wondering, how are we going to notify people? Because right now it might appear that it is just for importation of goods for seniors. But this sounds to me like it is everything from sugar to sand to . . . anything, if it is going to be manufactured here.

The Chairman: Minister.

Hon. Curtis L. Dickinson: Clause 2, under the current law, provides for all goods. And the amendment is being put in place to close that loophole to allow the Minister to have discretion around what qualifies. I do not see it as any additional burden on someone. They would apply. And, inasmuch as the Minister, in the exercise of his discretion, believes that it is appropriate for them to get the relief, relief will be granted. Otherwise, they will not get it.

Under current legislation, they can apply. And whatever happens, happens. So, it is fairly broad. And

what we are doing is we are narrowing the scope of what will apply by giving the Minister discretion to choose, make a decision around, which goods will qualify for relief. So, I do not see any difference in the process other than now, the amendment, should it pass, gives the Minister the discretion to approve which goods [do qualify] and which ones do not.

The Chairman: Any further speakers?

The Chair recognises the Honourable Member Pat Gordon-Pamplin.

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

Just if the Minister could clarify that, as these exemptions, or preferential rates, are being appended, will the application be required for every purchase every time? So, in other words, if you do purchases this week . . . or will it make sense to perhaps aggregate and make returns as you do in a tax return over a quarter? Or, you know, would it be every exemption every time?

The Chairman: Minister, would you like to respond to that?

Hon. Curtis L. Dickinson: I appreciate the questions, but I want to be careful not to get into the specifics of how people are going to behave themselves with respect to kind of making an application for relief. Today, they apply. The applications are considered, and a decision is rendered. The same process would happen under the amended Act. The only difference being that the Minister will now have the ability, the discretion, to choose which goods qualify for relief and which ones do not.

The Chairman: And the Chair recognises the Honourable Member Michael Dunkley.

Hon. Michael H. Dunkley: You are pretty good. You have got your eyes turning to the left.

The Chairman: Well, I have got four eyes.

[Laughter]

Hon. Michael H. Dunkley: I will leave that comment alone. I might get myself in trouble, Mr. Chairman.

[Laughter]

Hon. Michael H. Dunkley: To the Honourable Minister, I appreciate the update.

So, in regard to the Minister's discretion, I have—and I am sure other Members have as well, I would hope the Ministry of Finance has—received a number of concerns from health stores that protein powder is now taxed because of the sugar tax. Will

consideration be given to allow protein powder to fall into that category?

Protein powder, for those who do not know, Mr. Chairman, and you are very fit . . . Protein powder is something that people, who want to have a balanced diet and stay fit, use on a regular basis. It might be in a smoothie or breakfast concoction they make. But now it appears to be taxed, and that is causing quite a burden on people who are trying to be healthy.

Hon. Curtis L. Dickinson: Mr. Chairman, I notice that he is flattering you when he should be flattering me, as it is I who has the discretion.

[Laughter]

Hon. Michael H. Dunkley: Point of order. I did not want to seem like I was coming on too strong to the Minister. And I always speak to the Chair.

The Chairman: Well, you can get the proteins without sugar.

[Inaudible interjections]

The Chairman: No, you can get it without sugar.

Hon. Curtis L. Dickinson: Mr. Chairman, we will evaluate requests, and, under recommendations of the Customs officials and technical officers, we will make a decision around whether protein powders, should they be submitted for seeking relief, qualify or not.

The Chairman: Any further speakers?

The Chair recognises the Honourable Member Susan Jackson.

Ms. Susan E. Jackson: Yes. So, I still am trying to work out this notification. Because the more I think about it, the more I even think about the small business. Now, what if you are manufacturing oil, aroma therapy oils? You are trying to make a business here in Bermuda. And, you know, you have been going down to Customs and getting your oils. And, like my Member said earlier, you might be saving \$25–\$30. And, for the regular person, you might not think two things about it.

But the point is that, all of a sudden, that individual is going to go down to Customs, and they are going to be clearing their essential oils, right? And all of a sudden, there is going to be an additional \$25 to \$30 added on to their duty. So, they are going to look at it and be really concerned about the fact that this is adding to the price of their end goods and they have no idea on how to make application to get that rebate.

So, again, my question is—and I understand that the Minister will set out the policies. But, how are we going to make sure that everybody understands

what this is? Because some people's costs of importing goods are going to go up.

Thank you, Mr. Chairman.

The Chairman: Minister.

Hon. Curtis L. Dickinson: Mr. Chairman, today, a vendor goes to Customs to get duty relief, fills out a form and submits the form for approval for duty relief. Should this amendment pass, they go tomorrow. They will go through the exact same process, except that the Minister will have discretion on which goods qualify for relief.

The Chairman: Thank you.

Any further speakers?

The Chair recognises the Honourable Member Wayne Scott *[sic]*—

Hon. Wayne L. Furbert: Furbert.

Some Hon. Members: Furbert.

[Laughter]

The Chairman: Wayne Furbert from the Holy Land at Hamilton Parish.

[Inaudible interjections]

The Chairman: Yes, it is the Holy Land. Yes, it is.

[Inaudible interjections and laughter]

Hon. Wayne L. Furbert: Mr. Chairman, the Honourable Member keeps on talking about seamen and now she is talking about this oil. But it is not in the Bill. It has nothing to do with this Bill at all. No, it has nothing to do with the Bill.

It has nothing to do with this Bill. It has to do with sugar, clause 2, and the rest has to do with seniors and goods. It has nothing to do with cement. It has nothing to do with any oils.

If a person manufactures a product in Bermuda, if anybody manufactures a product—

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

The Chairman: Point of order? We are in Committee.

POINT OF ORDER

[Misleading]

Hon. Patricia J. Gordon-Pamplin: Yes, but the Honourable Member is misleading. Because he says that clause 2 relates only to sugar. And it does not, because “qualifying goods” is more than just sugar.

The Chairman: You can respond to it when he finishes. We are in Committee.

Hon. Wayne L. Furbert: Mr. Chairman, I have no problem with this Honourable Member if she wants to speak to the civil servant after, but this has only to do with sugar. I am not going into the full weight of it.

But the person who manufactures goods in Bermuda right now, I know people who make tents, I know people who make certain other products, they can apply to Customs for duty relief for those type of products, right up front. They do not have to go back and forth on those types of items. So, this Bill has nothing to do with oils and cement.

The Chairman: Any further speakers?

The Chair recognises the Honourable Member Ms. Atherden.

You have the floor.

Hon. Jeanne J. Atherden: Sorry. Mr. Chairman, through you to the Minister: I was not going to get up. But I realised that there seems to be some uncertainty. And I totally get what you say that, if a person has been going down and filling a form out, and getting duty relief, that they will continue to do that.

I think the only thing on this side that we are trying to clarify is that the mere fact that you decided you need to tighten this up means that there must be some form of manufacturing out there that you believe that—they might have gotten it before, but they should not get it now. So, are you prepared to indicate to this House whether there are types of manufacturing, because I realise it is manufacturing—types of manufacturing out there that you believe perhaps will not be eligible any longer? Because if that is the case, I am presuming that you are going to put out a notice so that everybody who might be affected by this would know.

The Chairman: Question? Question?

Hon. Jeanne J. Atherden: So, my question is, Are you able to indicate which types of manufacturing, based on this amendment, will no longer be eligible because you believe that it was too wide and you are making it narrower?

The Chairman: Minister, it is that time.

[Deputy] Premier.

Hon. Walter H. Roban: Thank you, Mr. Chairman. I do move that we adjourn until two o'clock.

The Chairman: The House will adjourn to two o'clock.

[Gavel]

Proceedings suspended at 12:32 pm

Proceedings resumed at 2:02 pm

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

COMMITTEE ON BILL

CUSTOMS TARIFF AMENDMENT (NO. 3) ACT 2018

[Continuation of Committee thereon]

The Chairman: Good afternoon, we are resuming after lunch and continuing the Bill, the [Customs Tariff Amendment \(No. 3\) Act 2018](#), debating clauses 1 and 2.

Are there any further speakers?

The Chair recognises the Honourable Minister Curtis Dickinson.

Hon. Curtis L. Dickinson: Mr. Chairman, I think before we broke for lunch there was a question about whether I could give detail around how I would determine what was and was not included.

And the answer to that is no. We will take each situation as it comes, assess it accordingly, and make a determination.

I think also, just for the sake of clarity, I should note the following: that in making the amendment (which we have not discussed yet) in clause 3, for the benefit of seniors and disabled persons, we also took a look at the Act to see if there were ways to tighten it up, generally speaking, and noticed that clause 2 was fairly broad and open ended. And in the spirit of efficiency, and being mindful of the public purse, I took the decision to tighten clause 2 up to make sure that it would not be subject to abuse and that the Minister would have some discretion as to what sort of relief was granted to whom.

The Chairman: Any further speakers?

The Chair recognises the Honourable Member Susan Jackson.

Ms. Jackson, you have the floor.

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

So regarding clause 2 then, were there abuses prior to this?

Hon. Curtis L. Dickinson: Not that I am aware of. But [after] a read of the clause when evaluating in the context of the entirety of the Act, the decision was taken that it was fairly broad and there probably was scope to tighten it up. So this amendment gives the Minister some discretion around how to grant relief.

The Chairman: Any further speakers?

Minister, do you want to move clauses 1 and 2?

Hon. Curtis L. Dickinson: Yes, please, Mr. Chairman.

The Chairman: Just move clauses 1 and 2 to be approved.

Hon. Curtis L. Dickinson: I move that clauses 1 and 2 stand as part of the Bill.

The Chairman: No, you need to move that clauses 1 and 2 be approved.

Hon. Curtis L. Dickinson: Okay. Sorry, this is my first time doing this.

The Chairman: That is fine, that is fine.

Hon. Curtis L. Dickinson: I move that clauses 1 and 2 be approved.

The Chairman: It has been moved that clauses 1 and 2 be approved.

Are there any objections to that?

There appear to be none.

Clauses 1 and 2 are approved.

[Motion carried: Clauses 1 and 2 passed.]

The Chairman: Do you want to go to clause 3, Minister?

Hon. Curtis L. Dickinson: Thank you, Mr. Chairman. Clause 3 amends the Fifth Schedule to the principal Act by inserting CPC 4232.

Originally, it was proposed to provide duty exemption in relation to goods for seniors only. However, after further consideration, it is proposed to allow the benefit of this relief to extend to disabled persons as well. Therefore, I propose the following amendment to CPC 4232, which has been handed out to Members.

The Chairman: Continue. You are moving the amendment, right?

Hon. Curtis L. Dickinson: Yes.

The Chairman: Continue, Minister.

AMENDMENT TO CLAUSE 3

Hon. Curtis L. Dickinson: So I move that clause 3 be approved.

The Chairman: Any further speakers to the amendment?

Ms. Susan E. Jackson: Yes, Mr. Chairman. I am just wondering if under the description there would be consideration to renaming “Goods for seniors’ hous-

ing” to ‘Goods for seniors and disability housing . . . or disabled housing.’ But just to be able to work that into the title, the description . . .

Hon. Curtis L. Dickinson: We can accommodate that request.

The Chairman: Well, it should be clear. I am not clear what you are asking, because I see “disabled persons” in [clause 3, point] 1 of the Bill, in the descriptions.

Ms. Susan E. Jackson: Right. So, it is just the title of it. So right now the title, the description, is “Goods for seniors’ housing”—

The Chairman: Mm-hmm.

Ms. Susan E. Jackson: —and I was just wondering if maybe we could change that to include the word around disabilities . . . “Goods for seniors’ housing and—

The Chairman: It is in the description.

Ms. Susan E. Jackson: It is just the title . . . the title of the code, CPC 4232.

The Chairman: Well, it is the body of it. If you look at [point] 1, you will see “housing a . . . disabled person.” It is there.

I understand what you are saying, but—

Ms. Susan E. Jackson: ‘Goods for seniors and disability housing,’ or something like that.

Hon. Curtis L. Dickinson: Mr. Chairman, I have no objection to making that clarification.

The Chairman: Okay.

Any further speakers on this amendment?

The Chair recognises the Honourable Pat Gordon-Pamplin.

You have the floor, Ms. [Gordon-]Pamplin.

Hon. Patricia J. Gordon-Pamplin: Thank you, Mr. Chairman, if you will give me just one-half a second to get my old Bill where I have my notes scribbled.

Under the “End-Use Conditions/Restrictions” as listed, because this is now including residential care home and seniors, the question . . . my note that I had was, why keep “residential care homes” as the end-use restriction? Because the end-use is going to be for disabled, it is going to be for seniors. So rather than include residential care home, seniors’ home . . . because we are dealing with disabled as well as persons with disabilities, as well as seniors . . . any sort of residential care home, can we not leave it with [point] 1 saying that ‘Goods must be incorporated in or

installed on residential care home premises, or any other premises housing a senior or a disabled person'?

Oh, dear, let me just—

The Chairman: Catch your breath.

Hon. Patricia J. Gordon-Pamplin: Yes, I am sorry. I do apologise for that.

[Inaudible interjection]

Hon. Patricia J. Gordon-Pamplin: And then . . . so do we need further down the description of . . . residential care home, do we need to specify it there? [That] was the question.

You know, we are looking to see what the CPC entails, and I just questioned whether we needed to leave . . . in the CPC “residential care home” means “any establishment where board and personal care are provided for two or more unconnected seniors” or *disabled persons*.

It just seemed that we can eliminate that seniors' home, disabled persons and just . . . if the Bill is . . . if the nomenclature on the Bill, the title, is changed to read ‘Goods for seniors’ and disabled persons’ housing’ then we do not have to go down to the description to be contained within the body. That was just an observation.

The other question that I have was do we . . . if we have the same senior who is identified . . . so let us say my mom, and I modify because my mom lives . . . not my mom, God rest her soul, but someone's parent lives with them part of the time, they live with another daughter or another son part of the time, each of whom will be required to do renovations to their home to accommodate [them], will this be able to happen? I just want to make sure that if each person decides to renovate their home to accommodate their disabled or elderly parent or family member that there is no restriction on that level of amendment.

I do not think for one second that anybody is going to abuse it. I just want to make sure that people know that they can do it as opposed to saying, *Well, my sister's house has accessibility, so maybe because we're looking after the same senior then maybe I can't do it because my sister already does it and has the benefit of the zero percentage rate*. So, I just wanted to make sure that this was clear.

The Chairman: Okay.
Minister?

Hon. Curtis L. Dickinson: Mr. Chairman, we will take under advisement the suggestion in the first instance.

And in the second instance with respect to the deployment of . . . the capturing of relief by an individual residence, I think the amendment specifies in the end-use conditions [that] goods must be incorporated

in or installed on residential care home premises, or any other premises housing a senior. I think that is all-encompassing to capture a home where a senior may live with a relative. And I do not see a restriction here in a case where a family has more than one family member who is sharing the responsibility. And it is my belief that [all] the family members should be able to benefit from the relief.

The Chairman: Any further speakers?

The Chair recognises the Honourable Member Pat Gordon-Pamplin.

Hon. Patricia J. Gordon-Pamplin: I just wanted to ensure . . . just to make sure that my question was quite clear, that the premises housing a senior, that it was not “permanently” housing a senior. So, in other words, if my mom lived with me all the time it is a given, but if she is only part-time with me and part-time somewhere else. I do not think that anybody is going to intentionally modify their homes to provide for specialty care.

The Chairman: No, I think the Minister has answered that.

Hon. Patricia J. Gordon-Pamplin: But I just wanted to make sure.

Thank you.

The Chairman: Yes.

Any further speakers?

Minister, do you want to move this clause as amended?

Hon. Curtis L. Dickinson: Mr. Chairman, I would like to move that clause 3 be approved.

The Chairman: It is [moved that] clause 3 as amended . . . be approved?

Hon. Curtis L. Dickinson: As amended, yes.

The Chairman: Any objections to approving clause 3 as amended?

What is your . . . ?

Hon. Patricia J. Gordon-Pamplin: A slight unreadiness; I do have objection to moving it.

The Chairman: Continue.

Hon. Patricia J. Gordon-Pamplin: Yes.

The one question that I . . . you know, forgive me, but the one question ought to have been asked, and the Minister may have covered it before I came back into the Chamber—

The Chairman: You do not . . . hang on. You do not have an objection; you were not ready.

Hon. Patricia J. Gordon-Pamplin: No, I said I have unreadiness.

The Chairman: Okay.

Hon. Patricia J. Gordon-Pamplin: I had unreadiness.

And the reason that I had such unreadiness was that I did not ask the question, therefore, I did not get an answer, whether appliances were also going to be included. That was just my question, sorry.

The Chairman: Okay.

Hon. Curtis L. Dickinson: Mr. Chairman, ultimately, with respect to clause 3, the authority is vested with the Director of the Department of Ageing and Disability Services to certify that goods are eligible for relief. We will leave it to them to decide. I think in some cases we probably need to make a policy statement around what the intent is here. Forgive us for not, kind of, contemplating every single thing that probably could come under the umbrella, but inasmuch as there are items that are appropriate for the proper care of a senior or disabled person, I am certain that we will consider those things.

The Chairman: Do you have an unreadiness Ms—

Hon. Patricia J. Gordon-Pamplin: No.

Hon. Jeanne J. Atherden: I do.

The Chairman: Okay.

What is your unreadiness Ms. Atherden?

Hon. Jeanne J. Atherden: Thank you.

If the Minister could just clarify this where it says that all “Goods must be incorporated in or—

Hon. Zane J. S. De Silva: Point of order, Mr. Chairman.

The Chairman: Yes.

POINT OF ORDER

Hon. Zane J. S. De Silva: You know, you had asked for speakers, you said no. The Honourable Member moved this clause and then it is like we are restarting again. Is that correct?

The Chairman: No, we are not going to restart.

It is unreadiness, Minister.

[Inaudible interjections]

An Hon. Member: It has not [been] moved. What's your problem? Sit down.

The Chairman: It is unreadiness.
Continue, Ms. Atherden.

Hon. Jeanne J. Atherden: Sorry, Mr. Chairman, through you to the Minister.

I just want clarification because I am sure the people out there . . . if . . . where it says, “Goods must be incorporated in or installed on residential care home premises housing” I just want to clarify that if someone purchased an elevator, one of those external elevators, because that obviously would be installed on the persons' housing, would that then . . . because where they have a disabled person . . . I just want to make . . . because I know there are some people out there that we used to get it under the medical, and I want to make sure that it was still covered.

The Chairman: Minister, do you want to respond to that, please?

Hon. Curtis L. Dickinson: Thanks, Mr. Chairman.

I would refer my honourable colleague to my prior comment. I think I wanted to stay away from articulating individual items for inclusion, because inevitably you are going to leave something out for someone's unique circumstances.

And so, again, the Director of the Ageing and Disability [Services] will be able to make a determination around what is appropriate for relief and then it will be considered.

The Chairman: Any more unreadiness?

There appears to be none.

Are there any objections to approving clause 3 as amended?

There appear to be none.

Approved.

[Gavel]

[Motion carried: Clause 3 passed as amended.]

[Inaudible interjection]

The Chairman: It has been moved . . . do you want to move this Bill too?

Hon. Curtis L. Dickinson: Yes.

Mr. Chairman, I move that the Bill be reported to the House [as] printed . . . as amended.

The Chairman: It has been moved that the Bill be reported as amended.

Any objections to that?

[Inaudible interjection]

The Chairman: I am sorry. I am moving quick, too.
Minister, you have to move the preamble first.

Hon. Curtis L. Dickinson: I am sorry.
The training wheels are still on, sorry.

The Chairman: That is all right. That is all right.

Hon. Curtis L. Dickinson: I move that the preamble be approved.

The Chairman: Any objections to approving the preamble?

There appear to be none.
Preamble approved.

[Crosstalk]

The Chairman: And now you want the Bill reported to the House, right?

Hon. Curtis L. Dickinson: Mr. Chairman, I move that the Bill be reported to the House as amended.

The Chairman: Any objection to the Bill being reported to the House as amended?

There appear to be none.
Approved.

[Gavel]

The Chairman: The Bill will be reported to the House.

[Motion carried: The Customs Tariff Amendment (No. 3) Act 2018 was considered by a Committee of the whole House and passed as amended.]

House resumed at 2:18 pm

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

REPORT OF COMMITTEE

CUSTOMS TARIFF AMENDMENT (NO. 3) ACT 2018

The Speaker: Good afternoon, Members.

Are there any objections to the Customs Tariff Amendment (No. 3) Act 2018 being reported to the House as amended?

No objections?
So moved. It has been reported and accepted.

We will now move on to the next Order of the Day, which is the third item, the second reading of the Debt Collection Amendment *[sic]* Act 2018 in the name of the Minister of Home Affairs.

Minister and Deputy Premier, would you like to begin?

BILL

SECOND READING

DEBT COLLECTION ACT 2018

Hon. Walter H. Roban: Yes, Mr. Speaker.

Mr. Speaker, I move that the Bill entitled the Debt Collection Amendment *[sic]* Act 2018 be now read a second time.

The Speaker: Any objection to that?

None.
Continue on, Minister.

Hon. Walter H. Roban: Mr. Speaker, may I just make a clarification?

As listed in a number of documents, including the Order Paper, the Bill is listed as the Debt Collection *Amendment Act*. It actually is a standalone Act, it is not an "amendment" Act. It should be titled as it is on the Bill, the Debt Collection Act 2018.

The Speaker: Okay, noted.

Hon. Walter H. Roban: Mr. Speaker, Honourable Members of the House, I rise to introduce the Bill entitled Debt Collection Act 2018.

The purpose of this Bill is to provide for a Debt Collection Licensing Authority to regulate debt collectors, to prohibit unfair debt collection practices, and provide criminal and civil penalties for contravention and to provide for a tribunal to adjudicate a debt collector and a debtors' complaints against the Debt Collection Licensing Authority.

Honourable Member, who speaks for . . .

[Inaudible interjection]

Hon. Walter H. Roban: You are welcome.

The Speaker: Are you presenting that, Minister?

Hon. Walter H. Roban: Thank you, Mr. Speaker, I will continue.

The Debt Collection Act 2018 represents the first tranche of proposals to address the Government's Throne Speech 2017 commitment to "introduce regulations for debt collection agencies; regulate payday lenders who lend money at extraordinary interest rates; and bring banking, insurance and other financial service conduct under the umbrella of an updated Consumer Protection Act."

Further legislation will be proposed to address consumer services provided by the banking, insurance and other financial services industries after consultation with public and private sector stakeholder groups as indicated in our 2018 Throne Speech.

Mr. Speaker, you may ask why are we introducing this Bill at this time. I would suggest that this is the timing for this Bill. It is actually the perfect time. As we embark on the holiday season, I must remind Honourable Members and the general public that while it is the season to spend money on good food and expensive gifts, we must ensure that we are not spending to the point where we are broke and worrying about how to pay our bills in the new year.

Mr. Speaker, oftentimes we are our own worst enemy when accumulating debt that we find difficult to repay. However, there are times when we incur debt through no fault of our own. One example, if you will allow me, Mr. Speaker, is when a person gets sick, is not insured and has exorbitant medical costs. If he or she cannot work because of his or her illness, he or she does not have the money to pay the cost. Inevitably this person's debt may end up in collection and winds up incurring even greater costs.

Mr. Speaker, there have also been cases where persons have been charged for costs that they did not incur. All too often a creditor may not have a contract or proper accounting to support the claim of debt. The purported debtor may spend an inordinate amount of time (and sometimes money) to obtain an accounting of the debt and prove that he or she did not owe the money. In addition, debtors may also be subject to harassment and embarrassment until it is proven that they do not owe any or only a portion of the alleged debt.

Mr. Speaker, I would like to highlight three examples, if you will allow, that illustrate why this Bill is so important and also necessary.

Client A is diagnosed with an illness that requires multiple medical treatments. He lost his job as he was unfit to work for months. He no longer has health insurance or a steady income. This resulted in his not being able to meet his mortgage payments, which resulted in the loss of his house, [and] his medical bills and general living expenses having landed him in the hands of debt collectors. Financial Assistance is assisting with accommodations, but due to his illness and age finding a job has been very difficult. The debt gets larger as interest charges and commission fees each month are added to bills he already cannot pay.

Client B, Mr. Speaker, was surprised to receive a letter from a debt collection agency stating that she owed for a service that she had no recollection of receiving. The client asked to see the paperwork from the creditor to ensure that it was indeed a bill that she owed. This was not provided. The creditor did not have any substantive paperwork to show the client either. The client decided she was not going to pay anything until it could be proven that she owed the money. Upon investigation it was shown that the client did not owe the creditor and the bill was past the time of legal action to be taken. Had she not questioned the bill she would have paid not only something

that she did not owe, but also the excessive fees and commission charges which would have added up to thousands of dollars.

Mr. Speaker, client C became suspicious when he did not get the financial business loan he was seeking. He had no debts and had a good business income. Upon investigation he discovered that a debt collection company had his name on record as having a few debts many years ago when he was just starting out. The client had paid off those debts within a year, but yet his name still appeared on a list of debtors.

Mr. Speaker, I am sure that Honourable Members and many creditors can identify the stories where debtors have abused the system and refused to pay their debts. I am cognisant of the fact that bad debts impact the profitability of businesses and can have the effect of putting companies out of business and employees out of jobs.

However, this Bill seeks to introduce fair business practices which will provide a level playing field for creditors and debtors.

Mr. Speaker, the proposed Bill provides five important components:

1. establishing a Government Regulatory Licensing Authority for the debt collection industry;
2. prohibiting unfair debt collection practices;
3. requiring financial transparency of contractual penalty fees and limits, interest rates, administrative fees and commission fees;
4. establishing complaint procedures, investigation and inspection powers;
5. creating offences and right of appeal to the Debt Collection Tribunal.

Mr. Speaker, Government oversight will be accomplished by a comprehensive licensing regulatory framework for those entities engaging in debt collection under the newly created Debt Collection Licensing Authority. The Licensing Authority will be constituted by officers within Consumer Affairs.

The regulatory functions of the Authority include, but are not limited to: oversight, licensing, education, investigations, and enforcement.

Mr. Speaker, no debt collector can operate without a licence issued by the Licensing Authority. Let me repeat that line just so that it is clear, if I did not make it clear already. No debt collector can operate without a licence issued by the Licensing Authority. The Authority, upon receipt of an application, supporting documents and payment of a fee can grant, renew and refuse a licence. Licensing will be for a period of up to two years and application for the renewal of a licence is to be submitted before or on the 31st of March in the year in which a licence is to be renewed.

There is a provision of a 90-day grace period from commencement of the Act to obtain a licence for those who are currently engaging in debt collection

business. During this transitional period, the remaining clauses of the Act will be enforced.

Mr. Speaker, all creditors, including those creditors who conduct their own debt collection and are exempted from the licensing requirement under Part 3 of the Act, will be subject to Part 4 of the Act on Unfair Debt Collection Practices. This is an area that addresses many of the problems, including, but not limited to: requiring that proper documentation on the amount of the debt is provided to debtors; requiring that debtors are notified of contract obligations in terms of commission fees and administration fees; and preventing creditors from providing false or misleading statements to debtors in order to collect debt.

The Bill provides debtors with the right to see and validate the debt paperwork sent by the creditor to the collector. Debtors have 30 days to dispute the debt or any portion of it.

Mr. Speaker, the Act includes oversight and accountability of credit reporting agencies through regulations. This will address the harm debtors have experienced when seeking jobs, credit and business opportunities. The regulations will speak to the removal of debtors from agencies' data bases once the debt has been satisfied, and the debtors' rights to be informed and view information held on them to ensure accuracy.

Mr. Speaker, transparency and proper accounting procedures are also addressed within the Act. Debt collectors will be reminded that, having trust accounts and proper accounting practices, debtors will now have receipts that contain a complete accounting of all credits and debits to the debtor's trust account for ease of repayment tracking.

Mr. Speaker, fees and commissions charged to the debtor will be legislated. The Act allows debt collection agencies to charge a commission fee to the maximum (I will repeat—the maximum) of 20 per cent of the original amount of debt, payable only once.

I think it is important that people understand that and I will repeat it. The Act allows debt collection agencies to charge a commission fee to the maximum of 20 per cent of the original amount of the debt, payable only once. A monthly administrative fee can be charged to the maximum of 2 per cent of the debt outstanding, payable only if administrative costs arise that relate to the necessity for the debt collector to communicate with the debtor in that month.

Mr. Speaker, by empowering the debtor with legislative rights to challenge the debt's accuracy and their right to be treated fairly during the debt recovery process, one must also provide enforcement powers to ensure compliance. The Act provides the Authority the powers to receive and investigate complaints, provides for offences relating to not cooperating with investigations of complaints, the right of redress, the right of the debt collector to appeal to the Debt Collection Tribunal.

Mr. Speaker, the Act provides for empowerment of the Minister, on the advice of the Authority, to make regulations subject to negative resolution procedures for matters prescribed under the Act. This provision will afford timely responses to market trends, which will reduce any threat of harm infiltrating the credit and debt collection industry.

Mr. Speaker, the Debt Collection Act 2018 encompasses the Government's firm commitment to protect the rights of consumers by enacting legislation which contains basic obligations owed by those who provide credit and debt collection services. To be clear, this Act does not absolve the debtor from his or her obligation to repay his or her debt.

And Mr. Speaker, I am going to repeat that sentence because I think it is important that people understand we are not trying to prevent what should be happening in any event. To be clear, this Act does not absolve the debtor from his or her obligation to repay his or her debt.

Mr. Speaker, I now move that the Bill entitled the Debt Collection Act 2018 be read for a second time.

Thank you.

The Speaker: Thank you, Minister.

Would any other Member wish to speak to that?

I recognise the Deputy Opposition Leader.
Honourable Member, you have the floor.

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

Mr. Speaker, I think we all agree that we have either lent or borrowed money at some point in time, whether it was from a bank, whether it was from a friend, whether it was from a loan shark, whether it was from a company—

[Inaudible interjection]

Ms. Leah K. Scott: I know.

And we lend or borrow believing that people are inherently good and that they will be able to service their debts.

And as the Minister has outlined in his brief, there are what they call "high-flyers," people who just rack up bills and just refuse to pay them no matter what. But there are people who genuinely fall onto hard times and are unable to service those debts, whether it is due to job loss, or illness, or a catastrophic financial blow. So I understand the reason for this legislation and I appreciate that there is a legislative framework that is being put in place to provide a means by which debt collectors have a set of rules to follow in order to be able to allow them to collect debt.

I guess what I would like to see is a piece of legislation that is a little bit more friendly to the debtor. And what I mean by that is that in addition to this legislation there should also be a consumer credit coun-

selling process, there should also be an educational process. You know, while people do fall onto hard times and do not necessarily willingly not pay their bills, there are times when people just do not have fiscal responsibility, they do not understand how to manage money, and so, you know, you get into a credit association, you pay a bill off, and you find yourself back in the same situation again. So there is part of a learning curve that goes along with it.

What I would like to know . . . and I have some technical questions that I will ask when we go into Committee, but I would like to know whether this legislation will cover all debt—so that means mortgages, credit cards, personal, household, hospital. What is the depth and breadth of the legislation? Or is it just household and personal debts?

And the legislation does not really clearly define the category of debt collectors. So you have got collection agencies, then you have got people that actually buy accounts receivables and then collect that money, and then you have lawyers. And lawyers actually provide a debt collection service. So do they fall . . . is there going to be a greater definition of that category? I would like for it to be expanded.

[Inaudible interjection]

Ms. Leah K. Scott: Okay.

And then in terms of bill collectors, you know, there have never been real parameters set around when a bill collector can call you. If they want to call you all day, all night, they can. And there is nothing in the legislation that gives you a specific time frame. I know that in the US they can call between 8:00 am and 9:00 pm. And if a person says that they do not want you to contact them anymore, then you do not have the right to contact them. In addition, if you let a bill collector know that they cannot contact you on your job, then they have no right to contact you on your job.

[Inaudible interjection]

Ms. Leah K. Scott: Okay.

One of the things that I would like to see, also, is that . . . there are a lot of things that favour the infrastructure for the debt collectors. But what is the recourse if a debt collector is not doing what a debtor needs? So a debtor is required to get certain information, there is no . . . you have to get information within a 30-day period, but there is no consequence if the debtor does not get that information. So what recourse does a debtor have?

And I understand that you are setting up a tribunal—

[Inaudible interjection]

Ms. Leah K. Scott: Right.

So, you know, my next question would be, Is the tribunal going to replace the court? What role does the court have in this process as it is?

I would also . . . I know that there was a consultation process. And I know that some . . . it was public and that people were invited to write in and give their comments or opinions. But I would like to know whether the Bermuda Credit Association [BCA] was actually involved in the consultation process. And I would also like to know . . . I am sure we all are aware of Chris Swan, one of the biggest law firms that does a lot of the debt collection work. And I wonder if he was consulted in terms of the process and drafting of the legislation.

Again, understanding that infrastructure is being set up, but also making provision so that debtors are also protected you can have a completely bureaucratic structure that you believe protects the debtor, and it does not. It just provides a structure. So the other question I would like [answered] is that . . . there is a licensing process. So Bermuda Credit Association may have, I do not know, 15 credit collectors. Does this legislation mean that each one of those collectors has to have a licence, plus BCA? Or does the licence at BCA cover all of those collectors?

And the other thing is that if a law firm is collecting debt, does that law firm have to get a licence? If Gibbons Company, which extends credit to clients, has to recover a debt, are they required to get a licence?

So those are the things that I would like to address.

The reality is, Mr. Speaker, that times are still rough for people. Things are hard. There are people who do not have jobs. And we have to do things that will assist them the best way that we can. So I would like to see a piece of legislation that was a little bit more debtor friendly as opposed to being so bureaucratic. And again, there are skills that need to be taught. There is consumer credit counselling. There is the ability for these agencies to work with the creditors of the people to help them with a payment plan. If people do not have it, they do not have it. So, you know, I would like to see a little bit more friendliness towards the debtors.

The other thing, Mr. Speaker, was when I knew that we were going to debate this legislation I actually went on the BCA's website. And one of the things that concerned me about their website was they have a section called "Debt Collection," and if you would allow me to read this please?

The Speaker: Continue.

Ms. Leah K. Scott: So one of the suggestions that they make to an entity when they are entering into a credit agreement or a credit arrangement is that they have the client sign a form that says:

"I agree that all agency charges, legal costs and other expenses incurred by XYZ Co. Ltd. in attempting to recover overdue amounts will be charged to the account of the appropriate debtor. I give permission for XYZ Co. to obtain information from any source to verify any statements made in this application."

So now, Mr. Speaker, when Mrs. Smith goes to Furniture Flair and she wants to get a coffee table because it is Christmas time and she wants to freshen up her house, and they have a coffee table there . . . do you think that the credit company is going to bring this to her attention? Because it is usually in print so small that nobody can see [it]. So she is getting something on terms and then she finds out that she cannot pay for it and she finds that the \$250 table that she bought on terms is going to cost her \$1,000 because she was not able to finish paying for it.

So, you know, we have got to educate people to read the fine print. We have also got to help people to understand that, you know, if you get in trouble and you cannot pay your bills, then call the person who you owe the money to. Most people do not get mad because you cannot pay your bills; they get mad because you ignore them. Most people are really flexible and willing to work out arrangements.

There was one other thing, though, that I was really concerned [about], which is on the BCA's website. And I do not know if it is intended to be on there, but they have said . . . and with your permission, may I read again, Mr. Speaker, please?

The Speaker: Yes.

Ms. Leah K. Scott: Thank you.

"However, when an established account becomes delinquent, then a standard letter can be sent advising the debtor that payment must be made in full within a given time (ten days or so). Failure to do this will result in the debt being sent over to BCA for collection and all legal, collection and other expenses will be added to their account." (Now this is the key sentence) "Whilst this is not legal and will NOT stand up in a court of law, we will endeavour to recover the additional expenses for you."

So how can you put that on a website, tell somebody to incorporate it in a letter, and you know that it is illegal? So, you know, while the Credit Association performs a function—

[Inaudible interjection]

Ms. Leah K. Scott: —while they do perform a function in debt collecting, I do not agree with that. I think that that is unfair.

The other side of it, though, is that the Bermuda Credit Association also serves a function in that people become members of the Credit Association. So, for instance, when I started my job, I had to have

a credit check. And that is important, because people may hire people who have some financial difficulties. They put them in a position of trust or fiduciary responsibility, and then they become tempted and then they steal money. So, the role of the Credit Association is a dual role—not only in collecting delinquent accounts, but also providing a service to those members.

So, Mr. Speaker, I generally support the legislation. I do think that it is a bit heavy bureaucratically. I wish that we could actually get a little bit more debtor friendliness within the legislation. And, as I said, I will have some more questions when we go into Committee in terms of the technical components of the Bill.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

I recognise Honourable Member Furbert from constituency 6.

Honourable Member, you have the floor.

Hon. Wayne L. Furbert: Mr. Speaker, let me just say that it is very exciting and, I think, beneficial for Bermudians overall that within such a short time, once again, the Government has acted very quickly to put something which I consider has been very detrimental to our people—

An Hon. Member: Yes.

Hon. Wayne L. Furbert: —it has been cruel and, Mr. Speaker, it has been absolutely ridiculous what they have been charging.

And I want to lay some numbers out to people so they can see exactly what has been happening in the industry. And I am not saying it has been happening to everybody, but in general [this is] how it works.

Mr. Speaker, I happened to be fortunate . . . but I was happy to represent a client of mine who was . . . you know, owed some money. And I thought I would help him out. Well, not as a lawyer, but I work at an accounting firm. And because the debt collectors came after him I said, *Let me take a look at this. Give me your transactions.* First of all, they held them back for a long time. But once I got them, Mr. Speaker, if I owed \$10,000 . . . Mr. Speaker, they charged 33.3 per cent for the first four months . . . 33.3 per cent. That is \$3,333.33; which came to (at the end of the fourth month) \$10,333.00.

Mr. Speaker, for the next five to six months, they charged 50 per cent on the outstanding balance—in the fifth and sixth months. So, let us assume that people do not pay any money because they do not have any money to pay anyway.

An Hon. Member: Yes.

Hon. Wayne L. Furbert: So they then charge . . . so on that \$13,333.00 at the end of the fourth month, they charge 50 per cent. So that is an additional \$6,666.50. At the end of the sixth month they would then owe \$19,999.00.

Mr. Speaker, if it only would not get worse. In the seventh . . . to one year, . . . remember my balance was \$19,999.00, they then charge 66 per cent on top of that, Mr. Speaker. Mr. Speaker, do you know that that is? That is \$13,199.00. Add that together and at the end of the year they owed \$33,199.00!

Mr. Speaker, if you only thought that was just where it ended. In one year, if I have not paid my \$33,199.00, they charge me 100 per cent!

The Speaker: Hmm.

Hon. Wayne L. Furbert: In other words, Mr. Speaker, in one year and one day I then owe \$66,398—from \$10,000. And this has been going on from year to year to year. Our people have been ripped off! And you wonder why some of our people are crying.

Mr. Speaker, I am glad that the Opposition is coming and supporting this Bill because it shows that we are finally doing something. And I cannot wait until we come after the banks. But the debt collectors will be first.

An Hon. Member: Yes.

Hon. Wayne L. Furbert: The debt collectors will be first . . . what they have been doing has been abusive and putting people in misery.

So what does this Government decide to do? We say that if you owe \$10,000 . . . by the way, Mr. Speaker, I forgot this part. If a client of mine paid . . . so let us say they owed \$10,000, [and they] paid \$5,000 on the 14th of November. The debt collector does not post it until the end of the month. So for 16 days they are overcharging him. Are you all getting that? I can give you a math class—

[Inaudible interjections]

Hon. Wayne L. Furbert: I can give you a . . . in other words, they did not post it on the 14th, so they are charging me more. And when the debt collectors found that out, they all ran for cover.

My point is that this has been going on. And I am concerned, Mr. Speaker, that this will correct where we are now going forward, but the individuals who have been owing . . . that are owing debt, and that do debt collection right now should be dealt with. We should be almost back-dating some stuff . . . retroactive, and ask them to correct their books and adjust it accordingly. It has been . . . it is sickening, Mr. Speaker, what has been happening out there.

And Mr. Speaker, I am glad that this Government is coming forward to make some changes. And

so what will happen now? Ten thousand dollars, you are being charged 20 per cent up front. So my bill goes from \$10,000 to—

An Hon. Member: Twelve thousand.

[Laughter]

Hon. Wayne L. Furbert: There you go! The Honourable Member said \$12,000. He must have been in my math class—\$12,000. And there is only an administration fee of 2 per cent—*only* when you do administration. Not when you think up . . . come up every month charging an additional 2 per cent.

Mr. Speaker, I think that helps the creditor *[sic]* to at least start to breathe and say, *Okay, I can pay some money to you.*

An Hon. Member: Debtor.

Hon. Wayne L. Furbert: Sorry, the debtor.

The debtor will finally be able to breathe, so that at the end of the year I may owe, if I did not do any changes, I may still owe . . . under this system now, and I did not do any administration, I would owe \$12,000 compared to \$66,000.

Mr. Speaker, this Government . . . I thank all the civil servants who worked hard and did all the research to realise that enough is enough. It stunned everybody, I am sure. And I hope the *Royal Gazette* prints those numbers in the paper and lays them out clearly . . . what has been going on from going on.

Now, Mr. Speaker, I applaud the Government. And there are maybe some future amendments that we need to be making. In other words, I know some of the things that we have got to do as far as administration up front, but I am hoping that this administration can be done within the Ministry or the Department of Community and Cultural Affairs when it comes to efficiency because I think we can find some way to hold the line because I do not think we need to be managing this. We need to get information out there to the public and inform the public more often about what is happening, and at the end of day do some self-regulating. In other words they—the debtor—would be able to see what is happening out there and report to Consumer [Affairs Board] that they are being taken . . . unfairly treated by a certain debt collection agency.

So Mr. Speaker, this is a historical and I think one of the most progressive Bills that the Government is bringing forward, recognising that people . . . yes, they are . . . sometimes, Mr. Speaker, you just happen to run into problems. Lost my job, I cannot pay. I am suffering, but what can I do? What can we do?

Mr. Speaker, we are an unforgiving society. We are a very unforgiving society in many aspects that you can barely think about and it is time to recog-

nise that if it was not for the grace of God, some of us would be in their position.

An Hon. Member: Yes.

Hon. Wayne L. Furbert: Some of us would be suffering also. But it just happened to be that we were . . . some of us are fortunate and blessed to recognise that we may have a job and maybe we were just fortunate to get things going.

But some of us . . . and you will probably be amazed by the list of people that you print out. You would be amazed by the people that you see on some of those lists that you may recognise that you think that they are wearing some clothes (because that is what they have got to wear) but it looks like they have it all made and they are smiling when, Mr. Speaker, deep inside they are hurting. And particularly during the Christmas season, I know we in Hamilton Parish give out turkeys to people that we know really need it.

And so we recognise the urgency . . . and, again, I thank the Minister for being progressive and I look forward to when we finally bring a Bill sometime in the future—sometime in the future—to correct the ilk of the banking fraternity that has also been abusing its power over time.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

We recognise the Honourable Member from constituency 19.

Honourable Member, you have the floor.

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

I guess, Mr. Speaker, I have a couple of questions and concerns. I think we all understand that it is important for us to have the correct procedure in place so that if persons find themselves unable to pay their bills that there is a way in which they can get themselves from underneath the debt.

And I think . . . I will start off right from the get-go. My initial concern when I read all of this was why did we feel the need to establish this Debt Collection Agency? Because I always felt that you had a Consumers Affairs Board, and that when issues came up . . . because remember most of these things come as a consequence of consumers doing things and entering into agreements, whether it be renting a property, whether it be buying some furniture or whatever else. Consumers are out there; consumers start this process. So I just wondered why . . . recognising that there is the whole issue of whenever you turn and you set up a new agency, you have to get new people involved. This constitutes more cost, et cetera. And I just wondered why the Consumer Protection Agency . . . why the Consumers Affairs Board was not tasked with, if you will, having the responsibility for oversee-

ing the processes and procedures that we had in mind.

Now I do recognise that there definitely needs to be some new processes and new procedures. But as I say, my question was: Why the need for a new agency? And especially when you start to go and look at the Tribunal . . . the tribunal has the Consumer Affairs Board people on it as a significant component, so that made me wonder even more whether we might have been better served by extending the responsibilities that are needed under this to come under the umbrella of the Consumers Affairs Board.

Then afterwards I started to get into having a discussion . . . and I will say this because I think . . . I do not . . . as far as I am aware, I do not know whether the Bermuda Credit Association, or the other people involved in credit . . . I do not know what type of consultation they have had and what type of input because the bottom line is when I heard the Minister and other people talking about some of the charges, et cetera, I obviously do not know whether that is the current situation or whether that is the way it used to be.

And it is very important to understand . . . not so much to understand what might have happened in the past, because we are dealing with the future and we are dealing with the present and, therefore, coming down and having a 20 per cent collection charge, if that is deemed to be appropriate, then people that are in that business will have to turn around and they will have to get themselves on the right side of their business model in how they will stay in business.

And I am not here advocating for people to talk about staying in business. I am really just advocating from the point of view of saying if we are going to put a system in place, how do we make sure that it is the right system? And how do we make sure that it is fair both ways? Because I know that I heard the Minister—both Ministers—I heard them go through about all the exercises, et cetera, and talk about what happened with the people that they were thinking about, the three scenarios.

But what I did not hear with the scenario is little Mrs. Smith who has her apartment that she has out to rent and she has got this, you know, this is her source of income to make sure that she makes her ends meet between the pension that she gets and all the other bills, and she is relying on this tenant to come and pay her rent on time and make sure that she gets her rent. So, unfortunately, Mrs. Smith is out there going along hoping that the rent will come in on time. And in some cases, depending on whether Mrs. Smith is savvy . . . [or] if Mrs. Smith is not savvy, she comes and she speaks to the tenant and they agree and they are going to come in place and they are so happy because they needed a roof over their heads, and she just goes along and she goes on the basis that a handshake [is enough], and off she goes. And

whether [she] likes it or not, that person starts to get behind.

Now, I know the scenario has been painted that they lost their job and whatever else. But I am sorry, there are also the scenarios of . . . there is a trip and all of a sudden Mrs. Smith's tenant is gone off somewhere and they are doing things, et cetera, and the rent is not being paid and Mrs. Smith is now saying, *Hey, wait a minute. I needed that rental income to take care of my mortgage payment that I was paying.*

And so, you know, it is not just as simple as what we say. There are people that, I agree, have done some things on both sides. And I think as we go forward we have to make sure that the protections that both sides of the equation need to have happen . . . the debtor—

Hon. Wayne L. Furbert: Point of order, Mr. Speaker.

The Speaker: I will take your point of order.

POINT OF ORDER

Hon. Wayne L. Furbert: I believe the Honourable Member is confusing things. There is a Landlord and Tenant Act [1974] that we can deal with, but this does not affect the tenant . . . the landlord, sorry. This is the . . . the abuse is done by the debt *collector*, not the tenant . . . not the landlord.

The Speaker: Thank you.
Continue on, Member.

Hon. Jeanne J. Atherden: Thank you, Mr. Speaker.
Mr. Speaker, the things that we are talking about are when the person is not able to pay the debt and how the landlord is now . . . or not even the landlord, the person who has the business, how they are now trying to get information to deal with the debt.

But I started to say about . . . if Mrs. Smith was not savvy . . . but then let us think about if Mrs. Smith *was* savvy and decided that [she] might need to get some information on this individual before [she] chose to rent to them. Now if that is the case, one of the ways of doing that is potentially to ask them about, you know, *Do you have any debt? Or do you have any outstanding bills?* Et cetera. And this is where you might find that . . . if they were part of the Credit Association, or some other association, they might be interested in getting some information back about the credit worthiness of the individual. And all I am saying is that you cannot just not recognise that these things happen.

And if we are out there and if people believe that they are encouraged to keep their credit ratings up because it is good for them, you have to understand that part of not keeping your credit ratings up or paying your bills is the result that perhaps people will decide that, if they have a choice between two indi-

viduals, they will choose the person who has a good credit rating, or does not have debts, or whatever else, because they are afraid that they might be on the wrong side of the person's cash distribution.

I am saying that because the concern is [that] we want to get this situation such that it is good for both—it is good for the debtor, it is good for the creditor. And I am in full agreement that you should not have interest charges adding on and on and on. And the scenario that the last speaker suggested . . . you know, I would hope that some of the people that are out there in the debt agency, some of them now will come back and maybe clarify whether those things still happen. I am not aware of, but obviously I have not been and seen some of the current scenarios

I know that people do . . . when they get the debt, I know that they are actually, obviously, advised by the Credit Association that they have the charge and they go on and they talk about a payment arrangement. And as the Minister said, everybody is always encouraging everybody to say, when you get into trouble, have the conversation with whomever you owe the debt to [in order] to come up with some credit arrangement. Because usually, if that happens, people are understanding, people are prepared to help you go a long way as possible.

But many times when these things get to this situation—and we have to recognise that—it is either because someone did not tell the people of the situation they were in or, not only that they did not tell them, they created . . . worsened the situation by doing things like buying things that [their] landlord could see where those monies could effectively come to [them]—to a landlord who is pinching pennies and making sure that they make their ends meet.

So it is not as clear-cut and as simple . . . and I recognise that some of the things that have been put into place are designed to take care of, what I call, some of the bad things that have happened in the past, or the bad pieces where something needs to be done. So, as I say, my understanding and appreciation of having a Debt Collection Act is understood. I just wondered why it needed to be as a separate entity and why it did not come under the Consumer Affairs.

My second [concern] then came down to this whole thing about sharing information. Now, I would . . . it would be interesting for the Minister to clarify, because if you are a member of the Bermuda Credit Association, you obviously paid money so that you get information from the Association. And information from the Association is about maybe what is happening out there in the credit industry. It might be information that also indicates that they are putting some seminars on about what you might want to do with respect to writing leases, rental agreements, or they might put some information on about how persons could enter into agreements with individuals to try and protect themselves and also protect the individual.

And I say that because we have to recognise that going forward some of the things that people used to do in the past . . . legislation is changing some of the things that happen now, like the PIPA [Personal Information Protection Act]. [It] means that you have to turn around and you have to make sure that when you had that agreement that you used to have, that people understand that maybe you . . . if they want to have a credit check, it has to be indicated there. So some things are changing over time whereby things that people did in the past they cannot do any longer because some of the laws and some of the rules have come and will make it more difficult.

So if someone puts in their lease that when you sign it you agree to a credit check, well, that means that the individual has to know that someone is going to call up and get some information on their credit worthiness.

Now, sometimes, it is better off, if there is an issue where you are running into trouble, that someone should say it, because then you have got both parties being willing, a person who is going to enter into a lease and someone who is going to give it . . . at least they will have a clear understanding of what the issues are. And maybe this landlord will still decide that they are going to go ahead and still rent to you. But, on the other hand, if you have people who are jumping from landlord to landlord and leaving a trail of people who are, unfortunately, having to try and collect their money, then that is not fair either.

So I think everybody wants a degree of fairness. They want fairness. We have all been talking about not having people being charged, and the rates go up, so some of the changes here from the point of view of the amount that can be charged for the collection agency, the amount that can be added onto your bill, those are reasonable. And I think that some of the changes that are being suggested . . . I just see the Minister . . . letting his . . . the Minister putting his—

[Inaudible interjections]

Hon. Jeanne J. Atherden: No, no, that is why I am saying . . . some of the changes . . . let me make sure that I am clear—

[Inaudible interjections]

Hon. Jeanne J. Atherden: Some of the changes that are being suggested I think . . . some of the changes that are being suggested I think, then, are not unreasonable. Therefore, it means that the people that are in the business have to turn around and look at their business model and see how it works.

But you have to do something on the other side as well. If you are ending up having the 2 per cent, or whatever else, added on, I think it is important to figure out . . . and maybe this is where, if you are talking to the collection agencies . . . how effective

are, what I call some of these sticks, from the point of view of getting people to turn [around] and honour their debt and pay their bills? Because for some people the stick was the amount of the interest rate. And I am not saying that you should have it so high that you are frightening people and you are making—

Hon. Walter H. Roban: [It is] 100 per cent.

Hon. Jeanne J. Atherden: Well, as I say—
[Inaudible interjection]

Hon. Jeanne J. Atherden: All I said to you is I believe it is important that you speak to people like the Credit Association and debt collection agencies because—

Hon. Walter H. Roban: We have done that.

Hon. Jeanne J. Atherden: —because, as far as I am aware, they . . . especially the Credit Association has not been consulted.

Hon. Walter H. Roban: That is not true.

Hon. Jeanne J. Atherden: Well, the Minister can talk about it afterwards and perhaps he can—

Hon. Walter H. Roban: Point of order, Mr. Speaker.

The Speaker: I will take your point of order.

POINT OF ORDER

Hon. Walter H. Roban: I do not believe the Honourable Member is intentionally doing this, but it does suggest that perhaps their side has not been as . . . taken the time to research out in the public about this Act.

An Hon. Member: Yes.

Hon. Walter H. Roban: There was considerable consultation. And it would be illogical to have not come forth without going to the Credit Association and other practitioners. I just want to say that . . . I am just saying that because she does not know. Perhaps she has not gone and talked to them, but they were consulted. I just want to be clear because I do not want the public, by implication, to believe that we did not do that.

Thank you.

The Speaker: Thank you.

Continue, Member.

Hon. Jeanne J. Atherden: Mr. Speaker, maybe I have to say the same thing as well. I would not have made some of the statements if I had not had a statement given to me. And so I am not going to get into the he said, she said . . . but all I am going to get into saying is that I did go out and ask some of the

questions and ask about the consultation, because as far as I was concerned I just wanted to get some more background.

But the bottom line is, as this goes forward—

[Inaudible interjections]

Hon. Jeanne J. Atherden: —as this goes forward, it is important for us recognise that we want to try and have people entering into agreements; we want to have them having some sort of carrot or stick because—

[Inaudible interjections]

The Speaker: Okay. Speak to the Chair, speak to the Chair.

Hon. Jeanne J. Atherden: Thank you, Mr. Speaker. I am trying . . . I am trying not to—

The Speaker: Yes, speak to the Chair.

Hon. Jeanne J. Atherden: I am trying to do that, Mr. Speaker.

So, from my perspective it is important—

[Inaudible interjections]

The Speaker: Members, do not drown out the speaker. There should only be one voice coming over.

Hon. Jeanne J. Atherden: So, so, so, from my perspective when I look at the Act, and I understand why we put things in place, because over time . . . even though there are only a few collection agencies and you might have some lawyers and other persons that do that collection, and you might have some other people that collect as an extension of their lending or their selling of their products. It is important that anybody who is going to be in this business knows that there is a practice, there is a set of standards that they are going to be held to. And, therefore, to come up with some sort of licensing, I understand the need for that.

But, as I say, I was just concerned as to why we were just adding another layer and just wonder why it was not done through the Consumer Affairs.

Now [one of] the last few things that I came up with was the fact that it just seems to me, and maybe this is the . . . I think I have heard the Consumer Affairs Bureau did do this in the past. And maybe this gets back to why I thought that they had a role to play. I know that they come and they talk to people about entering into agreements, and they remind them, especially like around about Christmas time and other places, about taking on debt that they cannot manage.

And I know that years ago, and maybe this is . . . the Junior Finance Minister will get around to . . . I know at one time when people were entering into loan

agreements, et cetera, the only thing that people looked at was, what I call, their fixed salary. But I also know that over time what started to end up happening was that people started to add their overtime into it. And, before they knew it, that became a number that they were using to say that is the amount of income that they were going to have to service their obligations.

We all know that overtime is not something that one can guarantee and you cannot bank on it. And that is why a lot of times you have seen people where their mortgages get under water because [of a] wrong calculation and the wrong, if you will, debt-to-revenue ratio was used. And that is resulting [in] it. And so it is a combination of the individuals themselves shortening themselves because, unless the agency went back and looked at all the details, it was not quite as accurate as the information that was there.

So it is important for people, when they take on obligations, to understand that they are taking on a business obligation and afterwards somebody is going to be relying on them to live up to their obligations. And I say that because the part that I always worry about is all those little Mr. and Mrs. Smiths who have the apartments and have the people who do not pay their rent and then, afterwards, they are left trying to collect.

And that is where most . . . a lot of times the collection agencies end up being the ones who have to try and go out and try and find these individuals who miraculously . . . in the size of Bermuda, I never understood how, in 22 square miles, people are somehow not able to find people. But I know, I bet you, if it was . . . I bet you if it was talking about you have just been given a prize to go on a trip, people have a way of finding them.

So I am saying . . . and I am not being facetious, I am just saying that it is . . . there are two sides to this, Mr. Speaker.

The Speaker: Yes.

Hon. Jeanne J. Atherden: And, therefore, as I say, I am supportive of an agency; I am supportive of making sure that they do not do things which are harassing. But I do think that a couple of these things I, perhaps, worry about . . . when you say that people cannot give information . . . I am just . . . it just concerns me, especially if you are part of an agency and the agency, as part of their service to you, their service to you is to be able to either provide a credit information or to indicate that someone has a credit history.

Now, this whole question of how long one has a credit history, obviously, that is something that should be subject to some sort of review. Because if you . . . I would think that if you did not have a credit, something outstanding that you had 10 years ago, that nobody is going to be turning around and saying,

Well, you know, he's on the debtor list. You are really . . . normally you are looking at stuff that is current and you are looking at information that people are saying, Based on our current information this is what we have.

I think, Mr. Speaker, I am not on anyone's side from the perspective . . . because, as I say, you have debtors and you have creditors. And Mr. and Mrs. Granny who is out there looking to have . . . find her . . . get her money, she has to have somebody to assist her. And we just . . . we have to make sure that the right . . . we have to make sure that there is the right process in there to help her.

And we also have to have the right process in there so people honour their obligations. Because if you honour your obligations then there are fewer requirements to turn and start to go and chase you, there are fewer requirements to get on the phone and call you up. Because if you say to me, *Call me up and I'll be in there next week*, and you are in there the next week, then the people do not need to call. Or if you say, *Well, oh, . . . you cannot be found*, then people have to do some of these things because they have a responsibility to Mr. and Mrs. Granny Smith to say, *Well, you know, I cannot find the \$8,000 that this person owes you.*

So, I think we all should be on the side of saying . . . have people that are in business that do not end up creating, what I call, the Shylock-type mentality, have people that are in business that are scrupulous, have people in business that are going out there and honouring all of these changes that we make, but at the same time we have to make sure that there is some sort of, what I call, "carrot" or "threat," if you will, so that people will honour their obligations and will choose to not get into debt because they do not want to go down that path.

And when you start to talking about high-flyers . . . well, I am sorry, Mr. Speaker, that is a way of not identifying that there are some people out there that are very much using these Granny Smith's and other people. And for Granny Smith, they do not want to know about them as a high-flyer, they would like to have people that have been a really good payer . . . and some of these people end up reducing their rents because they want to have somebody in there and they want somebody to stay and be a tenant forever. They do not want a high-flyer, and they do not want to be sucked in by a high-flyer. So it is important for us to do something also about high-flyers, because high-flyers are detrimental to the people out there that rely on the collection of their debts.

Mr. Speaker, as I say, I believe that it is important. I just wondered why (back to my original thing) it was not put under the Consumer Affairs. Because I just worry about having to add more stuff, add more overhead, when we already have enough. And I believe that the Consumer Affairs Board . . . I have seen them. I have heard them on the air. I have seen them in operation, and I believe that they are very se-

rious about their jobs. I believe that the people that you have there have a record of excellence, and so I just wondered why the need for a new one.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

We recognise the Honourable Member from constituency 36.

Honourable Member, you have the floor.

Hon. Michael J. Scott: Good afternoon, Mr. Speaker, thank you.

So I am a little surprised that the Honourable former Opposition Leader thinks that the state of being, of the red ink in our country, largely falling in the category of one sector of this population—the black population—why she thinks that the efforts we are making today through the Minister of Home Affairs, led firstly though by the former Minister of Home Affairs, Mr. Walton Brown, why she thinks that the Consumer Affairs is a proper residence for the addressing of this problem of bad practices in debt.

All the Honourable Member need do is ask the question, How good a job have they done up to date? And the answer has to be a resounding . . . it is not adequate enough. Clearly, some of the provisions in this Bill have been long, a long time coming, are necessary to deal with the whole profile of debt in our country.

I can recall . . . you see, Mr. Speaker, we have a structural problem—and that is why I have gotten to my feet—in this country.

Hon. Jeanne J. Atherden: Point of clarification, Mr. Speaker.

The Speaker: Yield, Honourable Member, for a point of clarification.

POINT OF CLARIFICATION

Hon. Jeanne J. Atherden: I believe that the Member is misleading the House in the sense that I acknowledged that there was something that needed to be done. All I suggested was that the Consumer Affairs Board might be better suited than establishing a new group. I did not say that there were things that did not need to be done. And some of the new stuff, obviously, they did not have under their umbrella, so how can you fault them?

The Speaker: Minister, Honourable Member, continue.

Hon. Michael J. Scott: So, the Honourable Member continues to be just unrealistic. The problem is dire . . . the problem is. And this represents . . . this is just

a retrofitting to a very structural problem of one sector of this community being weighted into the category of being the consumers in this country—and that is the black community. And the other portion of our society being weighted into being the seller community in this community—and that is largely, in the main, our white population of business owners.

And there is this constant drive for the consumer class to consume at Christmas, at Cup Match, and all during the 365 days of the year. And so the creation of this environment has contributed to, if not entirely responsible for, the red ink that you find at the Bermuda Credit Association, for the difficulties with tenants in trouble with their rents, because they have become willing actors in just consuming to a degree that is detrimental.

Now, Mr. Speaker, and I make the point, I am back to the structural problem in our country, were black folks in this country in greater numbers as sellers, as business owners, would, and we would, have better practices about savings and investing and there would be a balance.

So I wanted to get up to make the very point that this is reactionary to a problem that has been going on throughout our history. I look forward to the day when more of us in the black side of this community, of this country, this Island are engaging as owners of capital and selling. And it will be good for all concerned.

So when the Honourable former Opposition Leader says that the Bill is . . . in the history of this country bad things have happened, I suggest that one of the primary bad things that has happened has been this current environment where there is a structural imbalance between the consumers and the sellers of consumable goods.

Ms. Susan E. Jackson: Point of order, Mr. Speaker.

The Speaker: Member, will you yield for a point of order?

I will take your point of order.

POINT OF ORDER

[Misleading]

Ms. Susan E. Jackson: I am suggesting that the Honourable Member is misleading the House.

Debt collection agencies are made up of a cross section of this community. I do not see where this becomes a huge racial divide. The people who are collecting debts, of which we are speaking today, are of all races across the Island. There is a balanced mix, from what I understand, people that I know.

The Speaker: Thank you.
Member?

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

So, I am sure the Honourable Member was not listening to me. I was talking about the consuming public. The debt collection agencies are a symptom of the structural problems. They have been put in place as a literal battalion to deal with this encroaching and developing debt in our country. And surely they need to be regulated.

And the reason . . . and for the example of Mrs. Smith, the lady citizen who is just trying to make her rent meet her mortgage, you know, debt . . . it is a bad comparison. The debt collection agencies have a different set of parameters under which to operate because, Mr. Speaker, debt collection agencies have staff and rent to meet, whereas Mrs. Smith is simply hoping that her tenant is going to pay the rent so that she meets her mortgage. So the comparison was not a good one.

And the reason why debt collection agencies, and law firms, too, get way out of whack and way out of line, is because of their overheads—quite different from just Mrs. Smith who has a tenant as a landlord and tenant relationship.

So the Bill is of good intent. But I look forward to the day when we deal with the structural problems in our country, Mr. Speaker. This will be a better day for us.

But in the meantime, and I concur with the Junior Minister of Finance who promises that the vagaries and poor practices of insurance companies who engage in lending, and certainly the banks, with these remarkable rates of interest that are charged, and how they manage mortgages, I look forward to that day . . . which will begin to address, again, some of these structural inequities in our country.

Thanks.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

I recognise the Honourable Member from constituency 23.

Honourable Member, you have the floor.

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

Mr. Speaker, I just wanted to highlight one or two points. First of all, I think the Honourable Member who just took his seat from [constituency] 36. I just wanted to make clear to him and to the Honourable House that our former Leader, when she spoke, did not support the status quo. What she was effectively trying to say is that she recognises that there are things that have gone wrong on both sides of the aisle and, therefore, she supported the legislation that was being implemented in order to put things right.

But I reiterate the comments that she made, that this morning in a Ministerial Statement we heard about the approach towards streamlining certain departments of Government. And it just seemed that, as

opposed to creating a whole new bureaucratic entity, it seemed as though the professionals that we have at the Consumer Protection Agency—and this is not saying that they are taking over the job of the debt collectors—but that they could, perhaps, be able to incorporate in their structure the Licensing Authority that is being appointed, as opposed to having a new entity according to what we heard, or what I thought I understood, when the Minister spoke.

So I think that was the point that my honourable colleague was attempting to make and I just wanted to make sure that this was clear because, you know, to hear the Honourable Member from [constituency] 36 mention it, it is almost as though we have no sensitivity to black people in this country who are struggling—and there is nothing further from the truth. Many of us, if you look at our demographic and if you look at our pigmentation, fall into that same category. So I do not think that it is fair to have this . . . to continue to have on every single thing that we do this “us and them” mentality when we are in this together. I think that this was important.

Mr. Rolfe Commissiong: Sorry, Mr. Speaker. May I have a point of order here?

The Speaker: Point of order.

POINT OF ORDER

[Misleading]

Mr. Rolfe Commissiong: I think the Member is egregiously misleading the House.

[Inaudible interjections]

The Speaker: Ah, ah, ah, Members, Members!

Mr. Rolfe Commissiong: If the facts . . . if the facts, the evidence, the data, speak to Two Bermudas, then we have [the] responsibility to talk about it so that we can remedy those disparities.

Hon. Patricia J. Gordon-Pamplin: I did not have a problem with that.

The Speaker: Continue on.

Hon. Patricia J. Gordon-Pamplin: Sorry. I certainly did not have a problem with that, and that is exactly what my honourable colleague had indicated.

So, you know, I do not know . . . you know, we have this tug-of-war mentality, which is really not necessary on things on which we agree. We may, as I said before, we may not necessarily agree on how we get to the end, but the end that we are hoping to achieve is certainly synonymous. We do not have an issue with that.

Mr. Speaker, in an ideal world we might be able to live according to Shakespeare's *Hamlet* when Polonius effectively was saying to his son, Laertes, as he was on his way going off to Paris, *Neither a debtor nor a lender be, for loan oft loses both itself and friend.*

And that is in an ideal world because the reality is there are not many of us who will find ourselves going down the pathway of life and having no necessity to either borrow or to lend. And I think that it is the responsibility of each and every one of us to be sufficiently educated, when we are borrowers, to understand what our responsibilities are in order to ensure that we can meet the commitments for which we have signed.

We know that there are several instances, Mr. Speaker, in which you have aggressive salesmen who, perhaps, are meeting commission requirements. And in that aggression you may have an unsuspecting debtor (ultimately becomes a debtor) walking into a business, and that commissioned person is now pushing . . . I think I ended up buying a vacuum cleaner that I probably did not need because it was new and different and, you know, had water and all that kind of stuff. And you buy encyclopaedias, you buy all kinds of things that ultimately you may not necessarily need to have. And then people can find themselves in the situation, [after] having made the acquisition, where it may be difficult for them to meet the commitment to finance it. So we understand that.

But I think that if we attempt to move towards a regime of credit reports, of having a credit score, it may even help to enhance our ability as consumers to put the brakes on ourselves to say, *You know what? I really don't need this, and I really can't afford that.* And a lot of the collecting agency issues will probably go away if we are able to manage ourselves effectively. But that takes a long time. That is going to be a thought process and a mind-set and a paradigm shift into how we operate as people.

But let us not fool ourselves. The credit agencies . . . the collection agencies found an opportunity to be able to earn a reasonably good living by doing very little. It does take some effort to go out and to show up in court with a . . . you know, to sort of bring a debtor to court and to have a show cause summons, why somebody should or should not be expected to pay the debt for which they are charged. And, historically, these credit agencies have become all but extortionate, if I can say that. And to have rules and regulations that control the amounts that they are likely to charge, is a good thing.

But let me also say that when . . . if I refer back to the instance of the aggressive salesman, it seems to me that we should also be considering whether, in fact, the credit agencies should have the ability—these are the collecting agencies, if I said “credit agencies” I am meaning those interchangeable—should have the ability, instead of charging

20 per cent maximum to the debtor . . . because truth be told, Mr. Speaker, if you do not have \$100 to pay the bill, you do not have \$120 to pay the bill. So I think we need to be mindful that if we are being concerned about people and their ability to pay and their ability not to find themselves sinking under their debt, that maybe a part of that commission . . . maybe not the 20 per cent, but maybe 5 per cent of that 20 per cent we actually charged back to the creditor, the provider, because it is the provider who took the risk to allow the debtor to be able to acquire that which they now cannot afford to pay for. So I think that this is a possibility that we could consider as time goes on.

Mr. Speaker, the comments that were made by the Honourable Junior Minister were, obviously, frightening. And when you stop to think about how extortionate some of these practices have become, you know, that is unsustainable and, as I said, if you . . . I think he indicated a particular instance where somebody started off owing \$10,000 and ultimately ended up owing \$66,000 on that same debt based on the extortionate charges that had gone through.

Well, clearly, that is unacceptable. And if those charges have been raised as a result of interest . . . I am sorry, collection charges being placed on top of it, and then administrative charges being placed on top of that, then there is a limit. There is a limit. Because, as I said, if you do not have \$100 you do not have \$120. If you were not able to pay the first debt, you are going to find it very difficult to pay the debt plus penalties that have accrued on top of it.

But I think an Honourable Member said earlier that they are looking forward to these sorts of things being extended to the banks. Because when one stops to look at the . . . just take a credit card as an example. You are paying a 19.75 per cent compounded interest rate on your outstanding balance. That is extortion by any way that you stretch the imagination.

An Hon. Member: Do you have a credit card?

Hon. Patricia J. Gordon-Pamplin: Yes, I do have credit cards.

So to the extent that this legislation . . . But there are some, Mr. Speaker, who are mindful of credit. And I can just give an anecdotal situation, Mr. Speaker.

I can remember having a home equity line of credit. And I had one account into which the money went for the payments to be taken out on a standing order basis on a monthly basis. And this particular month I was blessed enough to receive a bonus from my company. So I put the bonus in the account, sent a note to the bank and I said, Can you reduce my loan by the amount of the bonus that I had gotten? I thought, *I can have a big lump-sum payment.* And I gave them a big letter to say that this is in . . . it is . . . I am sorry, not in addition to the normal, but instead of

the normal payment that you would take out of my account.

The Speaker: On your principal only.

Hon. Patricia J. Gordon-Pamplin: Come the end of the month, my statement comes and my account was in overdraft. It was in overdraft because they had taken out both the special amount—the balloon payment that I had asked for—as well as the normal payment. And it overdrawed me by I think twelve dollars and change by taking out both payments.

So I called the bank and I raised Cain because . . . because of that overdraft they had charged me \$30 for in unauthorised transaction fees. So I called them up and I said, *No, wait a minute, it was your mistake and I need you to have a look at the letter that I sent—the instruction—and make sure that these charges are now correct.* And they apologised profusely and came back and said, *We do apologise, we have reversed the \$30 charge that we put against your account, we have reversed the regular amount of the monthly payments so, therefore, your account is now back in credit for the total of the excess payment that we had taken plus the \$30 overdraft charge fees.*

But then when my statement came at the end of the month, Mr. Speaker, they charged me 10 cents interest for the day or two days that my account was in overdraft. And I sent them a letter. My staff were laughing at me. They thought that I was being petty, that I was being picayune, to say to the bank, *You charged me 10 . . . it was only 10 cents.* And they were saying it was petty, it was only 10 cents.

But, no; it is my 10 cents. And it is the principle, because if everybody ended up having to pay because of somebody else's mistake then, you know, there would be an awful lot of credit that people will have to which they are not entitled. And the debtor is the one who suffers the penalty and the consequences.

I listened to the Minister also when he gave his anecdotal explanations at the beginning and spoke of the person who was supposed to receive . . . oh, sorry, who had received a bill, but was not convinced that they had actually received the services for which the bill had representation. And that could be any one of us.

Mr. Speaker, I do not do credit associations because I have been blessed enough to try to manage my affairs in such a way that it has never been necessary. But I did start to get some harassing phone calls on the back of a letter that came from a credit association to say that I had a bill for BELCO. And I am like, *Wait a second. If I had an outstanding bill for BELCO, I would have no lights! I have got three meters, they are all up to date, as far as I know. So what would BELCO be sending my name to the credit association for?*

So, I called the credit association to ask what initiated this call, why would I have a bill for BELCO? And they told me that my name was similar to the name of somebody who they had on their records, and they could not find that person so, therefore, they sent the Bill to me. And I am thinking this is absolutely—

The Speaker: You should have paid it for them, see that?

Hon. Patricia J. Gordon-Pamplin: Yes, well, Mr. Speaker—

The Speaker: Be nice, pay it for them.

Hon. Patricia J. Gordon-Pamplin: —I am not that benevolent.

So these are the kinds of things that if somebody does not have the wherewithal to examine the charges that they are receiving and the collections that the agencies are indicating to be appropriate, if someone does not have the wherewithal, then they could find themselves in a situation of being . . . you know, nobody wants to have a credit agency calling them up. They could be frightened, and frightened to the extent of not even realising that this bill is not legitimately theirs.

So the credit agencies are not coming to this equation with clean hands altogether. I am not saying that they are, perhaps, intentionally gouging people, but they are not coming with clean hands. So to have an oversight and to have control over that which they do, I think, is very positive for the consumer.

Mr. Speaker, I know that legislation of this type can conceivably lead to unintended consequences. And I say that from the perspective that you will have lenders, creditors, who will now consider that the borrowing . . . or sorry, the extending of credit to an individual may create for them less of an opportunity, if something should go into collections, for the collection agency to be minded to do the collections for what their commission is now going to be. And, as such, the creditor may start to think twice about whether they are going to advance to a debtor a good or service that otherwise might have been a no brainer.

We go back to the banks. And even though I recognise that the banks are not covered by this, banks today are less concerned about your asset value as they are about your income capabilities. So you will have . . . whereas you might have two, three, four houses, Mr. Speaker, and you can go to the bank and say, *I've got four houses and I've got my . . . I own my title deed, but I would like to have X-amount of money to get me over a specific project*, and the answer is going to be no, because the banks are not interested. They do not want your house. They do not want the hassle of getting rid of your assets in order to satisfy

their account. What they want to know is how much you earn and can you, from your earnings, satisfy this particular bill.

So these are the things that we have to start to look at as to what is going to be appropriate and how we can best protect the debtor in these processes of . . . or in these times of extortionate charges.

I do not need to speak much more on this, Mr. Speaker. But, you know, when people . . . I think my honourable colleague made reference to when people borrow money and refuse to acknowledge that they have borrowed money, or purchase an item and refuse to pay for it. It creates a challenge in terms of whether they are going to be capable of getting further credit extended to them at a time when it may be an absolute necessity. So we want to ensure that the education process around this entire structure is such that we can assist in creating a paradigm shift of our mind-set so that people can understand.

And Mr. Speaker, let me just close on this note. We spoke about the difficulty of landlords. And we recognise that there is a Landlord and Tenant Act [1974]. And you go through the, you know, harsh processes of going to court and the like. But those debts can still end up in the collecting agency once it comes out of the court. A magistrate may say, *Yes, you still have to pay*. You have shown up with your show cause summons, you have had the judgment go against you. But the landlord could still pass that debt on to a collecting agency in order to collect that money.

Mr. Speaker, I say all that to say that I remember the good old days. I remember my mother, when we were relatively young, renting rooms in our home in order to be able to make her ends meet and to be able to feed us and keep a roof over our heads. And those rooms rented on a weekly rate at £5 a week.

But Mr. Speaker, if somebody did not pay, my mom was not . . . it was not beyond her . . . to hear her at three o'clock in the morning with a hammer, where she would go down, because the beds that they had in the rooms were metal frame beds. And it was not beyond my mom to be heard at 3:00 or 4:00 in the morning to go down and knock the frame apart so that that person who was delinquent was not going to have the opportunity to sleep. And her attitude was if you are not paying your rent, you are not going to sleep here.

We do not have that *take the law into your own hands* kind of environment. We have a situation now where that no longer obtains, and you have to go through all of these processes. But you know, Mr. Speaker, I have to say that to that extent when people are refusing—not unable, but when they are refusing—to pay, I kind of long for the old days.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

I recognise the Honourable Member from constituency 1 [*sic*].

Honourable Member Swan, you have the floor.

Mr. Hubert (Kim) E. Swan: Thank you, from number—

The Speaker: Two.

Mr. Hubert (Kim) E. Swan: [Constituency] 2, just down the road.

The Speaker: The neighbour.

Mr. Hubert (Kim) E. Swan: Mr. Speaker, let me just say that the Debt Collection Act speaks, certainly, to a significant social issue that is very permeating in Bermuda. We know the stories about the recession and the casualties of that period. We have heard the Junior Finance Minister speak very passionately, as I have heard him on many occasions speak to this subject as it relates to persons who have fallen afoul.

I certainly have had experiences with persons through being in the Legislature, constituents who have come . . . and persons from other constituencies who have come with stories as it relates to finding themselves in a bit of bother. Some have been connected with homes. And it is most unfortunate, particularly, I would say, within the last 12 years on the tail end of the boom period, and in the entry period of the recession, there was a bit of back draft of denial which existed in Bermuda that a recession even existed. Persons were looking to offload their properties and some persons were in business, some persons were trying to make sure that they were okay.

The net result of some of those circumstances which the Honourable Junior Minister was referring to, as it relates to banking, is such that even as recent as 2018 there are persons who were able to obtain properties through lending practices connected . . . some with lending institutions, some with realtors, some with lawyers, whereby the property that they had was not sufficient. They went to momma or granny and got another little small cottage which was developed, the family owned through sweat equity and doing all the right things . . . saving for a rainy day. And there are lending institutions out there today who are less . . . who are very dispassionate in the recovery of what they want to do. And there are many persons who find themselves seniors and not realising that their property is very vulnerable.

I must confess that today's generation . . . in my experience in dealing with some of these situations, today's generation are less responsible or responsive to family as in a bygone era, and that presents itself as a problem.

The will to bring a piece of legislation as such at this current time in the early stages of an administration speaks to the importance that is placed on the protection of persons against predatory lending, which exists, which helped cause the great recession, both here and overseas, bad policy in the business community and in the private sector, which persons do not hold as accountable as they might do if it was in the public domain.

And so, as has been expressed, I too look towards the future when practices that can . . . regulations and Acts can be put forward for great protection.

I am reminded, in my early years in the Legislature, when Consumer Protection came to . . . as an Act. And it was after 1998 when I sat in Opposition. So I took the point that was made and as I look at the Act . . . we will go into Committee, but there is Part 2 which speaks to the Debt Collection Licensing Authority. And I am sure the Minister of Finance who, I am sure, will be looking as prudently as possible and have control over . . . ultimately over all purse strings, could . . . he may, at his discretion, direct that Authority to exist within a current body that exists within Government already. So it does not necessarily have to be another area. It certainly could be economies of scales practice, but certainly the need to start spelling these things out as they relate to the circumstances which are unique to Bermuda and to the practices that have become commonplace in Bermuda.

And for those landlords out there in Bermuda, I have great empathy for them who . . . I know of a recent case, which I shall not mention specifically. But I do know of the pain that landlords who are unable to gain possession of properties and are left holding the bag of, you know, tens of thousands of dollars, which could easily add up after you do the math, you do the multiplication. And, you know, six or seven months times what the going rate for rent is substantive to, particularly, a senior who might now be land rich and cash poor, depending now on a fixed income to be able to survive in an economy that has outgrown and outpaced them.

We all know of the percentage of persons who are in the country who come from overseas and the number of Bermudians, percentage wise, who are out of work or underpaid or finding it difficult to make ends meet. Let me say that those persons who come from overseas have somewhere to stay, are guaranteed that they are going to have health insurance. Many Bermudians are having to do without. And if they find themselves with an asset such as a property, and if there are practices that have become part of the culture of practice of lending institutions to be able to have the scope to be able to multiply that debt, it becomes a helpless and a hopeless circumstance for people who find themselves in that position.

Long term—and when I speak of long term as I speak to the principle of this Bill—Mr. Speaker, I am not too afraid to embrace that there are some old-time

traditions that have a place in modern society, you know. One of which is. *It is not what you make, it is what you save.* And in order to save you have to learn how to be a little bit more frugal and discerning. And the aftermath of the last recession, which has lingered on in Bermuda for many varying reasons yet to be properly examined (I might add), that is an old practice that I think that this country can certainly take on board.

And the persons that we need to be selling it to are not those of us who are on the way out, respectfully speaking (and with longevity hopefully many of us will be around to see it realised), but to the younger generation of our country—the three-, the four-, the five-, the six-, the seven-year-olds that are growing up on this, *I gotta have it and I've gotta have it now*, mentality that comes across in advertising. And it is pushed out there in their face and it is a . . . you know, it is a gotta-have-it-now-type of society, it is packaged and wrapped in that.

Going back to some of those old-time principles as it relates to money management and the like would serve our people even better, Mr. Speaker.

So Mr. Speaker, as we look at this I want to thank the Minister—it is his first Bill coming forward—and the Junior Minister who spoke as well. I know he does a lot of work behind the scenes, but I know he has always had a passion for those who find themselves in a category I often refer to through statistics, “the poor and the near poor.”

And let me just say this in closing, Mr. Speaker: Let it not be forgotten that in this country, when that recession gripped us in 2008, more than a quarter of the country—families, household families—were in that cusp of poor, or near poor. Nearly 35 per cent. And the benchmark for poor or near poor in Bermuda was a household income of nearly \$75,000—half of what an MP . . . well, I would say 60 per cent of what an MP earns, the equivalent of an MP's salary. I say that respectfully because in Bermuda we do not examine what persons are taking home in our country, whether or not they be . . . where they might be working in the station of life in this country.

So Mr. Speaker, as we speak to this Debt Collection and other Bills or Amendment Acts that might have to come in the same spirit, let us not forget the system that exists in Bermuda that has been accepted for far too long.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

No other Member.

Minister?

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

And I thank all the contributors today to this debate. I wish to thank the Opposition for what appears to be their support generally for the purpose of the Bill. I have had some dialogue with the spokesperson on the Opposition side and I think we have actually cleared up some details, but I am expecting, certainly, to give further clarification when we go to Committee. But I would like to address some of the questions that were put by different Members.

And I would like to kind of start where I began, Mr. Speaker. At the very end of my Statement I said that this Bill does not absolve the debtor from his or her obligations to repay their debt. And that is important. I just want to re-establish that point so that people know that this is not a Bill to absolve them of paying their debt.

And I would like to also refer back to the five key points that I made during my statement on page 4 (for those who have a copy) where I said:

“Mr. Speaker, the proposed Bill provides five important components: (1) Establishing a Government Regulatory Licensing Authority for the debt collection industry.”

Right now, Mr. Speaker, there is no regulatory or governmental supervision of debt collection agencies and their practices. It is the wild, Wild West.

The Speaker: Mm-hmm.

Hon. Walter H. Roban: And that is what it is. And we have heard some witness today of the exorbitant practices which they exercise.

Now, I am not suggesting that these are malevolent organisations. What I am suggesting is that without the appropriate legislative framework there have been certain excessive practices which have not been helpful to the community and those who are subject to debt collection.

So we are going to be creating a [Debt Collection] Licensing Authority so that those who are going to be engaged in these practices are governed by a body of law.

“2. Prohibiting unfair debt collection practices.” The law tells you what those practices that are unfair are so that everybody, including those who are practising as debt collection agencies or are doing some debt collection activity knows what is unfair, what is considered to be unfair. So, it is not going to be arbitrarily applied. The law helps to clarify what is considered to be unfair in Part 4.

“3. Requiring financial transparency of contractual penalty fees and limits, interest rates, administration fees and commission fees.”

Now, I think part of the discussion that has been here today is . . . and there has been some reflection. The Honourable Junior Minister from constituency 6, and others, have related . . . but certainly the Honourable Junior Minister gave some clear sort of reality around what some have experienced in this.

And there have been practices of which we have found, like exorbitant amounts of fees and commissions paid, added onto a debt that itself is finite. But then the fees and commissions and administration [costs] go out the roof, and you may end up finding yourself not only for debt collections processed but also in court with something that is asking you to pay something like 100 per cent more than you actually originally owed.

Now, the only way to ensure that this does not, that people are not exposed to that, is like a number of things, Mr. Speaker. One is to have transparency, financial transparency, and clear contractual arrangements established around what can be done so that people know when they go into an obligation, ultimately what they will be responsible for even if they do not fulfil the obligation. But, after all is said and done, this is where the transparency comes in.

Let us just say you find yourself in a situation where you are in front of a debt collector. The debt collector also has a responsibility to be transparent and accountable on what they have been contracted to collect. So, they have to hold any monies in a proper trust account. They have to have a proper accounting system where they can say, *Well, because we heard a lot about Ms. Smith by some people today, that Ms. Smith wants her debt collected . . .* Well, Ms. Smith came to said agency to collect from young or not-so-young Mr. Jones a certain amount and that maybe Mr. Jones, with the debt collection, agrees to a payment plan over a period of time, that the money that Mr. Jones pays to the agency is properly accounted for, properly recorded and ultimately when that debt is satisfied there is a record and that Mr. Jones can go and look at, and the [Debt Collection] Licensing Authority can look at, that if there is an appeal a part of it . . . everybody can look at that information and actually see it is accurate.

And if it is not accurate, there is a recourse process for that. So, it requires transparency on both sides. And that is a clear understanding of what the agreement was to pay or not pay and that the persons knew that if they did not pay what they may have to incur if they do not, and if there are limits to the interest that they might have to incur.

So, that is number three. That is what we are doing.

“4. Establishing a complaint procedure investigation and inspection powers.”

Well, if you are going to license a body, there needs to be a process where they can be expected to know that they are doing things properly, that the [Debt Collection] Licensing Authority have the power of investigation in the situations that are brought to their attention. And that there is a complaint procedure, not only for someone who feels they are being wrongly dealt with around a debt, but also even those who have been contracted to collect it as well.

So, what if something happens in the process that is not fair to either side? There is a complaint process and an adjudication process within that [so it] can be dealt with. And, of course, there is a right of appeal—natural justice if you want to call it that. Creating offences which, clearly, if things are not done right, there should be accountability and repercussions for that, handled in the appropriate process, Mr. Speaker.

And that is the fifth point—right of appeal. That is why there is a tribunal being set up at the end of all of that so that people in the process who find something did not go right here, *I do not believe the information that has been recorded to me is right. This is what my receipts say, that is what his say. I did not like how I was treated in this whole process.* They have a right of appeal to get some adjudication.

It does not remove the right of appeal to a court in this process, but that is built into the legislation. And as I attempted to explain to the Honourable Member who sits in constituency 30, who I had an opportunity to answer some questions, we are creating a space of supervision which is absent now. It is sort of an absent, I do not want to say “black hole,” because that has all types of connotations. But I am talking about there is a gap there, legally, right now, today, at this moment, that people in this country who may find themselves as a result of the recession, as a result of . . . as I outlined in my statement, situations that they did not bring upon themselves. But yes, there are those who we have to remember who actually wilfully have not paid their debts, and businesses and persons have a right to pursue that obligation, okay, or what is owed to them.

But then we have the people who, because of a health crisis, because of a situation which they did not bring on themselves, find themselves in financial challenges. They are injured, they are sick, they cannot work. If they cannot work, they may be dismissed from that job. If they are dismissed from that job, they have no health coverage. If they have no health coverage, they incur costs for trying to maintain their care—the money of which they . . . and they have also the obligations they already have. They are pushed into a debtor situation.

How do we protect those people? But also, how do we ensure that the process that governs how that debt may be satisfied in a fair and equitable way . . . we have a body, we have a piece of legislation, we have an agency, we have a [Debt Collection] Licensing Authority, we have a tribunal, we have the Consumer Affairs agency, which actually will be taking on this actual job, not creating a new body or a new business or a new government department. They are going to absorb this within their body.

And I would like to acknowledge certainly the Permanent Secretary for Home Affairs, but also Ms. Karen Marshall who is running that agency, and the attorneys from Chambers who advised me very well

and assisted in my preparation for this. Ms. Marshall is the one out there who has managed this online process from day one, but also is interacting out in the community around these issues. Right?

The Consumer Affairs department will be the one which provides the support for the [Debt Collection] Licensing Authority and for the appeals process. And essentially like an advocate for all who are involved in the debt collection process, but also with a level of enforcement as well.

So, I just wanted to preface some of that and I will just go through some of the questions that were [asked] because I think we need to get on with this discussion and go right to our . . . right into Committee.

Was the Bermuda Credit Association involved in consultation? The answer is yes. And if anyone is suggesting otherwise, I really do not think that is accurate because there is no way we could have, you know, gone into this process without consulting with all those who are involved with the process.

A question was asked about a particular lawyer who has a quite robust and well-known debt collection business. The answer is yes, [he] was consulted.

The licensing process, does each individual employee need a licence? The answer is no. If they work for a credit association or a credit agency, the agency will have the licence and they will act under that licence.

Will a law firm require a licence? Well, I need to answer that in kind of a few parts, Mr. Speaker, because there are two issues here. This is a law firm that may be acting as, or has, a debt collection business (like the said law firm that was mentioned by one of the Honourable Members, or his name was mentioned, for his practise as a debt collection business), yes.

Now, there are some . . . and I am kind of answering a couple of different questions that were put. There are exemptions. So, a law firm would enter into one of these exemptions and the law firm would be exempted from the Act if the lawyers who are acting in connection with a judicial enforcement of a debt serves or attempts to serve legal process of the debtor with the intent of either collection, the payment due to the person served to make that payment—they are exempted. So, if they are carrying out a judgment related to a debt which is put down by the court, no. But if they have a debt collection business, yes.

And certainly, if you are collecting your own debt, you are also handled differently. But you are still required to follow the conduct and behaviour prescribed by this Act and not be able to prescribe unfair practises if you are collecting even your own debt. So, I believe that answers part of that question, Mr. Speaker. There are some other questions.

Will the legislation cover all debt? Well, there is a definition that is being refined around that and the

definition of debt does not put a limit on the debt to which the Act applies to. So, perhaps how we define debt is not necessarily precise, but it serves as a general definition that will deal with types of debt that arise that will come under the Act. I think perhaps you can have, people can have different little definitions of what debt might be, but the Act prescribes a definition, and that can be refined if need be going forward, if need be.

There was another question concerning creditors will not be . . . about creditors needing to be licensed. Creditors will not need to be licensed, but each debt collection entity will be required to get a licence. So, there is no requirement for a creditor. If you provide credit, no, you do not get licensed under this Act.

[Inaudible interjections]

Hon. Walter H. Roban: It is a contracted service, typically, when you provide credit.

There was a question about education. Consumer Affairs offers advice on debt and will encourage the persons who wish to gain credit to take contract, and also legal advice, and make sure that they are not being harmed by any significant contract.

I think the, if I can say, trend here is to make sure that everybody knows what terms they are entering into when they have an obligation, so they know not only, as I think I have said already, what they are contracting to when they enter an obligation, but if you do not pay the obligation, you also know what you will be subjected to. It will need to make sure people understand that, and there is going to be, obviously out of this . . . and this is a commitment that the Minister has made to have a robust public education process around this. And, frankly, this is not a public education process that has a beginning or an end, Mr. Speaker.

It will have to be ongoing, because as people become more involved and engaged in financial transactions, we all need to know how to handle debt and the responsibilities we have. So, this is not going to somehow begin-and-end, it is going to be ongoing. And we are going to be doing a number of things to advance public education around the issues of debt collection and the responsibilities of people.

As I said earlier, Mr. Speaker, people do need to pay their debts. And this law does not absolve them from that.

Some other questions came up about the Consumer Affairs Board and what they will be tasked with. The Consumer Affairs Board is the debt collection tribunal as laid out in Part 7. So, again, nobody is going to be creating a new department for this. The activities around what this Act is creating are going to be done from within the department as it exists, and even the persons who are on the Board currently have been a part of the process of education and building the knowledge base to actually carry out these re-

sponsibilities when this Bill finally is agreed by the Legislature.

There were some comments raised about landlords and what a landlord might have to deal with if they are confronted with somebody who does not pay their debt and if they are not savvy, [and] what they may have to deal with as it relates to this legislation. Landlords are not debt collectors. So they are not included under this Act, Mr. Speaker. They still have the courts to address any obligations that they feel they are entitled to receive and, so, this Act does not take away that right that they have. And there is, of course, a Landlord and Tenant Act which would govern their relationship that they have with a tenant if they find themselves not . . . where someone has not met the obligation.

There were also some questions around why we are creating a separate Act when the Consumer Affairs Act should have been used to do this and thus, it looks like we are creating a brand-new department. Well, that was explored, Mr. Speaker, putting the debt collection practices under the Consumer Protection Act 1999. But it was clear that there was a need to regulate the debt collectors. So, that is why this Act is the way it is. It is a standalone Act to govern the practices and processes of debt collectors.

I think I have spoken to the issue of sharing information to some degree, but that is governed under section 16 of the Act. It is illegal to share any information, because there was a concern about privacy. And one thing that you can be assured of, Mr. Speaker, is that the days where we saw the cancelled cheques on the back of the board behind the cash register are gone, because that in itself has brought certain implications on people who . . . that cheque may be sitting up there for 10 years, and they paid the debt 10 years ago.

So, that is going to stop because information on who owes who money now has to be properly handled.

The Speaker: Minister, I am trying to see how long of a list you have there.

Hon. Walter H. Roban: No, I am actually . . . that was my last one, Mr. Speaker.

The Speaker: Oh, okay.

Hon. Walter H. Roban: So, if that is satisfied, Mr. Speaker, I now move that the Bill be committed.

The Speaker: Thank you, Minister. We will now move into Committee and I call on the Deputy.

House in Committee at 4:17 pm

COMMITTEE ON BILL

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

DEBT COLLECTION ACT 2018

The Chairman: I feel like we had this debate already, the Committee debate, but let us officially start the Committee debate.

Honourable Members, we are now in Committee of the whole [House] for further consideration of the Bill entitled the [Debt Collection Act 2018](#).

Minister, you have the floor.

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

I would request that we move clauses 1 through 15.

The Chairman: [Clauses] 1 through 15?

Hon. Walter H. Roban: Yes, if that is agreeable to the House.

The Chairman: Any objections to moving clauses 1 through 15?

Continue, Minister.

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

The Bill provides for the Debt Collection Licensing Authority to regulate debt collectors. Under Part 2 the Bill provides for the appointment of a Debt Collection Officer, who is to have ultimate responsibility for the Authority.

Part 3 of the Bill outlines the requirements for licensing a debt collector and for renewal of a licence. Part 4 of the Bill sets out actions considered under the Bill as unfair debt collection practices. Part 5 of the Bill provides the right to debtors to lodge complaints with the Authority against debt collectors. Under that Part the Authority is given power to inspect records and premises of licensed debt collectors and conduct investigations in that respect.

Part 6 of the Bill provides both the Authority and the Officer the power to order a debt collector to cease unfair debt collection practices and require compliance with such an order. The Minister can also request investigations on his own accord—his or her accord. Both debt collectors and debtors will have a right to appeal against decisions of the Authority to the newly established Debt Collection Tribunal under Part 7 of the Bill.

Part 8 outlines offences relating to unfair debt collection practises, furnishing incorrect information in applications, improper conduct by debt collectors, and obstructing investigations of the Authority or Officer. Part 9 provides miscellaneous provisions.

Clause 1 is the citation of the Bill.

Clause 2 provides for the interpretation section for the Bill.

Clause 3 provides the application provision for the Bill. The Bill shall not apply to the Provost Marshal General or any bailiff appointed under the Provost Marshal General Act 1965, any liquidator, receiver or trustee acting under the Companies Act 1981, or any public officer collecting, requesting or demanding payment of debts owed to the Government of Bermuda.

Clause 4 establishes the Debt Collection Licensing Authority, which will be responsible for regulating debt collectors.

Clause 5 provides for the functions of the Authority, which include registration of debt collectors, maintaining a register of debt collectors, prescribing the requirements to qualify as a debt collector, setting out codes of professional conduct, and other standards, methods and procedures to be applied by debt collectors.

Clause 6 appoints a public officer as a Debt Collection Officer, who shall be responsible for the administration and management of the Authority. The Minister is empowered to appoint the Officer as an inspector, to be responsible for the enforcement of this Bill.

Clause 7 prohibits any person to carry on debt collection services unless such person is licensed under the Bill. A person guilty of this offence on summary conviction is liable to a fine of \$60,000 [*sic*] or imprisonment for one year or to both; on conviction on indictment, a person is liable to a fine of \$100,000 or imprisoned for five years or to both.

Clause 8 outlines the application of a debt collection licence. An application for a licence, the form of which will be outlined in regulations, is to be accompanied by supporting documentation that includes, but is not limited to: copies of means of identification for individuals, certificates of incorporation of a company, certificates of formation for a limited liability company or certificates of registration for a limited partnership. Additional information to be provided includes a debt collection business plan, character references, financial accounts, evidence of a trust account and a statement indicating that Government fees and charges are up to date.

Clause 9 provides for the grant and refusal of an application for a licence. The Authority, upon receipt of the application, supporting documents and payment of the fee, may grant a licence if satisfied that the applicant is a "fit and proper" person. The debt collection licence may be subject to conditions determined by the Authority.

Clause 10 provides that debt collection licences are to be issued or renewed for not more than 24 months.

Clause 11 provides the power for the Authority to revoke any debt collection licence, subject to the Authority complying with the requirements for the debt collector's right to be heard under clause 27.

Clause 12 provides for a register of debt collectors to be kept. The register will be available for inspection on the payment of a fee of \$5.00.

Clause 13 provides for the form, display and registration of licences. Debt collection licences are to be kept on display at the registered office or principal place of business at all times.

Clause 14 provides a requirement for the payment of an annual licence fee by licensed debt collectors.

Clause 15 requires debt collectors to open and maintain a client trust account for holding monies received for payments of debt.

Thank you, Mr. Chairman.

The Chairman: Any further speakers?

The Chair recognises the Honourable Member, the Deputy Opposition Leader Leah Scott.

Ms. Scott, you have the floor.

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

So, recognising that this is a new piece of legislation, I know that at some point in time there may be some amendments—the things that I am kind of bringing to the front. I am not asking for any floor amendments, but just for consideration in the future.

So, on page 3, under the definition "debt collection business," perhaps the definition could be expanded so that it reads *a debt collection business is a collection agency, a debt buyer, a lawyer and any other person who collects debts on behalf of another person, or on the behalf of a person who has purchased a debt in arrears.*

On page 5, Part 2, section 4(2), where it says that the Debt Collection Officer . . . that there is going to be a public officer and then there is going to be such number of public officers. And I know that this is a new entity and you probably do not have a determined number at the moment. But what do you think you would start out with just in terms of getting the agency established? The Deputy Officer and maybe two people? And has there been consideration given as to what the remuneration would be for those individuals?

[*Crosstalk*]

The Chairman: Go ahead.

Ms. Leah K. Scott: Oh, okay. On page 7, clause 2(a) and (b) [*sic*]. So, when I first looked at the fines, I thought that they were really exorbitant—

[*Inaudible interjection*]

Ms. Leah K. Scott: Sorry, section 7, no—

An Hon. Member: You said page 7.

Ms. Leah K. Scott: Page 7, clause . . .

An Hon. Member: [Clause] 8(2)?

Ms. Leah K. Scott: Clause 7(2), sorry . . . [clause] 7(2)(a) and (b).

So, I thought they were really kind of exorbitant, but then as I started to do my research, like in Texas there was a guy who was a debt collector (he was a lawyer) who was just recently charged \$25 million in civil penalties and \$560,000 for legal fees. So, I guess those are kind of reasonable.

My question is, Is it anticipated or envisioned that a debtor could also take a debt agency to court for physical distress? Could they recover from the debt collector any expense for medical bills, insurance, lost wages, psychological distress or any injunctive relief? Has that been anticipated, and would that be available to a debtor from a debt collector?

On page 7, [clause] 8(f) . . . sorry, 8(2)(f), where it says that an individual who has been declared . . . sorry, who has been a director of a company that has been declared insolvent cannot make an application for a licence. In the case where a director actually does not cause the insolvency but just happens to be a part of a company that has insolvency, is there any scope for an exemption or, you know, is there any room for any kind of rationale that would allow a person to be a director? Or is it just a flat, just because you were a part of a company that was insolvent, or will there be any sort of exemptions available?

And then on clause 8[2](g), a statement indicating that the applicant has not been convicted of a financial crime or convicted of an offence of which violence, dishonesty, extortion or intimidation is an element. So, would you not want a person who is convicted of a crime, period? Or is it only financial crimes that will prohibit it? Just asking a question.

[Clause] 8[2](h), “statements from three persons who” . . . you need to insert the word “are” there. That is missing. And who *are* “good standing members of the community . . .” Now a lot of times, “good standing member” is defined as a person who is—

[Inaudible interjection]

Ms. Leah K. Scott: Page 7, clause 8[2](g) . . . sorry 8[2](h).

So, you might want to consider what a definition of a “good standing member” is, because I am sure all of our definitions will be different. So, you know, a person that is a JP [Justice of the Peace] or a person that has a professional designation such as a lawyer or something, you might want to clarify that because that is kind of like how long is a piece of string question.

On page 9, [clause] 11, which deals with the revocation of licence. So, there is only a discussion about the revocation of a licence. However, in

[clause] 33, there is reference to a restriction of a licence. So, is there the ability to restrict a licence or does it go straight to revocation? And, if there is a restriction, what are the provisions for a restricted licence?

[Inaudible interjection]

Ms. Leah K. Scott: Okay, sure.

Then on page 10, [clause] 14(2) . . . and I am sure you are probably going to think that this is obvious, but it says for each week or part of a week that a debt collector fails to comply with a requirement imposed on it by subsection (1), it shall be liable to a civil penalty not exceeding \$1,000. So, is that \$1,000 in the aggregate? Is that \$1,000 for each week or part of a week? Or . . . I think that this might need to be clarified. It may be obvious to others, but it is not obvious to me.

And then in [clause] 15(2), under trust accounts, it says that the money deposited in terms of subsection (1) shall be paid within a reasonable time . . . and I guess, again, what is “reasonable”? Because reasonable is a term that means different things to different people. So, you—

[Inaudible interjection]

Ms. Leah K. Scott: Sorry, this is on page 10, clause 15(2). Sorry, this is on page 10, clause 15(2).

So, you might want to . . . because people will tend to, you know, abuse “reasonable.” So, you might want to just tighten that up.

And then in [clause] 15(6)(b), it says, “provide to the Authority a copy of his audited annual financial statement” but there is no filing date. And if you are going to . . . I would suggest that because there is the 31st of March date that the fee has to be paid, that you do set a date for the filings so that they are just not . . . it is not willy-nilly.

On page 11—

An Hon. Member: That is it.

The Chairman: That is it.

An Hon. Member: That is [clause] 16.

Ms. Leah K. Scott: Oh, sorry, sorry, sorry. Okay.

Thank you.

The Chairman: Any further speakers?

The Chair recognises the Honourable Pat Gordon-Pamplin.

Mrs. Gordon[-Pamplin], you have . . .

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

Mr. Chairman, I am just speaking to page 5 under the Debt Collection Licensing Authority under

clause 4 with the establishment of the Authority to regulate debt collectors. We asked the question when we were in the regular debate as to the streamlining that we heard about earlier today, whether that function can be absorbed by the Consumer Protection Agency in terms of the regulation.

This is an Authority that is regulating . . . it is kind of, it is an administrative oversight. And the question is, Is it possible to allow an existing agency (which does an exceptionally good job with what they do) to be commissioned to do this particular function as to the oversight role as opposed to creating a new bureaucracy? And it would also be able to save money. And this, to my mind—

The Chairman: We are in Committee now.

Hon. Patricia J. Gordon-Pamplin: Yes, I know.

The Chairman: Ask the question.

Hon. Patricia J. Gordon-Pamplin: Yes, I know. That was a question. And also the question would also be, If that is permitted, if that is able to be permitted, the Debt Collection Agency being part of the Consumer Affairs, whether this could be an ideal opportunity for the reward for going above and beyond that we heard about this morning.

The Chairman: Okay. Any further speakers?
Minister, you have the floor.

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

I am going to take that most of the questions put by the honourable, the first spokesman, were more so advisory, unless you want exact answers on some of them right now. But you seemed to say you were not asking for changes now, but that they could be taken on in consideration. I am happy to do that.

[Inaudible interjections]

Ms. Leah K. Scott: Thank you. So, Mr. Chairman, I am happy to have—

The Chairman: Hold on, one second. I have to recognise you.

[Laughter]

The Chairman: The Chair recognises the Deputy Leader of the Opposition, Ms. Leah Scott.

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

I am happy to have an offline discussion about this. As I said, I am not looking for any amendments, so we do not have to go through this right now. It is just as long as we do have a point where we can sit down and address them because I think that they

are . . . well, I think they are valid points. But I do not want to take up time. We can talk about it later.

The Chairman: Minister.

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

I have noted the advisory comments from the Honourable Member and I will happily have that discussion at the appropriate time.

I do have a few answers, which I will go through. The question was about criminal compensation. It is not covered under this particular Act.

There was a question about an application. There are going to be a number of regulatory provisions that are going to arise beyond the transitory period, and the application will be covered in the regulations as we roll them out. And there will be public notice of those regulations. Restrictions on licence will be covered in regulations.

The \$1,000 penalty is for each week and “reasonable” is a fact of law which will be the norm in the industry. So, I guess the common law definition of what “reasonable” means is what applies.

And, thank you, Mr. Chairman.

The Chairman: Any further speakers on clauses 1 through 15?

The Chair recognises the Honourable Ms. [Gordon-]Pamplin.

Hon. Patricia J. Gordon-Pamplin: Thanks.

The Honourable Minister did not answer my question, so I was just wondering if he could do that. And, also, while he is doing that, if he can give some thought on page . . . with respect to the trust accounts. I know that there is legislation guiding trust accounts. But will this trust account be required to be a specific escrow account for the purposes of depositing the funds and then withdrawing therefrom as and when it is appropriate to pay to the creditor?

The Chairman: Minister.

Hon. Walter H. Roban: Mr. Chairman, I do recognise that I did not answer the first question of the Honourable Member. And the [answer] to her query is yes. There is no new department that is going to be devised for the purposes of executing this legislation. It will all be done from within the existing Agency and the officers in this Agency are going to . . . and they have already begun that process of preparation, to be the defined persons of authority under the legislation. So, no new department, no new agency.

And your other question was pertaining to trust accounts. Yes, the trust accounts is specific . . . so that any money that is received in the satisfaction of debt can be appropriately handled and managed legally, and when it is paid out there is a record of paying in and paying out in a lawful and transparent

way. So, that is what . . . the trust account is principally to make sure that no firm bundles up the money they collect to, like, pay out with their own operating account. So, that trust account sits for that purpose, principally.

The Chairman: The Chair recognises the Honourable Member Mrs. [Gordon-]Pamplin.

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

Mr. Chairman, acknowledging that there will be no comingling of funds, the question now begs that when the agency collects money, given that they are entitled to an "X" per cent, 20 per cent, commission for doing the duty of the collecting, does that money have to go into the escrow account and then come out when they pay out? Or does that money, does the net amount, the 80 per cent, go into the trust account and the 20 per cent goes into the personal account, or the private accounts of the entity of the debt collection agency?

The Chairman: Minister.

Hon. Walter H. Roban: Mr. Chairman, if I may . . . thank you for the question, but I think, as you, being an accountant, would know this is an accounting function, obviously. But the request of the [Debt Collection] Licensing Authority to have accurate reporting will ensure that this is done because we do have to . . . it is very clear in what is being charged for, I would say, like an administration for like commissions, and any other fees will have to be clearly distinguished and the ingoing and outgoings of those monies will, upon request of the Authority, will have to be clearly outlined in their accounting. So, but . . . okay. But these are accounting functions. I think you understand that.

Hon. Patricia J. Gordon-Pamplin: Yes, I do.

Hon. Walter H. Roban: And, so, there will be . . . as per the request of the Authority, they will have to account for showing that.

The Chairman: Any further speakers on clauses 1 through 15?

Minister, can you move clauses 1 through 15?

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

I wish to move [clauses] 1 through 15 as printed.

The Chairman: It has been moved that clauses 1 through 15 be approved as printed. Any objections to that?

There appear to be none.
Approved.

[Motion carried: Clauses 1 through 15 passed.]

The Chairman: Minister.

Hon. Walter H. Roban: Thank you, Mr. Chairman, and I will move on.

Clause 16 outlines the unfair debt collection practices—

The Chairman: Which . . . what?

Hon. Walter H. Roban: I am sorry.

The Chairman: Yes.

Hon. Walter H. Roban: Ah—

The Chairman: It is all right.

Hon. Walter H. Roban: My apologies, Mr. Chairman.

The Chairman: That is okay.

Hon. Walter H. Roban: My enthusiasm to get the job done. I am jumping over processes.

I would like to move Part 4, which is clauses 16 through to, I would ask, clause 36.

The Chairman: Any objections to moving clauses 16 through 36?

There appear to be none.
Continue.

Hon. Walter H. Roban: Thank you very much, Mr. Chairman.

Clause 16 outlines the unfair debt collection practices relating to harassment or abuse.

Clause 17 outlines the unfair debt collection practices relating to false or misleading representations.

Clause 18 outlines the unfair debt collection practice relating to unfair practices.

Clause 19 provides for requirements relating to debt collection fees and charges.

Clause 20 requires debt collectors to provide validation of details of a debt.

Clause 21 requires debt collectors to apply payment, when multiple debts are due, to a particular debt in accordance with the debtor's instructions.

Clause 22 provides for requirements relating to credit reporting agencies.

Clause 23 provides for the ability of a debtor to lodge a complaint with the Authority against an unfair debt collection practice.

Clause 24 provides for the Officer to inspect records of debt collectors that are relevant to the business of the debt collectors.

Clause 25 provides for the Officer or inspectors to conduct investigations of suspected contraventions of the provisions of the Bill.

Clause 26 provides the power under a warrant of the court for a police officer and inspector to enter premises and seize documents where a person has failed to comply with a notice served on him or her or if there is reasonable cause to suspect the completeness of information provided or that the notice served would not be complied with.

Clause 27 provides for the procedure to be followed by the Authority when revoking a licence under clause 11 in order to give the debt collector the right to be heard.

Clause 28 provides the power for the Officer to issue an order to a debt collector to cease unfair debt collection practices.

Clause 29 provides the power for the Officer to issue an order to immediately comply with actions meant to protect a debtor and outlines the procedure that will be followed in issuing that order.

Clause 30 provides for the debt collector to enter into written assurance of voluntary compliance with an order for immediate compliance to prevent unfair debt collection practices under clause 29.

Clause 31 constitutes the Tribunal and sets out matters relating to the appointment of a panel of members and includes the appointment and qualifications of the chairman and deputy chairman.

Clause 32 provides for the determination of appeals and sets out the powers of the Tribunal in relation to adjudicating decisions made by the Authority.

Clause 33 provides for the right of appeal of a debt collector against a decision of the Authority in relation to its licence and sets out the powers of the Tribunal to suspend or cancel the decision or to impose a civil penalty.

Clause 34 provides for the right of debtors to appeal against decisions of the Authority in relation to complaints lodged under clause 23.

Clause 35 outlines the Tribunal's powers in relation to costs, procedure of hearings, and the taking of evidence.

Clause 36 grants a [debt] collector or debtor the power to appeal a Tribunal decision to the Supreme Court.

Thank you, Mr. Chairman.

The Chairman: Thank you, Minister.

Any further speakers to clauses 16 through 36? The Chair recognises the Honourable Deputy Leader of the Opposition, Leah Scott.

You have the floor.

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

And, Mr. Chairman, just in continuing, I am happy to have an offline discussion about any comments that I have. The other thing, Mr. Chairman, is

that my comments only go up to section 31, so after that, we can move all the rest of the clauses, if nobody else is going to speak. Okay?

The Chairman: Okay.

Ms. Leah K. Scott: So, on page 11, Part 4, Unfair Debt Collection Practices. So, I note in clause 16(2)(b) it identifies threatening to use any means to spread false information concerning the creditworthiness of a debtor. But can there also be consideration given to you cannot contact a debtor through email, WhatsApp, or through any other means? Because now there are so many different ways that you can contact a person. So, you know, can we widen that definition to include that?

On page 13, [clause] 18, Unfair practices. Clause [18](2)—now, these two I actually would like an explanation for, because I just do not understand what they mean. So, [clause] 18 (2)(e), causing charges to be made to any person for communications by concealment of the true purpose of the communication. I am not understanding what the charges are.

And then [clause] 18(2)(g), communicating with a debtor by postcard regarding a debt. I am not sure what that means. And those are the only two that I would like an answer for now.

And then on page 14, [clause] 20(1)(c), where the debtor has to be provided with a statement and after receipt of the notice, if the debtor disputes the validity of the debt, the debt will be assumed by the debt collector to be valid. What happens in the case where somebody might not . . . oh, sorry, my question is, Will they be served by process server so that the debt collection agency knows that the person got the notice? Because what do you do if you have a person that is not on the Island, and it may exceed that 30-day period. Then what happens?

[Inaudible interjections]

Ms. Leah K. Scott: Oh, sorry. Page 14, clause 20, and then clause 20[1](c). So, it is presuming that the debtor is going to receive the notice. So, will notice be served by process server or registered letter or some other way of evidencing that the person has gotten the notice, because there are times when, you know, the creditor . . . the debtor may . . . the debt agency may have an address where somebody does not live or the person might be off the Island. And so, how do you protect both the agency (in terms of issuing the statement) and then the person who may or may not have received it? So, what is going to be put in place to ensure that they . . . or to verify that they have received it?

And then, clause 20[1](e), a statement that, upon the debtor's written request within the 30-day period, the debt collector will provide the debtor with

the name and address of the original creditor, if different from the current creditor. What is the recourse to the debtor if the debt collector does not comply with this section?

On page 15, [clause] 21, Multiple debts. So this talks about a person can make a single payment—if the person owes multiple debts the debt collector shall not apply to payment to a debt that is in dispute. But, is it mandatory if a person . . . so, if I have got 10 accounts at the Credit Association, can I direct where that money should be paid or does the credit agency have the right to determine what bill is paid?

[Inaudible interjections]

Ms. Leah K. Scott: Does the debtor have a right to say, *Okay, I want you to pay this on my BELCO bill, this month.* So it is not where I pay the money to the . . . I will go to BCA and I have got 10 bills, right. And I go to BCA and I just give them \$50 and they do not get to put it wherever they want. Can I say to them I would like to apply this to—

[Inaudible interjections]

The Chairman: Include the Chair in the discussion, please.

Ms. Leah K. Scott: Oh, sorry.

An Hon. Member: Sorry, Mr. Chairman.

[Laughter]

Ms. Leah K. Scott: Okay. And there does not seem to be any reference to when a debt might be statute-barred.

So are you considering what happens in that case?

An Hon. Member: Six years.

Ms. Leah K. Scott: Right. But there is no reference—oh, sorry.

[Crosstalk]

Ms. Leah K. Scott: I recognise that there is a statute of limitations, but there is no reference to it within the legislation. And there is no reference to whether if a debt is statute-barred what . . . kind of, what the recourse is.

On page 16, Part 5, clause 23(1) where a debtor may lodge a complaint against an alleged unfair debt collection practice with the Authority. In some pieces of legislation they actually provide the form [for the] complaint. Will there be a form? Is there going to be a standard—

[Inaudible interjection]

Ms. Leah K. Scott: Okay.

And then . . . I think that is it on that page.

The Chairman: Mm-hmm.

Ms. Leah K. Scott: And, then, I just have . . . so, in looking at the . . . on page 19, [clause] 28 . . . and I am not going to get into a long discussion because I think it is just, it is confusion between the Tribunal and the Authority. And I am not going to waste the time here doing it. So, I would rather talk to you afterwards, if you do not mind. But I would like some issues cleared up there.

And, then, I think my last one is . . . oh, no, that is already answered. It was about whether or not the Tribunal would be paid positions, and it does say there will be remuneration.

And so those are the only concerns that I have, and so from clauses 33 to the end, you can go straight right along through.

Thank you.

The Chairman: Yes. Any further speakers?

Mrs. [Gordon-]Pamplin, you have the floor.

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

I am looking at page 11, and this is under Harassment, and that is clause 16(2)(b). And the question is that it is deemed to be harassment if there is any threat or if there is threat to use any means to spread false information concerning the credit worthiness of a debtor. The question is, If there is truthful information concerning the credit worthiness of a debtor, which is covered under subsection (3), and (3)(a) which effectively . . . I am sorry, (3)(b), which says you cannot communicate information about the debt or the existence of the debt with any person. So, we are talking about the debt.

We are talking about the debtor. And we obviously do not want to ruin somebody's reputation. But the thing is that if somebody has a truthful comment about the debtor, how is that going to be covered to ensure that the debtor is not negatively impacted especially in the event that they have, I think people like the Credit Association whose membership can actually go to the Association to find out about the credit worthiness of a particular individual. These are members of the Association, not the debt collector, but members of that Association.

So, I am just wondering how that is going to be protected. In other words, if a creditor . . . I am sorry, a debtor . . . no sorry, a creditor wants information concerning a prospective debtor, and they are members of the Credit Association, they go to the Credit Association to ask, as part of the membership, [which] is what their membership dues pay for, can they con-

tinue to do that—say to the Credit Association, *is Pat Gordon-Pamplin a good risk or is she not a good risk for the purposes of me extending further credit?* So, I think that this probably just needs to be clarified.

And, I had one other question . . . on page 15, [clause] 21 where it speaks to the applicant, if there are multiple debts, the applicant . . . I am sorry, the applicant can apply such payment in accordance with the debtor's directions. So, the question is, if there are not specific directions given by the debtor to—when they make this lump sum payment—

The Chairman: That question has been already put.

Hon. Walter H. Roban: It was asked already. I have an answer.

Hon. Patricia J. Gordon-Pamplin: Okay, all right. Sorry, I did not get that. But . . . oh, no, I know the Honourable Member did ask the question; but what I wanted to clarify was whether the payment is likely to go against the debt that is likely to go into further default as a first position.

So, in other words, if you do not especially say, *I want my BELCO bill to be paid*, it is just (I will wait for the Minister) . . . if I do not want my BELCO bill to be paid, will that payment be applied to the debt that is likely to go into further default and perhaps bigger penalties?

The Chairman: Minister.

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

To that question put by the Honourable Member for constituency 23, they will have to go back . . . if there has been no explicit direction given, they have to go back and get it. Because in the absence of the direction, the debtor . . . the Act now prohibits the release of information without it being understood by the debtor that this information will be provided to the creditor, or to another prospective creditor. Okay, like to the creditor who, you know, may want it.

So, no one can release information on somebody who owes debt unless it is agreed by the person who is the subject of the debt. Yes, you can give it to that person. Okay? So, if they have not already agreed, no. Okay, there has to be some effort made to make contact with them. *There has been a request for information about you. Do you agree for it to be released?* They would have to.

The Chairman: That is what the law says.

Hon. Walter H. Roban: Yes.

The Chairman: That is what this says.
Minister, do you want to continue?

Hon. Walter H. Roban: Just a few other clarifications, Mr. Chairman.

[Clause] 16(h) already provides for the conduct of harassment in any manner. Debt collectors have to prove that he or she has sent notice and verified that that notice has been received. If a debt collector does not comply with [clause] 20, which is in Part 4, there will be an offence under [clause] 37.

Part 4, [clause] 16(3), reviewing of information must be, as I said earlier, [with] the consent of the person who owes the debt. [Clause] 16(4) permits sharing of information with creditors of the debt itself. So, someone else is asking the question about that person's debt who is outside of that legal arrangement, no. Okay? I think those are the questions that were requested.

Thank you, Mr. Chairman.

The Chairman: Mrs. Gordon-[Pamplin].

Hon. Patricia J. Gordon-Pamplin: Thanks.

And just for clarity, on page 11, [clause] 16(2)(h), which speaks to the contacting, an unsolicited contact on behalf of the same creditor with the debtor in any period of seven consecutive days, you cannot have more than three. The question begs, Does that mean live contact? Or does that mean you cannot leave a voicemail message or . . . I mean, I am just trying to understand, because you want to talk somebody. *Where is my money? Where is the money?* And you do not reach the person. Are you saying that you cannot contact them and leave a voicemail message in any period of that . . . more than three times in that seven-day period of time?

The Chairman: Minister.

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

Three contacts. If there needs to be some more precision done to that, we can take that under advisement, but if they leave three voicemails, that is the, that would be the three contacts.

[Crosstalk]

Hon. Walter H. Roban: Yes, three verifiable opportunities of contact. That is what we are talking about. And, certainly, if it is unsolicited and it goes beyond that, it is lawful . . . it is unlawful, sorry.

The Chairman: You want to continue, Minister? Any—

Hon. Walter H. Roban: Absolutely, Mr. Chairman.

I now move through, if I can move clauses 37 to 56 *[sic]*—

The Chairman: Well, do you want to approve [clauses] 16 through 36?

Hon. Walter H. Roban: Again, my enthusiasm to get through it.

The Chairman: That is fine.

Hon. Walter H. Roban: If I may move clauses 16 through 36, as printed.

The Chairman: It has been moved that clauses 16 through 36 be approved.

Are there any objections to that?

There are no objections.

Approved.

[Motion carried: Clauses 16 through 36 passed.]

Hon. Walter H. Roban: Thank you, Mr. Chairman. Now, may I move—

The Chairman: The Deputy Leader of the Opposition has no objections. The party has no objections to move the other . . . the remainder of clauses?

[Inaudible interjections]

Hon. Walter H. Roban: Shall I read the explanations of those clauses, Mr. Chairman?

The Chairman: Yes, yes, if you—

Hon. Walter H. Roban: Mr. Chairman, I am asking as that is a customary practice.

The Chairman: Yes, yes.

Hon. Walter H. Roban: But, are you allowing me to be relieved of that customary practice?

The Chairman: Continue, Minister.
You wanted to move—

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: I would like very briefly for him to read it into the record—

The Chairman: No problem, Minister.

Hon. Patricia J. Gordon-Pamplin: —because I think it is important for the public.

The Chairman: Minister, please read for Mrs. Gordon[-Pamplin].

Hon. Walter H. Roban: Thank you, Mr. Chairman. I am at the mercy and the pleasure of the House and I will do whatever the House requests. So, I will read quickly [clauses] 37 through 56 *[sic]*.

The Chairman: You do not have to read every line by line.

[Laughter]

The Chairman: Just a summary.

Hon. Walter H. Roban: Thank you, Mr. Chairman, for your guidance.

Clause 37 creates offences and provides for penalties for debt collectors engaging in any unfair practices.

Clause 38 creates offences and provides for penalties for furnishing incorrect information in application of a debt collection licence.

Clause 39 creates offences and provides for penalties for debt collectors who obstruct, fail to comply with requirements, or give false information to an inspector in complaints, inspections and investigations.

Clause 40 creates offences and provides penalties for improper conduct.

Clause 41 provides a civil penalty procedure for non-compliance as outlined in clauses 14 and 40.

Clause 42 provides that a debt, that a debt collector liable to a civil penalty shall not also be charged with an offence.

Clause 43 creates general offences and penalties for furnishing false information, obstructing investigations under Part 5, or failing to comply with an order issued under Part 6.

Clause 44 provides for offences by bodies corporate.

Clause 45 provides for a defence of mistake or accident against any offence under this Act.

Clause 46 requires the members of the Authority and the Tribunal to maintain the confidentiality of all information they receive in their functions.

Clause 47 provides for the non-application of the Public Access to Information Act 2010, (PATI), with respect to information relating to any records held by the Authority or Tribunal.

Clause 48 grants immunity to Tribunal members and an Officer for anything done in carrying out, essentially, carrying out their duties in good faith.

Clause 49 empowers the Minister, on the advice of the Authority, to make regulations subject to the negative resolution procedure, for matters including forms, fees and charges, codes of conduct and all other matters prescribed under the Bill. Provision is made for the imposition of penalties to the amount of not exceeding \$25,000 for contravention regulations.

Clause 50 provides for transitional matters. The clause provides for a transitional period of 90 days beginning from the date of commencement of the Act. During the transitional period, the Act shall be applicable to persons conducting debt collection business except with respect to the licensing provisions under clauses 7 through 14.

Continuing on, Mr. Chairman.

The Chairman: Continue.

Hon. Walter H. Roban: Clause 51 provides for consequential amendments to the Government Fees Regulations 1976.

Clause 52 provides for the Minister to bring the Act into operation by notice published in the official *Gazette*.

Thank you, Mr. Chairman.

The Chairman: No further speakers?

Mrs. [Gordon-]Pamplin, you have the floor.

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

Mr. Chairman, I am referring to page 29 and that is the licence application fees of \$2,000 under sections 8(2)(o) and 14(1), debt collection licence renewal fee under sections 14, \$2,000 and \$1,000. And the question is, If we are going to require, and maybe even one additional staff, are we going to be covering the costs by having such a minimal application fee for debt collectors? Debt collectors roll in the money. [So] \$2,000 and \$1,000 for the application fee seems to be a rather generous fee for them to pay.

The Chairman: Minister, do you want to respond to that?

Hon. Walter H. Roban: I will just speak to that and certainly . . . I think this is not to be punitive on those who are in the business. We are looking to get them on side. We are changing how they are going to be managed, so this is perhaps slightly a carrot or stick. We want them to be subject to this law which is more important than how much money we earn from that process, I think.

And we want this to be a smooth process which is not too much of a problem or exorbitant to them so that we can get them on board. And obviously how they will be managed under this law will change over time. But we need to get them on board, get them on side, be cooperative to the regime that we are putting on.

So, a minimal or a reasonable fee to become licensed [for] work that you are already doing, we think, is appropriate.

The Chairman: Any further speakers? There appear to be none.

Minister, do you want to move these clauses?

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

I wish to move clauses 37 through 52.

The Chairman: It has been moved that clauses 37 through 52 be approved.

Any objections to that?
There appear to be none.
Approved.

[Motion carried: Clauses 37 through 52 passed.]

The Chairman: Minister, do you want to move the preamble?

Hon. Walter H. Roban: Thank you, Mr. Chairman.
I move that the preamble be approved.

The Chairman: It has been moved that the preamble be approved.

Any objections to that?
There appear to be none.
Approved.

Hon. Walter H. Roban: Mr. Chairman, I move that the Bill be reported to the House as printed.

The Chairman: It has been moved that the Bill be reported to the House as printed.

Any objections to that?
There appear to be none.
The Bill will be reported to the House as printed.

[Motion carried: The Debt Collection Act 2018 was considered by a Committee of the whole House and passed without amendment.]

House resumed at 5:04 pm

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

REPORT OF COMMITTEE

DEBT COLLECTION ACT 2018

The Speaker: Good evening, everyone.

Are there any objections to reporting to the House the Debt Collection Act 2018 as printed? No objections. So moved.

It has now been reported back to the House.

That brings us to the close of that matter.

We will now move on to the next Order on the agenda for today which is the second reading of the Merchant Shipping Amendment Act 2018 in the name of the Minister of Tourism and Transport.

Minister, would you like to present your matter?

Hon. Zane J. S. De Silva: Yes, Mr. Speaker.

Mr. Speaker, I move that consideration be given to the draft order entitled the Merchant Shipping (Carriage of Passengers by Sea) Order 2018.

The Speaker: Ah, the . . . no, no—

An Hon. Member: Are we doing—

[Laughter]

Hon. Zane J. S. De Silva: Which one are we doing first?

Hon. Zane J. S. De Silva: Ah, thank you very much.

The Speaker: The first one. The first one.

The purpose of this Bill before the House today is to make amendments to the Bermuda Merchant Shipping Act 2002 to bring it up to date with current changes in the maritime shipping industry, and to bring the Act up to date with the United Kingdom Merchant Shipping Act of 1995.

Hon. Zane J. S. De Silva: Oh.

Mr. Speaker, the proposed amendments are required to give effect to and enact changes and new requirements to International Maritime Organization (IMO) conventions which are incorporated in the Act. Specifically, amendments are required to the Act to give effect to changes to International Convention on Oil Pollution Preparedness; Response and Cooperation 1990, also called the OPRC Convention; and to the International Oil Pollution Compensation Funds, also known as IOPC; as well as to implement the IMO Nairobi International Convention on the Removal of Wrecks 2007. I will now provide a summary on the amendments.

[Crosstalk]

Hon. Zane J. S. De Silva: Oh.

The Speaker: Yes, Merchant Shipping Amendment Act 2018. Yes.

Hon. Zane J. S. De Silva: Oh, okay. All right.

We will do that one first. Okay.

I am okay with that. Just give me one second, Mr. Speaker.

First, Mr. Speaker, the OPRC Convention establishes a global framework for international corporation to deal with major incidents of marine pollution. The Convention establishes a framework for assistance and cooperation among state parties for dealing with major incidents of pollution. State parties to the Convention are required to establish detailed plans to deal with major marine pollution incidences at the national level and also in cooperation with other countries. Ships are required to have arrangements on board ships which must be coordinated with national systems for responding promptly and effectively to oil pollution incidents.

[Pause]

The Speaker: No problem.

State parties to this Convention are required to provide assistance to other parties in the event of an oil pollution emergency. Provision is made for the reimbursement for any assistance provided by other state parties. The Convention was ratified in 1990 and entered into force in 1995.

Hon. Zane J. S. De Silva: All right, Mr. Speaker, yes.

The Speaker: Yes, Minister.

Go ahead, you have the floor.

Hon. Zane J. S. De Silva: Yes, Mr. Speaker.

BILL

SECOND READING

MERCHANT SHIPPING AMENDMENT ACT 2018

Hon. Zane J. S. De Silva: I move that the Bill entitled the Merchant Shipping Amendment Act 2018 be now read a second time.

The Speaker: Any objections?

No objections. Continue.

Hon. Zane J. S. De Silva: Mr. Speaker, the purpose of the order . . . hang on, wait a minute. Hang on, Mr. Speaker. Hang on, Mr. Speaker. Hang on, Mr. Speaker.

Mr. Speaker, aligning with this Convention, under the Act, the Minister has the function of taking or coordinating measures to prevent, reduce and minimise the effects of marine pollution, and over the passage of time their requirements have evolved. Amendments include, for example, the insertion of a definition for “national contingency plan,” namely the National Contingency Plan for Preparedness and Response required under Article 6 of the OPRC Convention, and also a definition for “offshore installations,” in Part 8, Prevention of Pollution, Chapter 3, in the section related to discharge of oil from ships into certain Bermuda waters.

[Crosstalk and laughter]

Hon. Zane J. S. De Silva: Okay, Mr. Speaker, are you ready?

Mr. Speaker, the second set of amendments pertain to the IOPC funds which are two intergovernmental organisations—the 1992 fund and the supplementary fund. These provide compensation for oil pollution damage resulting in spills or persistent oil from

[Laughter]

The Speaker: Minister, you have the floor.

tankers. The framework for the regime was the 1969 International Convention on Civil Liability for Oil Pollution Damage and the 1971 International Convention on the Establishment of an International Fund for Compensation for Oil Pollution.

Over time, it became clear that the amount of compensation available for major incidents needed to be increased and the scope of the regime widened. This resulted in two further instruments known as the 1992 Civil Liability Convention and the 1992 Fund Convention. Subsequently, the protocol to the 1992 Fund Convention, the Supplementary Fund Protocol, was adopted in 2003 providing additional compensation over and above that available under the 1992 Fund Convention for pollution damage in the states that become parties to the protocol.

Therefore, amendments are required in Part 8, Prevention of Pollution, Chapter 5 of the Act, to bring it up to date with current changes and requirements set out in the IOPC funds.

The third set of amendments, Mr. Speaker, relate to the Wreck Removal Convention which was adopted at the International Maritime Organization Diplomatic Conference in Nairobi, Kenya, in 2007 and entered into force on the 14th of April 2015. The Convention is an important addition to the existing Maritime Conventions as it places strict liability on operators for shipwrecks that cause damage or threat to the safety of navigation, the marine environment and the coastline or related interests of one or more states.

It makes financial security compulsory for ships of 300 gross tonnage and above and state parties to satisfy the presence of appropriate insurance on ships flying their flag. Therefore, all Bermuda registered ships will now be required to carry on board a Wreck Removal Insurance Certificate, known as the WRIC, to attest that insurance or other financial security to cover liability for wrecks is in place. The Convention also provides state parties with a right of direction against insurers.

Mr. Speaker, the Convention fills a gap in the existing international legal framework by providing a set of uniform international rules for the prompt and effective removal of wrecks located in a country's exclusive economic zone or an equivalent 200 nautical mile zone. Notably, the Convention enables states parties to opt in to apply certain provisions to their territory including the territorial sea. A wreck under the Convention includes sunken or stranded ships and any parts of such ships or objects that were lost at sea from the ships, as well as the ships in distress facing a danger of sinking or stranding.

Mr. Speaker, I would also like to advise the Honourable Members of the IMO Instrument Implementation Code, commonly referred to as the III Code, which came into effect in January of 2016. The III Code is concerned with providing a unified international standard for the operation of maritime functions by IMO member states in accordance with the provisions

of the IMO instruments. It also forms the basis of audit standards for the mandatory IMO member state audit scheme.

The audits of member states will be conducted by the IMO auditors to determine the level of compliance with the code and accordance with the audit scheme schedule which has been approved by the Council of the IMO. It is expected that audits of the UK and Overseas Territories will commence in mid-2020. As such, the proposed amendments presented today are also required to comply with the provisions of the III Code as well as to provide enabling legislation to give effect to relevant IMO Conventions and to have in place the necessary national legislation so that the following Conventions can be extended to Bermuda by the UK:

- International Convention on Oil Pollution Preparedness, Response and Cooperation 1990;
 - International Convention on Oil Pollution, Preparedness, Response and Cooperation 1990, Protocol 2000;
 - IMO Nairobi International Convention on the Removal of Wrecks 2007;
 - International Oil Pollution Compensation Funds Protocol 1992; and
 - International Oil Pollution Compensation Funds Protocol 2003 Supplementary.
- Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

Does any other Member wish to speak? We recognise the Deputy Opposition Leader.

Honourable Member, you have the floor.

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

Mr. Speaker, we do not have any challenges with this piece of legislation. It is essentially bringing the legislation in compliance with various Conventions and so, accordingly, the Opposition supports the Bill.

Thank you.

The Speaker: Thank you. Does any other Member wish to speak?

No other Member? Minister.

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

I move that the Bill be committed.

The Speaker: Thank you, Minister.

Hon. Zane J. S. De Silva: And, I do thank the Deputy Opposition Leader.

The Speaker: Deputy?

Hon. Derrick V. Burgess, Sr.: Yes, sir.

The Speaker: Have the seat.

House in Committee at 5:17 pm

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

COMMITTEE ON BILL

MERCHANT SHIPPING AMENDMENT ACT 2018

The Chairman: Honourable Members, we are now in Committee of the whole [House] for further consideration of the Bill entitled [Merchant Shipping Amendment Act 2018](#).

Minister, you have the floor.

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

With the concurrence of the Opposition, and in particular the Deputy Opposition Leader, I propose to move all clauses.

The Chairman: Continue.

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

Mr. Chairman, this Bill seeks to amend the Bermuda Merchant Shipping Act 2002, (the "principal Act"), to bring it up to date with the current changes in the maritime shipping industry.

Clause 1 is the citation to the Act.

Clause 2 amends section 2 of the principal Act to insert a definition for "national contingency plan."

Clause 3 amends section 8 of the principal Act to change "national plan" to "national contingency plan."

Clause 4 amends the principal Act by repealing and substituting a new section 130 on discharge of oil from ships into certain Bermuda waters.

Clause 5 amends section 169 of the principal Act to introduce new terms like "Supplementary Fund," "Supplementary Fund Protocol country," and "Supplementary Fund Protocol," and their definitions.

Clause 6 amends section 170 of the principal Act to delete and substitute subsections (3) and (7) to accommodate the Supplementary Fund.

Clause 7 amends section 171 of the principal Act in subsections (1) and (4) to make provision for the Supplementary Fund.

Clause 8 inserts a new section 173A and a new section 173B into the principal Act. The new section 173A makes provision for liability of the Supplementary Fund and the new section 173B makes provision for limitation of the Supplementary Fund's liability under section 173A.

Clause 9 amends section 174 of the principal Act in subsections (1) and (2) to make provision for the Supplementary Fund. New subsections (4), (5) and (6) have also been inserted to make provision for the Supplementary Fund.

Clause 10 amends section 175 of the principal Act to insert new subsections (4) and (5) to make provision for the Supplementary Fund.

Clause 11 amends section 176 of the principal Act to make provision for the Supplementary Fund in a new subsection (1A) and in subsection (2).

Clause 12 amends section 177 of the principal Act by the insertion of a new subsection (3) to make provision for the Supplementary Fund.

Clause 13 amends section 178(3) of the principal Act to make provision for "Supplementary Fund Protocol country."

Clause 14 inserts a new section 188A to empower the Minister to make Regulations in respect of compulsory insurance of ships in Bermuda waters.

Clause 15 inserts a new Part IXA next after section 216 of the Act to make salient provisions of the Nairobi International Convention on the Removal of Wrecks applicable, in Bermuda. Offences and penalties are provided for infractions of various provisions.

Clause 16 amends section 254 of the principal Act to insert a new subsection (5).

Clause 17 amends the principal Act by inserting a new Schedule 4ZA containing certain provisions of Articles 4, 13 and 15 of the Supplementary Fund Protocol.

Clause 18 inserts the Nairobi International Convention on the Removal of Wrecks 2007 in new Schedule 7A next after Schedule 7 of the Act.

The Chairman: Minister, you are finished?

Hon. Zane J. S. De Silva: Yes, Mr. Chairman, and, and—

The Chairman: I thought you—

Hon. Zane J. S. De Silva: —before I take my seat, Mr. Chairman, I would certainly like to thank Parliamentary Counsel, Anthony Richardson, for his excellent work. And he was assisted by those in Chambers.

The Chairman: You do that later on. We are in Committee right now.

Any further speakers? The Chair will recognise the Deputy Leader [of the Opposition], the Honourable Leah Scott.

You have the floor, Ms. Scott.

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

I do not have anything to say other than to say that, again, we believe the legislation is just in line with Conventions and it is just a tidy up. So, not to let the public think that we are not doing our job, but there really is not anything contentious within the legislation. So, thank you.

The Chairman: Okay, Minister?

Hon. Zane J. S. De Silva: Thank you, Mr. Chairman.
And, once again, I would like to thank the Opposition and, in particular, the Opposition Deputy Leader.

With that, Mr. Chairman, I move that the preamble be approved.

The Chairman: Move the clauses first.

Hon. Zane J. S. De Silva: Oh, sorry.
I move clauses . . . I move all clauses, 1 through 18.

The Chairman: [Through] 18? It has been moved that clauses 1 through 18 be approved.
Any objections to that?
There appear to be none.
Approved.

[Motion carried: Clauses 1 through 18 passed.]

Hon. Zane J. S. De Silva: Thank you, Mr. Chairman. I move—

[Crosstalk]

The Chairman: Move the Schedules.

Hon. Zane J. S. De Silva: And I also move Schedules 1 and 2 that are part of the Bill, Mr. Chairman.

The Chairman: It has been moved that Schedules 1 and 2 be approved.
Any objections to that?
There appear to be none.
Approved.

[Motion carried: Schedules 1 and 2 passed.]

Hon. Zane J. S. De Silva: Thank you, Mr. Chairman.
I move that the preamble be approved.

The Chairman: It has been moved that the preamble be approved.
Any objections to that?
There appear to be none.
It is approved.

Hon. Zane J. S. De Silva: Thank you, Mr. Chairman.
I move that the Bill be reported to the House as printed.

The Chairman: It has been moved that the Bill be reported to the House as printed.
Any objections to that?
There appear to be no objections.
Approved.

[Motion carried: The Merchant Shipping Amendment Act 2018 was considered by a Committee of the whole House and passed without amendment.]

House resumed at 5:24 pm

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

REPORT OF COMMITTEE

MERCHANT SHIPPING AMENDMENT ACT 2018

The Speaker: Members, any objection to the Merchant Shipping Amendment Act 2018 being reported to the House as printed?

No objections. So moved.
It has been reported.

This brings us to a close of that matter. We will now move on to the next item on the Order Paper which is consideration of the Merchant Shipping (Carriage of Passengers by Sea) Order 2018 in the name of Minister of Transport and Tourism.
Minister.

ORDER

MERCHANT SHIPPING (CARRIAGE OF PASSENGERS BY SEA) ORDER 2018

Hon. Zane J. S. De Silva: Thank you, Mr. Speaker.
Mr. Speaker, I move that consideration be given to the draft Order entitled the [Merchant Shipping \(Carriage of Passengers by Sea\) Order 2018](#) proposed to be made by the Minister responsible for maritime administration under section 179(3)(b) of the Merchant Shipping Act 2002.

The Speaker: Are there any objections?
No objections.
Continue on, Minister.

Hon. Zane J. S. De Silva: Mr. Speaker, the purpose of the Order before this Honourable House today is to give effect to new requirements as set out in the International Maritime Organization (IMO) Athens Convention. This Order is made by the Minister responsible for the maritime administration exercising the power conferred by section 179(3)(b) of the Merchant Shipping Act 2002.

Mr. Speaker, the Convention was adopted at a conference convened in Athens in 1974 and was designed to harmonise two earlier Brussels Conventions dealing with passengers and luggage and adopted in 1961 and 1967, respectively. The Convention establishes a regime of liability for damage suffered by passengers carried on a seagoing vessel.

A new article of the Convention requires carriers to maintain insurance or other financial security such as the guarantee of a bank or similar financial

institution to cover the limits for strict liability under the Convention in respect of the death of and personal injury to passengers. While the Convention has been extended to Bermuda and adopted into law under the Merchant Shipping Act 2002, the amendment requiring compulsory insurance which came into force in 2014 is not yet adopted by Bermuda.

Mr. Speaker, the proposed Order sets out a requirement for ships using Bermuda ports to have insurance. If the ship is registered in Bermuda, the requirement to carry insurance applies to any and all ports, not just Bermuda ports. The requirement only applies to ships licensed to carry more than 12 passengers, and it does not apply to ships licensed under Regulation 4 of the Marine Board (Island Boats) Regulations 1965, which carry passengers by sea solely within Bermuda waters. It also does not apply to war ships and other state owned or operated vessels that are used for non-commercial public service.

The Order provides for the existence of the insurance to be approved by a certificate issued by the Minister, if it is a Bermuda ship, or by other Authority. The certificate must be carried on board the ship and be able to produce on demand. Offences are committed if, for example, a ship enters or leaves a port without insurance, without a certificate, without supplying a certificate on demand, or if the contract of insurance is invalid. It is proposed the applicable fines be \$10,000.

While there is a provision for power to detain a ship that fails to carry insurance, the Order allows for compensation to be paid where detention is determined by an arbitrator to be unjustified. A fee may be charged for the issuance of a certificate by a Minister and that fee may be prescribed under the Government Fees Act 1965.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Minister.
Does any other Member wish to speak?

Ms. Leah K. Scott: Mr. Speaker, we actually do not have anything to say about the Order. However, I just have a question on page 3, section 7, under Offences, 7(1) says “A carrier or performing carrier commits an offence if—” and I would presume because there is no definition in the Act of what a “carrier” is, that a carrier would be P&O [Cruises], or Royal Caribbean, or something like one of those lines. So, then section 7(2) says, “A person found guilty of an offence under subparagraph (1), is liable—”, so the person would be P&O [Cruises] or Royal Caribbean. I know that the Minister has many talents, but I would like to know how he is going to put a ship in jail.

[Laughter]

The Speaker: Any other Member wish to speak?

[Crosstalk]

The Speaker: Member, I think the Minister is trying to get your answer, how he is going to lock up that ship, eh?

Minister, we are all interested to hear that.

Hon. Zane J. S. De Silva: Yes, this is riveting stuff here, Mr. Speaker.

The Speaker: Yes, yes.

[Laughter]

Hon. Zane J. S. De Silva: Mr. Speaker, someone in authority would go on-board the ship and they would take the necessary action to impound that particular ship.

[Laughter]

The Speaker: They were not going to lasso it and pull it ashore, right?

Hon. Zane J. S. De Silva: No, sir!

[Laughter]

The Speaker: Now, Minister, would you like to move us into Committee?

An Hon. Member: No Committee.

The Speaker: No Committee?

Hon. Zane J. S. De Silva: No.

The Speaker: No, it is an Order. That is right. No Committee. It is an Order, here.

[Crosstalk]

The Speaker: Do the necessary comments, Minister.

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

Mr. Speaker, I move that the said draft Order be approved and that a suitable message be sent to His Excellency the Governor.

The Speaker: Are there any objections to that? No objections? The necessary Order will be sent on to the Governor.

No objections to that? That now brings us to a close of the Merchant Shipping (Carriage of Passengers by Sea) Order 2018.

[Motion carried: The Merchant Shipping (Carriage of Passengers by Sea) Order 2018 was approved.]

The Speaker: Which actually, in doing so, brings us to the end of the Orders for today.

We will do our third readings—

Hon. Curtis L. Dickinson: Mr. Speaker—

The Speaker: Yes?

SUSPENSION OF STANDING ORDER 21

Hon. Curtis L. Dickinson: I move that Standing Order 21 be suspended to enable me to move that the Bill entitled Customs Tariff Amendment (No. 3) Act 2018 be now read the third time by its title only.

The Speaker: Yes.

[Motion carried: Standing Order 21 suspended.]

BILL

THIRD READING

CUSTOMS TARIFF AMENDMENT (NO. 3) ACT 2018

Hon. Curtis L. Dickinson: I move that the Bill be now read a third time by its title only and passed.

The Speaker: Any objections to that?

No objections.

So passed.

[Motion carried: The Customs Tariff Amendment (No. 3) Act 2018 was read a third time and passed.]

The Speaker: Minister.

SUSPENSION OF STANDING ORDER 21

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

I move that Standing Order 21 be suspended to enable me to move that the Bill entitled the Debt Collection Act 2018 be now read the third time by its title only.

The Speaker: Any objections?

Continue on.

[Motion carried: Standing Order 21 suspended.]

BILL

THIRD READING

DEBT COLLECTION ACT 2018

Hon. Walter H. Roban: Mr. Speaker, I move that the Bill be now read a third time by its title only and passed.

The Speaker: Any objections?

No objections.

So moved and passed.

[Motion carried: The Debt Collection Act 2018 was read a third time and passed.]

The Speaker: Minister?

SUSPENSION OF STANDING ORDER 21

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

I move that Standing Order 21 be suspended to enable me to move that the Bill entitled Merchant Shipping Amendment Act 2018 be now read the third time by its title only.

The Speaker: Any objections?

No objections.

[Motion carried: Standing Order 21 suspended.]

BILL

THIRD READING

MERCHANT SHIPPING AMENDMENT ACT 2018

Hon. Zane J. S. De Silva: Mr. Speaker, I move that the Bill be now read a third time by its title only and passed.

The Speaker: Any objections?

No objections.

The matter has now been passed.

[Motion carried: The Merchant Shipping Amendment Act 2018 was read a third time and passed.]

The Speaker: Deputy? No, no, not Deputy Speaker.

Deputy Premier.

[Laughter and inaudible interjections]

ADJOURNMENT

Hon. Walter H. Roban: Mr. Speaker, I do now—

[Laughter]

Hon. Walter H. Roban: —move that the House do now—

[Laughter]

Hon. Walter H. Roban: Mr. Speaker, I do move now that the House do now adjourn to next Friday . . . is it the 7th?

The Speaker: [Yes.] 7, the 7th.

Hon. Walter H. Roban: The 7th of December 2018.

The Speaker: Any objections to that?

No?

Anyone wish to speak to that?

The Member from constituency 11 wishes to speak to that matter.

Proceed.

Mr. Christopher Famous: If you cannot move fast, you have to move early.

Good evening, Mr. Speaker, how are you doing?

The Speaker: Not too bad at all.

Mr. Christopher Famous: I will not be long.

The Speaker: I do recognise that we have finished early. It will be nice to get out early.

Mr. Christopher Famous: Yes, indeed.

Mr. Speaker, you ever heard of a term called “situational ethics”?

An Hon. Member: Oh, dear.

The Speaker: Keep talking.

COST OF PREMIER’S SUPPORT STAFF

Mr. Christopher Famous: Well, situational ethics is when a situation takes into account a particular context of an act when evaluating it ethically rather than judging it according to absolute moral standards. Translated, that means when one person, or a set of persons, has a problem when you do something, but they themselves had no problem when they were doing it. Situational ethics. Essentially it is called, to sum it up, hypocrisy.

So, Mr. Speaker, two days ago in another place that is real close by here, a question was asked about the cost of the support staff for the Honourable Premier E. David Burt. It is funny because that same¹ question was asked in this House a couple of months ago. Anybody remember that?

¹ “Premier And Opposition Leader Personal Staffs Act 1983,” [Official Hansard Report](#), Question Period, 9 February 2018, page 978.

An Hon. Member: Yes.

Mr. Christopher Famous: And I am wondering if they thought that the costs were going to change over the last few months. They have not.

So, for full transparency, let us go through the line by line items. The first support staff member, Dr. Dana Selassie, is a young Bermudian lady with a doctorate in film-making. How many of those do we have, Mr. Speaker? Not many.

So, what does Dr. Selassie do? She arranges local and overseas interviews to help raise the profile of Bermuda. She coordinates all public addresses for the Premier, executes the overall media strategy, and is in charge of all of the Premier’s written correspondence. Again, a young Bermudian lady with a doctorate in film-making doing all this on behalf of the Government of Bermuda. But some people have a problem with that.

Again, situational ethics.

Let me move on, Mr. Speaker. Mr. Owen Darrell, Chief of Staff, which every Premier as of late has had. Correct?

An Hon. Member: Correct.

Mr. Christopher Famous: So, when other persons had a Chief of Staff, it was not a problem. Now that we have a Chief of Staff, it is an issue. That is hypocrisy.

But let me go through what Mr. Owen Darrell does. He books appointments for the Premier, arranges schedules during travel . . . you know, got to go to London, got to go to Brussels, got to go to here, got to go to there. Somebody’s got to do that. The Premier cannot sit up on a, what do they call that? Travelocity.com booking his own appointments.

[Laughter]

Mr. Christopher Famous: Somebody has got to do that, arrange for all of his public appearances. He meets with concerned members of the public when they want to talk to different Ministers. Now, how many Ministers have we got—11, 10, whatever? All right?

Somebody has commented that, *Okay, I need to do this.*

So, the Chief of Staff says, *Okay, I know the perfect Minister you have got to talk to.*

All right? That is part of his duties. Contacting the organisers of local and international meetings. Right now, the Premier is overseas on a tour in London, and in the north of the UK. Something that other Premiers have never done because, as we know, a lot of Bermudians have moved to the UK. Some are living in London, but many are living in the north? So, you know what we are doing? We are having meetings wherever these Bermudians are. Somebody has to

coordinate that. And that somebody is the Chief of Staff, Mr. Owen Darrell.

So, let me move on. He also reads case studies to prepare briefs for the Premier. He also liaises with local and overseas protocol officers. He also liaises with special branch and other security services abroad to assure the safety of our Premier. So, people have a problem with that. They did not have a problem when somebody else had a Chief of Staff. Why have they got a problem now?

Situational ethics. Hypocrisy.

Let me move on. Ms. Haley Telford, who is a professional paraeducator, is also a caretaker of the Premier's children. Now, let us put it this way. Ms. Telford is not just a babysitter. Ms. Telford looks after these children when the Premier and his wife are out at official functions. Or should they just carry their children with them? But, when they are not doing official functions, the Premier's paying Ms. Telford out of his own pocket. It is not the taxpayers' money, as some people tried to allude to. Should the Premier be saying, *Oh, should I go to this function? Or should I stay home with my children? Should I go to the . . .* we have to have our Premier. So, this is what this lady is doing.

Mr. Speaker, as we all know, Bermuda is in a precarious financial situation. We are being attacked by the OECD, the EU, the United States and our mother country, the United Kingdom. We need someone going abroad to defend our interests. We need somebody going abroad to help diversify our economy. So, what happens? We have this Premier working very hard, doing those things. He has to have support staff. There is no way he can do this on his own. Any of you think he can do it on his own? No? Right.

So, again, if nobody thinks he can do this on his own, why the hypocrisy? Why the, *We got to know how much they are paying?* Why? They had no interest when other people were paying twice as much. But I am going to leave that alone. Twice as much—that is the key word.

So, let me close, Mr. Speaker. Do you really think this guy can do this by himself, the Honourable Premier? No. He needs someone to make his travel arrangements. He needs somebody to book his flights. He needs somebody to tell him which Uber to take, which subway to get on. He needs somebody to look after his children when he is out there defending our country.

So, again, I am going to close right here, Mr. Speaker, we have to stop with the situational ethics, when our young black Premier, who is defending this country, who is lowering our deficit, who is lowering our unemployment, who is diversifying our economy, when he is doing all of this on our behalf, why are we . . . he is being constantly badgered on, *How much is your staff costing you?* Where other people were doing less, no questions were asked. No questions were put in the paper every week.

Hon. Patricia J. Gordon-Pamplin: Point of order, Mr. Speaker.

The Speaker: Your point of order?

POINT OF ORDER

[Misleading]

Hon. Patricia J. Gordon-Pamplin: The Honourable Member is perhaps inadvertently misleading the House, because he may not have been here. But there were certainly many questions that were asked in terms of the cost of various staff that was—

Mr. Christopher Famous: Oh.

Hon. Patricia J. Gordon-Pamplin: —that was hired by, not just the former OBA administration coming from the PLP to us, but also from us to the former PLP administration. So, the questions have been consistent in order to provide the public with an accounting as to where their money is going. It is not ours.

Thank you, sir.

The Speaker: Thank you.

Mr. Christopher Famous: So, very interesting.

So, again, when the question was asked of our Premier six months ago, and it was shown that his cost is half of what their cost was, why are you asking again? Why go down that road again? Did you think the number was going to change?

No.

I am going to say this again: We have a Premier that has proven in 18 months that he has lowered the deficit, he is diversifying the economy, he has lowered unemployment. He needs as much support as possible—whether it is from the Backbench, the Cabinet, his support staff, or the people of Bermuda. And I will beg the Opposition to lend their support as well. Stop the hypocrisy.

Stop the situational ethics.

Thank you, Mr. Speaker.

The Speaker: Does any other Member wish to speak?

We recognise the Honourable Member from constituency 21. Honourable Member, you have the floor.

INCOME INEQUALITY

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

Mr. Speaker, in the last 24 or 36 hours we have, as a community, as a society, been subjected to the news that in two separate neighbourhoods there were gunshots fired. One could be mistaken into thinking that we were living in Mexico or the inner-city USA, parts of Great Britain, Central or South America,

for it is in these countries and these locales with very high levels of income inequality that you find such outcomes, such impacts that begin to metastasise like a cancer within these respective societies.

I had mentioned before that in those countries with high levels of income inequality you see the following impacts: gang formation, gang violence, higher incarceration rates (particularly around capital crimes such as murder), poor educational outcomes, an exacerbation of poverty (relative and real), and in our case there is a variable, the exacerbation of pre-existing racial disparities.

Mr. Speaker, we are not alone. This is a phenomenon that is found throughout the West, in many parts of the globe. And Bermuda is no longer another world and has been subjected to the same factors that have produced these outcomes throughout the world.

Mr. Speaker, I came across an article in the *Economist* magazine and it cited the words of Confucius, and Confucius' admonition that we begin to have the right types of conversation, honest and frank, around issues of extreme urgency and issues of important public policy.

Confucius had this to say, and I am going to quote from, if I may be indulged by you, Mr. Speaker, the *Economist* magazine. It says here—and the article was in relation to the Trump phenomenon, but I am not going to go into that. It says here, Confucius once wrote, “If names cannot be correct, then language is not in accordance with the truth of things; and if language is not in accordance with the truth of things, affairs cannot be carried on to success.” I repeat: Affairs cannot be carried on to success.

Bermuda is at an inflection point. Let us be under no doubt about it. The status quo is no longer sustainable. Our position geopolitically is at risk. One has to look no further than the fact, as my colleague mentioned from [constituency] 1, of the Premier's trip over to the UK. But the most consequential part of that trip is what is coming after he leaves the UK in his direct conversations and discussions with the European Union.

The European Union has set down a marker for us and said that those companies, broadly put, that are domiciled here but are not conducting any meaningful business on Island need to either establish a meaningful presence on Island, or they need to go somewhere else. In fact, and I stand to be corrected, they said the same thing to many other countries in the world. And now they are backed up by the OECD including Jersey, Guernsey, the Isle of Man . . . I believe one of those three put up the white flag just the other day indicating that they are willing to comply fully with the EU's edict, if I can use that term.

Bermuda has about 15,000 companies, I believe, registered companies in Bermuda. Probably about 4,000 of those are Bermudian companies. The rest are exempt companies. Many of them are registered here, domiciled here, but have no physical pres-

ence. But that is not the only strategic threat that Bermuda is facing. The UK Government has indicated that by way of a very similar timeline of within the next few months they will require that Bermuda have a beneficial and . . . of ownership be put on a public register. In other words, a registry of beneficial ownership.

Mr. Speaker, over four decades ago, the Western world in particular saw major changes. This is what I call during the Reagan/Thatcher era. And those changes which are now known as the neoliberal era ushered in changes that unleashed the finance industries to the degree that we see now, that made a major assault upon the labour movement in Western societies, which saw a significant shift away from labour to capital, an ethos that developed that said the market was good, regulations were bad and that government was a bad word in and of itself.

That four-decade period also saw along with that, the rise of what we call globalisation, as the Eastern bloc nations, allied with the former Soviet Union, collapsed; and as China and India moved toward market-based economies. One of the chief by-products of that era, also, was the growth of these offshore centres such as Bermuda, on steroids. Thus, we saw during that time, that '80s period of mid to late '80s, decline in tourism, the rise in international business on Island, centred around the insurance and re-insurance industry, which had profound affects upon Bermuda which are still resonating four decades later today. That is what was ushered in during that period.

Well, Mr. Speaker, nothing lasts forever. I contend that that era came to a screeching halt with the advent of the Great Recession of 2008. And what we have seen since then has been a transitional period, a transitional period in Western societies and globally, more broadly, that has roiled politics all throughout the world and led to the growth of populism, extreme forms of nationalism, the rise of far-right politics in both Europe and America, the rise of white identity politics, the rise of anti-Semitism that harkens back to a very dark chapter in Western civilisation.

So, my point is this: If in 2008 there was a screeching halt to the neoliberal era, of which Bermuda was a major beneficiary of, I contend that this has been, since then, an interim period and there is still . . . there is no indication of what is going to come out the other side during this transitional period. But from what we are seeing, some of the trends so far do not appear positive, as I have just outlined.

Bermuda itself, perhaps, has reached a point where we, too, as is the case in the UK, can no longer have our cake and eat it too. How do you deal with massive amounts of income inequality that have really hurt Bermuda? We talk about the great success of IB on Island over the last four decades during that same period. But the success has not been unalloyed because it has left many people behind—particularly in Bermuda's black community. And that is when I say

about these impacts and how they have been ring-fenced around Bermuda's black community.

Have they not? Do you know why we can say that with confidence? Because we see none of these impacts around Bermuda's white community for the most part. In fact, because of their superior income and levels of multigenerational wealth—

An Hon. Member: Rubbish!

Mr. Rolfe Commissiong: —they have been virtually immune to those impacts. And, Mr. Speaker, the Member for the other side interpolates *Rubbish!*

[Inaudible interjections]

An Hon. Member: Do not get distracted by it.

Mr. Rolfe Commissiong: No, no, listen—

The Speaker: Speak to, speak to . . . do not get distracted. Speak to the Chair. Speak to the Chair.

Mr. Rolfe Commissiong: Well, as I said, Mr. Speaker—

The Speaker: Speak to the Chair.

Mr. Rolfe Commissiong: —we have seen none of those impacts in Bermuda's white community. None. And we go again about these impacts—gang violence, gang formation, poor educational outcomes, exacerbation of poverty (real and relative), and, as I said, a pre-existing or exacerbation of pre-existing racial disparities.

So, the question before us, Mr. Speaker, is, Are we going to be able to seize the historical moment, recognise that the status quo is no longer tenable *[sic]* and move in a direction that truly is going to begin the process by which we can truly create (to borrow a phrase) "One Bermuda" to deal with this new era that is going to be upon us? But we can only do that if we put the demands that are existing for social and racial justice uppermost in fashioning this One Bermuda.

This party, this Government, is determined to do that. The question is, Will we be able to move fast enough? And I say we are committed to doing so. The way you deal with countries with high levels of income inequality is to deal judiciously by implementing public policy measures that lead to a redistribution of income. Contrary to what some may think, a country with high levels of income inequality, like Bermuda, does not have a boon to their economy. It may benefit the top 1, 2 or 3 or 5 per cent, but increasingly it leaves a desert for the rest.

How we can create a more healthy economy is to have less income inequality and not more. That is why this Government—and I am fully in support of it—

has talked about tax reform. Does it go far enough for me? No. But it is a start. Overdue but necessary. Reducing the cost of living around health care, around medical and health care costs, as we said, around energy costs, food stuffs, and lastly, around ensuring that those who toil are going to be adequately compensated by way of a living wage.

Mr. Speaker, we have heard, finally, many in the community on the other side calling for attention to our ageing population. We talked about that this morning and I agree. At 44 years, this being the average in terms of our population as an average age, that is not a sustainable number. We are in demographic winter. And so, we must increase our population. But the other side needs to listen to us, too. When we talk about increasing our population, they have to understand—that same Member interpolated that this causes a whole lot of trauma in my parents generation and our generation because they were the biggest, the biggest losers with respect to immigration policies in that post World War II era, in the 1950s, 1960s and 1970s where immigration was used as a racial tool.

So, we need to have this conversation and this listening session going both ways. I am not seeing enough of that, particularly from the other side, and more so, their supporters, those within the business and other aspects of this community.

So, this is the challenge we have before us. The question is, can we rise up to meet that challenge? Because like I said, the status quo is no longer tenable *[sic]*.

Some Hon. Members: Tenable. Tenable.

Mr. Rolfe Commissiong: Tenable.

An Hon. Member: Tenuous.

Mr. Rolfe Commissiong: It is, actually, tenuous.

Mr. Speaker, let me leave with this thought here, and I have said it before. I have a young lady in my constituency. She was earning \$7.50 an hour in a restaurant. She was working a six-day week, no overtime pay, and she was deemed a part-time employee.

Over two weeks, she worked 96 hours and earned \$720 in terms of her gross wage. By the time social insurance and payroll tax was taken out, again she is a part-time employee, she took home \$620.90. She earned gratuities, but according to her—and I have no reason to doubt her and this a moderate sized restaurant—she probably took home no more than about \$100 to \$150 per week in gratuities. At the end of those two weeks then, Mr. Speaker, she took home under \$1,000 after working 96 hours. That is the Bermuda that exists right now.

For those Bermudians without a college education, those Bermudians who are low to medium skilled, it is not a great labour market for them. I heard the other day that we now have an unemployment

rate for white Bermudians at 2 per cent. It has been that way for the last three years or more. Certainly, it has been under 4 or 5 per cent for the last five years, which means there has been full unemployment [*sic*] in that sector of our community. Again, that is the stats.

An Hon. Member: Employment.

Mr. Rolfe Commissiong: Do not shoot me. I am just a messenger.

Whereas for black Bermudians, unemployment has been persistently high. This is what we need to address, Mr. Speaker, the structural and systemic issues which are impacting upon the various racial disparities and which are being exacerbated, to use that word again, by the ever-growing levels of income inequality in Bermuda.

And, Mr. Speaker, I thank you for your time.

The Speaker: Thank you, Member. Does any other Honourable Member wish to speak? No other member?

I recognise the Honourable Member from constituency 1, Honourable Member Ming.

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

The Speaker: It is actually evening now, but good evening to you.

COST OF PREMIER'S SUPPORT STAFF

Mrs. Renee Ming: Good evening. Good evening.

Mr. Speaker, I would like to take my few minutes today to actually speak on the article that was in the *Royal Gazette* this week with regard to the Premier's support staff. Being a wife and a mother, I think that I was, I would not say offended, but I did think to myself, *Whoa!* I say that because . . . and I do not need to go through all of the details. I believe my colleague before me spoke on who is hired and what they [earn]. But I think that as a country we can be honest and view it as we have a Premier who is extremely busy.

The other side of it is, he is the *youngest* Premier. And so, I do not know the last time we would have had a Premier who had children the ages of four and two. May be even the first time. And so, I think that for those of us who are family people, and I am going to speak to it, I am one of them, I am a mother. So, if I have to speak to it from that regard, I can tell you, to have two children under the age of five years, that is busy.

An Hon. Member: Yes.

Mrs. Renee Ming: That is busy without being the Premier of a country, without being the wife of a Premier of a country. So, I can imagine that all of us must be able to appreciate that support is needed. I do not know why the Honourable Member that sits in another place asked those questions. For whatever reasons, he daily puts it out there in a public note. But we must be able to appreciate the role that the support plays and the fact that we do have a very busy Premier.

So, Mr. Speaker, when I had a read of it, I sometimes wonder when I read . . . and I try my best to be objective, looking at things [to] provide clarity, even when I get up here and speak. So, if we are saying that the cost of the Premier's support staff is over \$230,000 per year, okay. I am not sure if this was supposed to be a comparative analysis for us. But then on page two of the same article it does compare it with former Premier Cannonier's personal staff salary which was revealed to—

[*Timer beeps*]

The Speaker: I am sorry. That is not for you.

Mrs. Renee Ming: —be \$418,000 per year.

So, I do not know, like I said, again, if this was supposed to be a comparative analysis. But, former Premier Cannonier would have had *this* in 2013. So, if we were going to be objective about it, I would have expected to see what the support staff costs were for 2014 to 2017 for the next Premier. But for whatever reasons, that information is not in this article.

Some Hon. Members: Hmm.

[*Inaudible interjections*]

Mrs. Renee Ming: Eh? So, what I want to say to our listening audience is, these are the types of things that I always stand up here and say to you that we have to be aware. We have to stay woke. And part of that is wondering, *Well, what were those costs during that period? Were they more than the \$418,000? Were they less than? Were there 10 staff? Were there 12 staff?*

Mr. Speaker, these are the types of things when you are reading these things, you do not gloss over them. We have to take the time to see. We know our Premier is doing a great job. We know that he is busy. We know that his wife could use some support which is why they have a housekeeper/cook and a childcare person. So, Mr. Speaker—

[*Inaudible interjections*]

Mrs. Renee Ming: Mr. Speaker, yes. It does behave me that those years which I spoke about, which is 2014, 2015, and 2016—which I am quite sure that if

the daily was able to obtain the 2013 numbers, they *surely* could have obtained the 2014, 2015 and 2016 numbers. So, the question to me is (and I know that no one on this side will probably be able to answer this), Why not? Why do we *think* that those numbers were not given to us?

An Hon. Member: Hmmm.

Mrs. Renee Ming: Yes. And when I say that, Mr. Speaker, I mean, why were they not given to us in the article? I am quite sure that they will get this message that we have asked it. But, if we wanted to be fair, concise and more importantly, consistent, we would have actually gotten all of those numbers.

Hon. Patricia J. Gordon-Pamplin: Point of order, Mr. Speaker.

The Speaker: Will take the point of order.

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

The Speaker: Will take the point of order. Yes.

POINT OF ORDER

[Misleading]

Hon. Patricia J. Gordon-Pamplin: Thank you. The Honourable Member must understand that even though they are Backbench, and even though they serve in the same Government, they have the right to ask questions. So, this is misleading the House to make it *appear* that asking and answering of questions is one sided. They have the ability to elicit whatever information they so choose.

The Speaker: Thank you, Member.

Mrs. Renee Ming: Thank you, Mr. Speaker. I think we are all aware of what we can and cannot do.

Mr. Speaker, what I was actually saying is that in terms of those persons in our public, because that is who is listening right now and that is who needs to hear this. They can ask those questions. But those are the things that they *should* be aware of when they read these things. I am not going to say that it is like a bad article or anything like that. But what I am saying is that sometimes we are only given the information that they want us to hear and read. Selective.

[Inaudible interjection]

Mrs. Renee Ming: You will have your turn to talk—

The Speaker: Talk to the Chair. Talk to the Chair.

Mrs. Renee Ming: Mr. Speaker. Yes. Thank you, Mr. Speaker.

I am only again saying that support staff is a much needed thing, and that we *can* and we *should* always look to make sure that we are getting the whole story.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does no other Honourable Member wish to speak?

[Laughter]

The Speaker: That was a little slow that time, wasn't it?

Hon. L. Craig Cannonier: I am not going to be long.

The Speaker: We recognise the Leader of the Opposition.

Honourable Member, you have the floor.

COST OF PREMIER'S SUPPORT STAFF

Hon. L. Craig Cannonier: Yes, thank you, Mr. Speaker.

In the vein of staying woke, as was aptly said by the former speaker, you know, I am sure that you will see it seems that we are heading in the right direction. Every administration is spending less and less. And I am sure as you dig deeper you will find that certainly administrations are costing less, which is a great thing, Mr. Speaker.

But in the vein of staying woke, you cannot get up and say, you know, situational ethics and the like when you have a Premier basically saying, *Well, you know, I have got 10 Ministries, but I have got 12 Ministers*, inferring almost that it costs less when it is costing more.

Some Hon. Members: Hmmm.

Hon. L. Craig Cannonier: So, you know, the situational ethics, I think . . . you know, we get up and we banter back and forth and we go back and forth. It is unnecessary to be trying to raise a bogeyman. There is no bogeyman. If you can't ask a question—

An Hon. Member: You have got that right.

Hon. L. Craig Cannonier: —then you should be able to ask a question. You know?

The Speaker: Mm-hmm.

Hon. L. Craig Cannonier: Ask the questions. If an Honourable Member in another place wants to ask a question, then maybe they should go to the Honourable Member and say, *Well, what was the purpose?* I certainly was not consulted by the *Royal Gazette* at

all, by the article. Maybe they should talk to the *Royal Gazette*. But do not sit up here and cast a stone when we can certainly throw back a rock at you as well, or a stone. You know?

EUROPEAN UNION'S UPCOMING LIST OF NON-COOPERATIVE JURISDICTIONS

Hon. L. Craig Cannonier: So, I wanted to speak just briefly to the EU comments that were being made, and I think some good comments had been made by the Honourable Member Rolfe Commissioning.

I appreciated some of what he was saying there. I am very much concerned about the regulations that are potentially coming forward and whether or not we will be blacklisted or put on some kind of list that would not be favourable to Bermuda. And I am encouraging this Government to ensure that they speak to the public about the implications of these regulations, and what they might mean to the average Bermudian.

Many times, because of this IB business affecting ABIR and ABIC, we tend not to pay as close attention to what is going on there. And within the House of Assembly here we get caught up many times in local constituency skirmishes. Yet we fail sometimes to bring the reality to the people of Bermuda of what the implications are, [what] these regulations that are coming down are going to do to us. What is going to happen?

The Speaker: Mm-hmm.

Hon. L. Craig Cannonier: Is it going to cost jobs? Is it going to potentially increase jobs? Whose jobs will be at risk? And it would be important, Mr. Speaker, if we could have a conversation, or hear from our Government, letting the people know of the potential [results] of these regulations coming down, which, by the way, will be coming down at the end of this month. And—

[Inaudible interjections]

Hon. L. Craig Cannonier: This month, yes.

The Speaker: Speak to the Chair. Speak to the Chair. You are all right.

Hon. L. Craig Cannonier: Whenever it is. This month. We are going to be *debating* it next week. But the EU certainly will be making a grading of Bermuda this month, and based on where they position Bermuda, it will be really interesting to see what happens there.

[Inaudible interjections]

Hon. L. Craig Cannonier: We know that the EU has something to say, and we know that it is imminent that

we debate the Bill which eventually will be coming up next week, Mr. Speaker. And my concern really is, What are those implications going to be on all of us? What is going to be the impact on this economy? Which parts of the economy might be affected by these new restrictions that are being placed down, and it would be important that we relay that information so that we can all be . . . it may be a bit late to say be prepared, but at least we have an awareness of exactly what is going to take place. Some of it is up in the air.

I certainly know that while we were Government, Bob and myself spent a lot of time over the issues—

An Hon. Member: Who?

Hon. L. Craig Cannonier: —the Honourable Bob Richards, fighting the case. And it was a unified message coming from the then Opposition and Government. And there is a unified message, I believe, coming from us as an Opposition now, and the Government, hoping that we can smoothly get through this. Well, it will not be smooth, but that we can get through this troubling time as it comes upon us very soon.

CONCERNS ABOUT DEPARTMENT OF CHILD AND FAMILY SERVICES

Hon. L. Craig Cannonier: That was not what I wanted to speak to tonight. What I really wanted to speak to tonight was this whole idea of safety and security, Mr. Speaker. And I know with the industry that I am in with my service stations, safety and security is utmost.

The Speaker: Mm-hmm.

Hon. L. Craig Cannonier: I mean, everything revolves around that first, safety and security. And it seems that we also need to take this into consideration when we think of our children, and how paramount it is, their safety and security to a successful future of Bermuda. And I say that because we have an ageing population that is probably the fastest growing population, the seniors of Bermuda. And we have seen where there have been abuses and there have been concerns about that ageing population.

But then when you take into consideration, Mr. Speaker, the fact that our birth rate is as low as it is, and as an Island we virtually are not growing a population with Bermudians, we need to apply with the few that we have in Bermuda that adage that I just said, safety and security.

And so, we have now seen how it has been played out in public's eye that we have a social worker who was standing in as a litigation agent who no longer is there. We saw how the former Minister was wrestling with challenges, and was going to come out with a report on October 31st of allegations against

Child and Family Services. You look at the paper today where there are concerns by interest groups about children, concerns about even Child and Family Services. And I do not believe that this is a subject that I am casting any blame on an administration. What I am saying is that safety and security is paramount for our young people. And whatever is necessary for us to do, we must safeguard them, because they, Mr. Speaker, with a low birth rate in Bermuda, are precious to the future of this Island.

The Speaker: Mm-hmm.

Hon. L. Craig Cannonier: Taking the fact that we, quite frankly, have not seen the report that was supposed to come out on October 31st concerning some of the allegations to the department, it would be good to hear what is happening so that we can ensure that everyone knows that things are okay with that particular area, with that particular department, so that we can also (as we have already seen, we have a Bill coming up and I cannot reflect on that) know that things are being put in place, hopefully, to secure our young people.

I also want to [call to] mind that when I think about our young people, I recall when I was in university. And unfortunately, a Bermudian friend of mine was admitted to a mental institution not too far from where I was in university. And I went down to go visit because I was the only Bermudian in that particular area at the time that was close by the hospital. And to go to one of those institutions, it was quite hair raising. I had never seen anything like that before. And I had been to our institution. Back then it was called St. Brendan's, and I had been to visit folk there on many occasions, and relatives for that matter. But I had never seen anything like this institution. It was horrific. In fact, I walked out of there pretty much traumatized.

And when I hear the stories of many of our young people who have unfortunately throughout the years not had someone litigating on their behalf in Bermuda, and to know that many of them have been sent away without the consent of parents, without having someone mediate within the court on their behalf, we have got to move with some urgency about getting this sorted out. And then to hear in the newspaper, to read in the newspaper many of these abuses that took place with Bermudians who were abroad, it is quite concerning.

The Speaker: Mm-hmm.

Hon. L. Craig Cannonier: And so, you know, I am hoping that as we move forward, and when I think about even in Bermuda here many parents who have gone through some atrocities, and it is difficult, you know, just rearing kids, for parents, let alone bureaucracy trying to handle a situation like this here. And so, we have got to (and I am encouraging the Gov-

ernment) to move on this with swiftness as we ensure that we secure children on this Island. That is paramount to the future, that we can secure our Island with Bermudians leading out in the many positions even that we hold here today.

What I would like to say (and in closing, I said I would not be long) is that I am concerned as I look at the articles coming from the human rights and some of the interest groups out there about our kids and what is happening. I am concerned that just within a week of the former Minister having to close a nursery, he is no longer the Minister, all around the same time . . . the same time, October the 31st, we were supposed to have a report coming about the internal review of what took place in Child and Family Services, the same day that the former Minister was no longer the Minister.

And so, it would be nice if we could get some form of an explanation as to where we are. The former Minister . . . it would be nice to even get a personal explanation from the former Minister as to where he is and how he felt about those things. And I say that only because I recognise the former Minister as someone who has always been concerned about Child and Family Services, our young people, and the work that he has done even outside of his mandate as a Minister and as an MP.

You know, he and I were away in the same area in university, and it was always the case that this former Minister was a man of the people. We did not go to same university, no. I said in the same area. So, we used to always meet up together in the cricket field down there and the like when we had the opportunity.

An Hon. Member: Ooh.

[Inaudible interjections and laughter]

Hon. L. Craig Cannonier: But I have always known the former Minister to be someone who is always concerned about the community, and the people that he serves. So, it would be nice. It would be nice if we could get some clarity there. I know that the interest groups are concerned. We see Bills coming down. It would be nice, Mr. Speaker, if this Government would allow him the opportunity to speak to some of these issues and the work that he has been doing. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.
No other . . . ?

I recognise the Honourable Member, Mrs. Furbert, from constituency 4.

Honourable Member, you have the floor.

COST OF PREMIER'S SUPPORT STAFF

Mrs. Tinee Furbert: Thank you, Mr. Speaker.

I am going to speak to you this evening [about] our Premier and the wonderful job that he is doing, Mr. Speaker. I am sorry that he is not here this evening, but I doubt that he would disagree with what it is that I will present.

He is a young brother, vibrant, hard-working. He values organisation. He demands respect. He also values process. He is friendly in a good Bermudian way, and he is working hard on behalf of our country. And I know sometimes—because I have been asked questions in regard to the Premier's travel, but he is leading our country. And Bermuda has to be represented globally, just like we speak about mission statements in our education system in regard to wanting our children to be represented globally. Well, surely, we would want this for Bermuda—

An Hon. Member: Do not bring up education.

Mrs. Tinee Furbert: —and our Premier, advocating on Bermuda in regard to FinTech, Brexit, and developing Bermuda's industries, diversifying our economy and building a fairer and better Bermuda. And our Premier even sometimes shows us this on social media. He will show us with whom he is meeting, and how he is representing Bermuda.

But what is also key is that he is a leader who values what the people think. And what is important to the people is also important to him. And so that is reflected all through the Progressive Labour Party's platforms and our Throne Speech. And this is not information that is just collected from us as the Progressive Labour Party. It is information collected from people in our community. And so, these things are very important to him.

The other thing that he shares is in regard to being a transitional or transformative Government. And interestingly enough my colleague, MP Chris Famous, and I are currently taking a Commonwealth Parliamentary Association course. And one of our modules speaks to the model of parliamentary power. I am going to share some of this tonight. And one of those models is a rubber-stamp legislature.

And this rubber-stamp legislature, they are the least powerful. They just simply endorse decisions made somewhere else in the political system, usually by the party or the Executive Branch. They are often associated with communist or totalitarian nations, where decisions are made by a leader or a vanguard party in which the parliament is expected to just simply endorse those decisions. They come with few demands, and they are generally the least expensive to operate.

And so, I just want to share what a transformative legislature looks like. And we come to transformative legislatures being where we not only represent diverse societal interests, but we also shape budgets and policies. If we think of a thermostat and how the thermostat changes the room temperature by

activating heat or air conditioning [AC], transformative legislatures change policies and budgets proposed by governments and even initiate policies of their own.

So, not surprisingly, transformative legislatures are the most expensive to operate because they want key people who have key experience, key knowledge, and they also have to be able to share information and share that information worldwide. They are highly dependent on trained staff.

And so, if our Premier is trying to run a country with highly trained staff, to create a transformational country in the decisions that we make for our people, then the research just shows that with transformative legislatures, they are run by money. So, we have to ask the public or the people in our community, what sort of legislature or government would they want? Would they want a rubber-stamp legislature, or would they want a transformative legislature? And a transformative legislature would also include a democratic legislature.

And so, I am sure our people would say that they would want a government that is transformative, where they are able to share their thoughts and have policies and legislature made off how they feel and how they think.

So, we are going to continue to support our Premier as he tries to transform Bermuda and push Bermuda forward for the betterment of our people. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member. I now recognise the Deputy Speaker.

Deputy, you have the floor.

COST OF PREMIER'S SUPPORT STAFF

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

Mr. Speaker, why would the local media newspaper, the only one we have, put this story on the front page about the expenses of the Premier and his staff? Mr. Speaker, to me it does not matter what the costs of the Premier, Premier Burt, Premier Cannonier, what was spent, so long as this was within Financial Instructions. But, Mr. Speaker, it was a subliminal message, I think, to embarrass the Premier. And it consequently embarrasses his family to say, *Well he has spent \$230,000 on support staff.*

You know, Mr. Speaker, apparently there is something wrong with my colour, whether I be yellow, black, brown, red. Because every time a black man gets in a position, and they incur some expenses, it is looked at as being, *You should not have done it. It should not have occurred.* Because I recall Obama, President of the United States, he went on vacation and it was questioned, the cost of the vacation. They questioned Dr. Brown when he was Premier on the little police compound they had to put down at his house. I guess questions were thrown at Premier

Cannonier also of the expenses, and now Premier Burt.

But, Mr. Speaker, I have never seen one [time] where they questioned Premier Dunkley, and if they did, then I apologise. But, Mr. Speaker, what we should be questioning is Government House.

The occupant of that property on the largest piece of real estate in this country costs this Government over \$1.4 million per year, taxpayers' money. There is a staff of 13, not all of them Bermudian. In fact, most of them are probably foreign. And that would be in line with what Governors have done in Bermuda, when appointments have been left to them, which is their responsibility. I would venture to say at least 90 per cent of their appointments were foreign, and white!

And the performance at Government House has been dismal where they have perpetuated in this country discrimination based on colour to allow up until the late 1950s discrimination on jobs. That is what was allowed in this country when it was not allowed in the UK.

Mr. Speaker, we should be questioning the cost of energy, electricity at Government House, the cost of water at Government House. And Mr. Speaker, the social functions, who pays for them—

An Hon. Member: Oh, yes.

Hon. Derrick V. Burgess, Sr.: —at Government House? And Mr. Speaker, I have never heard anyone question Government House about when they have guests come down from overseas. Who pays for that? Is it Ms. Smith and me, Mr. Speaker?

But, you know, when it comes to us, they want people to think that, *Oh, they are doing it. It has got to be corrupt. There has got to be mismanagement because it is people of colour.*

And really, I guess the message is, *You do not deserve that. You know, You used to run around in grass skirts and whatever. You can't run a country and get the benefits that you should have.*

Mr. Speaker, I remember one time one of my cousins from overseas, from the Royal Family, came down to visit Government House, and they did not invite the PLP, who were the Opposition at that time. Did not invite us! And the Leader of the day had to ask for an invitation. Consequently, he got one; I think they invited two of us. They were probably the only two known dark-skinned people there that went in, because if you saw any other dark-skinned people they were accepted by the oligarchs of this country.

Mr. Speaker, you know, we not only have the Governor's expenses, we have a Deputy Governor. I remember the time when GP1 went on the blink during Dr. Brown's tenure as the Premier. I happened to be the Minister of W&E [Works and Engineering] and the car purchases came under me. I told them to get a car just as good, or better, than what the Governor

drives around in. And we had some comment from others; it did not bother me. See, our Premier is elected by the people of this country. The governors that come here . . . we have no say in them.

And Mr. Speaker, when I read the history and you read about the powers that be in that day, the oligarchs, when the Governor did not do what they wanted, they stopped paying him. Did not pay him! They even told, Sir Henry Tucker told him, *We will break away from the UK.* They stamped their authority on the British. I guess that is why I was glad to see even the former Finance Minister, Bob Richards, and my Premier, David Burt, stand up against the British. *We are not doing what you want! That is not in your remit!*

And we need to stay there, Mr. Premier. And I know he will. But when you start asking about the cost of where our Premier lives, because that is a requirement of the job—and we do not want our Premier, regardless of who it may be, living in Motel 6. I know they leave the lights on for you; but we do not want them living there.

[Laughter]

Hon. Derrick V. Burgess, Sr.: We want them to have the comforts that the job requires.

As you have heard, and as you know, our Premier is the only Premier, so far, who has had young children, two young children. It is a demanding job. You cannot run this country today by staying in Bermuda. You have got to travel. You see all the types of regulations that the UK is trying to put on us. You must travel. And that is what our Premier needs to do.

Do not question the Premier. We want him to do a good job. He should not have to worry about . . . nor should his family have to worry about, *Oh, the press is criticising what he has to spend to live.* Every dime that is spent down there is within the Financial Instructions. And for this to take the front page of the newspaper is ridiculous!

[Inaudible interjections]

Hon. Derrick V. Burgess, Sr.: I did not get that, cousin.

The Speaker: Speak to the Chair. You are all right.

[Laughter]

Hon. Derrick V. Burgess, Sr.: But, Mr. Speaker, I would ask the people of Bermuda, when you start questioning any of our Premiers, regardless of whether they be white or black . . . [to] question what they are spending up at Government House, we are the only colony that pays for our Governor. All other colonies the governors are paid for by the UK. *We pay this*

Governor, and that is something that we need to think about when we do the adjustments to our Constitution, because we should not be paying our Governor.

An Hon. Member: Good point.

Hon. Derrick V. Burgess, Sr.: We should never pay our governors.

And I agree with the oligarchs of the day. When you do not do as you are told . . . because you are here to represent us, you are here to give the proper message, the true message to the UK, not the message you want them to hear, what you think they should hear. You give them the true message. Because the history . . . the history of Government House has been terrible. That is why race relations are as they are, because they started it, and they should finish it by demonstrating that we can do the job.

When you had a former Attorney General (with over 20 years of experience in the legal profession), when you had a judge, a black Bermudian judge (with over 20 years on the bench) and cannot qualify for the chief justice job, because they want a Caucasian; when you had [John] Vereker, the former Governor of Bermuda state that, *I knew Norma Wade had the qualifications and the experience for the job to be chief justice, but I wanted Justice [Richard] Ground because I have got some cases to deal with*, it tells you that they do not respect or have confidence in people of colour, Mr. Speaker.

So, again, I ask the people of Bermuda, do not question our Premiers about how much is being spent down . . . wherever they are staying. It is within Financial Instructions. Question Government House. Again, the largest piece of property in this country! That is who we should be questioning. Thank you, Mr. Speaker.

The Speaker: Thank you, Deputy.

Does any other Honourable Member wish to speak? I recognise the Honourable Member from constituency 23. Honourable Member, you have the floor.

COST OF PREMIER'S SUPPORT STAFF

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

Mr. Speaker, I know protocol in the House would dictate that I do not speak after my Leader, and I do not wish to upset or offend anybody by my taking to my feet tonight, because I did ask permission. Just to make sure that it is clear.

But let me just say that the size of Cabinet, the cost of the Premier's office, the cost of special consultants are all questions that were asked of our administration, *ad infinitum*. They were laboured and belaboured, time and time again in order that the public was made aware of how much of the public purse

the Premiers of the day were spending in the execution of their duties. I have said several times on this floor, Mr. Speaker, I do not care what the Premier spends. And that is Premier Dunkley, Premier Cannonier, now Premier Burt, or Premier Cox, and all the way down the line. You have never heard me criticise what was required for them to spend in the execution of their duties, because they are doing those jobs for us, the country. And we respect that. And we have no problem with that. But we also do not have the right to withhold that information from the public.

I can go all the way back, Mr. Speaker, and I do not think I have to declare an interest, but I can make a statement of fact that my younger sister, in 1997 through 1998, actually served as a Premier for this country. And I can remember the flak that she was subjected to, by the then PLP, in Opposition, because they built a hut outside of her property in Warwick where she was living. It was manned by police officers and it was like, *What gives them the right to spend the public money in order to have police officers stationed outside [Premier Gordon's] home?*

Now, what was interesting, even before that happened, Mr. Speaker, my sister, when she was appointed to that position, was actually living at my mother's home. And at the time the Police [Service] and Special Branch had determined that that house was not conducive to effective surveillance and security. And as a result, she was instructed to move out. At the time, Mr. Speaker, the PS responsible for Works and Engineering was tasked with finding an appropriate house in which she could have lived in order, not for herself, not for her family—because she was actually quite comfortable where she was—but in order to satisfy the requirements of Special Branch, to ensure that she was property and safely guarded.

Mr. Speaker, the individual responsible at that time refused to do it . . . *refused* to do it, because of public pressure that was brought by the PLP at that time. *Why does she have to have something that is special?* So let's not talk about asking questions on how we are spending the public purse. This is something that has gone on perennially, from time immemorial, because somebody thinks that they can score brownie points with people who are representing the country from a leadership position. I think it is despicable. And now when we hear that it is a challenge today because there was an article, it is no different than the articles that we saw in 1997, 1998. It is no different than the questions that we asked of the previous PLP administration.

And you will know, Mr. Speaker, the first PLP Premier had been given the right to use the property that was in . . . sort of further up Middle Road than where the Premier now lives. And you will know that there were other Premiers in between, Premier Brown, who chose to stay in his own home. Therefore, the questions concerning his staff may not have come to the fore because it was obvious that he was not

utilising public facilities. We also had Premier Dunkley who lived in his own home, as I recall, who did not have those additional charges.

But we had Premier Cox, we had Premier Cannonier, and we now have Premier Burt, following up from Premier Dame Jennifer Smith, who all lived in properties that have been provided by the Bermuda Government. And in so doing, I believe that we have an obligation, not because we want to be picayune, not because we want to down cry what somebody is earning, but because we feel that we have an obligation to provide information to the public.

And it is unfortunate that people are so touchy about it today when they felt no way about being the same ones bulldozing the questions to this Parliament and to the public when the other parties were in Government. So let us be consistent. Either we want the information or we do not. And if the information is applicable to person A, then clearly it has to be applicable to person B. Nothing personal. The challenge that we have is every move that we make in this Honourable House somehow boils down to the “us” versus “them” mentality.

And we have to stop that. We have to stop it because I have known . . . in fact, Mr. Speaker, on Sunday, as I was watching the Santa Claus parade, the Premier came down with his wife and his children, and he was leaving before them. He did not realise that I had been sitting there, and he came up and said hello as he was on his way out and he said, *I am getting on the plane to go to London*. And I said to him, *I wish you much success*.

Why, Mr. Speaker? Not because there is any animus toward the Premier. He is doing the job for this country, for all of us. And all of us, in particular those of us who sit in this Honourable House who have an obligation to enquire of him what job is being done for us, and how can we assist in the process? We differ politically. We differ, as I said earlier today, on the methodology by which we may achieve the final objective. But there is nothing about that final objective that is inconsistent between the parties. And what that final objective is is that we want the very best for all of the people of Bermuda.

So we need to stop this pettiness. And we need to stop, you know, thinking that somebody is treading on your toes when you felt no way about doing it before. I am not willing to continue to play this tit-for-tat game because (a) it is counterintuitive, —

[Inaudible interjections and general uproar]

Hon. Patricia J. Gordon-Pamplin: —it is counterintuitive—

The Speaker: Members, Members. Members, only one Member speaking.

Hon. Patricia J. Gordon-Pamplin: The Honourable Member says I have been playing tit-for-tat for years. And you know what? I said . . . he didn't hear me. I said I will no longer continue to play the tit-for-tat game.

[Inaudible interjections and laughter]

Hon. Patricia J. Gordon-Pamplin: That is what I said.

The Speaker: The key word was “continue.”

Hon. Patricia J. Gordon-Pamplin: I said “continue.”

The Speaker: The key word was “continue.”

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: I have never once said that I have never done it. I am not that wonderful. I am politically driven and politically motivated.

But with that said, Mr. Speaker, I am going to get off of that, because I think it is petty and it is a picayune subject that really has no place in today's Parliament. If a newspaper decided to carry it, they were remiss in not being able to give the comparatives to which the Honourable Member spoke. But at least have a complete picture, and I have no problem with that. I think that this should be demanded of them. I think that we should be the ones who have that attitude that we need to embrace what is required for the better good of the country and to make sure that we adhere to it.

SICKOUT BY TEACHERS

Hon. Patricia J. Gordon-Pamplin: But let me just go to the topic that I actually wanted to discuss today, Mr. Speaker, and that is with education.

It is most disappointing to us, Mr. Speaker. My leader spoke to the absence of a report that was scheduled to be delivered in respect of what was happening at Child and Family Services, and to have accountability in respect thereof. We also did not see, Mr. Speaker [that a] a Ministerial Statement [was given] today, or something that would give us as parliamentarians, and the country in general as consumers, [information] concerning the fact that an entire school had no teachers show up today.

Now, we have a responsibility to be concerned for our children, and when you read in the paper and you see that all of the teachers in a certain school had just not shown up to school, that has to give us cause for concern. Number one, our children are being denied the level of education that they ought to have had [and] the instructions that they would have had otherwise today.

We also have concern over the fact that there are underlying issues which some say are long-standing, and I accept and respect that.

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: You okay, Minister? Okay.

An Hon. Member: Yes, I am very flexible.

Hon. Patricia J. Gordon-Pamplin: Oh, okay. I am glad to know that you are okay, Minister.

An Hon. Member: Yes, I can play tit-for-tat now.

[Laughter]

Hon. Patricia J. Gordon-Pamplin: I do not fall down.

The Speaker: Continue on. Speak to the Chair.

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

There are long-standing and some deep-seated concerns that the teachers have articulated which have resulted in their decision to withdraw labour to the detriment of our children today.

That is what we should be discussing. Not whether somebody has a babysitter or does not have a babysitter. Those are substantive issues that are going to affect our children and of which we should have at the forefront of our concern, as opposed to the nonsense that we heard from Honourable Members earlier today because somebody—in another place I might add—asked a question. Asked a question for which the responses could be and should be in the public domain, because, as I said, it is not our money. The money belongs to the public. But let us hear what is happening to assuage the challenges that our young people are facing when they are unable to receive effective instruction.

We heard the Honourable Member earlier speak to the fact that we have our young people joining, you know, participating in antisocial behaviour, and that it was generational and various other attributions that he made to that particular challenge. But if we continue to not have our children in proper, organised, structured instruction, then we are as guilty as we could be of encouraging some delinquency because we are not playing our roles.

So when we do not play our roles, we cannot then point fingers at our children and say, *How come you are going wrong?* When we do not have the wherewithal to ensure that our children are protected, that they are in a safe environment, as we still await the report from the investigation of Child and Family Services, and certainly as we attempt to underscore the importance of making sure that our teachers and

those people who are trusted with the education of our children, have the terms and conditions.

When you hear that some teachers in certain areas do not have the opportunity to even take a lunch break, Mr. Speaker, this can't be right. It cannot be right! But there are basic things, and I can go through the litany of problems. But at the very least I would expect that we would have heard some kind of information being disclosed to this Honourable House so that we know how our children are faring.

Mr. Speaker, we can do better. And I expect that we will do better. And, Mr. Speaker, with that I will take my seat.

The Speaker: Thank you, Honourable Member.

No other Member wishes to speak?

The House stands adjourned until Friday next at 10:00 am.

[Gavel]

[At 6:36 pm, the House stood adjourned until 10:00 am, Friday, 7 December 2018.]

BERMUDA HOUSE OF ASSEMBLY**OFFICIAL HANSARD REPORT****7 DECEMBER 2018****10:03 AM***Sitting Number 5 of the 2018/19 Session**[Hon. Dennis P. Lister, Jr., Speaker, in the Chair]***PRAYERS***[Prayers read by Mrs. Shernette Wolffe, Clerk]***CONFIRMATION OF MINUTES***[Minutes of 30 November 2018]*

The Speaker: Members, the Minutes from the 30th of November have been circulated.

Are there any omissions or corrections?

There are none.

The Minutes have been confirmed.

*[Minutes of 30 November 2018 confirmed]***MESSAGES FROM THE GOVERNOR**

The Speaker: There are none.

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

The Speaker: The announcement this morning is that we have been informed that Minister De Silva will be absent, as he is off the Island today.

And I have only just been informed the MP Weeks will be out because he is ill today.

MESSAGES FROM THE SENATE

The Speaker: There are none.

**PAPERS AND OTHER
COMMUNICATIONS TO THE HOUSE**

The Speaker: There is one paper this morning in the name of the Minister of Finance.

Minister.

**BERMUDA FISCAL RESPONSIBILITY PANEL
2018 ANNUAL ASSESSMENT**

Hon. Curtis L. Dickinson: Mr. Speaker, I have the honour to attach and submit for the information of the

Honourable House of Assembly the Bermuda Fiscal Responsibility Panel 2018 Annual Assessment.

The Speaker: Thank you.

PETITIONS

The Speaker: There are none.

**STATEMENTS BY
AND JUNIOR MINISTERS**

The Speaker: We have four Statements this morning. The first is in the name of the Honourable Premier.

Premier, would you like to present your Statement?

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

The Speaker: Good morning.

**THE 2018 JOINT MINISTERIAL COUNCIL AND
RELATED MEETINGS IN THE UK AND EUROPE**

Hon. E. David Burt: Mr. Speaker, I am pleased to provide an update to this House and the public on my meetings in the United Kingdom and Europe, including the annual [Joint Ministerial Council](#) with the United Kingdom Government.

Mr. Speaker, the development of business opportunities for Bermuda in London was the focus of my first three days of the trip where I was able to support the Bermuda Business Development Agency London Executive Forum, the Bermuda FinTech Forum, and Beyond Convergence hosted by ILS Bermuda. In addition to participating in the events, I hosted a number of meetings with persons interested in investing in Bermuda.

Mr. Speaker, Bermuda continues to translate its excellent reputation into economic growth. Eric Bertrand, founding partner of Centaur Fund Services, praised the BDA [Bermuda Business Development Agency] forum—his first as an industry participant—where he spoke on a panel about innovative trends in alternative assets.

Mr. Bertrand said, “In 2015 when we decided to establish an offshore jurisdiction, we had options, but we decided Bermuda was the place for us to do

our business. Three years later, we've grown from one to 16 people in our Hamilton offices—so, it proves our point.” He went on to continue to say, Mr. Speaker, and I quote, “I wanted to share our story that Bermuda is a jurisdiction of choice and a great place in which to complete a global presence. We have several offices around the world, but Bermuda is a very important one for us.”

Mr. Speaker, last Tuesday, along with Bermudian insurance pioneer, Brian Duperreault, I participated in the opening panel at the Bermuda FinTech Forum. The forum attracted investors, tech industry professionals, support industries and leaders of several recent Bermuda start-ups. The discussion titled “Innovation Island: Why Industry Pioneers Choose Bermuda,” highlighted Bermuda’s history of innovation in insurance and compared Bermuda’s role in that industry’s evolution with the current disruption seen with FinTech.

Mr. Speaker, I endorse the comments of the CEO of the BMA [Bermuda Monetary Authority], Mr. Jeremy Cox, who said, “London is an important market for Bermuda, so this offered us a great opportunity to educate, raise awareness, and answer in-depth questions. The BMA was proud to participate in an initiative that raised Bermuda’s profile and underscored our world-class regulatory reputation.”

Mr. Speaker, while overseas, I had the opportunity to host two networking receptions for Bermudians living in the United Kingdom, organised by the London Office. The first event was the annual networking reception in London. It is an opportunity for Bermudians to network amongst themselves and with the industry participants who attended the BDA forum and, at the same time, engage directly with myself on the issues they feel are crucial.

The second event was a result of a promise I made last year to reach out to those Bermudians further north. The event was held in Nottingham, the first of an annual series in different locations outside of London. I was honoured to see Bermudians still very much connected to their home and remaining in contact with Bermudians across the United Kingdom, supporting each other on a daily basis.

What was most gratifying about the interactions, Mr. Speaker, is that a vast majority of Bermudians living in the United Kingdom planned on returning to Bermuda after they completed their studies and skills training. I pledged that the Government will execute its plans to ensure that there is a place for them here when they return home.

Mr. Speaker, the London office will take extra steps to ensure that they are available to those in the United Kingdom as far as Scotland and even throughout Europe. In addition to these annual networking events, the London Office will provide open walk-in Consular Days in various locations across the United Kingdom, starting in the New Year.

[Desk thumping]

Hon. E. David Burt: Mr. Speaker, Honourable Members will be aware of the considerable consultation and technical efforts that have been devoted to addressing the issue of our assessment by the EU Code of Conduct Group, as it looks to create a list of non-cooperative jurisdictions for tax purposes. A principal focus of my time in Europe was to engage at the political level of the European Union to build relationships in Brussels for Bermuda.

Mr. Speaker, discussions were held with EU Permanent Representatives in Brussels and tax attachés with the Governments of Slovenia, Malta, Lithuania, Belgium, Switzerland, and Romania. The meeting with the Romanian Ambassador to the EU was critical in understanding the agenda for the Romanian Presidency of the European Council from this January, particularly as we prepare for the opening of our Brussels Office.

The Romanian Ambassador and I had firm discussions not only on Bermuda’s assessment by the Code of Conduct Group, but in understanding the immense challenges ahead for Romania in managing the implications of the possible exit of the United Kingdom from the European Union.

Mr. Speaker, the consistent message delivered and conveyed to all EU Member States with whom I met is that Bermuda is a high-quality jurisdiction which has been a leader in global tax transparency.

Mr. Speaker, following my meetings in Brussels, I returned to London. And it is important to renew “Bermuda friendships.” In this regard, I had the opportunity to re-engage with key stakeholders of the UK Houses of Parliament through a meeting with the Britain–Bermuda All Party Parliamentary Group. Together with the Chair, Sir David Amess MP, and the Bermuda London Office, a programme of key engagement events with the All Party Parliamentary Group have now been agreed and began with this initial meeting. These scheduled events were developed with a view to cultivating an accurate understanding of Bermuda and where we see our agenda for the future—essentially, making our friends before we need them.

Mr. Speaker, Honourable Members will be aware that the UK Government organises an annual meeting for the leaders of the Overseas Territories to engage with Ministers on points of mutual interest. Mr. Speaker, I was joined by the Honourable Member, the Minister for the Cabinet Office. The council was chaired by Minister of State for the Foreign & Commonwealth Office, Lord Ahmad, of Wimbledon.

Mr. Speaker, Honourable Members will also be aware of the significant political issues unfolding daily in the United Kingdom. In an effort to provide information to the Overseas Territories, the Joint Ministerial Council heard from the Parliamentary Under Secretary of State, at the Department for Exiting the

European Union, Robin Walker MP. With the ongoing uncertainty surrounding virtually every aspect of the Brexit debate, the impact of the UK leaving the EU on the Overseas Territories will continue to be monitored by this Government, and Bermuda made ready for any scenario.

Minister Robin Walker assured leaders that the UK is obligated under the Constitution to set the framework which works for the entire UK family including the Overseas Territories, and to take into account any current relationship with the EU.

Mr. Speaker, following the debate and vote in the UK Parliament next week, I may be better placed to update Honourable Members and the public on issues related to free movement throughout the EU, continued access to the Schengen Area as British Overseas Territories citizens, and the impact, if any, on those Bermudians who possess a British Citizenship passport. Initial indications are that those Bermudians who do possess a British Citizenship passport will be subject to the terms of the withdrawal agreement, whether the deal is passed through the UK Parliament or a no-deal scenario arises with no arrangements in place. In a no-deal scenario, contingency plans will be implemented by the UK Government, as it will be their responsibility to their wider citizenry.

Mr. Speaker, on a weekly basis, Bermudians experience disruption to their travel arrangements as a result of the long-standing passport issue with which Honourable Members are familiar. While at the JMC [Joint Ministerial Council], Minister Brown held a productive meeting with representatives of Her Majesty's Passport Office, and we believe we have moved closer to resolving the problem of Bermuda passports being printed and issued in the United Kingdom. We had firm assurance, this time at ministerial level, that the matter will be resolved. I will continue to press the United Kingdom Government on this issue until an acceptable solution is in place.

Mr. Speaker, this was my second attendance at the Joint Ministerial Council, and doing so against the backdrop of such a significant issue as Brexit reinforced the necessity for Overseas Territories generally, and Bermuda in particular, to continue the work to diversify our economy and promote economic growth to the benefit of our people here at home.

The sustainability of our quality of life and the necessary improvement of the lives of our citizens are squarely our responsibility. Global trends and the competing political interests among the EU family of nations demand that local governments do all they can to insulate their economies, their communities and their development from these events, which are far beyond our influence and control.

Thank you, Mr. Speaker.

The Speaker: Thank you, Mr. Premier.

The next Statement this morning is in the name of the Deputy Premier.

Deputy Premier, would you like to present your Statement?

Hon. Walter H. Roban: Thank you, Mr. Speaker. Good morning to everyone. Good morning to Bermuda.

The Speaker: Good morning.

INVESTIGATING COMPLAINTS OF PRICE GOUGING

Hon. Walter H. Roban: Mr. Speaker, I rise to highlight Consumer Affairs' efforts to [investigate complaints from the public regarding alleged price gouging](#).

Mr. Speaker, Consumer Affairs has received a number of complaints about the hike in prices of certain staples. Persons have complained that some food retailers have tried to blame the rise in the prices on the new sugar tax for goods that are not covered under the tax. Similarly, persons have also sent me pictures of fresh vegetables with prices that appear to be exorbitant. Unfortunately, with the higher seasonal demand on certain goods, it seems that the prices of certain items are always higher this time of the year. This year, as has been true in recent years, some persons are having to forgo enjoying their traditional foods because they are finding it harder to make ends meet.

Mr. Speaker, Honourable Members and the general public may not be aware that the Consumer Protection Act 1999 (the Act) gives Consumer Affairs the authority to investigate complaints of price gouging. This comes under the heading of Part III, UNFAIR BUSINESS PRACTICES. Section 11(1)(b)(ii) of the Act states the following:

"11(1) For the purposes of this Part the following shall be deemed to be unfair business practices—

"(b) an unconscionable consumer representation made in respect of a particular transaction and, in determining whether or not a consumer representation is unconscionable, there may be taken into account that the person making the representation or his employer or principal knows or ought to know . . ."

"(ii) that the price to be charged will grossly exceed the estimated or quoted price, or that the price grossly exceeds the price at which similar goods or services are readily available to like consumers . . ."

Mr. Speaker, as you are aware, in Bermuda, where we import the majority of our foods and materials, it is often difficult to assess fair pricing. Rising food prices are a global issue and, as Bermuda is part of the global economy, we are also affected. Pricing, however, is subject to many variables such as global market influences, natural disasters and conflicts, product volume and country of origin, negotiated price, shipping, customs duty, taxes and local operational costs, to name a few. In addition, many of our

items are shipped in smaller quantities, which drives up the price per unit.

As an example, you would have also been aware of the recent recall, right here in Bermuda, of romaine lettuce. A few days ago, there was a story on the US news about the recall of certain beef products. The scarcity created by these recalls pushes up prices, particularly when they have to be purchased from countries farther away than the United States. Because of the greater distances, the cost of shipping will also rise.

Mr. Speaker, in addition to the costs to imported food, we must also take into consideration that retailers must add on a percentage to pay their staff and operating costs, and to earn a profit in order to keep them operating. This also applies to fresh produce. Our farmers must also pay import costs for seed and other supplies, in addition to paying staff and other operating costs.

Mr. Speaker, we appreciate that Bermuda businesses are facing a shrinking market share, higher operational cost and a decline in consumer spending. But we must also remember that the high cost of food contributes to the high cost of living, which impacts the quality of life for most of the general public.

Honourable Members would be aware that a good indication of how the prices will impact spending on food is through the Consumer Price Index (CPI), provided monthly by the Department of Statistics. The index for their food basket consists of 60 food items listed under the following 10 categories:

1. Bakery Products;
2. Cereals and Cereal Products;
3. Dairy;
4. Meats and Fish;
5. Oils and Fats;
6. Fruit;
7. Vegetables;
8. Sugar and Confectionary;
9. Prepared Foods and Snacks;
10. Non-Alcoholic Beverages.

The average annual increase of prices for food since 2013 ranges from a low of 1.4 per cent to a high of 3.1 per cent as compared to income for most consumers that either remains static, at best, or decreases, at worst.

Mr. Speaker, it is incumbent upon us to be vigilant and informed consumers who will check prices before buying; know which foods are in season; and, if looking for fresh foods, support our local farmers. Consumers can also question any exorbitant price changes with store managers, because sometimes the pricing may be the result of human error.

Having said that, I want to assure the public that Consumer Affairs will continue to investigate all complaints of alleged price gouging, whether food or services. Thank you. Mr. Speaker.

The Speaker: Thank you, Deputy.

The next Statement this morning is in the name of the Honourable Minister Brown.

Minister.

Hon. Walton Brown: Yes, good morning, Mr. Speaker.

The Speaker: Good morning.

UPDATE ON THE CODE OF PRACTICE FOR PROJECT MANAGEMENT AND PROCUREMENT— FRAMEWORK AGREEMENTS

Hon. Walton Brown: Mr. Speaker, I rise today to provide an update to the Members of this Honourable House and the people of Bermuda on the implementation of the [Code of Practice for Project Management and Procurement](#). In particular, I wish to focus on the work that is being undertaken to implement framework agreements.

The Code of Practice for Project Management and Procurement was implemented on July 2, 2018. Accordingly, the public service is now taking the necessary steps to implement procurement strategies that leverage the Government's purchasing power, maximise efficiencies and achieve cost savings. To this end, the Government is identifying opportunities to aggregate purchases and negotiate favourable rates.

Mr. Speaker, the code, in accordance with section 35, Framework Agreements, sets out conditions for the use of framework agreements by public officers when the Government wishes to contract for the provision of goods and services.

Mr. Speaker, a framework agreement maximises economy, efficiency and effectiveness in procurement. It consolidates the government's buying power and gives public officers the flexibility to order goods and services from private sector suppliers, without going through the full tender application process more than once during a defined period. This is as opposed to each department and/or ministry undertaking a tendering process to acquire the same goods and services for their individual shops. The administrative burden associated with the repetitive tendering processes throughout government has proven to be time- and cost-prohibitive and contributes to ongoing inefficiency.

Mr. Speaker, when setting up a framework, the Government, via the Office of Project Management and Procurement, will run a full procurement exercise to select suitable suppliers, and set terms and prices for a period. The suppliers are awarded a place on the framework agreement, and individual departments and ministries will not have to engage in any further tendering for the relevant product or service during the term of the agreement.

Mr. Speaker, at present, framework agreements are being developed for the procurement of commodities such as office supplies, uniforms, tele-

communications services, and other standard operating products and services.

Mr. Speaker, the Government will commence the implementation of framework agreements with mobile devices and services. Mr. Speaker, in accordance with the code, several months ago, the Office of Project Management and Procurement used a restricted tendering procurement method to solicit quotations for the provision of a varied menu of mobile services. The objective of the solicitation was to secure fixed and preferential pricing from the carriers.

Mr. Speaker, in response to the solicitation, the relevant carriers developed specific packages, based upon the services required by the bulk of the Government's mobile users. Each service package takes into account cost-saving initiatives such as the inclusion of overages in data usage management, a data provision to include free access to the Government and officially nominated sites, and the elimination of charges for overages. In order to determine the optimal combinations of services and prices, as part of the tendering process, carriers were asked to submit their best and final offers.

Mr. Speaker, the terms of the framework agreement are now being finalised, and it is expected that its use will provide for more efficient and cost-effective purchases of mobile devices and services. The main purpose of this approach is to ensure that consistent and cost-effective rates are applied, for the benefit of all Government's mobile users. Device types will be standardised via bulk purchases of unlocked devices, and device usage will be managed in a further effort to control costs.

Mr. Speaker, the Government expects that it will have at least three framework agreements for various products and services in place by the end of this fiscal year. The advantages to the Government of using framework agreements include less downtime between identifying a need and fulfilling it; a reduction in administrative costs, with the removal of the full procurement process for every requirement; and potential savings with economies of scale, in that suppliers may offer more competitive prices.

Mr. Speaker, suppliers will also benefit from the introduction of framework agreements with the reduction in the administrative burden, due to a streamlined procedure in working with the Government. Mr. Speaker, framework agreements save time. This is especially true for relatively simple, frequently repeated purchases, such as office supplies. Framework agreements will allow the Government to choose suppliers that offer long-term value, so as to reduce overall procurement costs and save internal resources. The Government will also have certainty, as prices are set for the duration of the term of the framework.

Mr. Speaker, framework agreements provide for the implementation of processes that promote agility, enabling public officers to react and adapt op-

timally in a speedy and cost-effective manner, whilst maintaining good governance practices.

Mr. Speaker, this Government will continue to focus on maintaining internal efficiency and effectiveness by implementing processes and policies established to drive accountability of all public officers. Our vision is a future-forward Government for the people of Bermuda. Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

The final Statement this morning is in the name of the Minister of National Security.

Minister, would you like to present your Statement?

Hon. Wayne Caines: If it pleases you, Mr. Speaker.

The Speaker: Continue.

ROYAL BERMUDA REGIMENT UPDATE

Hon. Wayne Caines: Mr. Speaker, since my last update on the Royal Bermuda Regiment four months ago, the [Royal Bermuda Regiment](#) has been hard at work, focused on transforming into a modern-day organisation that is fit for purpose in Bermuda. I would like to provide this Honourable House with an update.

Mr. Speaker, after consultation with the Ministry of National Security and Government House, the Bermuda Regiment's Strategic Review Working Group concluded its work and made several key recommendations. The first of these recommendations is that the Bermuda Regiment must redouble its efforts and invest in its people. To this end, the Regiment is reinforcing its Training Wing so that its training is delivered to a higher standard, and externally validated where possible. Soldiers will pick up more qualifications and have greater opportunities to attend courses both locally and overseas.

Secondly, Mr. Speaker, the Bermuda Regiment aspires to offer learning credits to soldiers who are in good standing, in order to further their education and development. Growing the capability of the men and women who make up the Regiment can only result in growth of the capability of the Regiment as a whole.

Mr. Speaker, the third recommendation is that the structure of the Regiment will change for the better to reflect its operational output and its volunteer status. In November, the Regiment reduced from five to three companies, to form two operational companies of about 100 soldiers each, supported by a Logistics Company and a Training Wing. Internal security in support of the Bermuda Police Service is the focus of A Company, while B Company has a dual focus on Humanitarian Aid and Disaster Relief, both locally and overseas, and on ceremonial duties, including Band Displays.

Mr. Speaker, in the absence of any direct hits by major storms during the just-concluded hurricane

season, the Regiment has been able to direct its focus on enhanced training. There were two camps held this fall. A Company, the Band and Signalers completed the second half of their local camp in October. Over the course of camp, A Company honed internal security drills, the Band participated in school engagements and the Signalers received on Island training from British Army Signalers. The Boat Troop also held their two-week camp. Features of this year's camp included oil booming with RUBiS, navigation training, boarding drills and port security training.

Mr. Speaker, the Royal Bermuda Regiment continues to offer soldiers opportunities for military, professional and personal development. During this period, soldiers and officers attended a variety of courses overseas. Three officers attended [courses at] the Defence Academy of the United Kingdom at Shrivenham, with two completing the Advance Command and Staff Course, and one completing the Intermediate Command and Staff Course. Four soldiers successfully completed the All Arms Basic Drill Course at Catterick, UK. One soldier will attend the Warrant Officer's Course at the Caribbean Institute of Professional Military Education at the Moneague Training Camp in Jamaica.

Mr. Speaker, this fall also saw the conclusion of the Junior Non-Commissioned Officers Cadre and the promotion of several soldiers. The cadre comprised two phases: a tactics phase, which concluded with a test exercise at Camp Lejeune, North Carolina, in May; and the Defence Instructional Techniques phase, which concluded this fall. The cadre is the first rank that a soldier can obtain. It teaches soldiers how to command, administer and teach a section of up to 12 soldiers. In November, 14 soldiers completed the course and were promoted to Lance Corporal.

Mr. Speaker, additional promotions within the Royal Bermuda Regiment included six soldiers promoted to Corporal, five soldiers promoted to Sergeant and three soldiers were promoted to Colour Sergeant. All promotions were recognised and celebrated at the Commanding Officer's Parade. These promotions are an excellent indicator of the dedication of Royal Bermuda Regiment soldiers to service to their country, and to their own personal development.

Mr. Speaker, in addition to the military and command courses offered to soldiers, the Royal Bermuda Regiment has been delivering a GED (General Education Diploma) course. There are currently 11 soldiers participating. Four soldiers have already obtained their GED certificate through the programme. The courses are taught at Warwick Camp by experienced instructors. In 2019, the Regiment intends to expand the education and development opportunities that are available to all of its soldiers. These subsidised, further education opportunities make the Regiment more attractive to potential recruits and, in turn, produce higher-quality soldiers with demonstrated investment in their own advancement.

Mr. Speaker, one of the benefits of joining the Royal Bermuda Regiment is gaining skills that can be transferred to civilian life. Earlier this year, four Regiment medics completed the St. John's Ambulance Emergency Medical Responder course. These new medics will complement the handful of doctors, nurses and emergency medical technicians already serving within the Royal Bermuda Regiment. This fall, the medics attended the St. John's Ambulance First Aid Instructors Course. Having completed the Instructors Course, the medics will be able to deliver the eight-hour St. John's Ambulance First Aid Course to the entire Regiment in 2019.

Mr. Speaker, if you have been to any major event in the lead-up to the holiday season, it would have been impossible for you to miss the Royal Bermuda Regiment Band and Corps of Drums. Starting with Remembrance Day observances in November, to the annual Santa Clause Parade, various tree-lightings and walkabouts, the Band has been ever-present and in fine form. Furthermore, the Royal Bermuda Regiment Band has been lending support to various school music programmes and, in turn, has benefited from 10 student bandsmen bolstering its ranks.

Mr. Speaker, 2018 has been a turning point for the Regiment with respect to the formal end of conscription. Looking forward, 2019 will be the year when the seeds of change bear fruit. The renewed offer to our soldiers of enhanced training, and increased education and development, will be a key feature. The Regiment will continue to market itself as a feasible long-term career, which will provide leadership and management training for enlisted ranks and [junior officers].

Mr. Speaker, in July 2018, the Regiment held its first summer recruit camp. The recruit camp was the first camp run specifically for a platoon-sized intake and aimed to cover less material, but to a higher standard. This model proved to be one of the most successful recruit camps in recent memory. In 2019, the Regiment will follow up the two-intake model, with the first intake on February 17, 2019, and the second will be on June 30, 2019. Any person interested in joining can call the Bermuda Regiment number, 238-1045—238-1045. Or, they can visit the Royal Bermuda Regiment's website at www.rbr.bm. In 2019, the Regiment will have in place a framework to recruit all year round, which will allow soldiers to start training immediately.

Mr. Speaker, work continues to stand up the much-anticipated Coast Guard Unit. The Regiment has taken possession of Watford House on Watford Island, and, pending final approvals, a floating dock and fencing will be installed. Early in the new year, a Royal Navy training team will be on Island to review the work done to ensure that the proposed training in the pipeline is UK Maritime and Coast Guard Agency compliant. The training team will also review implementation timelines for feasibility. It is the Regiment's intent that

the new Coast Guard will work jointly with the Bermuda Police Service during the first year to enable training to be completed and for Coast Guard personnel to gain experience.

Mr. Speaker, early in the New Year, the Royal Bermuda Regiment will roll-out its five-year plan. The plan provides for a medium- and long-term roadmap for realising the changes that the Bermuda Regiment intends to make toward modernisation. Change will not happen overnight, but the Royal Bermuda Regiment is up to the challenge. The Commanding Officer and his staff are motivated and committed to delivering a first-class Regiment that is able to quickly adapt and respond to the Island's security and protection needs. Bermuda is a small and isolated island, and the Regiment plays a central role in maintaining our autonomy and independence in the face of disaster and the unknown.

It is hoped that, in 2019, with the evolution of the Royal Bermuda Regiment Coast Guard, the Regiment will provide an even greater benefit and service to the people of Bermuda.

Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

That brings us to a conclusion of the Ministerial Statements for this morning.

REPORTS OF COMMITTEES

The Speaker: There are none.

QUESTION PERIOD

The Speaker: There are three written [answers] before us this morning. The first question this morning is from the Leader of the Opposition to the Honourable Premier. Each of these questions, I must stress, have just sought to have a written answer rather than an oral answer on the floor.

So, the first is to the Premier from the Opposition Leader.

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

Mr. Speaker, pursuant to the conversation of which you just had, and pursuant to Standing Order 18(4), I will defer the answering of this question.

QUESTION: FINTECH JOB CREATION IN BERMUDA [Answer deferred]

Hon. L. Craig Cannonier: 1. Will the Honourable Premier please inform this Honourable House how many jobs have been created as a direct result of the forty-four (44) recently announced incorporated FinTech companies, the job titles and number of Bermudians employed?

The Speaker: Okay.

The Clerk: For number 1.

The Speaker: The second question is to the Premier from the Member from constituency 10, MP Dunkley. Premier, again it is a written response.

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

As per the conversation that I just had and pursuant to Standing Order 18(4), I shall defer the answer of this question.

QUESTION: GOVERNMENT TRAVEL EXPENSES [Answer deferred]

Hon. Michael H. Dunkley: 1. Will the Honourable Premier please provide to this Honourable House a complete list of any trip paid out of the consolidated fund that has been taken by any Government Member of Parliament or Government Senator from July 18th 2017 through November 23rd 2018 inclusive of purpose of trip, travel destination and all costs associated with the trip in itemised fashion?

The Speaker: Thank you.

And the third question is actually to the Minister of National Security.

Minister of National Security, your question is from the Member Sylvan Richards.

Hon. Wayne Caines: The answer was provided, Mr. Speaker.

The Speaker: They were provided?

Hon. Wayne Caines: Yes.

QUESTION: NUMBER OF WORK PERMITS APPROVED SEPTEMBER, OCTOBER, NOVEMBER 2018

Mr. Sylvan D. Richards, Jr.: 1. Would the Honourable Minister please confirm for this Honourable House the number of work permits approved in the months of September, October and November 2018? Please provide a separate figure for each month.

The Speaker: You have your answers?

Thank you.

That is all that was required because there were no oral responses required.

So that now moves us on to the Statement questions. That moves us on to questions on the Statements this morning. And again, we have Members who wish to ask questions in regard to the morning's Statements.

Premier, the first questions are to you. And the first one is from the Leader of the Opposition.

And let me remind Members again that there is a 60-minute period for these questions.

Leader of the Opposition, would you like to put your question to the Premier on his visits and trips to the UK and Europe?

QUESTION 1: THE 2018 JOINT MINISTERIAL COUNCIL AND RELATED MEETINGS IN THE UK AND EUROPE

Hon. L. Craig Cannonier: Good morning, and thank you, Mr. Speaker.

On the back side of the first page, the Premier mentions the networking reception for Bermuda abroad. And certainly, I am familiar with those. But in the last sentence of the third paragraph on this page, the Premier mentions that this was a time to “engage directly . . . on issues they feel are crucial.” So, at this meeting, I was curious as to what were some of the common themes of issues that were crucial to those who attended that, basing that also in a following paragraph, where he mentions that he will “execute . . . plans to ensure that there is a place for them here when they return”

The Speaker: Thank you, Honourable Member.
Premier.

Hon. E. David Burt: I thank the Opposition Leader for his question. And I think what is most crucial for persons who are living overseas is whether or not there is a place for them at home when they are ready to return. And a place for them at home when they are ready to return, Mr. Speaker, involves a couple of things. Number one, it is the question of, without question, a *job* and opportunities to work. But also what is important is a place to live.

And the conversation of which I have had with a number of young people is that they do not wish to be living overseas independently for 10 years, and then return home to live in the same room of which they grew up and in their parents’ house. And that is something that is very clear, and that is something that we have understood to be an impediment to some people wanting to return home.

And that is the reason why, Mr. Speaker, inside of our Throne Speech we said that we will move ahead with plans to construct affordable student one-bedroom apartments in the City of Hamilton, to enable those young people who are overseas who wish to come back to Bermuda to get themselves a property ladder to come back and contribute to their country, to give them the opportunity to do so.

The Speaker: Thank you.
Supplementary or new question?

Hon. L. Craig Cannonier: Supplementary, Mr. Speaker.

The Speaker: Supplementary. Continue.

SUPPLEMENTARY

Hon. L. Craig Cannonier: Taking that into consideration, further on down, I mentioned in a following paragraph it says “[when they have] completed their studies and skills training.” Did the Premier find that the studies and skills training that were going on with those whom he met with were they in fields that are vibrant in Bermuda? Or were they in industries that we do not have in Bermuda?

The Speaker: Thank you.
Premier.

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

As the Opposition Leader could imagine, there were a number of different students, mature and young, who were studying different things and who were engaged in different activities. But there were a number who were involved in getting things in qualification in education, in nursing, in social services—all things which are, without question, necessary and required here in Bermuda.

A number of the students of whom I met with have already contacted my office, will be scheduling meetings with either the Department of Workforce Development or [other] government departments to find out how they can participate in internship programmes, going forward, as the Government of Bermuda wants to make sure that we can recruit suitably qualified Bermudians in these areas of particular interest, especially in the areas of education, social services and, of course, health care provision.

The Speaker: Thank you.
Further supplementary or question?
Supplementary from the Opposition Whip.
Honourable Member.

SUPPLEMENTARY

Ms. Susan E. Jackson: Thank you, Mr. Speaker, and good morning.

Yes. I am just curious. I remember a couple of weeks ago there was discussion about having interns and internships in some of our overseas offices. So, having had a reception with young Bermudians and Bermudians living overseas, what is the most recent development on the building up of internship programmes, in particular the opening of the Brussels Office, which is on the third page of this Statement?

[Inaudible interjection]

The Speaker: Yes, I was trying to ascertain the question.

Ms. Susan E. Jackson: What is being done to provide internships, which is a follow-up to a Statement

which you made earlier? What is being done for internships and building up an internship programme in the opening of the Brussels Office?

Hon. E. David Burt: Mr. Speaker, the Brussels Office has not yet been opened. While I was in Brussels, I did have a chance to meet with Ms. Kimberley Durrant, who runs the London operation, to view the space of which the proposal on the Brussels Office is supposed to be.

Regarding the overall question of the internship programmes, which was announced in the Throne Speech . . . and I am very happy that Members opposite are referencing the Throne Speech and the plans which were laid out in the Throne Speech. Any future plans as to the implementation of those particular issues which were laid out in the Throne Speech will be shared with Honourable Members when they are complete.

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

Hon. L. Craig Cannonier: New question.

The Speaker: New question. It is your second question. Continue.

QUESTION 2: THE 2018 JOINT MINISTERIAL COUNCIL AND RELATED MEETINGS IN THE UK AND EUROPE

Hon. L. Craig Cannonier: Yes, second question.

On the last page, the Premier mentions that “Minister [Robin] Walker assured leaders that the UK is obligated under the Constitution to set the framework which works”—and I want to emphasise this—“for the [entire] UK family including the Overseas Territories” Has the Premier outlined to Mr. Walker, to London, what is important to Bermuda and what are our issues? What is important?

The Speaker: Premier.

Hon. E. David Burt: Could I ask the Opposition Leader to clarify the question?

Hon. L. Craig Cannonier: Sure.
Oh . . . Sorry.

The Speaker: No. Go ahead.

Hon. L. Craig Cannonier: Certainly. If you go back over to the (they are not numbered, the pages). “With the ongoing uncertainty surrounding virtually every aspect of the Brexit debate, the impact of the UK leaving the EU on the Overseas Territories will continue to be monitored by this Government, and Bermuda made ready for any scenario.” So, I was asking the

question, Have we made it very clear, specifically? For instance, one of those that we have made very clear, and you guys have made it clear, is that we have an issue with passports. But what were some of those other very key issues that Bermuda is having, understanding that we have got these challenges with Brexit and the likes?

The Speaker: Premier.

Hon. E. David Burt: I thank the Opposition Leader for his question. I think that the Bermuda Government has put forward its case very clearly. And, as the Opposition Leader will know, we have the option to do that every Wednesday when we go to Government House. So, the interactions and activities which take place over at the Joint Ministerial Council [JMC] is an opportunity for Overseas Territories, in general, to go ahead and to put forward their issues.

From the situation, however, of Brexit, the issue of Brexit, really, Mr. Speaker, is a question of certainty. And it is unfortunate that there is so much uncertainty in the United Kingdom right now. And no one actually knows what will come of it. So, the hope and thought was that this Joint Ministerial Council, just like the pre-Joint Ministerial Council, which took place earlier, would be able to provide us a measure of certainty so that we can actually begin to plan effectively.

But what we saw are Ministers who were scheduled to be at the JMC being called out, the meeting with the Prime Minister had to be postponed because there was a series of votes that took place in the UK Parliament. So, it was a very tumultuous time.

What I would say is that, from the perspective of the Government of Bermuda, what is important is certainty. We want to make sure that our students who are living overseas or Bermudians who are living overseas, whether they be in Europe or in the United Kingdom, have the opportunity to continue that. We want to make sure that our access to home fees, which these people have in the United Kingdom, does continue.

There was a question as to whether or not that may or may not happen. That has now been clarified.

And so, from those perspectives, we relay these particular items. But, the Bermuda Government, as an overall perspective, does not have that many concerns with Brexit, because unlike other Overseas Territories, whether they be those that are inside of the EU themselves, like Gibraltar, or others that actually receive direct assistance from the European Union such as we do not receive, it is not as big of a deal for Bermuda as it is for a lot of the other Overseas Territories, Mr. Speaker.

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

Hon. L. Craig Cannonier: New question.

POINT OF ORDER

[Misleading]

The Speaker: Third question, your last question. Yes.

**QUESTION 3: THE 2018 JOINT MINISTERIAL
COUNCIL AND RELATED MEETINGS
IN THE UK AND EUROPE**

Hon. L. Craig Cannonier: Yes, yes.

The following paragraph mentions the issue with the passport office. And I was just curious as to—we know how overseas offices can be a bit lethargic in getting to things, especially when it comes to Overseas Territories and their challenges.

I was curious with the Bermuda passport issue here. Was there a timeline given by the office as to when they would resolve this particular issue? Or is it just still open-ended?

Hon. E. David Burt: No timeline was given.

The Speaker: (Deputy? Sergeant? Oh, okay. All right. Did not want you to walk the wrong way.)
Supplementary?

Ms. Susan E. Jackson: Yes.

The Speaker: Yes.

SUPPLEMENTARY

Ms. Susan E. Jackson: My question is, Can you please tell us what some of the proposed solutions are, as you move closer to resolving the problem of Bermuda passports?

The Speaker: Premier.

Hon. E. David Burt: Thank you very much.

I am happy to outline for the Honourable Member what some of the proposed solutions are.

The issue is that, unfortunately, and I am not trying to throw stones here, Mr. Speaker. But it is a fact that this was a matter that we inherited. And if the former Government had had their eyes on the ball, we probably would not have gotten to this point where we find ourselves, trying to clear up an issue that there was previous consultation for—

[Desk thumping]

Hon. E. David Burt: —that there was—

Hon. Patricia J. Gordon-Pamplin: Point of order, Mr. Speaker.

Hon. E. David Burt: —previous consultation for—

The Speaker: Point of order.

Hon. Patricia J. Gordon-Pamplin: The Honourable Member is misleading the House.

The issue with respect to overseas passports was definitely something for which we had the eye on the ball. It was an issue in which it was only in 2016 that the UK assumed the processing of the passports. It was towards the end of that year that we were made aware of some of the practical challenges. And *immediately*, we commenced dealing with the passport issue through the HMPO [Her Majesty's Passport Office].

So, for the Honourable Member to say that . . . yes, they inherited it. But it was something that was newly developing. And we were never made aware of the extent and the gravity of the challenge during the short period of time between the taking-over of the passport issue by the UK HMPO and the change in the government.

[Inaudible interjections]

Hon. E. David Burt: And, Mr. Speaker, I appreciate the Honourable Member's intervention, her point of order.

I do not accept it, as the United Kingdom Government gave consultation to the former Government in advance of the decision, and those particular items were not followed up on to identify the challenges of which would arise.

An Hon. Member: Aha! Aha!

Hon. Patricia J. Gordon-Pamplin: Point of order, Mr. Speaker.

The Speaker: We will take a short point of order.

Hon. Patricia J. Gordon-Pamplin: Yes.

POINT OF ORDER

[Misleading]

Hon. Patricia J. Gordon-Pamplin: I think it is important to understand. The Honourable Member perhaps, may be inadvertently, misleading the House.

The issue with respect to the challenges that were created came after the fact by virtue of the new passports having changed the BMU designation on the passport to GBR. And that is where the issue came. And it was well after the fact that we actually were made aware that this was creating a challenge.

The Speaker: Continue on, Premier.

Hon. E. David Burt: Mr. Speaker, I will say it one more time. That consultation came from the United

Kingdom Government regarding this particular issue. And if the former Government had their eye on the ball regarding the types of things that would happen and the changes to the passports which may have existed, this problem may have been able to be addressed previously, as opposed to after the fact.

Because what we are dealing with, as the Honourable Member has said, is a simple matter of coding. However, this was not done. So, when the problems occurred, which should have been identified before they started happening if people were paying attention at that time . . . we now find ourselves in an issue that we have inherited.

Regarding this particular issue, what was done is investigation into what IT solutions are there. And specifically, the challenge of this numbering, this letter, this coding issue is one that the Minister who has responsibility for the Cabinet Office, has intent, has lots of detail with. I am happy to defer to him if Members would like to have additional questions. Or if they wish to ask additional questions—

The Speaker: No. They will have an opportunity to put further questions at a later time.

Hon. E. David Burt: Absolutely.

But I think here is the thing that is most important. What is most important is that on this particular coding issue, we have sought to make sure that the code can be changed. And, last year, there was a discussion that said, from Her Majesty's Passport Office, that, *Yes, we will try to do it*. What happened was, this year we got the same—and I will be very blunt inside this House—we got the same techno-speak from the same technical officers. I, in the Joint Ministerial Council, Mr. Speaker, said that this was not good enough. And I challenged the Minister with responsibility for the Overseas Territories to do something about the issue.

This is not something that is the fault of any particular Bermudian. The fact is that, despite the fact that people were not paying attention to what should have happened at that point in time, we find ourselves in the position where we have the ability to enter the United States without requesting a visa waiver, but we cannot apply for an ESTA [Electronic System for Travel Authorization] because we are not eligible for applying for one. It is a situation which has us in a legal no-man's-land, and it cannot be allowed to continue!

And what I said was I cannot accept, where we have people who are being stuck, our young people, overseas from getting back, a technocratic answer to say that *we will continue to examine the issue*. The answer was no. The Minister heard me very forcefully. The Minister said that he will make sure that he delivers on the promise. But in addition to that, he will use his additional influence of which he has with the international organisations, such as ICAO [Interna-

tional Civil Aviation Organization], who basically state that the coding of passports to make sure that a resolution of this particular issue can be found, Mr. Speaker.

I take it very seriously because I, like many others, are the ones who get the calls where people are stuck overseas, cannot get back, our young people and all the rest. And I do not accept that, for us who no longer have the ability to print our passports, to be stuck in a position where the rights of which we have negotiated ourselves cannot be exercised because the United Kingdom has decided to do something which is not in our national interest.

The Speaker: Thank you.

Hon. Patricia J. Gordon-Pamplin: Supplementary, Mr. Speaker.

The Speaker: Supplementary? We will take your supplementary.

SUPPLEMENTARY

Hon. Patricia J. Gordon-Pamplin: Yes. Mr. Speaker, the supplementary question that I have is, with the Minister indicating that *somebody took their eye off the ball*, in his response, would the Minister agree—

An Hon. Member: It was you!

[Inaudible interjections]

The Speaker: Members!

Hon. Patricia J. Gordon-Pamplin: Will the Minister agree that the communication with the Immigration Department and the technical officers who were making those interchanges with the HMPO, that the only item that was identified as being different was the fact that, for security reasons, the new passports would have biometric capabilities? And secondly, the only other thing that was different was that the passports would be printed overseas? And would the Minister answer the question as to whether he expected us to have a crystal ball with respect to the coding issue, the BMU versus the GBR?

An Hon. Member: Yes.

[Inaudible interjections]

The Speaker: Premier.

Hon. E. David Burt: Mr. Speaker, what I would expect from *any* Government is for them to be thorough, to examine the issue and to make sure that they have a full understanding of the changes. So, when they are asked about what may happen, they can at least

answer the question. They did not do that. We have this particular situation. We are working to resolve it. And it is my hope, after the political . . . the commitments that were given at the ministerial level, that this issue will finally be addressed.

The Speaker: Thank you.
Supplementary?

Ms. Susan E. Jackson: Yes, Mr. Speaker. It is not even a supplementary. I would just like to bring—

The Speaker: Well, if it is not a supplementary and it is not a question, I cannot take it at this time. It has got to be one or the other. You are only entitled to a supplementary, actually, because you have not put a question.

Ms. Susan E. Jackson: My question was not answered, Mr. Speaker. My supplementary was not answered the first time, which was, What are the proposed solutions to this problem? Closer to the resolving the problems of Bermuda passports, what are the proposed solutions? This was the first supplementary question I asked before that little diversion.

The Speaker: Premier, would you like to restate what you said earlier?

Hon. E. David Burt: I will state it one more time. The proposed solution is to do what the former Government should have had done the first time—make sure the coding in the passports for Bermudians is correct!

The Speaker: Thank you.
Supplementary?

SUPPLEMENTARY

Ms. Susan E. Jackson: Yes. So, I would like to know how the Government proposes to do that, changing the codes, and what is going to be the cost?

The Speaker: Premier.

Hon. E. David Burt: Mr. Speaker, the cost has not yet been determined. What I can state for the record is that the Minister for the Overseas Territories has given his commitment to examine. The cost may be as little as \$1,000. We do not yet know. But now, because of the work of this Government, we actually have firm political commitment at the ministerial level, which was lacking before.

The Speaker: Thank you.

Hon. Patricia J. Gordon-Pamplin: Supplementary. I had a point of order before. This is a supplementary.

The Speaker: You had two points of order. You did do one supplementary.

Hon. Patricia J. Gordon-Pamplin: I had one supplementary.

The Speaker: Okay. One more supplementary, yes.

The Clerk: There is one supplementary.

SUPPLEMENTARY

Hon. Patricia J. Gordon-Pamplin: Yes.

My second supplementary, based on the Premier's response, is, Is he aware of the fact that the PS [Permanent Secretary] for Immigration, as well as the Chief Immigration Officer, have actually expended tremendous interactions, consultations and communications with HMPO, starting from 2017?

The Speaker: Premier.

Hon. E. David Burt: Again, Mr. Speaker, the Honourable Member is making the point. Prevention is better than cure. If you dealt with the issue before it happened, then you would not be having to follow up after the change has already been implemented.

The Speaker: Thank you, Premier.
Supplementary? Supplementary, yes.

SUPPLEMENTARY

Hon. Michael H. Dunkley: Thank you, Mr. Speaker.
the Honourable Premier said Bermuda does not have many concerns with Brexit. The concerns that have previously been stated to the UK—employment, travel, residence and business—are they still on the table?

The Speaker: Premier.

Hon. E. David Burt: It is difficult to understand what the concerns may be, as we do not understand what may happen in the case of Brexit. What will happen with British citizens and the persons who are holding the passports, as I indicated in my Statement, is that they will be treated the exact same way. If there is an issue of a no-deal, then there is a question as to, number one, what will be rights of British citizens who are living overseas? And number two, what will be the rights of British Overseas Territory citizen [BOTC] passport holders overseas? Until we understand precisely what Brexit will be, then we do not know.

Under the draft withdrawal agreement, most of our concerns will be addressed. Persons who are living overseas currently in the European Union, who are holders of British citizen passports or BOTC passports, will be able to remain and to stay. However, if

there is a no-deal scenario where there is no actual agreement, and the United Kingdom crashes out, then there may be challenges there.

As I indicated inside of my Statement, the British Government is making contingency plans should that happen, and it remains to be seen. And I think we will have more clarity after next week.

The Speaker: Thank you.

No more supplementaries?

Premier, you have additional questions from other Members who would like to put questions directly. And the next is from the Member from constituency 23.

Honourable Member, do you still have a question you would like to put?

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

The Speaker: Go ahead.

QUESTION 1: THE 2018 JOINT MINISTERIAL COUNCIL AND RELATED MEETINGS IN THE UK AND EUROPE

Hon. Patricia J. Gordon-Pamplin: Mr. Speaker, based on the paragraph (the pages are unnumbered, but I will flip it) on page 3, the Premier indicated that he met with the Britain–Bermuda All Party Parliamentary Group, with its Chair, and they discussed, obviously, the challenges that we are having. And he talked about making friends before we need them.

The passport issue . . . I wonder if the Premier can advise whether the discussions with the Britain–Bermuda All Party Parliamentary Group revealed to him that similar discussions were had with the Public Accounts Committee in January of 2018 in front of that same group, highlighting in detail the very same problems that they committed to address?

The Speaker: Mr. Premier.

Hon. E. David Burt: I am a little bit lost with the question. I will just say that, at the lunch with the All Party Parliamentary Group, there was no discussion of passports.

The Speaker: Thank you.

New question or supplementary?

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

The Speaker: Okay.

SUPPLEMENTARY

Hon. Patricia J. Gordon-Pamplin: Because, following that discussion, as the Premier did not have the crystal ball to see what had been done, following that discussion, will the Premier admit, or will the Premier accept that the results from those discussions were held with the then Minister responsible for Immigration to advise that we had had the meeting with the Britain–Bermuda All Party Parliamentary Group, and that they were going to be looking into a resolution to the passport issue? And that conversation would have been had in March of 2018.

The Speaker: Mr. Premier.

Hon. E. David Burt: I am trying to understand if the Member is asking me to confirm that a meeting took place in March 2018. I am really not trying . . . I am not following. And I am also a little bit confused as to how we are talking about things in 2018, when we are the Government and . . . I am not following, Mr. Speaker. I am sorry.

The Speaker: I will give you a brief moment to clarify.

Hon. Patricia J. Gordon-Pamplin: Thank you. Just to try to clarify, just to try and clarify.

In January of 2018, the Public Accounts Committee [PAC], in its entirety, attended the . . . the Public Accounts Committee, in January of 2018, under the PLP administration, with I as the Chair, attended, in its entirety, for some training sessions in the UK. As part of that training session, we had a meeting, a luncheon, in fact—probably the same menu that you had—with the Britain–Bermuda All Party Parliamentary Group, at which time the issue of passports and the challenges relating thereto were discussed.

The Speaker: So, now that I am following you, your question to the Premier is, when he met with that same body of people, did they indicate that they had spoken to your body [of people] prior?

Hon. Patricia J. Gordon-Pamplin: No. He already indicated, he already said that he had not. But my question further is, my supplementary question is—the then Minister for Immigration, who has now moved to a different area, had conversations with us, with me, subsequent to that meeting, and that nothing further appears to have been in respect of a resolution to the passport issue.

Is the Premier aware that there was a commitment to look into the issue, that we had Parliamentary Statements concerning the issue, and nearly a year later there still is no resolution?

The Speaker: You have stretched your point. I am going to try and break it down as best I can.

Your first point was the PAC was in England in January. We have got that. During that time, they met with the same body that the Premier met with. We have got that.

Now, your question is, simply, Is the Premier aware that commitments that were made during that meeting are still yet to be fulfilled?

Hon. Patricia J. Gordon-Pamplin: That's correct.

The Speaker: Okay.

Hon. E. David Burt: Mr. Speaker.

The Speaker: Well, a long road to get to a short pike. But, Premier, can you follow that?

Hon. E. David Burt: Mr. Speaker, I will take a very long road, as well. Because the long road is very simple to understand.

So, say, for instance, Mr. Speaker, if you were building a house and you built a house, and you realised that your house may be built in the wrong place. You have, if you catch it when the plans and the architects and the layout is being done, you can correct that. If you find it after the fact that the house is already built, then it takes a little bit longer to resolve that particular issue, Mr. Speaker.

We found this. This problem was already fully baked into it. And we are doing the best that we can to resolve it. Am I pleased that it has not been resolved at this point in time? No.

Was my displeasure made very public at a meeting of the Joint Ministerial Council? Yes.

Have I secured, finally, ministerial commitment to resolving this particular issue? Yes! Which was not held before.

The Minister of the Overseas Territories has given his commitment to me, personally, that he will do his whatever-is-necessary in order to get this particular matter resolved, in addition to using his influence with international organisations. And we look forward to reporting progress and updating on that particular matter.

Mr. Speaker, the Government of the United Kingdom is a large and unwieldy instrument. We understand that. And that is the reason why it is important to make sure that these issues are caught before they happen as opposed to after the fact, when our people are suffering, as they are now.

The Speaker: Thank you.

Any further supplementary? Any further question?

Now, is this a new question?

Hon. Patricia J. Gordon-Pamplin: This is a new question.

The Speaker: So, you have got your second question, yes?

QUESTION 2: THE 2018 JOINT MINISTERIAL COUNCIL AND RELATED MEETINGS IN THE UK AND EUROPE

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

My second question to the Minister is, again, in reference to his Statement, on page 3 of his Statement, in which he indicates that, essentially, they are trying to make the friends before we need them as he was renewing Bermuda friendships.

The question that I have is, Is there any reason why . . . or, let me rephrase it. Are there no issues to discuss with other Overseas Territories leaders which would enhance the friendship that we have with either the UK or with other Overseas Territories leaders?

The Speaker: Premier.

Hon. E. David Burt: Mr. Speaker, we have numerous discussions with many Overseas Territories leaders, and they take place all the time.

The Speaker: Thank you.

Supplementary or new question?

Hon. Patricia J. Gordon-Pamplin: Supplementary.

The Speaker: Yes.

SUPPLEMENTARIES

Hon. Patricia J. Gordon-Pamplin: If the Premier, having said that he has those, could he explain to us why the Minister who accompanied him has been reported to have been saying that he refused to attend the FCO [Foreign and Commonwealth Office] meeting? Because we do not answer to the FCO, so, they did not bother to appear before them.

The Speaker: The question is to the Premier.

Hon. E. David Burt: I believe that question rates hardly seven words, Mr. Speaker.

The Speaker: The issue here is whether or not the question in its content falls within the content of the Statement that was put. And I do not believe, in the Statement, that the reference to the comment made by the Minister that you are referencing was entailed in the context of the Statement.

But, Mr. Premier, I am going to allow you some lenience if you wish, or not.

[Crosstalk]

Hon. E. David Burt: Mr. Speaker, I am happy to answer. I am happy to answer the question. But I find it laughable that the Honourable Member will . . . well, I shouldn't find it laughable. I would just find it the normal case that she would refer to something which was written inside of the *Royal Gazette*, which was not actually correct. It was not the Foreign and Commonwealth Office. The Joint Ministerial Council meeting is held by the Foreign and Commonwealth Office, which we attended. It was the House of Commons Foreign Affairs Select Committee. So, a bunch of people who were not in Government, backbenchers, who wanted to have a meeting and talk and discuss.

We do not answer to the House of Commons Foreign Affairs Select Committee. It was a voluntary invitation. We were not the only Overseas Territories leaders to decline the invitation. And we felt that our efforts could be used better in other instances. And so, for that, our time was better spent doing other things and engaging in other meetings.

That was something they wanted to have. These are backbenchers who felt that they wanted to have a committee meeting, and invited Overseas Territories leaders.

We do not answer to them, Mr. Speaker. So, we were not there.

The Speaker: Thank you, Premier.

Hon. Patricia J. Gordon-Pamplin: Supplementary.

The Speaker: Supplementary. Your second supplementary on this one.

Hon. Patricia J. Gordon-Pamplin: Yes.

The Speaker: Yes?

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: There was a question. And now my supplementary; it does not matter.

My supplementary question is, Does the Minister not agree, does the Premier not agree that building friendships would entail interacting with others in a setting in which they are together, and therefore, there may have been better economies of presence and use of time?

The Speaker: Premier.

Hon. E. David Burt: Mr. Speaker, I will be happy to share with the Honourable Member a video from the Foreign Affairs Select Committee. And she can find out whether or not she feels that this was a collaborative environment.

[Laughter]

The Speaker: Thank you.

Further question? No further question.

Premier, you have an additional Member who would like to put a question to you on the Statement. And that is the Member from constituency 11.

Member, would you still wish to put your question?

Mr. Christopher Famous: Good morning, Mr. Speaker.

The Speaker: Good morning.

QUESTION 1: THE 2018 JOINT MINISTERIAL COUNCIL AND RELATED MEETINGS IN THE UK AND EUROPE

Mr. Christopher Famous: Honourable Premier, would you elaborate for us and for the country on the whole about the reception, specifically for the Bermudian students overseas, the one in London and, more importantly, the one in Nottingham?

Thank you.

The Speaker: Premier.

Hon. E. David Burt: Thank you. I thank the Honourable Member for his question.

These particular meetings, I think, are particularly important. And, as I indicated inside of my Statement, Mr. Speaker, I made a commitment last year that there are a larger number of Bermudians who are living inside, and it may be difficult for those with families to travel to London for the singular event of which we had. The commitment that I had was to make sure that we had an event that was outside of London that would have enabled more persons to attend and to participate.

And so, in following with that commitment and keeping that promise, we were pleased to hold this reception in the further north. It was on a Sunday, the London Office, we travelled. And it was a very enlightening event. And we had the ability to interact with those students. There is a large number of students, actually, we did not realise, or I did not realise beforehand, who are actually attending the various schools in Nottingham.

But there were a large number of students. We were able to engage and to listen to them, find out about their studies, find out about the things of which they were concerned about, find out and answer and deal with questions insofar as residency, dealing with questions insofar as the different things of which we need. I mean, things were so simple, as there was a student who was over there studying, who did not actually realise that she was eligible for home fees. And she had been in the United Kingdom for three years, paying outside rates as opposed to the rates of which

she was eligible for. So, there were a number of things that came out of those meetings, Mr. Speaker.

And, as I indicated inside of my Statement, I impressed on the UK, the London Office, to be even more visible inside their interactions. One of the challenges of which they have had is that, because of the new regulations which have come into place inside the United Kingdom, which are data protection regulations, GDPR, they are actually unable to use the email list of which they used previously to announce these receptions.

So, we are working through those particular processes to make sure that the London Office can have more innovative ways, or newer ways, of getting around that to make sure that they communicate with students overseas. So, we had to invent a different way of reaching students. And we were successful, actually, in getting a good many people to the reception in Nottingham. I think we actually got 40 students.

But, as I said, Mr. Speaker, the question that was asked earlier, a lot of them want to know, What is going to be here for them when they decide to return? And, as I said, we have placed a number of them in touch with various agencies and government departments here, speaking about internships and programmes that can happen here on Island, not only during the summer, but also during periods. There are even some students who were coming home for the Christmas period who already have placements inside of government departments to assist and to lend their skills inside of those.

So, for that, Mr. Speaker, I think that it was incredibly worthwhile. We were happy to have that event, and I was happy also that other Honourable Members in this Chamber attended with me, such as the Honourable Member for constituency 8, who was at the London reception, as he was in the United Kingdom for the Business Development Agency event.

The Speaker: Thank you, Honourable Premier.

Does any other Honourable Member have a question or supplementary?

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

[Inaudible interjection]

Hon. Patricia J. Gordon-Pamplin: No, this is my first supplementary on this question.

The Speaker: This is your first one on this one, yes. Go ahead.

SUPPLEMENTARIES

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

Mr. Speaker, the Premier indicated that he did not know some basic information in terms of how many people or who we have, in students, in the various areas—not the various areas, but the northern area, the Nottingham area. The question is, Is there a register that is maintained by the London Office on which we could have our residents who are abroad registered to let the Government know that people are wherever they are and hence, give them a better opportunity to be able to interact?

The Speaker: Thank you.
Premier.

Hon. E. David Burt: There is no forced register of Bermudians living overseas. Persons who can move to the United Kingdom and—

[Inaudible interjections]

The Speaker: There is no register of persons living overseas in that regard.

Hon. E. David Burt: There is no requirement for Bermudians who move to the United Kingdom to register with the London Office. Those persons who move to the United Kingdom and who wish to let the London Office know that they are there are maintained in a register so that the London Office knows the people who have voluntarily done so. But, again, Mr. Speaker, this is a voluntary thing. There is no registration process which is mandatory and/or compulsory for students who are moving overseas.

We encourage persons who are moving overseas to let the London Office know. There will be additional communication that will be sent out in those particular regards. We are talking about additional communication which can be done here to ensure the persons who are looking to further their studies or their skills training in the United Kingdom, or the things of which they should be aware of, and to encourage them to get in touch with the London Office.

But a lot of times, the London Office is contacted only when there is a problem, which is classic when you have a consular office.

The Speaker: Thank you.
Second supplementary?

Hon. Patricia J. Gordon-Pamplin: Second supplementary. I wonder if the Premier would consider making an overt effort to encourage—it is not mandatory, but to encourage Bermudians to register as opposed to waiting until there is an issue. Because I think it would be wonderful, if he is leaving here to go to have an event, to at least have some basic information as to the population with which he is dealing.

The Speaker: Premier.

Hon. E. David Burt: Yes.

The Speaker: Thank you.

New question or supplementary? Because you are the one who opened up this series of questions. Do you have a second question or a supplementary?

Mr. Christopher Famous: Supplementary.

The Speaker: Supplementary? Go ahead.

SUPPLEMENTARY

Mr. Christopher Famous: In your Statement earlier, Premier, you spoke about having (how can I say?) the first of many in the northern parts of London [*sic*]. What would you say . . .

Hon. Patricia J. Gordon-Pamplin: Northern England.

Mr. Christopher Famous: Well, sorry. Northern England.

Where would the next set of events be held?

The Speaker: Premier.

Hon. E. David Burt: I thank the Honourable Member for his question. At this time, this has not yet been determined. But we have said that we are going to host them outside of the London area.

So, we will be having the annual London reception, of which we have around the BDA events that will take place next year, which is timed to coincide with the Joint Ministerial Council, and other receptions which would be taking place. And we will find another location, maybe even further north than this one was, to make sure that we host Bermudians who are living and studying overseas.

An Hon. Member: Manchester.

The Speaker: Thank you.
Supplementary?

Hon. Michael H. Dunkley: I heard the Honourable Member say *Manchester*. Yes, Mr. Speaker, supplementary.

The Speaker: Yes.

SUPPLEMENTARY

Hon. Michael H. Dunkley: To the Honourable Premier, how many individuals came to each reception?

The Speaker: Premier?

Hon. E. David Burt: I do not have those numbers, particularly, off the top of my head. And I do not wish to guess too much. So, I will ask the London Office to return [the numbers]. I think we had about 40 in Nottingham, and I want to say maybe 100–120 in London. But I will get official numbers, and I am happy to supply them.

The Speaker: Thank you.

No further questions?

That actually brings us to a close of the questions for the Premier.

The next Statement is from the Deputy Premier. Deputy Premier, you have two Members who have indicated that they have questions for you. The first Member is the Member from constituency 23.

Would you like to put your question, Member?

QUESTION 1: INVESTIGATING COMPLAINTS OF PRICE GOUGING

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

Mr. Speaker, I wonder, with respect to the complaints on price gouging, the Minister indicated that stores are giving the excuse that the sugar tax has caused prices to go up.

I wonder if the Minister either directly or through the Consumer Affairs or through the Ministry of Health, would perhaps just to undertake an education process as a reminder as to which items have been subjected to the sugar tax so that, if a consumer goes into a store, they at least have some backup, just as a reminder.

The Speaker: Deputy Premier.

Hon. Walter H. Roban: Yes.

The Speaker: Supplementary or new question?

Hon. Patricia J. Gordon-Pamplin: A supplementary.

The Speaker: Okay.

SUPPLEMENTARY

Hon. Patricia J. Gordon-Pamplin: I wonder if the Minister could give us some indication as to when he might be willing to undertake such an education initiative, because especially coming up to the Christmas season, we are going to have lots of people perhaps in that circumstance which he has already addressed.

The Speaker: Deputy.

Hon. Walter H. Roban: Mr. Speaker, I will consult with my colleague in the Ministry of Health on this, because they are the primary managers of the matters

around the sugar tax. As you know, it was a Customs Bill. It was not a Consumer Affairs matter.

But I will consult with the Health Ministry on how we can perhaps work together to provide additional public education.

The Speaker: Thank you.

No further questions. No supplementary.

Deputy, you have an additional Member who would like to put a question, and that is the Member from constituency 10.

Would you like to put your question now?

QUESTION 1: INVESTIGATING COMPLAINTS OF PRICE GOUGING

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

Mr. Speaker, in regard to the Statement, a simple yes-or-no answer, Did the public servants who investigated the complaints of price gouging—did they find them, yes, or did they not find them, no?

The Speaker: Deputy.

Hon. Walter H. Roban: We received reports of price gouging. And my Statement outlined what we will be continuing to observe and investigate.

At this point, I cannot confirm whether we found actual evidence of gouging. But we will continue to investigate when they are brought to our attention.

The Speaker: Thank you.

Supplementary or new question?

Hon. Michael H. Dunkley: Supplementary, Mr. Speaker.

The Speaker: Supplementary, yes.

SUPPLEMENTARIES

Hon. Michael H. Dunkley: So, in regard to those specific complaints, are the investigations ongoing?

The Speaker: Deputy.

Hon. Walter H. Roban: Yes.

The Speaker: Thank you.

Second supplementary or new question?

Hon. Michael H. Dunkley: Second supplementary.

The Speaker: Go ahead. Continue.

Hon. Michael H. Dunkley: So, in regard to those ongoing investigations, what is the avenue of investigation? What still needs to be looked at?

The Speaker: Thank you.

Deputy [Premier].

Hon. Walter H. Roban: I cannot get into the details of exactly what. That will be a matter for the technical officers. But we will respond appropriately to each matter which is brought to our attention. And there was some detail as to what we observed, certainly around the activity around certain staples. And we will certainly, to those products that have risen to the concern of the public, we will focus on those, such as exorbitant price.

Like I said, I was sent pictures of certain local vegetables with, like a Paw Paw that was \$14, things like that, obviously not imported, obviously from somebody's garden, which was being sold by a local retailer. As I said, that appears to be exorbitant.

So, we will look at it when we have evidence of exactly—certain products that appear to be the subject of perhaps some manipulation in prices. We will look at them.

The Speaker: Thank you.

Supplementary? No more supplementaries. This is a second question for you now.

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

The Speaker: You have a supplementary? Okay. We will take your supplementary.

SUPPLEMENTARY

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

In the Minister's response, he indicated that he relies on technical officers. Is the Minister suggesting that reliance on technical officers is only appropriate under his administration, that it was not appropriate under prior administrations?

The Speaker: I really think that question falls out of line of this stream right now. I would not call on the Minister to respond to that.

Would you like to put your question?

QUESTION 2: INVESTIGATING COMPLAINTS OF PRICE GOUGING

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

Mr. Speaker, the Honourable Minister comes with a Statement which talks about investigating price gouging, but he is unable to say what did and did not happen. In the specific comment regarding the Paw Paws, what are the next steps to investigating whether a \$14 Paw Paw is a right price for it or not a right price? What are the next steps? What is to be taking place? Because next week, we will forget about it.

The Speaker: Deputy [Premier].

Hon. Walter H. Roban: Mr. Speaker, the job of investigating is done by the Department of Consumer Affairs. They will pursue any actual cases that are brought to their attention. And they will deal with them as per the clause that I outlined in the Act. That is the process that they will take. And they will bring anything that is brought to my attention in my role as the Minister, and I will act appropriately.

The Speaker: Supplementary?

Hon. Michael H. Dunkley: Last question.

The Speaker: Last question. Go ahead.

QUESTION 3: INVESTIGATING COMPLAINTS OF PRICE GOUGING

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

In the Statement, the Honourable Minister refers to sugar tax items. So, in the investigation, did the public servants find out that the rise in prices for the sugar tax was comparable with the increase in duty that the Government had imposed?

The Speaker: Deputy [Premier].

Hon. Walter H. Roban: [I am] not clear what the Honourable Member is asking.

I am not responsible for any of the details around the sugar tax. My department was responding to queries by the public, who believe that prices were being manipulated, and the rationale was the sugar tax.

And that is all that the sugar tax has relevance to what I have to deal with, Mr. Speaker.

The Speaker: Supplementary?

SUPPLEMENTARY

Hon. Michael H. Dunkley: Yes, supplementary, Mr. Speaker.

If the rationale was around the sugar tax, did the people investigating find that this was false or positive in regard to the sugar tax? There has to be an explanation. If the Minister comes to this House with a Statement, there has got to be some meat on the bone.

The Speaker: Thank you.
Minister.

Hon. Walter H. Roban: Mr. Speaker, the sugar tax is not the subject of the Statement. It is price gouging. And that can happen for a variety of reasons, as I outlined in the Statement. The sugar tax is not the focus

of the Statement. Some people have brought that to our attention. But, as I have outlined, there are a number of reasons why price gouging can go on. And perhaps the Honourable Member needs to always, in this case, declare his interest because of his clear involvement with—

The Speaker: Well, well. You were fine, you were fine up to the end, Deputy.

Any further questions? Supplementary?

There are none. That brings us to a close of questions for you, Deputy.

The next Statement that Members have a question for is the Statement from Minister Brown.

Minister Brown, there is one Member who would like to put questions to you in regard to the update on the practice of project management and procurement, I believe it was. And it is the Member from constituency 20, the Opposition Whip.

Would you like to put your question now?

QUESTION 1: UPDATE ON THE CODE OF PRACTICE FOR PROJECT MANAGEMENT AND PROCUREMENT—FRAMEWORK AGREEMENTS

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

My first question this morning is, I am just wondering, with this new framework in place, how are you going to continue to support the Throne Speech initiatives that a number of smaller contractors and vendors, local companies, would have a chance to participate in local government contracts if we are going to go to a framework that allows for a single tender, which will provide all supplies and goods to government across all ministries?

The Speaker: Thank you.
Minister.

Hon. Walton Brown: Thank you for that question.

We actually will have a system whereby the tendering process will be opened up to small companies. That is actively being worked on the by Office of Project Management and Procurement. We are actually drafting the appropriate legislation to provide a mechanism whereby smaller companies can get access to government contracts.

The process that we have talked about here today, service agreements, relates to a few areas, in particular, the telecommunications area, which is being selectively applied.

The Speaker: Thank you, Minister.
Supplementary or new question?
You are good? Okay.

Thank you, Minister. That brings a close to questions on your Statement.

The final Statement this morning is from the Minister of National Security. There is one Member who has a question for you, Minister.

The Member from constituency 31, would you like to put your question?

QUESTION 1: ROYAL BERMUDA REGIMENT UPDATE

Mr. Ben Smith: Yes. Thank you, Mr. Speaker.

The Honourable Minister in the Statement referred to, "work continues to stand up the much-anticipated Coast Guard Unit." Is the Minister able to give us an update on the budget for the Coast Guard Unit?

The Speaker: Minister.

Hon. Wayne Caines: The budget will be delivered in line during our Budget Debate.

The Speaker: Thank you.
Supplementary?

Mr. Ben Smith: Supplementary.

The Speaker: Yes.

SUPPLEMENTARIES

Mr. Ben Smith: Has there been any expenditure during this budget year that was not anticipated?

The Speaker: Minister.

Hon. Wayne Caines: Can you repeat the question, please?

The Speaker: Basically, the question was . . . he was trying to find out if any additional monies had been spent that were not budgeted for as part of this?

Hon. Wayne Caines: I would have to double-check that and bring that information back to this House, Mr. Speaker.

The Speaker: Thank you.
Fine. No further supplementaries?

Mr. Ben Smith: Just a supplementary.

The Speaker: Second supplementary.

Mr. Ben Smith: Second supplementary.

And, if possible, if we could find out, if there is an additional payment, how much would the extra budget have been?

Hon. Wayne Caines: [Yes], Mr. Speaker—

The Speaker: Thank you.

No further questions, no supplementaries. That brings us to a close of the question-and-answer period for this morning. And we will now move on to other matters.

CONGRATULATORY AND/OR OBITUARY SPEECHES

The Speaker: Would any Member wish to speak to that? No Member?

The Member from constituency 11, we see you on your feet now.

Mr. Christopher Famous: Yes, Mr. Speaker. Good morning again.

I just want to thank the people of Bermuda for standing up with BELCO workers earlier this year. It is not often that the people of Bermuda exercise their voice in support of workers for utility. But in this case, they realise the mitigating factors, and they realise that they need to decide it with the workers of Bermuda. So, on behalf of the workers of BELCO, I want to thank the then Minister, Honourable Brown, and Honourable Walter Roban, for doing what they could for the workers of BELCO and, by extension, the people of Bermuda.

Thank you, Mr. Speaker.

The Speaker: Does any other Member wish to speak? Does any other Member wish to speak?

We recognise the Honourable Member from constituency 10.

Honourable Member.

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

Mr. Speaker, I would ask this Honourable House to send congratulations to a young Bermudian, Kyle James, on his exhibition of photography last night at the Cosmopolitan Nightclub. And I think the Honourable Wayne Furbert would like to be associated with these comments, as well, and Honourable Lawrence Scott. Mr. James got into aerial photography some years ago. And I have known this young man through his desire to always stay in shape. And I have been very impressed by this young man, because not only does he work hard, but he loves Bermuda and he is proud of Bermuda. And his aerial photography just highlights Bermuda, and he promotes Bermuda go forward.

So, I would like to congratulate Kyle and his team for what they do. We have to work hard to promote our image, and here is a fine young man who certainly adds a lot to Bermuda. And I wish him the best, going forward.

On a sadder note, Mr. Speaker, I would like to extend condolences to the family of Kirk Cooper, who passed away earlier this week, to his beautiful wife, Helen, and three children. Most people will know Mr.

Cooper for his numerous occasions participating in the Olympics. I think he sailed in the Olympics three times and got very close to winning a medal in his first Olympics. But, outside of that, he was a very solid family man. He was community dedicated at all times. He got involved in politics, and he certainly was a very successful businessman.

Mr. Cooper was one of those people who, when I was growing up, because I knew his children quite well, I admired because he always spoke very firmly, but in a quiet way. And he could lead without being in front. And he always got things done. He was a man of integrity and character, and I wish his family all the best during this period of grieving, on his passing. Thank you, Mr. Speaker.

The Speaker: Thank you.

We recognise the Honourable Member from constituency 32.

Honourable Member.

Mr. Scott Simmons: Good morning, Mr. Speaker.

The Speaker: Good morning.

Mr. Scott Simmons: I rise on a sad note today in mentioning to those who have served and lived in Bermuda. Mr. Speaker, I was not certain whether or not this was done last week, as it relates to Mr. Terrence Victor “Ted” Richards. I was not sure if we had done it yet.

The Speaker: No.

Mr. Scott Simmons: I would like to extend . . . he was the husband of Kalmar Richards. And I recognise [and associate] the entire House, absolutely the entire House, and especially the Minister of Education, and the Shadow Minister of Education, as it relates to this very sad moment. And we would like to extend to them our absolute commiserations on this very, very sad occasion. In addition, he will be sorely missed. The family is very much loved in our community. And our hearts go out to them, especially.

Mr. Speaker, also, I would like to send out condolences to a cousin of mine, Tammy Grace Barclay. I would like to extend to William and Annette Barclay our most sincere . . . quite a few Members of the House, including the Minister of Health, Minister Wilson, and the entire House—

The Speaker: Yes, the entire House.

Mr. Scott Simmons: —would like to extend to the Barclay family our absolute condolences in this very, very, very sad hour.

Mr. Speaker, in our community, significant members are passing, and along with them are cer-

tainly contributions to our society. And we mark them. They mean something, and they matter.

Thank you, Mr. Speaker.

The Speaker: Thank you.

Any other Member wish to speak?

I recognise the Honourable Member from constituency 2.

Honourable Member Swan, you have the floor.

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

It is with fond sadness that I offer condolences to the family of Mr. Arthur “Bobber” Wilkinson, from Wellington Back Road, in St. George’s, by extension the Burgess family from North Shore of St. George’s. And I associate my colleague, the Honourable Member from constituency 1, MP Ming, with those condolences. I have known Mr. Wilkinson all of my St. George’s life, as I consider myself, first and foremost, a North Shore St. Georgian. And I know that North Shore wins better than most. And I know Minister Foggo would like to be associated because I think she has some association with that Burgess connection, of Mr. Wilkinson’s mother out there in North Shore, St. George’s.

He was a gentleman, Mr. Speaker, an absolute gentleman. And I certainly am obliged to have known him. And I feel sad for his passing. But he had good innings, 91 years, and for a life well lived, this quiet gentleman from St. George’s. May he rest in peace, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak? We recognise the Minister of Education.

Minister, you have the floor.

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

Yes, I want to attach my condolences to the Commissioner of Education. It has been a very difficult six or so weeks with her, and the difficulties she faced with her husband. She has had the full support of the Department of Education and the Ministry of Education while she has worked through what can only be described as very difficult circumstances with her husband being overseas for medical treatment. And her still trying to perform the job of the Commissioner while away shows her dedication to our children of Bermuda, which is what we always must keep in the forefront.

Mr. Speaker, I also want to send congratulations to PartnerRe, who donated money to the various high schools for their Dollars for Hours programme. It is a programme that has been going on for several years. And it is one that we should be proud of, because our students get out there and do community

service projects and are rewarded for those donations that they do give.

Mr. Speaker, I also want to send congratulations to Validus Re and the Sylvester family for the donation of the new Smiley's Bus to the Dame Marjorie Bean Hope Academy.

Lastly, Mr. Speaker, congratulations to the Harrington Sound [School] family for their recent donations to the Paralympic Association, the Bermuda Diabetes Association and the Bermuda TB, Cancer and Health Association. Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

Does any other Member wish to speak?

We recognise the Honourable Member from constituency 8.

Honourable Member, you have the floor.

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

Mr. Speaker, I would like to associate myself with the comments made in regard to Ms. Tammy Barclay, as well as the Commissioner of Education on the loss of her beloved husband.

Mr. Speaker, I would like to also send congratulations to Dr. Carika Weldon. She recently was appointed as a researcher of Oxford University Genomic Centre. I think it is the first time that we have had a Bermudian in such an astute position. She was at De Montfort University, as everyone knows. But to be at probably one of the world's leading academic centres bodes well for her and the type of people whom we produce.

So, I would like for the House to send congratulations to Carika for her achievements and her success as a researcher at the famous well-known Oxford University. The Honourable Patricia Gordon-Pamplin would like to be associated with those remarks.

The Speaker: Thank you.

Does any other Member wish to speak?

No other Member? We can move on . . .

Oh. The Opposition Whip, you almost missed your opportunity this time. We recognise the Opposition Whip.

Ms. Susan E. Jackson: Thank you, Mr. Speaker. Yes, just a moment.

I would like to be associated with the condolences being sent and shared for the loss of Kirk Cooper. He and his family have been living in constituency 20 for all time. They have quite a legacy there. And, as a sailor and as a Bermudian who represented the country worldwide, he, I certainly believe, is one of our stalwarts when it comes to representing Bermuda, especially in the sailing community. And to his family, he has left a legacy of children who are also creative, are travelling and spanning the world, sharing the artistic designs inspired by this Island. And I certainly

wish the family the best in the future, and I am very sorry for them at this time. I would like to associate my colleague, Scott Pearman, with those condolences. Thank you, Mr. Speaker.

The Speaker: Thank you.

Any other Member? We recognise the Member from constituency 4.

Honourable Member, you have the floor.

Mrs. Tinee Furbert: Good morning, Mr. Speaker, and thank you.

I just wanted to send congratulations to Mr. Steve Wilson, who recently won a gold medal in the Boccia Tournament in Argentina. Mr. Steve Wilson is a para-athlete. I would like to associate the whole House with that.

The Speaker: Yes.

Mrs. Tinee Furbert: So, we are congratulating Mr. Steve Wilson in winning that gold medal. He was also accompanied by Ms. Yushae DeSilva, and also Mr. Omar Hayward, who also performed very well. I would just like to read a little quote that he had written, himself, in regard to his performance. And he said, "No matter what difficulties you face, your life is not over. You always have a purpose to achieve something." And so, Mr. Wilson being a para-athlete, has overcome this great, great challenge. And I am so very happy for his success. He does train very hard, as well as the other athletes. They train every day of the week. And I have seen them train, and I would just like to congratulate them, Mr. Speaker.

Thank you.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to offer congratulations or condolences?

I recognise the Honourable Member from constituency 19, yes.

Honourable Member, you have the floor.

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

The Speaker: Yes.

Hon. Jeanne J. Atherden: I still have speaker problems.

I would like to do two things. One, I would like to be associated with the remarks to the family of Kirk Cooper. But I would like to go on the other path. Kirk was one of the founders of Cooper & Lines. And as you can appreciate, as a Bermuda student, when you wanted to do accountancy on a professional basis, Cooper & Lines was the leading firm that you wanted to be with. Obviously, in the summer, it had lots of students.

And Kirk was what I call the quiet one. Lots of people would view David Lines as the vocal one, but Kirk was the quiet one, and he was always someone who was prepared to talk to students about what was important in terms of accounting, and making sure that he provided guidance for those persons who wanted to be in the profession.

And, obviously, I knew of all of the other attributes and sports, et cetera, that he was involved in. And my sympathies go out to his family, because he will be missed.

And, [two], on a congratulatory note, I would like to have congratulations sent to Goslings, because Goslings just finished the Goslings Invitational Tournament. Goslings has been supporting this tournament for over—I think it is 42 years, something along those lines. So, it is important for us to recognise this, especially with the goodwill tournaments numbers in the past going down, and that Goslings numbers have continued to go up.

Because we have to appreciate that the more people come down to Bermuda, with their families, participating in these tournaments, it is a contribution to the economy as it relates not only to the bed nights, but also people understanding what Bermuda is like. Because once people get here and they know how great Bermuda is, they always want to come back. So, we appreciate what they are doing, and we would like to say congratulations for their efforts.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

I now recognise the Honourable Member from constituency 1.

Honourable Member, you have the floor.

Mrs. Renee Ming: Thank you. Good morning, Mr. Speaker.

The Speaker: Good morning.

Mrs. Renee Ming: I would like to begin my comments on a sad note, first of all, to send thoughts and prayers to the family of Arthur Fox, from Floral Lane in St. George's. Mr. Fox—when you canvass, you get to meet a lot of people. So, he gave me a lot of history lessons with regard to politics and his thoughts on politics. And I would just like to also associate Minister Foggo and MP Swan with those comments.

And, on a happier note, Mr. Speaker, I would like to congratulate the organisers of the First Annual St. George's Boat Parade. That happened last week, Saturday. For those of you who were unable to attend, you surely did miss something of such a high calibre that was well attended. And we look forward to this, hopefully, becoming an annual event.

Also, congratulations to Mayor Quinell Francis for hosting her annual Christmas Cocktail Party, always a good time in the Square.

And also, congratulations on the retirement, to Detective Constable Mark Clarke, whom I have known for quite some time. And I know that he has been very effective in his contributions, especially with regards to sex offenders. And he has written papers on it. And I know that, at the time when we had the Joint Select Committee, he was very participatory. Please associate MP Gordon-Pamplin, and also Sylvan Richards, with those comments.

The Speaker: The whole House.

Mrs. Renee Ming: The whole House is being associated with those comments.

The Speaker: The whole House for Mr. Clarke, yes. The whole House.

Mrs. Renee Ming: So, Mr. Speaker, on that note, I will end my comments. Thank you very much, Mr. Speaker.

The Speaker: Thank you.

No other Member is moving?

Ah! I recognise the Minister. You moved a little slowly that time, Minister. We recognise the Minister Foggo.

You have the floor.

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

I would like to be joined with the remarks just given by MP Renee Ming regarding Mark Clarke, whom (1) I consider a good friend; and (2) who has performed in his respective career as a police officer at the highest of heights, and has maintained, I guess, if you will, a stellar and clean record in the performance of his duties. And he deserves all of the accolades and recognition that this House has given to him today because of a great career that he has had in the policing division.

And so, Bermuda thanks him for all that he has done within his duties as a police officer. And I just wanted to stand up and associate myself with the remarks given regarding Mark Clarke.

Thank you, Mr. Speaker.

The Speaker: No other Member wishes to speak on this? We can now move on.

MATTERS OF PRIVILEGE

The Speaker: There are none.

PERSONAL EXPLANATIONS

The Speaker: We have one personal explanation on the Order today. And that is in the name of MP Moniz.

MP, would you like to put your matter forward?

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

The Speaker: Thank you.

Hon. Trevor G. Moniz: Good morning, Mr. Speaker.

The Speaker: Good morning.

DOCKYARD PREFAB HOUSES—REBUTTLE TO MINISTERIAL STATEMENT (23 NOVEMBER 2018)

Hon. Trevor G. Moniz: On the 23rd of November, the Minister of Public Works made a Ministerial Statement to the Honourable House on the WEDCO pre-fab housing project, locally known as the 100 Homes project. In that Statement, the Minister made a number of insulting and disparaging statements about the OBA and its Members. In addition, he appeared to disagree with our handling of the partial cancellation of the PLP project by the OBA Government in 2013.

And, in broadcast interviews, he wondered aloud, “How do you justify the decision and keep it quiet?”, while also admitting that he himself did not agree with the type of construction that was used for the units, as being untraditional and problematic.

Finally, the Minister, in his Statement, said, “the then Minister continues to sit in this place. And I invite him to explain his actions and culpability in this incredible waste of taxpayer funds.” He further questioned the condition of the remaining panels, which have been stored for the past five years.

Mr. Speaker, let me first address the allegation that I somehow kept my decision quiet. On the 7th of June 2013, I made a seven-page Statement to the House of Assembly on my decisions to stop the 100 Homes project. And I will now table a copy of that Statement for the information of the House.

In the run-up to the 2012 election, our lack of support for this project was made quite clear. It was therefore no surprise when the decision was announced. And, in addition, my Ministerial Statement was well publicised in the media. The Minister should, in all good conscience, apologise and retract those words.

The fundamental disagreement is with the Minister’s contention that there is a shortage of adequate housing. In our view, the abject failure of the Grand Atlantic Housing project was a clear indication that there was sufficient housing stock, after a major exodus from Bermuda of thousands of people under the PLP Government. Only two units were ever sold in the Grand Atlantic project.

We provided 20 new homes, while also refurbishing and renting numerous units in the Boaz Island development, and at the same time saving the public purse \$11 million. In addition, we saved Bermuda from what would have been an unacceptably dense housing development.

Mr. Speaker, finally, I can hardly be expected to answer for the storage of the panels. I moved off from the Ministry in December 2013, five years ago. And, in any case, the panels were in the sole custody, care and control of WEDCO, whose responsibility it was to keep them in good order and condition.

Mr. Speaker, I thank you for giving me this opportunity to give my side of the story.

The Speaker: Thank you, Honourable Member.

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

The Speaker: There are none.

INTRODUCTION OF BILLS

GOVERNMENT BILLS

The Speaker: We have one Government Bill, in the name of the Minister of Finance.

FIRST READING

ECONOMIC SUBSTANCE ACT 2018

Hon. Curtis L. Dickinson: Mr. Speaker, I am introducing the following Bill for its first reading so that it may be placed on the Order Paper for the next day of meeting: Economic Substance Act 2018.

The Speaker: Thank you.

OPPOSITION BILLS

The Speaker: There are none.

PRIVATE MEMBERS’ BILLS

The Speaker: There are none.

NOTICES OF MOTIONS

The Speaker: We have a notice of a motion.

MOTION

THAT THIS HOUSE SUPPORT THE INCLUSION IN THE PARLIAMENTARY CODE OF CONDUCT POLICIES AND PROCEDURES THAT EMBRACE A CULTURE OF RESPECT TOWARDS WOMEN PARLIAMENTARIANS AND WOMEN IN GENERAL

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

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

“BE IT RESOLVED that this Honourable House decries the posting of inappropriate and/or sexist comments on social media by Members of Parliament and that this House supports the inclusion in the Parliamentary Code of Conduct policies and procedures that will embrace a culture of respect towards women parliamentarians and women in general.”

The Speaker: Thank you.

We will move on.

ORDERS OF THE DAY

The Speaker: That brings us to the first Order of today. Members, the first order of business on the agenda for today is the second reading of the Chief Medical Officer (Transfer of Functions and Validation) Act 2018, in the name of the Minister of Health.

Minister Wilson.

Hon. Kim N. Wilson: Yes. Good morning, Mr. Speaker.

Mr. Speaker, I move that the Bill entitled the Chief Medical Officer (Transfer of Functions and Validation) Act 2018 be now read the second time.

The Speaker: Any objections?

No objections. Continue on.

BILL

SECOND READING

CHIEF MEDICAL OFFICER (TRANSFER OF FUNCTIONS AND VALIDATION) ACT 2018

Hon. Kim N. Wilson: Mr. Speaker, the Chief Medical Officer (Transfer of Functions and Validation) Act 2018 was tabled on the 16th of November 2018. Mr. Speaker, the Chief Medical Officer (Transfer of Functions and Validation) Act 2018 transfers certain statutory functions of the Chief Medical Officer to the Chief Environmental Health Officer, the Director of the Department of Health, the Bermuda Health Council and, where appropriate, a registered medical professional.

The Act, Mr. Speaker, effectively regularises many of the functions that are assigned to the Chief Medical Officer, but have actually been performed by the entities that I just spoke about. Mr. Speaker, the Chief Medical Officer was previously referenced in 26 pieces of legislation and 24 regulations, with countless responsibilities and an overwhelming number of roles. The placement of the Chief Medical Officer in every decision-making role in health and non-health legisla-

tion is a historical feature of how the Ministry of Health used to be structured and based on a Bermuda with a smaller government, fewer businesses and less activity.

Mr. Speaker, what has happened over the years is that the Chief Medical Officer has been used as the default position for everything from administering child care to registering hospitals, regulating milk storage and providing personal health assessments. The scope and expectation of experience in the role is wholly untenable, out of alignment with the public health role, the position, and not representative of the same position in other jurisdictions.

As such, Mr. Speaker, we have undertaken a review of all of the Acts and Regulations where the Chief Medical Officer is referred to, and have made amendments where a different person or organisation is better placed for that role.

Mr. Speaker, one example of the incorrect use of the Chief Medical Officer who is a trained physician, is in the Public Health (Offensive Trades: Storage Treatment and Distribution of Animal Excreta and Faecal Matter) Regulations 1966. In these regulations, Mr. Speaker, the Chief Medical Officer is tasked with directing how manure should be stored, among other functions. This is a highly inappropriate task for a Chief Medical Officer who, as I said, is a qualified physician, and more appropriately should be placed with the Chief Environmental Health Officer, who would be trained in these public health areas.

Mr. Speaker, transferring these functions from the Chief Medical Officer to the relevant authority, with the capacity and background to handle the areas, just makes sense. But it also ensures that the Chief Medical Officer can focus on the vast responsibilities he or she has, which include registering and regulating health professionals, monitoring and controlling communicable diseases throughout Bermuda, regulating control of licensed drugs, and acting as the public health focal point to report to international agencies on our health in Bermuda.

Mr. Speaker, the Chief Medical Officer (Transfer of Functions and Validation) Act 2018 will allocate the handling of functions within the Ministry of Health, appropriately ensuring that everyone is able to act in the role, and with the expertise, they were placed therewith.

With those brief introductory remarks, Mr. Speaker, I thank you and invite colleagues to provide assistance in submission.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

We recognise the Honourable Member from constituency 23.

Honourable Member Gordon-Pamplin, you have the floor.

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

Mr. Speaker, as I looked through this legislation, it occurred to me how inappropriate some of the references are for the duties and responsibilities of the Chief Medical Officer, which perhaps over time have become entrenched. These need to be amended and adjusted. And, obviously, this Act, which is effectively a housekeeping Act to give effect for those changes, those substantive changes, is now being debated.

Mr. Speaker, as I went through, I looked at things like “fumigation control,” where the Chief Medical Officer is the one who ensures that you cannot sell to a non-licensed person, to offer licences to fumigate, and things that are just so inappropriate for a medically trained professional, for a doctor, to have the responsibility for.

Some of the interesting things that I saw as I went through, though, indicated—and I know we can actually go into detail when we get into Committee on this. But there are one or two things that are coming out from this that I questioned the propriety, or whether we could, perhaps, relook and rethink it from the perspective that, if we start to look at staffing, who are fit, in respect of the Children Act, maybe that is something that the Chief Medical Officer may continue to oversee.

It just seems as though that would be an appropriate second set of eyes, because I think that we cannot take too lightly the safety of our children. And to the extent to which we have people in their care, or people responsible for their care, we need to ensure that our children are safe. So, there is a second level of scrutiny that I would perhaps like to see remain with the Chief Medical Officer in that particular instance. And, as I said, we can, obviously, discuss those as time goes on.

There are things that the Minister will not now be responsible for, but with so many things being stripped out, I wonder if the Minister would be able to provide us with an overview of the functions that have actually remained with the CMO. Because, as the Minister indicated, there are 26 legislation issues and 24 regs where the Chief Medical Officer has been given responsibility that clearly can be passed on to others. I think when we get to the Committee stage, we can start to look at the responsibilities in some of those respective areas.

But I wanted to say that we do support this legislation, in principle and in general, with the exception of perhaps the odd one or two things where it might be appropriate. You know, when I look at things like hotel licensing, and liquor licensing, and time-sharing, and [other] things, really, [I realise] the Chief Medical Officer’s time is better spent doing more substantive policy issues than the minutia of administration and bureaucracy with which she has been tasked under these various forms of legislation. And we certainly support extricating her from those responsibilities

so that we can have a cleaner house in which the Chief Medical Officer can continue to reside in the appropriate fashion.

I think it is most important, though, that we are made aware of what remains. What are the overarching . . . it does not have to be legislated, but certainly it would be useful from a knowledge perspective, from a community knowledge perspective, to know what is left in terms of what the Chief Medical Officer’s primary responsibilities are, how she carries out those responsibilities and how we, as the Parliament, can assist her in enhancing what it is that she is required to do, and to ensure that she is able to operate effectively and efficiently.

Thank you, Mr. Speaker.

The Speaker: Thank you, Member.

Does any other Member wish to speak?

No other Member?

Minister.

Hon. Kim N. Wilson: Thank you, Mr. Speaker, and I thank the honourable colleague for her contributions.

Mr. Speaker, in going through this particular piece of legislation, when the team at the Ministry of Health went through all the pieces of legislation, I can think of one example, in particular, where it was legislation that was relating to something completely outside of the scope of the Chief Medical Officer [CMO]. And when I looked at it, and only because one of my colleagues said, *Oh, well, that comes under you now*. And I looked, and I am like, *The CMO shall do X, Y, Z*. And I was like, *Really? It is not a role for the CMO*.

However, Mr. Speaker, there are still quite a number . . . in fact, the CMO, once this legislation is finished, will still have an extensive list of responsibilities, which will include, Mr. Speaker, registering more than 1,000 health professionals. She handles health professional complaints for the 1,000 registrants. She monitors the import and export of controlled drugs. She continues to monitor the occurrence of disease on our Island. She serves as the international focal point for international agencies and is involved heavily in issuing statutory documents such as Customs letters for personal medications and the like.

So, I am saying *she* because the actual Chief Medical Officer is a female, Dr. Cheryl Peek-Ball. And so, she has a huge task in front of her for day-to-day operations. She, effectively, is the face, so to speak, of public health. And so, the amendments that we see today—and I am glad that the Opposition are supporting us—are critical in allowing her to focus on her task at hand, as opposed to the 50-some-odd pieces of legislation and regulations that refer to her. Heretofore, she has been the default—not *she*, but the position has been the default.

If in doubt . . . Like I said, I was looking at a piece of legislation recently. And my colleague said, *Oh, well, that comes under you now*. And I looked at

it, and it was the default clause. If in doubt, if the word “health” is involved, then we are going to just throw it over to the CMO, without any consultation with Health to see whether or not it even actually fits. So, the reality is that this is playing catch-up, and we are cleaning up quite a few pieces of legislation that refer to her when they really should be appropriately referred to a different person.

So, for example, all of the provisions under the Children Act 1998, which deal with ensuring that the facilities and the equipment are sanitised, the nutrition, the programmes, ensuring that they are issued a licence—all of those things should be aptly addressed by the Director of the Department of Health, who oversees that particular aspect, as opposed to the CMO.

So, in that regard, Mr. Speaker, I would like to move that this Bill be committed to Committee now.

The Speaker: Yes.
Deputy.

House in Committee at 12:05 pm

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

COMMITTEE ON BILL

CHIEF MEDICAL OFFICER (TRANSFER OF FUNCTIONS AND VALIDATION) ACT 2018

The Chairman: Members, we are now in Committee of the whole [House] for further consideration of the Bill entitled the [Chief Medical Officer \(Transfer of Functions and Validation\) Act 2018](#).

Minister, you have the floor.

Hon. Kim N. Wilson: Thank you, Mr. Chairman.
With your leave, I would like to move clauses 1 through 4.

The Chairman: Any objections to moving clauses 1 through 4?

There appear to be none; continue.

Hon. Kim N. Wilson: Thank you, Mr. Chairman.
The Bill seeks to amend various legislation to transfer certain of the Chief Medical Officer’s statutory functions to the Chief Environmental Health Officer, the Director of the Department of Health, and the Bermuda Health Council, as well, Mr. Chairman, as to validate any function the Minister of Health or the Chief Medical Officer purportedly delegated to a public officer or public authority.

Mr. Chairman, clause 1 is the title of the Bill.

Clause 2 provides that the amendments made in the Schedule shall apply to the various legislation transferring the Chief Medical Officer’s functions accordingly.

Clause 3 validates any of the Chief Medical Officer’s statutory functions purportedly delegated by the Minister of Health or the Chief Medical Officer before the coming into operation of this Act.

Clause 4 provides for the commencement of the Bill.

The Chairman: Any further speakers?

The Chair recognises the Honourable Member Pat Gordon-Pamplin.

You have the floor, Honourable Member.

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

Mr. Chairman, my only comments that I wish to make relate to the Schedule. And the Honourable Member has moved clauses 1 through 4. I have no objection to clauses 1 through 4. But I do have some observations on the Schedule. So, I just wonder, at what point would you like for me to address those?

The Chairman: You can continue.

Hon. Patricia J. Gordon-Pamplin: I can do it now?

The Chairman: Yes.

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

So, if I go to page 5 of the Bill, under the Children Act 1998, this is where we are deleting “Chief Medical Officer” and substituting the “Director of the Department of Health.” And this is page 5, under clause 2. It starts off staying, “regulation 64,” and then under column 1, where it refers to the Children Act 1998. And section 67 of the Children Act, as I mentioned while we were in the regular debate, indicates that the CMO is responsible for ensuring that the staff of day care are fit and proper persons.

And while that might, effectively, be able to be passed on to the Director of the Department of Health, I think I just wanted to feel more comfortable . . . I should not say *I wanted to*. I think I would feel more comfortable if there was just a higher oversight. Because I think, when it comes to our children, somebody in the professional capacity of the Chief Medical Officer might be appropriate to keep just that particular function, that she makes sure that people are fit and proper in terms of the staff of the day care. Other issues in the various sections, in terms of issuing licences, issuing licence renewals, following fees paid, cancelling or suspending or refusing licences—those things are obviously very easily managed by the Director of the Department of Health.

But I did want to refer to . . . When I looked at the Children Act, and I am not certain why or if there is a newer version, but the version that is online, under sections 76(1), 76(6A) and 76(6C), in the online version does not include the reference to the Chief Medical Officer. So, I am just curious as to why there is . . .

I do not know whether what is online is not up to date. So, I wonder if the Minister could advise us what is included in sections 71(6A) and 71(6C), because, according to my copy, it did not mention the Chief Medical Officer.

The other question that I had was in section 76B(1). Again, there was no 76B(1) in the online copy. So, it is not a criticism. When I start to look at changes in legislation, it is important to understand what we are changing and how what we are changing juxtaposes against what is there. And I just have issues with that.

On page 7 of the Bill, it indicates that this is going from the Chief Medical Officer to the Environmental Health Officer, and this is with respect to testing of defibrillators. I just wanted clarity that, when this has been transferred over, we are ensured that the condition of the instrument is continuously being undertaken. A defibrillator is something that is, very clearly, urgent, urgently required when you have a medical emergency. And, even though the Chief Medical Officer may not do it, the Environmental Health Officer . . . is there a schedule? You know how in buildings, Mr. Chairman, you have elevator inspections, and there is a schedule? Is there a schedule with respect to the condition of the defibrillator instruments?

The other issue is under the Workers Comp, where the [CMO] . . . this is now also moved to the Chief Environment Health Officer. This is Workers' Compensation Act 1965, page 7. And this is the Workers' Comp in section 28. This is like the penultimate clause on the page 7. In section 28(1)(f), deleting CMO and putting "a medical practitioner appointed by the Minister." And I am just wondering. I am sorry, the one before that. It effectively says that . . . (Just give me one second.)

So, [at clause 4(g)(i)] the Minister appoints the [medical practitioner after consultation with the] Bermuda Medical Doctors Association [BMDA]. And the question was, What if the Minister does not agree with the BMDA's choice? And this is in section 2(1) of the principal Act, Workers' Compensation Act 1965, section 2(1), definition of "medical aid," taking out the "Chief Medical Officer" and substituting "a registered medical practitioner appointed by the Minister after consultation with the Bermuda Medical Doctors Association." What if the Minister does not agree with the BMDA's choice?

The Chairman: It says "consultation," you know.

Hon. Patricia J. Gordon-Pamplin: Yes. Well, it does say "consultation." But . . . well, I guess the Minister does have the final say.

The Chairman: Yes.

Hon. Patricia J. Gordon-Pamplin: Okay. So, I will accept that.

Then, the other question was an examining physician . . . let me see which point that came in under. There are so many things here. Okay. Okay. I will pass over that comment. The CMO . . .

The Chairman: Where are you?

Hon. Patricia J. Gordon-Pamplin: I am just looking here to make sure that I have the proper reference.

If I can get answers to those for the minute, and then I will just go back and clarify my writing so that I can ask the next question.

The Chairman: Any further speakers?
Minister, you have the floor.

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

Mr. Chairman, with respect to section 67 in the Schedule of the Children Act, at page 5 . . .

The Chairman: Yes.

Hon. Kim N. Wilson: Yes, Mr. Chairman, the "fit and proper" designation, in order to determine whether or not that person is able to operate and receive a licence for running a day-care facility, requires cross-agency interaction. And, as such, the director is best placed to deal with that, because it is dealing with environmental health, to make sure that the place has the requisite two-point . . . I do not want to be sarcastic, but 2.5 square feet for every one child, make sure that they have the right toilets, and so forth. So, the director, who oversees all of these agencies within the Ministry of Health, is best placed to be able to address those concerns which were raised in section 67. It is a cross-agency review.

Mr. Chairman, with respect to the other issue . . . actually, with respect to section 76, I am not sure what the Opposition is referring to. But in my Act, it says, at section 76(6A), "The Chief Medical Officer may issue a provisional certificate . . ." So, the Chief Medical Officer is referenced. So, I am not quite sure which version of the legislation that the Honourable Member is referring to.

And the reference to the Schedule, Mr. Chairman.

The Chairman: Yes. Section 71(6C) and section 76B(1) [of the Children Act].

Hon. Kim N. Wilson: Mr. Chairman, I am sorry. What page? What? Page 5, still back on page 5? All of those references are incorrect. So, the Opposition may want to ensure that she has an up-to-date copy of the Children Act 1998.

The Chairman: Okay. And [section] 76B is included in that Act you have, right, the original Act?

Hon. Kim N. Wilson: Correct. It is in the version of the 1998 Act.

The Chairman: Right.

Hon. Kim N. Wilson: And there was a question concerning . . . oh, you answered that, about the consultation.

So, thank you very much.

The Chairman: Any further speakers?

The Honourable Member Pat Gordon-Pamplin, you have the floor.

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

I just wanted to ask the Minister if she could perhaps . . . I do not know how it works for information to be put up online. But the version . . . I know it is not the Ministry of Health. But because it relates to something that is being impacted, that maybe through whatever system, that we can make sure that there is an updated version that is online. It is kind of difficult to look if we do not have a hard copy of the most recent [versions].

I think those questions were the most important questions that I had. There are one or two other comments that I had. But I think it is quite appropriate that I can just get clarity from the technical officers, because I think the Bill, as it stands, it is obviously doing what it is designed to do. And that is relieving the Chief Medical Officer of extraneous responsibilities that are best placed with someone else.

Thank you, Mr. Chairman.

The Chairman: You are welcome.

Minister, you have the floor. Do you want to move these?

Hon. Kim N. Wilson: Yes, Mr. Chairman.

I would like to move that the clauses 1 through 4, including the Schedule, be approved—

The Chairman: Wait a minute. Hang on.

Hon. Kim N. Wilson: No?

The Chairman: Do the clauses first. Just move clauses 1 through 4.

Hon. Kim N. Wilson: Okay. Mr. Chairman, I would like to move clauses 1 through 4.

The Chairman: It has been moved that clauses 1 through 4 be approved.

Are there any objections to that?

There appear to be none.

Approved.

[Motion carried: Clauses 1 through 4 passed.]

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

I would like to move that the Schedule be approved.

The Chairman: It has been moved that the Schedule be approved.

Any objections to that?

It has been approved.

[Motion carried: The Schedule passed.]

Hon. Kim N. Wilson: Mr. Chairman, I move that the—

The Chairman: Preamble.

Hon. Kim N. Wilson: Yes, yes, Mr. Chairman.

The Chairman: It has been moved that the preamble be approved.

Are there any objections to that?

There appear to be none.

Approved.

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

I would like to move that the Bill be now reported to the House as printed.

The Chairman: Are there any objections to the Bill being reported to the House as printed?

There appear to be none. The Bill will be reported to the House.

[Motion carried: The Chief Medical Officer (Transfer of Functions and Validation) Act 2018 was considered by a Committee of the whole House and passed without amendment.]

House resumed at 12:19 pm

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

REPORT OF COMMITTEE

CHIEF MEDICAL OFFICER (TRANSFER OF FUNCTIONS AND VALIDATION) ACT 2018

The Speaker: Members, are there any objections to the Chief Medical Officer (Transfer of Functions and Validation) Act 2018 being reported to the House as printed?

No objections. It has been reported.

That now brings us to a close of that matter, and we will move on to the second item on the Order [Paper] for today. That is the second reading of the Allied Health Professions Act 2018, in the name of the Minister of Health.

Minister.

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

I move that the Bill entitled the Allied Health Professions Act 2018 be now read a second time.

The Speaker: Any objections?

No objections.

Continue.

BILL

SECOND READING

ALLIED HEALTH PROFESSIONS ACT 2018

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

Mr. Speaker, I stand before you this afternoon to introduce the Bill entitled the Allied Health Professions Act 2018. Mr. Speaker, the Ministry of Health is committed to its vision, *Healthy people in healthy communities*, and its core values of quality, equity and sustainability. Mr. Speaker and Honourable Members, I would invite all to review the Health Ministry's Roadmap 2018–2022, which can be located at www.gov.bm/reports, because, Mr. Speaker, these are a wide variety of initiatives underway to move us closer to attaining the vision of healthy people in healthy communities.

Today, Mr. Speaker, I would like to focus on the Ministry's ongoing work to improve the regulation of health professionals in our community. Mr. Speaker, the regulation of health care professionals is essential to ensure high-quality care, and protect and promote public health. The Allied Health Professions Act 1973 (and hereinafter, I will refer to that as "the Act," Mr. Speaker) is the legislation that ensures the standards of practice for several health professions, through registration, monitoring, complaint-handling and disciplinary procedures.

Mr. Speaker, the Bill entitled the Allied Health Professions Act 2018 proposes changes to the 1973 Act in order to align it with the Ministry's other legislation for health professionals, which will also enable efficiency in regulation, and to regulate five new professions.

Mr. Speaker, the professions proposed for regulation are: acupuncturist; chiropractors; counselors; massage therapists; and social workers. Consequently, Mr. Speaker, the changes include the repealing of the 1973 Act and the Chiropractors Act 2002. And it will replace them with this 2018 Bill being introduced now for the consideration of this Honourable House.

Mr. Speaker, the Council for Allied Health Professions ("the Council") is the legislated body that is charged with ensuring that high standards of professional competence and conduct are upheld, as well as to advise the Ministry on issues pertaining to them. The Council currently regulates more than 10 health

care professions throughout the establishment of its boards that assist the Council in achieving its functions.

Mr. Speaker, since 1973 when that Act was last updated, the Ministry has been in consultation with the Council. Further amendments were identified to address key issues around registration and renewal of registration, complaint-handling processes and other procedures, including a reorganisation of the legislation for more logical flow of content for stakeholders. Additionally, the proposed changes for complaint-handling, disciplinary procedures and appeals procedures were also identified in order to ensure that the constitutional rights to a fair hearing exist. It is important to note that the efforts of the Council and the Ministry to advance standards for professional practice and regulation are ongoing.

And, Mr. Speaker, I would like to just advise Members of the House that the existing professions that are currently regulated under the 1973 Act include addictions counsellors; audiologists; chiropractors; diagnostic imaging technologist, which includes subdivisions and specialities; dieticians; emergency medical service practitioners, which also includes subdivisions and sub-specialities; medical laboratory technicians; occupational therapists; physiotherapists; and speech and language pathologists. So, those professions are already currently regulated under the 1973 Act, Mr. Speaker. And what this Bill proposes to do is add five further professions to also come within the remit of the legislation.

So, Mr. Speaker, the majority of the provisions in the 1973 Act are incorporated into this 2018 Bill which is under the consideration now of the House. However, Mr. Speaker, there are several other updates which are also required. As previously stated, Mr. Speaker, these updates include the incorporation of chiropractors and four other professions, as well as the repeal of the Chiropractors Act 2002, which was never operationalised, Mr. Speaker.

The Ministry is in consultation with the available professional associations and members of each of the five professions proposing to be regulated, and there are working groups currently developing standards and registration criteria in preparation for the regulation under the 2018 Bill.

So, Mr. Speaker, effectively, what we have is that these professions that will be added, the Ministry has been in constant consultation with these professions so that we can hear their views. And we are also assisting these professions so that they can establish their own codes of practice, scope of practices, standards, as well, which will outline things like entry into the profession, disciplinary measures, et cetera. So, we are working [extensively] with them. There has been full consultation, Mr. Speaker, with these particular bodies to add them to the professions that are already in existence under the 1973 Act.

Mr. Speaker, there are other further specific updates in the 2018 Bill that I would like to advise Honourable Members. One is to improve representation and efficiency of regulation by streamlining the composition of membership on the Council, inclusive of a provision for the creation of boards with more than one profession represented; to insert a provision to protect the Council and its boards, and the Professional Conduct Committee, from liability; to require the renewal of registration to be tied to continuing professional development; to mend or correct the professional titles of several professions in order to effectively ensure title protection, as well as to reflect the changes in education and practice, over time.

Another update is to significantly improve complaint-handling, disciplinary procedures and appeal procedures, which include, Mr. Speaker, (1) to expand the power to establish a code of conduct that includes standards and scopes of practice for each profession; (2) to eliminate the complaint-handling process under the 1973 Act and establish a new process that aligns with legislation for other health professionals and satisfies the constitutional right to a fair hearing; and to change appeals for registration decisions from Cabinet to the Supreme Court.

Right now, Mr. Speaker, the appeals process with respect to registration is appealed to Cabinet. And we are changing that so that the appeal will go straight through to the Supreme Court, Mr. Speaker, which is consistent with many other pieces of legislation involving appeals against a decision affecting registration.

As I also said, Mr. Speaker, it is important to note that these particular professions, which are added to the 1973 Act, will be developing their own code of conduct, their own processes, their own standards and the like. The advantage of doing it the way that we are doing it now, Mr. Speaker, is that these particular professions will have the opportunity to be able to be assisted by other boards that are long established.

For example, the physiotherapist board, which is well established, will have some of these professions encompassed under it so that it can assist them with development codes of practice, standards and the like, so that we can effectively complete our vision, Mr. Speaker, which, again, is regulation so that we have healthy people in healthy communities.

Mr. Speaker, the 2018 Bill aims to standardise and improve the regulation across health care professions and to ensure that allied health professions are subject to a more just disciplinary system. Overall, the Bill entitled the Allied Health Professions Act 2018, Mr. Speaker, ensures high standards of practice that protect both allied health professionals, their patients, and their service users.

And again, Mr. Speaker, if I can pause real quickly, because I certainly need to pay homage to the team at the Ministry of Health that pulled this to-

gether. This has been a work in progress for quite some time, led under the direction of the Permanent Secretary. The Policy Analyst and all of the team pulled together this very comprehensive piece of legislation. Again, it had been taking quite some time for us to get to where we are now, and they pulled it together with their hard work and dedication. And for that, I would like to thank them.

Mr. Speaker, again, this had full consultation. And the professions that are being added wish to be regulated. They wish to be part of this process. And this will help to secure the vision that we have at the Ministry of Health, as well as to protect the public.

Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

Does any other Member wish to speak?

We recognise the Honourable Member from constituency 23.

Honourable Member, you have the floor.

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

Mr. Speaker, my question is whether you wish me to could continue now or, given the clock?

The Speaker: Actually, I was just writing down the time you got up and realised it was 12:30.

[Laughter]

The Speaker: Now, I am sure that Members would like to have a break at this time. This is customary.

So, Minister Brown, would you like to take us to that period?

Hon. Walton Brown: Yes, Mr. Speaker.

I move that we do now adjourn for lunch, and return at 2:00 pm.

The Speaker: Members, we now stand adjourned until 2:00 pm. No objections to that?

Some Hon. Members: No.

[Gavel]

Proceedings suspended at 12:31 pm

Proceedings resumed at 2:02 pm

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

The Speaker: Good afternoon, Members. Are we ready to resume the session today?

[Gavel]

BILL**SECOND READING****ALLIED HEALTH PROFESSIONS ACT 2018**

[Debate continuing]

The Speaker: We now are resuming the debate on the second reading of the Allied Health Professions Act 2018 and I believe the Shadow Minister was about to take the floor before we broke for lunch.

Madam, would you like to continue?

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

The Speaker: Go right ahead.

Hon. Patricia J. Gordon-Pamplin: Mr. Speaker, it is with a little bit of concern that I contribute to this afternoon's debate.

The Speaker: Mm-hmm.

Hon. Patricia J. Gordon-Pamplin: It was quite apparent when the Minister gave her presentation earlier, just before the lunch break—and this is on the Allied Health Professions Act 2018—that this has been a work in progress for quite some time. And she underscored the fact that the technical officers have worked tirelessly in order to bring the legislation to where it is today. And I understand the job that the technical officers are required to do because we have sat in this place and we sat in that space, so we understand that there are things that are required in order to bring legislation to fruition. We recognise, Mr. Speaker, that the wheels of governmental bureaucracy grind very slowly.

But with that said, Mr. Speaker, when the Minister can stand and say it has been a work in progress for quite some time, we have in front of us legislation that impacts 23 pages of legislation and 8 pages of Schedules. And I preface my remarks, Mr. Speaker, to say that this Bill was tabled last week Friday. Now, custom and practice gives us the opportunity to have sufficient time in order to look at legislation that has been tabled, to be able to discuss, understand and feel comfortable that when we come to this Honourable House we are truly representing a supporting view, a contrary view, a position where we can hold hands on particular legislation and areas where we might differ.

When we do not have the opportunity, as the Minister has, to be able to be going through the birthing pains of legislation, we are left at a severe disadvantage. We are in this Honourable House, intending to do the people's business; there is nothing in this legislation as I have been able to glean—

Hon. Kim N. Wilson: Point of order, Mr. Speaker.

The Speaker: Point of order.

POINT OF ORDER

[Misleading]

Hon. Kim N. Wilson: Yes, Mr. Speaker, I believe this Honourable Member is misleading the House, perhaps inadvertently, but there was consultation . . . excuse me, there was correspondence between our Whip and the Whip of the Opposition as recently as the 4th of December where the Whip of the Opposition agreed to go short.

So for this Honourable Member to stand to her feet and suggest that we are trying to do something at the last minute without consultation is inaccurate, and is a misrepresentation and is misleading the House.

She may choose to turn around to her Whip and ask her Whip at what date—and I can tell you it was the 4th of December—was it consented to to go short.

The Speaker: Thank you, Honourable Member.

Hon. Patricia J. Gordon-Pamplin: Yes, Mr. Speaker, I am glad the Honourable Member raised that because the 4th of December—today is the 7th—the 4th of December was three days ago. So within a three-day period of time, when it is normal that we would anticipate and expect that we would have two sittings to be able to debate legislation, that we are required to do something of this magnitude in such a short period of time. That is a concern. That is a concern, Mr. Speaker.

And the Honourable Member is, you know—

The Speaker: Now, now, Honourable Member, let me just caution you. I gave you a little leeway, but any matter that is agreed to be done here is agreed to by the Speaker.

Hon. Patricia J. Gordon-Pamplin: I agree—

The Speaker: And . . . and—

[Gavel]

The Speaker: The Speaker made that decision for this to proceed because the Speaker saw correspondence that went back and forth indicating that both sides had acknowledged that it could be done today. Based on that, we are now doing it. If the Speaker was not comfortable with that we would not be doing it.

So, you stressed your point. And now I am going to suggest that you move on, because if you continue down that road then you are going to start

questioning the Speaker's decision, and I am not going to have that.

Hon. Patricia J. Gordon-Pamplin: Mr. Speaker, I am not at all questioning your decision, sir. What I am suggesting is that when we have something that is this important—

The Speaker: I suggest you just move on.

Hon. Patricia J. Gordon-Pamplin: Yes, I will. But I think it is important for me to say this, if you will permit me, Mr. Speaker. To say that if there is better respect for the process, then we can engage effectively so that we can contribute—

[Inaudible interjection]

Hon. Patricia J. Gordon-Pamplin: Are you the Speaker?

The Speaker: But the Speaker—

Hon. Patricia J. Gordon-Pamplin: —so that we can contribute—

The Speaker: —did suggest you move on. And I see you continued down the same road.

Hon. Patricia J. Gordon-Pamplin: No, I just wanted to make this one point, Mr. Speaker.

The Speaker: No, no, no, no. You made your point. Continue on, please.

Hon. Patricia J. Gordon-Pamplin: So Mr. Speaker, it is difficult to be able to be effective in my presentation—and I am moving down a different path—

The Speaker: Okay.

Hon. Patricia J. Gordon-Pamplin: —without the requisite time to be able to understand all of the clauses, all of the intent, and everything that is needed in order to make a positive contribution to the debate. So, that is important to mention.

So, let me just say, in terms of the legislation itself, to the extent that I have been able to understand what it is that they are attempting here, Mr. Speaker, is to recognise that there are efficiencies having an overarching umbrella. So we understand that and we support that.

We are looking at the establishment of a Council which is being embodied by this legislation. And looking at this Council the . . . having the Council, with its responsibilities of looking up designated professions and being able to recognise what is needed in this Allied Health Professions Act, with the limited time that we had, the only consultation that I was able

to have was one with respect to personal trainers. And I know that this was a concern that has been articulated. And with that concern, Mr. Speaker, we look at the interaction with the public of personal trainers that . . . where there could conceivably be negative impact to the public.

So I do know that according to the legislation under one of the clauses (and I do not remember off-hand which) there is a possibility that new professions may be able to make application to be able to be included.

But with that said, Mr. Speaker, I would like to have the Minister, hopefully, favourably consider should an application come from personal trainers, to give that sort of favourable consideration because it is important the physical trainers are not left to go rogue in an environment in which people can have negative health outcomes as a result.

So what seems to happen here, Mr. Speaker, is that each of the professions effectively . . . or the like professions will have a Board that is established. And the boards that are established, in making sure that the membership applications relating thereto are appropriate applications to be processed, the legislation effectively says that persons need to be skilled academically and professionally.

Now the one thing that I just wanted to highlight in this particular instance is the necessity for a robust code of conduct. A code of conduct is included in the legislation, but a robust code of conduct, which is effectively allowing for continuing professional development so that people who hold themselves out to be providers of specific services are, not just somebody who has been skilled academically and professionally, but rather somebody who has also kept up on the cutting edge of the advances in their own professions in order to maintain currency in what it is that they are required to do. I think that this . . . I did not see that this was specified. And it may be a combination of the academic and professional nomenclature as well as the code of conduct, but it was not clearly stated, and I think that this is a very, very important thing to do.

Now, I know that one of the things that gave me a little cause for pause was the registration of members of their respective professions and that members are required, prior to the expiry of their current membership, to . . . renew their membership. It says only in the legislation "on or before." So if "on or before" the expiry date one inadvertently fails, it does not seem to have a provision which enables one to say, *I went past December 31 (which is my date for reregistration), I'm now on January 5th because I got caught up at Christmas . . .* and it does not say that there could be a consideration given for that person who was delinquent at the date certain to be able to rectify his oversight or anomaly at a future date. It effectively just speaks to *you will register by the appointed date or you could be struck off the register if*

you don't. But there has got to be some flexibility and leeway—I have no doubt, in the interim that this would be the intent—I am sure, to make sure that we do not have people who may inadvertently be struck off a register.

So the Council's duties and responsibilities . . . they, clearly, are key. What did not seem to be clear to me is, because this is a new Act and this Council is a new entity and the period of time for which the Council members—

Hon. Kim N. Wilson: Point of information, Mr. Speaker. Point of clarification, excuse me.

The Speaker: Point of clarification.

POINT OF CLARIFICATION

Hon. Kim N. Wilson: Thank you to the Honourable Member for yielding.

The 1973 Act established the Allied Health Professions Council. This 2018 Act is . . . the Council still exists. What we are doing is we are adding a number of criteria but, in particular, we are allowing for basically a mixing of professions. So one profession that is already a member of Allied Health will now encompass the acupuncturists.

So the Council itself is still—

[Inaudible interjection]

Hon. Kim N. Wilson: Exactly.

Hon. Patricia J. Gordon-Pamplin: Okay.

Hon. Kim N. Wilson: Thank you, Mr. Speaker, and thank you for yielding.

Hon. Patricia J. Gordon-Pamplin: Thank you, Mr. Speaker. And I appreciate the Minister making that clarification because these are the kinds of things that I would have had the opportunity, with a little bit of consultation with the technical officers, to be able to come with an effective presentation. So that is the reason for my concern.

So I think that . . . with what I am seeing with the Council, I did not see that the existing members were staggered in their appointment. And it might be that this is the way it worked in the original Act. But if everybody here, I think, according to what I read, that people would be appointed to the Council for a time certain. If everybody is being appointed at the same day [and] they expire at the same time, is there any kind of overlap so that we have an effective continuity in the Council? In other words, if everybody is appointed for a one-year or a two-year period of time—

[Inaudible interjection]

Hon. Patricia J. Gordon-Pamplin: I am just asking a question in terms of the way this Act is . . . is written.

So the other question that I have is with respect to the availability and the possibility of a *locum tenens* to be able to take the place of somebody who is registered. And the *locum*, obviously, would also have to be registered, but it gives them a maximum of a three-month period of time and during that three-month period of time . . . it might not be sufficient. But I did not see that the ability for that same *locum tenens* to be able to extend their position for, let us say, another period of a month if the substantive individual is not quite ready at the end of three months. Or would there be a requirement for a new *locum tenens* to be brought in, such that the person holding that office does not fall afoul of their three-month responsibility?

The comments that I wanted to make . . . obviously, I am concerned, as people indicated to me, that you know personal injury is a challenge. But the . . . certainly the efficiencies and how the Board . . . how the Council is now overarching and the Boards are intermingling and being overseen, it is creating a situation which we, obviously, can support. But I do want to know that in this codifying that the . . . it seems like we might be having another layer of infrastructure and bureaucracy, but in fact, once I read through the legislation it seems to be pairing it down to a comfortable management situation.

But I am just a little concerned . . . I certainly support the new professions that have come in, with the five new ones that the Minister alluded to that have been included. And those are: acupuncturists; the chiropractors, which presently exist, are now coming in under this legislation; counsellors; massage therapists; and social workers. And, obviously, all of those are professions that form an integral part of our community in the services that they provide. So, obviously, apart from ensuring that they are all up to date, that everything that they are required to do is controlled, managed, and overseen and that they keep up to date in terms of the best practices, then obviously we will support this.

I do have a couple of questions that are more specific to the legislation which I am quite happy to discuss when we get into Committee.

But with the comments that I have made, Mr. Speaker, I would have loved the opportunity to have been able to discuss some of these issues with the technical officers so that we could have an effective debate.

Thank you, Mr. Speaker.

The Speaker: Thank you, Member.

Does any other Member wish to speak?

I recognise the Honourable Member from constituency 4.

Honourable Member, you have the floor.

Mrs. Tinee Furbert: Thank you, Mr. Speaker, and good afternoon.

It actually gives me great pleasure to be able to speak to this particular Bill, because this Bill is one that has actually been in the works for a number of years, even under the former Government.

I would like to declare my interest. I was a former Chair for the Allied Health Professions Council and served on that Council for a number of years.

And we kept hearing, under the previous Government, that it was going to get tabled soon . . . it was going to get tabled soon—soon, soon, soon was what we kept hearing. And so I am grateful that our Government has finally come forward and we are being progressive in finally getting this Bill put through.

So a lot of the changes in this particular Act were actually recommendations that have come via the policy analysis—both former and currently now—and also allied health professionals as well who, currently or past, who had served on the Boards or the Councils. And so they do come with great understanding and modernisation of an Act of 1973 to now make it an Act of 2018.

And so I just want to give due diligence in recognising the team who have finally gotten this Bill together to be able to bring it to us today to be debated and also to thank the allied health professionals who sit on the Boards and Council voluntarily . . . you know, they do a lot of work behind the scenes voluntarily, even though it is a paid Board. But there is tons of work that gets done beyond those, sort of, working hours and months that they have to meet.

And so actually the Allied Health Professions Council has been one of the leading councils or leading areas for other newer professions who are regulated in making sure that they are proficient in creating or developing codes of conduct and standards of practice.

The Bermuda Health Council has also been helpful with assisting the Council in creating actually a whole standard of a standard of practice as well. And the new professions coming under the Allied Health Professions [Council] actually will have something already in place as it comes to the general Allied Health Professions standards of practice—sorry—code of conduct document.

This Bill also represents an amalgamation, just like we added recently the midwifery to the Nursing Act, but an amalgamation of professions coming together to be regulated under one Act. And so it is creating a modernisation for other professionals to actually come on board to be regulated, professions that have been around for a long time but have not had the opportunity to be regulated. And so this is giving them opportunity to be able to do that.

I also noticed in the Act that there is a provision for continued consultation with Allied Health Professions—the Boards and the Council—as it comes to them actually having to discharge their functions, or

the new professions that are coming on board actually being involved in the actual regulation processes. And that is outlined in their ability to be on actual boards and actually being a part of the Council as well. And so there is that provision for specified professions to be a part of the Board where there are areas of concern for them.

One area of concern that I have raised to the Minister before is the size of the Council should Bermuda . . . you know, as we grow and there are more health or Allied Health Professions coming into play in Bermuda. Currently, diagnostic imaging is one of the growing professions. I believe [there are] over 100 diagnostic imagers on Island. And you know what happens when we get to numbers—and I am not hoping that we do not—but when we get to the numbers of . . . let us say, the nursing field, how the Council or the Boards would be able to handle such a big capacity is concerning. Having each specific profession represented under the Council and it growing so hugely, I am hoping that there is provision where that does not happen so that people can be fairly represented on the particular Council.

I also noticed, as far as the application for designations for specific professions that we have removed the criteria for actually having five professions from an association or not with an association to actually be able to apply to be part of a specified profession. Because before you had to have five or more and now we have removed the five or more designation so that people have more ease to be able to come on to be underneath the Allied Health Professions Act.

What is also great about this legislation is the fact that with the constitution of Boards there has been some changes from what the Act used to say before. But it allows for, again, the involvement of specific professions to be recognised on the Boards and usually these are chosen from the actual professions themselves and so not from any other group who may not understand the specified professions. And so there are provisions in this Act to make sure that there is equal representation of professions—both on the Boards and on the Council.

Another big piece to this Act is the application for registration. There was a piece in there in the 1973 Act which spoke to the assistants of specific professions coming on board and it spoke to the Act having a role or an enrolment. And actually now we have taken out some of that language and it is now just a registration for assistants. And so that actually will open up some doors for some assistants that actually are out there—maybe an occupational therapy assistant, a physiotherapy assistant, a speech and language therapy assistant. It has made the process now more seamless when an assistant is trying to seek out regulation.

The Minister has also recognised that whenever there is an appeal process that the previous Act

spoke to appealing to the Cabinet and now there is parity amongst other Acts where they are actually appealing to the Supreme Court, which makes more sense than having to appeal to Cabinet. So that was a huge change in this particular Act.

What I did see in this Act . . . where we talk about provisional registration, something which occurred previously when people were collecting all of their documentation, or you had a new grad who might not necessarily have the actual paper document [in hand], when they have passed their exam and sometimes they are right in the middle of the registration process and they are just waiting for that document to come in, then provisional registration I know in other jurisdictions is granted until that actual paper does come in. And I see the Act does not necessarily speak to provisional registration in that capacity where people have totally completed their coursework, totally completed their training, but they are just waiting for that document to come in to say that they have passed their exams.

And so to make the process more seamless . . . they have passed their exams, they know they have done well, we are just waiting for the documentation to come in. If provisional registration is granted, it is granted with a deadline or with the criteria of that documentation coming in. And so we will not delay the registration process because a certain document has not come in.

Another area the Act of 1973 spoke to was the Professional Conduct Committee. Previously it spoke to a Preliminary Conduct Committee. And the Preliminary Conduct Committee has actually been removed and so that leg of professional conduct was an extra leg where both committees kind of had the same duties. And so that particular leg was removed out of this Act so that it was a more seamless approach to having to deal with professional conduct.

One of the requests I know of on the council was to have more support when it came to the Professional Conduct Committee and actually the processes related to professional conduct. And so the Act has outlined this very nicely. You do not have to guess anymore in regards to some areas as it relates to professional conduct.

The other area in here that will be a key piece was when there was a professional conduct complaint it was never really clear in regard to who could actually make a complaint. And at times we would have third parties making complaints or you would have professionals with the requests of their clients actually making complaints to the Professional Conduct Committee. And so now there is provision for persons acting on behalf of the complainant and it is very clear when it comes to the Professional Conduct Committee.

So a lot of cleaning up has been done. I see an additional power—the ability to summon people when it comes to the Professional Conduct Committee. That ability was not there before where we had to

. . . the council had requested . . . I am sorry, the Professional Conduct Committee had requested people to come in and speak or send in particular documentation and they would skip the Island or leave the Island and then we could not . . . we had no power or ability to make them bring documentation in or sit before an actual committee. And so now the ability to summons someone is a key fact and a key piece of power to be able to assert some authority in an allied health professional having to be involved in the Professional Conduct Committee deliberations.

So, as I mentioned before, all of the Boards and Councils work very diligently in regard to producing their standards of practice and their codes of conduct. They do that and they have those documents ready. The new professions that are coming on board will have some guidelines that they will have available to them to be able to create their own code of conduct and standards of practice. So they will not have to reinvent the wheel too much other than what is specific to their actual practice, but there is lots of help out there for them to be able to do that. And I am sure they are very grateful to finally come on board and be regulated in such a fashion.

I do see that the fine has been increased in regard to someone using a specific profession's title. Hopefully the increase in the fine will deter people from doing this. This actually does happen. We see this out in the community where somebody will have on their business card that they are representing some type of nurse. Particularly in this care-giving industry you will see people coming up or inventing some sort of title that they are not supposed to use. And so it is also important for making sure that professions are separated and they have access to particular titles that they work so hard to achieve.

I just want to speak to the repealing of the Chiropractors Act, and now the chiropractors are coming under the Allied Health Professions Act. At times there can be many health professions in Bermuda and sometimes the grouping and the sizes of the health professions can be very small and so having to come under one umbrella can be very helpful when you are having to track a particular registrant or you are having to track regulation guidelines. And so while it is not the most ideal . . . and I know that some of the chiropractors pushed back in regard to the repealing of their Act. But they are still regulated under the Allied Health Professions Act. And, hopefully, with the inclusion of having specific professions to be part of the Council or part of a particular Board, they will still have their thoughts and standards of practice, and any sort of decision that would need to be made on behalf of a chiropractor, that can now occur.

And then just one big change where it speaks to the Schedule and just the interchange of (and the Minister spoke on this already) in regard to the different names of different professions that they have, as new educational programmes come about or some-

one may be trained in the UK or someone may be trained in Canada or someone may be trained in the US, there are different names that are interchangeable when it does come to professions. So in some jurisdictions you may hear the term “physical therapy” or you may hear the term “physiotherapy” and the same with the term “chiropractor” or the term “podiatrist.”

Now this Act reflects more of a modernisation when it does come to professions which have different names across different fields. And so all those podiatrists that are out there, I am sure, will be very happy with this change and the reflection in that they can be now identified under the Law as a podiatrist. Or, particularly, as a . . . because I know another one that was key when I was former Chair was the “medical laboratory technologist”, where before they were termed as a “technician.”

And so as education changes, colleges change, we are just making sure that we remain up to date with what titles are out there so that people can be recognised in many different jurisdictions.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak? No other?

Minister.

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

Mr. Speaker, there were a couple of questions that were asked during the general debate which I will endeavour to answer, in no particular order.

With respect to the issue concerning a personal trainer . . . and I can understand the concern that was raised by the Honourable Member. However, personal trainers actually, in addition to them having their own series of certifications to enable them to provide that service, they are not health professionals. So, therefore, they would not fall within the remit of this 2018 piece of legislation.

The issue concerning continuing education, which is clearly important, and the Honourable Member who sits opposite would obviously be familiar with this as a member of CPA Bermuda, myself as a member of the Bermuda Bar Association, that continuing education plays a very, very important role in many professions. And this is not dissimilar to the provisions under this legislation because the standards of practice . . . the Act provides that it will require the standards of practice to be adhered to as well as continual . . . I say continual *legal* education, sorry—continual *professional* education for these respective professions.

Also, Mr. Speaker, there was an issue that was raised concerning the Boards and this is a re-enactment of the 1973 Act. So, effectively, the provisions that relate to the Boards remain in this one because it is a re-enactment. So the Boards themselves will . . . they can be replaced; they will not be replaced

at once. As a matter of policy, they are always continually staggered so that you would have some type of institutional knowledge remaining at the Board when new board members are appointed.

And with respect to the issue that was raised concerning the fear that the growth of the Council will continue to grow and that the Council will grow as new professions come on board, the whole purpose of this legislation—as is indicated in the Act—is that we are allowing for mixed Boards. So, therefore, mixed Boards will prevent any type of bolstering or growth unnecessarily of the Allied Health Professions and it will also improve efficiency.

For example, the acupuncturists, the massage . . . acupuncturists and massage therapists are all falling within the actual professional body of the Board which is labelled as physiotherapy. So we are mixing professions so that we will not continue to grow the Board exponentially because new professions will come on board, which is the principal objective of this legislation. So that we are not growing the Allied Health [Professions] Board exponentially, but we are allowing for mixed professions when professions have a similar structure, such as massage therapists and acupuncture therapists—it is common fit for them to be under the physiotherapists. So that is the whole point of us mixing the Boards.

So the question about growth is really an unnecessary question because we are mixing the Boards, which is the objective and the mischief of the Act.

[Inaudible interjection]

Hon. Kim N. Wilson: Yes.

With that, Mr. Speaker, I would like to move that this Bill be now committed.

The Speaker: Thank you, Minister.
Deputy?

House in Committee at 2:42 pm

COMMITTEE ON BILL

ALLIED HEALTH PROFESSIONS ACT 2018

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

The Chairman: Honourable Members, we are now in Committee of the whole [House] for further consideration of the Bill entitled [Allied Health Professions Act 2018](#).

Minister, you have the floor.

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

Mr. Chairman, this Bill would repeal the Allied Health Professions Act 1973 and re-enact this Act with amendments. Chiropractors and certain other

new specified professions would be regulated under this Act, and the Chiropractors Act 2002 would be repealed.

Mr. Chairman, I would like to move these clauses by topic with your leave.

The Chairman: Mm-hmm.

Hon. Kim N. Wilson: And starting with clauses 1 through 3 which concerns the citation, the interpretation, and where the Act does not apply in relation to practices by certain armed forces.

The Chairman: Continue.

Hon. Kim N. Wilson: Mr. Chairman, clause 1 provides a citation for the Bill.

Clause 2 defines the various expressions used in this Act. It also provides that the Council for Allied Health Professions ["the Council"] shall, so far as is practicable, discharge its functions under this Act after consultation with members of the specified profession concerned or, where there is a Board for the specified profession, after consultation with the Board.

Mr. Chairman, clause 3 provides that this Act is not to apply in relation to the practice of a specified profession by a person who is an officer or employee of certain armed forces on, or in relation to, a person who is a member of such a force, the family of such a member, or a person who is employed directly by such a force.

The Chairman: Any further speakers?

There appear to be none.
Minister?

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

I would like to move that clauses 1 through 3 be approved.

The Chairman: It has been moved that clauses 1 through 3 be approved.

Any objections to that?
There appear to be none.
Approved.

[Motion carried: Clauses 1 through 3 passed.]

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

I would like to move clauses 4 through 10, which concern the constitution of the Council of Allied Health Professions, application for designation of specified professions, and the investigation and determination by the Minister as it relates to the designation of a specified profession.

The Chairman: Any objections to moving—

Hon. Kim N. Wilson: [Clauses] 4 through 10.

The Chairman: —clauses 4 through 10?

No.
Continue.

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

Clause 4 provides for the appointment and constitution of the Council, and gives the provisions contained in Schedule 2 effect with respect to the Council.

Clause 5 lists the functions of Council.

Clause 6 provides for application for designation as a specified profession to be made to the Minister by an association of members of a health profession, or (if there is no association) any members of a health profession. After receiving an application, the Minister may either approve or refuse to approve the application without investigation, or conduct an investigation in accordance with clause 8 to determine whether a health profession should be designated.

Clause 7 provides that the Minister may, in the absence of an application under clause 6, on his own initiative conduct an investigation to determine whether a health profession should be designated.

Clause 8 sets out the procedure for an investigation regarding designation of a specified profession.

Clause 9 provides that, if the Minister determines that a health profession should be a specified profession, she shall so designate the profession and add it to Schedule 1 in accordance with clause 10. If the Minister determines that it is contrary to the public interest to designate the health profession as a specified profession, the Minister shall refuse the application and provide the applicant with reasons for the refusal.

Clause 10 provides that the Minister may by order amend Schedule 1 by: (a) varying the definition or style of any specified profession, or (b) adding any profession thereto or removing any profession therefrom. A person practising a new specified profession in Bermuda may temporarily continue to so practise without being registered in that profession until such date as is appointed by the Minister in the order adding the specified profession to Schedule 1. The order may include such other transitional provisions as the Minister thinks necessary. The negative resolution procedure shall apply to the order.

[Background noise]

Hon. Kim N. Wilson: Shall I speak louder?

The Chairman: Continue.

Continue, do not let that disturb you.

[Laughter]

Hon. Kim N. Wilson: Mr. Chairman, I would now like to move clauses 4 through 10 be approved.

The Chairman: No, it has got to be responded to first.

Hon. Kim N. Wilson: Oh, sorry. I was distracted by that sound to my left.

The Chairman: Do not be, my dear.

Any further speakers on clauses 4 through 10?

The Chair recognises the Honourable Member Pat Gordon-Pamplin.

Continue.

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

Mr. Chairman, I understand and accept the Minister's explanation with respect to physical trainers. My question is under clause 6, is there anywhere outside of this that they could be controlled, managed, overseen? It is not that it does not come under Allied Health and I am just inviting the Minister to consider because I think that is an important point.

Investigations regarding designations. The Minister (this is on clause 7) it says, "the Minister may, in the absence of an application under clause 6, on his own initiative conduct an investigation to determine whether a health profession should be designated." And I think that is, perhaps, something that we could embrace and incorporate for areas that are causing public concern.

Outside of that, I have no further questions.

The Chairman: Any further speakers?

The Chair recognises the Honourable Member Susan Jackson.

Ms. Jackson, you have the floor.

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

My question is around counsellors. I am just wondering whether the broader community will be informed because I imagine there are a number of counsellors that are home-based practitioners—

The Chairman: What particular clause are you talking about?

Ms. Susan E. Jackson: I am referring to sort of the designation of specified professions.

The Chairman: The designation—

Ms. Susan E. Jackson: So that is 6, clause 6.

The Chairman: Clause 6?

Ms. Susan E. Jackson: Around the application, making an application.

[Inaudible interjections]

The Chairman: Minister, you need to include the whole House.

Hon. Kim N. Wilson: Sorry.

Ms. Susan E. Jackson: So those who want to make application . . . you know, I am just curious whether and how the broader community of counsellors will know to make that application. Whether there is going to be any kind of public announcement so that people know that if they are practicing, in particular at home, we have got counsellors in churches—if they are going to have to make an application.

So I just want to know—

The Chairman: Ms. Jackson, do not leave the Chair out, please.

Do not leave us out. The Chair needs to understand what you are saying.

Ms. Susan E. Jackson: Sorry, Mr. Chairman.

The Chairman: That is all right.

Ms. Susan E. Jackson: Yes.

So, yes, I just am curious just to make sure that the people who are out in the counselling community, in particular, are aware of the application and whether that is going to include church counselling which takes place in churches, whether this is going to . . . you know, include a number of other people that may be practising at home or not know.

The Chairman: Any further speakers?

The Chair recognises Pat Gordon-Pamplin.

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

Mr. Chairman, this is on page 4 under clause 4 with the constitution of the Council. I did ask the question in the general debate and, as I said . . . I guess it has just now come clear that the Council . . . or let me ask the question. Will the Council that is the leftover, if I can put it that way, the remnant from the 1973 Act be brought in as the base of the Council now so that we will have that continuity on the Council? So that . . . you know, because this is a new Council based on this new Act, so I do not want to see that everybody gets appointed and then they sort of fall off at the same time.

The Chairman: Any further speakers?

The Chair recognises the Minister.

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

Starting with the last question first, as I indicated previously, this is a re-enactment. So that Board will remain as . . . insofar as if there are any that have

been statute barred and their term has expired. So it is just a re-enactment.

The first question, I have to apologise to the Member from constituency 20 because I am not 100 per cent sure to what the Honourable Member is referring. However, clause 6 does provide that an application by a profession can be made to the Minister and then, obviously, the Minister will consider whether or not that profession should be added to the Board or mixed in, as we are doing now, mixed with a particular profession.

So when it comes to church counsellors, if they want to form and they come together and they decide they want to establish their own code of practice, their own standards, their own terms of reference, so to speak, and then they want to present [it to] the Minister because they want to be regulated under the Allied Health, then it would be certainly something that we would consider.

However, this Act is dealing with the social workers so, I guess, there is nothing to preclude them from doing it. I am not sure how they would organise, but that is a different issue. It may have been a hypothetical question, but the point specifically, I think, to answer the Honourable Member's question is that with respect to clause 6, it does allow for professions to come and make application if they wish to have any type of involvement. And that would include church counsellors, I guess.

The Chairman: And number 7?

You answered number 7 earlier?

Hon. Kim N. Wilson: Number 7?

The Chairman: Yes, investigation by a Minister . . . you said it is tied in—

Hon. Kim N. Wilson: It is tied to [clause] 6.

The Chairman: Okay.

Hon. Kim N. Wilson: Sorry, Mr. Chairman.

[Clause] 7 just allows for the refusal of such application.

With that, Mr. Chairman, I would like to—

The Chairman: Just one second.

Any further speakers?

Okay, Minister, you may . . .

Hon. Kim N. Wilson: Okay, actually . . .

The Chairman: Do you want to move [clauses] 4 through 10?

Hon. Kim N. Wilson: Yes, Mr. Chairman.

I would like to move that clauses 4 through 10 be accepted and form part of the Bill.

The Chairman: It has been moved that clauses 4 through 10 be approved.

Are there any objections to that?

There appear to be none.

Approved.

[Motion carried: Clauses 4 through 10 passed.]

Hon. Kim N. Wilson: Mr. Chairman, with your leave, I would like to proceed by moving clauses 11 and 12 concerning the constitution of Boards established under the Council for Allied Health Professions.

The Chairman: Continue.

Hon. Kim N. Wilson: Clause 11 provides for the constitution of Boards. Each Board consists of a Chairman appointed by the Minister, and other members elected from among registered practitioners practising the specified profession or specified professions for which the Board is established. Where a specified profession is added to Schedule 1, the Minister shall, after consultation with the Council, determine whether the persons lawfully practising the specified profession shall: (a) be regulated by the Council, (b) be regulated by an existing Board, or (c) be regulated by a new Board.

If I can pause, please, because I think this actually directly answers the question of the Honourable Member who just took her seat with respect to the provisions of the church counsellors' group under clauses 6 and 7.

Clause 11 (if I can repeat that) provides for the constitution of the Board and each Board will consist of a Chairman appointed by the Minister, and the other members elected [from] amongst the registered practitioners practising the specified profession. Where a specified profession is added to Schedule 1, the Minister shall, after consulting with the Council, determine whether those persons lawfully practising the specified profession shall: (a) be regulated by the Council; (b) be regulated by an existing Board (i.e., the mixing which we are seeing now); or (c) be regulated by a brand-new Board. The Minister may, after consultation with the Council, if she is of the opinion that it is in the public interest to do so, establish a whole new Board or, after consulting a Board, abolish a Board. So that is where your church counsellors are going to come in.

And clause 12, Mr. Chairman, lists the functions of the Board.

The Chairman: Any further speakers?

There appear to be none.

Minister, would you like to move clauses 11 and 12?

Hon. Kim N. Wilson: Yes, thank you, Mr. Chairman.

I move that clauses 11 and 12 be hereby approved.

The Chairman: It has been moved that clauses 11 and 12 be approved.

Are there any objections to that?

There appear to be none.

Approved.

[Motion carried: Clauses 11 and 12 passed.]

The Chairman: Continue.

Hon. Kim N. Wilson: Mr. Chairman, I wish to move clauses 13 through 21 concerning the Registrar of the Allied Health Professions, the maintenance of the register, the registration and renewal of registrations for Allied Health Professions.

The Chairman: Continue.

Hon. Kim N. Wilson: Mr. Chairman, clause 13 provides for the Minister to designate, on such terms and conditions as are necessary for the proper carrying out of the provisions of this Act, a person to be the Registrar of Allied Health Professions ["the Registrar"].

Clause 14 provides for the form and content of the register, for the maintenance of the register by the Registrar, for its availability for inspection, and for its publication.

Clause 15 provides the procedure for an application for registration by a person who seeks to practice a specified profession in Bermuda or to be an assistant in a specified profession in Bermuda, and the determination of such applications. Any person who is aggrieved by a decision to refuse registration or renewal of registration may, within 28 days after being notified in writing of the decision, appeal to the Supreme Court against the decision.

Clause 16 provides that the registration of a "registered person" (a registered practitioner or an assistant) has effect for a period of two years from the date of his registration or such shorter period as may be specified in the certificate of registration issued to him.

Clause 17 sets out the requirements for the renewal of registration. The Council may cause to be removed from the register the name of any person who fails to renew his registration or whose application for renewal is refused.

Clause 18 provides for proof of registration. The Registrar may issue a certificate regarding a person's registration. The certificate would be admissible in any proceedings as *prima facie* evidence of the facts stated therein.

Clause 19 provides that, where a registered person intends to be absent from Bermuda, to practise outside Bermuda, or to refrain from practising in Bermuda, for a period of more than 12 months, he

may apply to the Council to have his registration designated as inactive and shall return his certificate to the Registrar. The Council shall direct the Registrar to enter a notation on the register indicating inactive status. A person whose registration is designated as inactive and who seeks to return to practise in Bermuda may apply to the Council for reissue of his certificate.

Clause 20 provides for the Council to direct the removal of a person's name from the register in certain circumstances. Any person aggrieved by a direction of the Council may, within 28 days from the date of receiving notice of the direction, appeal against the direction directly to the Supreme Court.

Clause 21 provides that a person whose name is removed from the register may be registered in the register again only if a direction to that effect is given by the Council on the application of that person.

The Chairman: Any further speakers?

The Chair recognises the Honourable Member Pat Gordon-Pamplin.

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

Mr. Chairman, I draw the Minister's attention to page 11, clause 17 on "Renewal of registration" and it is a question that I asked her during the general debate. And there it specifies that: "The Council may cause the registration of a person to be renewed if the person on or before the expiration date of his registration" makes the application and pays the renewal fee.

That is the question that I wondered . . . if there is any levity in respect thereof because if somebody inadvertently gets past the date certain and has not re-registered, is there some kind of application . . . even if there is a necessity to pay an additional fee for late registration or something? But it does not seem like the intent would be to strike somebody off, but this does not give them any flexibility based on what we have here in the event of an inadvertent oversight.

So I wonder if the Minister could speak to that.

The Chairman: Minister, do you want to respond to that?

Hon. Kim N. Wilson: Mr. Chairman, I am just looking at [clause] 17(1). Is that what the Honourable Member was . . .

Hon. Patricia J. Gordon-Pamplin: Yes.

Hon. Kim N. Wilson: Mr. Chairman, I will endeavour to get that answer. However, I do understand that with all statutory boards there is normally a prescriptive date in which the registration application has to be submitted.

However, there also is inherent jurisdiction to allow for circumstances such as illness or train wreck

or something that occurred that interfered with them getting the application in on time.

The Chairman: Yes, it says that in the Act, but go ahead. It says “satisfies the requirements of section 15(5).”

Hon. Kim N. Wilson: And then you go back to [clause] 15(5).

The Chairman: It is here somewhere.

Hon. Kim N. Wilson: [Clause] 15(5) is at page 10, Mr. Chairman.

The Chairman: [Page] 11 in this one . . . 17(5), I am sorry. Oh, [clause] 15(5) under renewal of registration, yes. It refers back to . . .

Hon. Kim N. Wilson: Mr. Chairman, if . . .

The Chairman: Yes, it is there. It is there.

Hon. Kim N. Wilson: I am just getting something from the drafters, excuse me.

The Chairman: If you are late you are late; but it does not disqualify you from registering.

Hon. Kim N. Wilson: Thank you, Mr. Chairman. And the draftsmen said something similar, actually.

[Laughter]

Hon. Kim N. Wilson: The draftsman just . . . if I can read, Mr. Speaker—

The Chairman: Yes.

Hon. Kim N. Wilson: —from the drafter who drafted this legislation, says that the person *may* be removed—that is that may and shall word—*may* be removed from the register, not *must* be removed. So it is . . . the element of “may” as you would know, Mr. Chairman, is a discretion, it is not an absolute bar.

The Chairman: Yes.

Hon. Kim N. Wilson: With that, Mr. Chairman, I would like to move that those clauses be—

The Chairman: Just one second, Minister.

Any further speakers?

Yes, one further speaker is the Honourable Susan Jackson.

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

Just a quick question: Will this register also include people who are working in Bermuda on work

permits; especially those that are multi-year work permits, like massage therapists?

The Chairman: Any further speakers?

The Chair recognises the Honourable Member from constituency 4, Tinee Furbert.

Mrs. Tinee Furbert: Thank you, Mr. Chairman.

Just on page 11, speaking to clause 15, “Application for registration” where it speaks to “The Registrar shall publish a notice of the registration in such a manner as the Minister shall determine.”

If the Minister could speak to how frequently this is done now. I know—

The Chairman: You have got to ask a question, my dear.

Mrs. Tinee Furbert: So how frequently is this done now? And then how frequently will it be done in the future?

The Chairman: Minister?

Hon. Kim N. Wilson: Yes, Mr. Chairman. . . . oh, dear. I just had a senior moment . . . I wonder if . . . are they coming more frequently?

I wonder if the Honourable Member from constituency 20 can repeat her question.

Ms. Susan E. Jackson: I was just wondering whether the register would also contain the names of work permits on multi-year contracts.

Hon. Kim N. Wilson: Thank you for that question.

That is absolutely correct. Even if you are on a work permit, in order to be recognised under this designation (which you would need so that you would be able to practice) then the work permit would be . . . I mean, the registration would acknowledge persons that are also work permit holders as well as Bermudians. Because in order to be registered . . . let us say you are a massage therapist or a physiotherapist—and we know there are a number that are on work permits—they would like to be registered . . . they would have to, there is a requirement for them to be registered under their Board. So notwithstanding that they are on a work permit, they must first also seek registration. So that would include, obviously, persons that are on work permits.

And with respect to the question concerning how often the Registrar publishes this information, I will get that information and endeavour to provide it to that Honourable Member in caucus.

The Chairman: Any further speakers?

Minister, move—

Hon. Kim N. Wilson: I would like to move clauses 11—

The Chairman: Thirteen.

Hon. Kim N. Wilson: Sorry, [clauses] 13 through 21.

The Chairman: Yes.

It has been moved that clauses 13 through 21 be approved.

Any objections to that?

There appear to be none.

Approved.

[Motion carried: Clauses 13 through 21 passed.]

Hon. Kim N. Wilson: Okay, thank you, Mr. Chairman.

I would like to proceed by moving clauses 22 through 27.

The Chairman: Continue.

Hon. Kim N. Wilson: Mr. Chairman, clauses 22 through 27 concerning the Allied Health Professional Conduct Committee, the procedure for investigating complaints, the procedure for inquiry and disciplinary powers of the Council for Allied Health Professions and the establishment of a code of conduct.

Clause 22 establishes the Allied Health Professional Conduct Committee (“the Committee”). Complaints against a registered person may be made to the Committee, and it is the Committee’s functions to investigate such complaints. Schedule 3 provides for the appointment and proceedings of the Committee and other matters relating to the Committee.

Clause 23 provides the procedure for the investigation of complaints by the Committee. The Committee informs the Council of its findings and may make such recommendations as it thinks fit to the Council, including a recommendation that no further action be taken. Before imposing any disciplinary measure, the Council must review any documents or information submitted to it by the Committee.

Clause 24 provides that if, pursuant to an investigation under clause 23, the Committee places the matter before the Council for determination, the Council shall inquire into the matter. The procedure for determination of the matter by the Council is set out in this clause. Following its inquiry, the Council makes a decision as to whether the complaint is proved or not proved, in whole or in part, together with reasons for its decision. The registered person against whom the complaint is made may appeal to the Supreme Court against a decision of the Council within 28 days of receiving written notice thereof.

Clause 25 lists the disciplinary powers of the Council. One of the disciplinary penalties that may be imposed by the Council is a civil penalty in an amount not exceeding \$2,000.

Clause 26 provides that where a court finds a registered person guilty of an offence and the circumstances of the offence form, in whole or in part, the subject matter of a complaint under this Act, the court shall take into account an administrative penalty imposed under clause 25 in respect of the complaint when sentencing the registered person. It also provides that a penalty imposed under clause 25 is recoverable by the Crown as a debt. If a person fails to pay a penalty imposed under clause 25, the Council may direct the Registrar to remove the person’s name from the register.

Clause 27 provides that it shall be the duty of the “appropriate authority” (the relevant Board, if a Board is established for that specified profession, or the Council if no Board is established for the specified profession) to prepare, and from time to time amend, after consultation with the Council (if a Board), a code of conduct which the appropriate authority considers to be conduct and standards that are proper for registered practitioners and for assistants in a professional respect. The appropriate authority shall send to each registered person, to his address on the register, a copy of the Code and of any amendment made to the Code. The Code may contain guides to ethical conduct, standards of practice or scopes of practice.

Thank you, Mr. Chairman.

The Chairman: Any further speakers?

The Chair recognises the Honourable Member Pat Gordon-Pamplin.

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

Mr. Chairman, I refer to page 13, clause 22 and subsection (2)(b). And basically subsection (2) requires that “complaints may be made, in accordance with subsection (5), against any registered person, including allegations that” (and (b) which is where I am particularly concerned) “the person is guilty of professional misconduct.”

Now, presumably the burden of proof has to be more than “is guilty of” because it would seem to me that there are many people who are guilty of an awful lot of things but they have never actually gone to court, they have never actually been convicted. So I am wondering whether [subsection] (2)(b) as opposed to saying “the person is guilty” . . . “allegations that the person is guilty of professional misconduct” whether we should basically have a higher burden of proof for conviction. Because this is going to be something against which the Council—the PCC—the Professional Conduct Committee is going to be looking. Sometimes allegations can come and they [may not] necessarily have any substance. So I am just curious about that.

And the other question is on page 16, in clause 24, and this is with respect of subsection (7). This is following all of the inquiries into complaints

where the Council has done whatever it has to do to follow up on a complaint that has been made. [It states], "The Council shall give written notice to the complainant and the registered person against whom a complaint is made . . ." Sometimes complaints come in and they are anonymous complaints, and my question is, Will there be the fielding of any complaint where the complainant does not necessarily wish to identify himself for fear of further repercussions? I am just curious as to how that would . . . how that plays out.

Thank you.

The Chairman: Any further speakers?
Minister?

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

With respect to the first question at page 13, [clause] 22(2)(b) this relates specifically to allegations. So the allegation would have to be investigated. So it is not guilt, as if the person has been finding guilt, it is an allegation that is being levied against that professional for misconduct and those allegations would obviously be investigated.

And with respect to [clause] 24(7) perhaps that Honourable Member would be prepared to just stand by and let me just get some further information from the drafter to answer that question.

Thank you.

The Chairman: Any further speakers?
There appear to be none.
Minister, do you want to move those clauses?

Hon. Kim N. Wilson: Yes, but before I do if I could just answer that question with respect to [clause] (7). No allegations that are made anonymously will be investigated.

Mr. Chairman, thank you. I would like to move those clauses—

The Chairman: Those clauses 22 through 27.

Hon. Kim N. Wilson: Thank you, Mr. Chairman, yes, . . . be accepted and approved.

The Chairman: Yes.

It has been moved that clauses 22 through 27 be approved.

Are there any objections to that?

There appear to be none. Approved.

[Motion carried: Clauses 22 through 27 passed.]

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

I would like to proceed with moving clauses 28 through 31.

The Chairman: Continue.

Hon. Kim N. Wilson: Mr. Chairman, those concern the practice of specified professions, use of professional titles, and penalties.

Clause 28 provides that a person who is a registered practitioner in a specified profession and who has been duly issued with a certificate of registration is entitled to practise in the specified profession in which he is registered in Bermuda and to demand and recover any reasonable charges for services rendered by him in that capacity. Conversely, a person cannot practise a specified profession (by whatever name called) or practise as an assistant in a specified profession in Bermuda, unless he is registered in respect of that profession or authorised to practise that profession under clause 32 (as a *locum tenens*). A person, whether or not a registered practitioner, shall not take or use, or affix to or use in connection with his premises, any name, title or description (whether by initials or otherwise) reasonably calculated to suggest that he possesses any professional status or qualification as a registered practitioner other than a professional status or qualification which he in fact possesses, and which, is indicated by particulars entered in the register in respect of him. A person who contravenes this clause commits an offence and is liable on summary conviction to a fine of \$10,000 and, in the case of a second or subsequent conviction, a fine in the sum of \$20,000.

Clause 29 provides that a person who is registered shall be entitled to use the word "registered" to describe the nature of his professional practice, where that practice is the practice in respect of which he is registered. Conversely, any person who: (a) uses the words "Government Registered," or similar words, to describe the nature of his practice, being that of a specified profession, and is not registered in respect of that profession, or (b) who takes or uses any name, title, addition or description falsely implying, or who otherwise pretends, that his name is on the register, commits an offence and is liable on summary conviction to a fine of \$10,000 and, in the case of a second or subsequent conviction, a fine of \$20,000.

Clause 30 provides that, if a person procures or attempts to procure the entry of any name on the register by wilfully making or producing, or causing to be made or produced, either verbally or in writing, any declaration, certificate or representation which he knows to be false, he commits an offence and is liable on summary conviction to a fine of \$20,000.

Clause 31 provides that, if regulations made under this Act limit the services that may be performed by a registered person in the course of practice of a specified profession, the registered person shall limit his practice accordingly. A person who does not limit his practice accordingly commits an offence and is liable on summary conviction to a fine of \$10,000.

The Chairman: Any further speakers?

The Chair recognises the Honourable Pat Gordon-Pamplin.

Hon. Patricia J. Gordon-Pamplin: Sorry, Minister, did you include [clause] 32? I think I missed the last—

The Chairman: [Clause] 31.

Hon. Patricia J. Gordon-Pamplin: Okay, great.

The Chairman: There appear to be none. Minister?

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

I would like to move [that] clauses 28 through 31 be approved.

The Chairman: It has been moved that clauses 28 through 31 be approved.

Are there any objections to that?

No, there appear to be none.

Approved.

[Motion carried: Clauses 28 through 31 passed.]

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

I would like to move clauses 32 through 35 concerning the authorisation of *locums*, regulations, fees and annual reports.

The Chairman: Continue.

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

Clause 32 provides that the Council may authorise any person who is registered to practise a specified profession outside Bermuda to practise that profession as a *locum [tenens]* in Bermuda for a limited period not exceeding three months and subject to such conditions as the Council may prescribe.

Clause 33 provides for the Minister to make regulations for the better administration of this Act and lists matters in respect of which regulations may be made. The negative resolution procedure applies to regulations made under this Act.

Clause 34 provides that fees for an application for registration or renewal of registration as a registered practitioner or as an assistant in relation to a specified profession are to be prescribed under the Government Fees Act 1965.

Clause 35 provides that the Council shall submit to the Minister, as soon as practicable after the end of each year, an annual report concerning registration, disciplinary proceedings and such other activities of the Council as the Minister may prescribe.

The Chairman: Any further speakers?

The Chair recognises the Honourable Member Pat Gordon-Pamplin.

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

Mr. Chairman, my question was in respect of clause 32, which is on page 20. And that is with respect to the *locum tenens* under [clause] 32(1) and it specifies here that “the Council may authorise any person who is registered to practise a . . . profession outside Bermuda to practise that profession as a *locum tenens* in Bermuda for a limited period not exceeding three months.”

So my question, as I alluded to in the debate, was if somebody comes in and they need to be here for four months or five months because the person—the substantive person—holding the position is unable to return to work, does that person need to leave? Do we need a new *locum tenens*? Or is there something that will give some . . . I guess, consideration by appeal to the Minister or some such [thing] to say that the three months is not quite enough? Let us say somebody is on maternity leave and they decide—

The Chairman: We got the question.

Hon. Patricia J. Gordon-Pamplin: —to take an extra month or something.

The Chairman: Minister, do you want to reply to that?

Hon. Kim N. Wilson: Mr. Chairman, I think I can answer that best by [referring to] the Act. The Act does provide for not exceeding three months, but it also has the “and” so it has a proviso which says and upon “subject to such conditions as the Council may impose.”

So, subject to further confirmation or disagreement from the drafter, it seems to me that this speaks to a power of the Council to impose such conditions as they think are appropriate, given the circumstances of the case.

The Chairman: What is requested at the time. Continue, Minister.

Hon. Patricia J. Gordon-Pamplin: Yes, I just—

The Chairman: I am sorry, continue Honourable Member.

Hon. Patricia J. Gordon-Pamplin: Oh, sorry.

Yes. Hey, that is a Freudian slip. That is fine, Mr. Chairman.

Mr. Chairman, I just think that it may . . . perhaps we could say, *for a period not exceeding three months “or” subject to such conditions as the Council may impose*, as opposed to “and.” And the reason I say that is because three months is specified as “limited.” So it does not seem like there is any flexibility there.

The Chairman: The language is there, Member. It says, “and subject to such conditions”—that is clear.

Hon. Patricia J. Gordon-Pamplin: But for a limited period. The conditions are not necessarily with respect to the length of service, the conditions are in respect of—

The Chairman: The conditions—

Hon. Patricia J. Gordon-Pamplin: —the way it is reading here—

Hon. Kim N. Wilson: “Such conditions as the Council imposes.”

Hon. Patricia J. Gordon-Pamplin: Okay.

The Chairman: That is right.

Hon. Patricia J. Gordon-Pamplin: All right, so it is going to be a free-for-all here, the way I see it.

The Chairman: It is not a free-for-all. Now let us watch the language. It is not a free-for-all. It is very clear what it means. If you need to be there four months, based on the request, that is what it says, the Council will decide. It is . . . law is about common sense, you know.

Hon. Patricia J. Gordon-Pamplin: Yes, but also, Mr. Chairman, we also have to look at the specificity, and a specific period of time is delineated and it just seemed like it needed something else. That is just my observation—

The Chairman: Mm-hmm.

Hon. Patricia J. Gordon-Pamplin: —for us not to get into challenge.

And the other question that I have is with respect to [clause] 33 on the regulations. What is going to be the mechanism by which we continue to consult industry in terms of what the updated regulations are? I just think that . . . we pass legislation here, it passes in the other place. But we want to make sure that . . . I mean, I realise that consultation happens, but once it is all confirmed and all said and done, how are we going to keep the professionals in tune with what their requirements are based on the new regulations?

The Chairman: Minister?

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

As it indicates in that provision, the regulations are by negative resolution. However, given the extent of consultation that has taken place heretofore with the Allied Health Council, any regulations that affect not only the profession if it is a specific Board

and/or the Council at large, then that conversation will take place with those persons. As I indicated previously, this is in the beginning stages. There will be constant ongoing consultation with the Council and it will not stop when regulations are imposed.

The Chairman: Any further speakers?

The Chair recognises the Honourable Pat Gordon-Pamplin.

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

Just for clarity . . . so the Council will have the responsibility of ensuring that the Boards and the various members are apprised of what the regulations are as opposed to the members having the responsibility to find out? I just want to make sure that the Council’s duty in that regard is clear.

The Chairman: Minister?

Hon. Kim N. Wilson: Thank you.

Mr. Chairman, I can assure that Honourable Member that the Council, the Ministry of Health, will do whatever needs to be done to ensure that the information is communicated to the respective Board if any regulations are passed that affect them particularly. That communication will take place. We have the eHealthbites that go out to all members, all a sundry, that speak to regulations and different things that are happening, so that information will be appropriately communicated to those parties.

The Chairman: Thank you.

Any further speakers?
Minister, you have it.

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

I would like to move that clauses 32 through 35 do stand as read and approved.

The Chairman: It has been moved that clauses 32 through 35 be approved.

Are there any objections to that?
There appear to be none.
Approved.

[Motion carried: Clauses 32 through 35 passed.]

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

I would like to move clauses 36 and 37 concerning consequential repeals, savings and transitional amendments.

The Chairman: Continue.

Hon. Kim N. Wilson: Clause 36 repeals the Allied Health Professions Act 1973 and the Chiropractors Act 2002. It also makes a consequential amendment to the [First] Schedule to the Government Authorities

(Fees) Act 1971 (to add an entry for the Allied Health Professional Conduct Committee established under clause 22 of this Act), and to Head 3 of the Schedule to the Government Fees Regulations 1976 (to change references to section numbers to those of this Act).

Mr. Chairman, in clause 37 are savings and transitional provisions. The Council appointed under the repealed Act is continued under this Act. The Boards established under the repealed Act continue under this Act—this answers the Honourable Member opposite. A complaint against a registered person that, immediately before this Act comes into operation, is before the Preliminary Proceedings Committee or the Professional Conduct Committee established under the repealed Act, or before the Council, shall continue to be dealt with under the repealed Act as if this Act had not come into operation. The specified professions established under the repealed Act continue under this Act. A person who under the repealed Act, immediately before the commencement of this Act, is a registered person in a specified profession, on the coming into operation of this Act, continues to be a registered practitioner in the corresponding specified profession under this Act. A person practising a “new specified profession” (i.e., one that was not a specified profession under the 1973 Act) in Bermuda may temporarily continue to so practise without being registered in that profession, but the Minister is to, by notice published in the *Gazette* subject to the negative resolution procedure, appoint a date: (a) before which any person who at the time the notice comes into operation is practising a new specified profession in Bermuda must apply for registration in that specified profession; and (b) after which any other person shall not practise that profession, or be an assistant in that profession, unless he is registered under this Act. The new specified professions, Mr. Chairman, are:

- acupuncturists;
- chiropractors;
- counsellors;
- massage therapists; and
- social workers.

Mr. Chairman, there is an incorrect reference in clause 37(5) that actually refers to subsection (2) when it should refer to subsection (6). We will apply the slip rule, Mr. Chairman, and have this corrected in the Bill in the Senate when it is reprinted.

Thank you, Mr. Chairman.

The Chairman: Any speakers to the clauses 36 and 37?

There are none.
Continue.

Hon. Kim N. Wilson: Thank you, Mr. Chairman.
I move that clauses 36 and 37 be approved.

The Chairman: It has been moved that clauses 36 and 37 be approved.

Are there any objections to that?
There appear to be none. Approved.

[Motion carried: Clauses 36 and 37 passed.]

Hon. Kim N. Wilson: Thank you, Mr. Chairman.
I wish to move the Schedules concerning the list and definition of specified professions and provisions in respect of the Council, its Boards and Professional Conduct Committee.

The Chairman: It has been moved that the Schedules be approved.

Are there any objections to that?
There appear to be none.
Schedules 1 through 3.

Hon. Kim N. Wilson: Yes. Thank you, Mr. Chairman.
I move that the Schedules be approved.

The Chairman: It has been moved that the Schedules be approved—1, 2 and 3.

Any objections to that?
There appear to be none.
Approved.

[Motion carried: Schedules 1 through 3 passed.]

Hon. Kim N. Wilson: Mr. Chairman, I move the preamble be approved.

The Chairman: It has been moved that the preamble be approved.

Any objections to that?
There are none. Approved.

Hon. Kim N. Wilson: Thank you, Mr. Chairman.
I now move that this Bill be reported to the House as printed.

The Chairman: It has been moved that the Bill be reported to the House as printed.

Are there any objections to that?
The Bill will be reported to the House.

[Motion carried: The Allied Health Professions Act 2018 was considered by a Committee of the whole House and passed without amendment.]

House resumed at 3:25 pm

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

REPORT OF COMMITTEE

ALLIED HEALTH PROFESSIONS ACT 2018

The Speaker: Good afternoon, Members.

Are there any objections to the Allied Health Professions Act 2018 being reported to the House as printed?

No objections.

It has been so moved.

We will now move on to the next item on the Order Paper today, that item being the second reading of the Investment Funds Amendment Act 2018 in the name of the Minister of Finance.

Minister, would you like to do your matter at this time?

BILL

SECOND READING

INVESTMENT FUNDS AMENDMENT ACT 2018

Hon. Curtis L. Dickinson: Yes, please, Mr. Speaker.

I move that the Bill entitled the Investment Funds Amendment Act 2018 be now read the second time.

The Speaker: Any objections? No objections?
Minister, continue.

Hon. Curtis L. Dickinson: Mr. Speaker, Government wishes this Honourable House to give consideration to the Bill entitled the Investment Funds Amendment Act 2018.

The purpose of the Bill is to introduce the provision under the Act to exempt a Class A Exempt Investment Fund with an insurance-linked security investment strategy from the requirement to appoint a custodian where certain criteria have been met.

Mr. Speaker, by way of background, there are a number of techniques that have been developed to allow for the transfer of insurance risk to capital markets. ILS securities are an example of financial instruments, for example, derivatives or securities, which may be linked to insurance risk. While this form of reinsurance contract is similar to traditional reinsurance contracts, the defining feature of these risk transfer arrangements is the prior direct funding of the reinsurance risk exposure or loss event with funds raised through investment in capital markets. If there is a loss event, the funds are reduced when the loss is settled. If there is no loss, the investment funds plus any interest are distributed to the ILS investor.

ILS transactions have provided capital market investors with an avenue to participate in the insurance and reinsurance market beyond buying company stocks.

Mr. Speaker, the fundamental principle underlying the amendment to the Act is the fact that policyholders or investors are not exposed to any additional risk where the fund has been exempted from the requirement to appoint a custodian because the investors' proceeds shall be managed by a trustee in ac-

cordance with the terms and conditions of the trust agreement governing the ILS transaction. The ILS investor is aware of this arrangement because the offering memorandum is required to provide, amongst other things, an express disclosure to all investors and proposed investors that the proceeds of the share issuance of the fund are held in the trust for the purpose of collateralising the insurance loss events linked to the securitised insurance transaction.

Furthermore, the interconnectedness of the various agreements—the offering memorandum, the trust agreement, the reinsurance agreement and the investment guidelines, et cetera—self-govern the ILS transaction.

Mr. Speaker, the amendment to the Act removed the requirement for the operator of a fund to appoint a custodian or a prime broker where the operator meets such criteria as the Authority may determine and has published on its website. The criteria the Authority is currently considering could, for example, require an operator to demonstrate that the fund proposes to issue insurance-linked securities to investors. Additional requirements to be met could include an express requirement to ensure that the investment proceeds are held in trust, a trustee is appointed to manage the investment proceeds, and that the offering memorandum provides express disclosure of the same.

It is intended that there will be an annual requirement imposed on all funds availing themselves of the exemption to certify that such requirements are met.

Mr. Speaker, the purpose of this proposal is to remove the duplication of custodial services which would, in essence, be provided by both the custodian and a trustee, should both be required to be appointed. The trustee is required to hold the proceeds of the share issuance in trust as collateral in accordance with the terms of the reinsurance contract, the reinsurance agreement, and any investment guidelines. Therefore, in certain circumstances there is no further security or additional benefit to be provided regarding the appointment of a custodian.

Existing fund operators who have been granted a Class A exemption will also be permitted to avail themselves of the custodian prime broker exemption provided they have also met the new criteria.

In addition, Mr. Chairman, these funds are registered under the Proceeds of Crime—that is the AML/ATF Supervision and Enforcement Act 2008—as a non-licensed person pursuant to section 9 of said Act. The requirement to register as a non-licensed person will remain unchanged. As per the BMA's normal custom and practice, the consultation paper—the draft Bill—was published on the 11th of April 2018 to receive comments from a broad spectrum of the market. The House is also advised that the Authority has been meeting with industry partners since 2017

and following on from that consultation there were no material issues raised.

Mr. Speaker, the Bill represents a collaborative effort between the Authority and the various industry stakeholders. Accordingly, I would like to thank all of those persons within the BMA, the Attorney General's Chamber, the Ministry of Finance, and the private sector who have assisted in the development of this Bill.

Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

Does any other Member wish to speak?

We recognise the Honourable Member from constituency 23.

Honourable Member, you have the floor.

Hon. Patricia J. Gordon-Pamplin: Thank you, Mr. Speaker. And I thank the Minister for his . . . not just the presentation of what we can expect here on what we are doing with respect to the Bill, but also in providing the background for the listening public and for those interested in this legislation.

Let me just say that this is a very short Bill, but the brevity of the Bill does not dictate the importance that the Bill holds.

The Speaker: Mm-hmm.

Hon. Patricia J. Gordon-Pamplin: The Monetary Authority has done what they normally do and what we expect of them—to have extensive consultations. They first issued a consultation paper in April of 2018, and I know that they had been dealing with this particular issue prior to that. So having had the level of consultation that they would normally do and that we expect of them in their prudence and their prudential operations at the BMA, we have no objection to the Bill. We support it. And there is only one small comment that needs to be made in respect of the Committee and we are fine with it.

Thank you.

The Speaker: Thank you.

Does any other Member wish to speak?

We recognise the Honourable Member from constituency 8.

Honourable Member, you have the floor.

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

Mr. Speaker, I, like my colleague the Shadow Minister of Finance, have no objection to the legislation.

I just have a question in regard to it being applicable to private equity placements. If I wish to establish a private equity placement, I can see what we are doing today would apply there, because when you have a private equity placement you have high net worth individuals. In addition, most of the time you do

not pay the money upfront, you make a commitment and it is a limited number of shareholders and there are no underlying securities as in a pool, so to speak. The partner—the general partner—for the underlying . . . for the private placement, basically, will find investment opportunities directly into underlying companies. They will see an entrance plan and an exit plan and they will sell . . . well, they will follow their plan, basically, to realise their investments. And once they achieve their objectives they will then sell their position either privately or on the equity markets.

So my question to the Minister is this: If I came to him as a qualified investment manager and I wanted to develop a private equity fund, or private placement fund, would this legislation apply to that as well?

The Chairman: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

No further Members?

Minister?

Minister, you can take the floor now.

Hon. Curtis L. Dickinson: I am sorry.

The Chairman: You can have the floor now.

Hon. Curtis L. Dickinson: Thank you, sir.

I have been advised that Exempt A operators can apply.

The Chairman: You can now move us into Committee.

Hon. Curtis L. Dickinson: Mr. Speaker, I move that the Bill be committed.

The Chairman: Thank you.
Deputy?

House in Committee at 3:35 pm

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

COMMITTEE ON BILL

INVESTMENT FUNDS AMENDMENT ACT 2018

The Chairman: Honourable Members, we are now in Committee of the whole [House] for further consideration of the Bill entitled the [Investment Funds Amendment Act 2018](#).

Minister, you have the floor.

Hon. Curtis L. Dickinson: Mr. Chairman, I move that clauses 1 through 3 be moved.

The Chairman: Not moved. You want to debate them?

Hon. Curtis L. Dickinson: Sorry.

[Inaudible interjection]

The Chairman: You moved . . . I am sorry, yes, go ahead, go ahead.

[Laughter]

The Chairman: I was anticipating you saying move to be approved.

Hon. Curtis L. Dickinson: I move all three of them, yes.

So Clause 1 is a standard citation clause and cites the Bill before the House as the Investment Funds Amendment Act 2018.

Clause 2, Mr. Chairman, amends section 6A of the principal Act discussing the Class A Exempt Fund qualification criteria by inserting the words: "An operator of a Class A Exempt Fund shall be exempt from the requirement to appoint a custodian or prime broker where it meets such criteria as the Authority may determine and has published on its website: www.bma.bm."

And clause 3, Mr. Chairman, provides for the Minister to cause the Act to come into operation on such a date as the Minister may determine.

The Chairman: Thank you, Minister.

Any further speakers?

The Chair recognises the Honourable Member Pat Gordon-Pamplin.

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

Mr. Chairman, I just wanted to point out that we seem to have with this extension to (this is under clause 2) [section 6A], [subsection] (2)(d) under the principal Act by putting "except where subsection (2A) applies" at . . . it says at the end of that subparagraph.

We have got . . . under [subparagraph] (iii) we have got an auditor "and" . . . in [subparagraph] (iv) we have a custodian or prime broker; "and" (e).

So, I think we have got one "and" too many and I think it might just be drafting. I think if the drafters can just look and tidy up the additional "and" to make it read properly.

The Chairman: Any other speakers?

The Chair recognises the Honourable Hadley Cole Simons.

Mr. N. H. Cole Simons: Just a question, Mr. Chairman.

For these exempted funds, can the Minister confirm the minimum size the legislation will entertain? Because it makes no sense putting through a private exempt fund—

The Chairman: What is the question?

Mr. N. H. Cole Simons: I have asked the question already.

The Chairman: Okay. That is all you need to do. Minister, do you want to answer the question? You are not in general debate, Mr. Simons.

Hon. Curtis L. Dickinson: Mr. Chairman, can the Honourable Member repeat the question please?

[Laughter]

The Chairman: Please repeat the question, Honourable Member.

[Inaudible interjections]

Mr. N. H. Cole Simons: Exactly. What is the minimum size that we are prepared to entertain for exempted funds?

The Chairman: Thank you. Minister?

Hon. Curtis L. Dickinson: With respect to the first question, typographical errors will be corrected by the Attorney General under section 11 of the Computerization and Revision of Laws Act 1989.

And with respect to the second question, there is no minimum size.

The Chairman: Any further speakers?

There appear to be no further speakers.

Minister, do you want to move these clauses, [clauses] 1 through 3?

Hon. Curtis L. Dickinson: Mr. Chairman, I move that the preamble be approved.

The Chairman: Do the clauses first, 1 through 3, and then the preamble after that.

Move clauses 1 through 3.

Hon. Curtis L. Dickinson: I move that clauses 1 through 3 be moved.

The Chairman: Be approved.

Hon. Curtis L. Dickinson: Be approved, sorry.

The Chairman: It has been moved that clauses 1 through 3 be approved.

Are there any objections to that?
No objections.

[Motion carried: Clauses 1 through 3 passed.]

The Chairman: Now you can do the preamble, Minister.

Hon. Curtis L. Dickinson: I move that the preamble be approved.

The Chairman: It has been moved that the preamble be approved.

Any objections to that?
There appear to be none.
Approved.

Hon. Curtis L. Dickinson: I move that the Bill be reported to the House as printed or amended.

The Chairman: It has been moved that the Bill be reported to the House as amended . . . as printed.

Any objections to that?
The Bill will be reported to the House.

[Motion carried: The Investment Funds Amendment Act 2018 was considered by a Committee of the whole House and passed without amendment.]

House resumed at 3:41 pm

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

REPORT OF COMMITTEE

INVESTMENT FUNDS AMENDMENT ACT 2018

The Speaker: Good afternoon, Members.

Are there any objections to the reporting to the House of the Investment Funds Amendment Act 2018 as printed?

No objections?
It has been reported; so moved.

We will now move on to the next item on the Order Paper today. And that item is the second reading of the Bermuda Monetary Authority Amendment (No. 3) Act 2018 in the name of the Minister of Finance.

Minister, would you like to continue?

SUSPENSION OF STANDING ORDER 29(1)

Hon. Curtis L. Dickinson: Mr. Speaker, I move that the Standing Order 29(1) be suspended to enable the House to proceed with the second reading of the Bill entitled the Bermuda Monetary Authority Amendment (No. 3) Act 2018.

The Speaker: Any objections to that?

No objections.

[Motion carried: Standing Order 29(1) suspended.]

The Speaker: Minister, continue.

BILL

SECOND READING

BERMUDA MONETARY AUTHORITY AMENDMENT (NO. 3) ACT 2018

Hon. Curtis L. Dickinson: Mr. Speaker, before I start I would like to acknowledge the cooperation and the indulgence of the Opposition in moving this Bill forward at a rapid speed.

The Speaker: Thank you.

Hon. Curtis L. Dickinson: Mr. Speaker, it gives me pleasure to present to the House the Bill entitled the Bermuda Monetary Authority Amendment (No. 3) Act 2018.

This Bill highlights proposed fee changes made to the Bermuda Monetary Act 1969 by which the Bermuda Monetary Authority has proposed a revised fee schedule with corresponding amended fees for regulated financial institutions established under the following Acts: the Banks and Deposit Companies Act 1999, the Credit Unions Act 2010, the Insurance Act 1978, Investment Business Act 2003, the Investment Funds Act 2006, and the Money Service Business Act 2016.

Mr. Speaker, this Bill also includes the proposed fee changes made separately in amendments to the Banks and Deposit Companies (Fees) Act 1975 under which the Authority has proposed to revise fees for banks and deposit companies governed by that Act.

Mr. Speaker, the Authority has established a track record of success and earned a positive reputation for itself amongst industry stakeholders and international supranational bodies and this has also been of reputational benefit to Bermuda. However, to maintain its regulatory capability in the international and local marketplace and to continue to meet increasing demands of international standards and expectations while continuing to deliver on strategic objectives amongst heightened complexities within supervised sectors, the Authority must further enhance its operations and augment its supervisory resources.

Mr. Speaker, in this regard the Authority recently undertook a comprehensive target operating model review with the assistance of an international management consulting firm. The result of this review was a multi-year plan to effect improvements in the organisation and operations of the BMA. Based on this plan the Authority has already begun the process

of implementing changes through aligning its human capital with business procedures in the context of its evolving strategic priorities.

Mr. Speaker, an important aspect of the target operating model review involved an analysis of the BMA's structure and staffing levels and, in particular, an examination of the cost related to supervising different elements within all regulated sectors. As part of this analysis the external consulting firm concluded an independent third-party benchmarking exercise in which they studied peer jurisdictions to ascertain the fees charged for comparable supervisory activities to those performed by the Authority. In addition, these costs were reviewed in relation to the staffing levels needed to effectively perform these key supervisory functions.

Mr. Speaker, the output from the target operating model review and benchmarking exercise reflected that the current fees levied by the Authority often did not reflect the supervisory effort needed to undertake the various supervisory activities it performed. Human and financial resource levels within the Authority were found to be below expected levels given the organisation's continually expanding mandate and what it will need to achieve in the future.

Furthermore, activities were identified for which the Authority charges no fees, yet the supervisory resources devoted to them are substantial. Due in part to the financial challenges facing the financial sector during the global financial crisis, which continued into recent years, fee increases which the Authority might otherwise have introduced were moderated to reduce the impact on Bermuda's financial services industry. This has, however, contributed to the Authority operating at a deficit with resultant budget shortfalls being covered from existing BMA reserves.

Mr. Speaker, there are significant financial implications associated with implementing the necessary increase in staffing levels and other strategic improvements to the BMA's organisation and operations recommended by the target operating model review. Specifically, annual operating costs are projected to increase to \$61 million by 2020, an increase of \$11.7 million over the 2017 year-end figure. The Authority incurred an operating loss of \$1.6 million in 2017 and is projected to again incur an operating loss in 2018. It is therefore essential that fee structures for regulated firms be revised.

Mr. Speaker, notwithstanding the need to implement fee increases, the Authority recognises that market conditions remain challenging in a number of regulated sectors. Accordingly, the revised fee proposal (now tabled) considered [that] prevailing conditions were carefully researched and are presented with the sustainability and continued credibility of the Bermuda regulatory regime in mind.

Mr. Speaker, in this context, it is proposed that certain existing fees be adjusted and that other new fees be introduced to reflect the Authority's re-

source utilisation in discharging its ongoing supervisory duties. Also, the basis upon which fees are charged is to be simplified so that entities will find it easier to determine what fees they need to pay. This same philosophy will be applied in the future as the Authority's mandate expands to encompass new activities.

Mr. Speaker, the revised fees proposed have been informed by four guiding principles. These principles would include:

1. Fund the Authority's operating budget and, specifically, counterbalance its projected annual cost increases of \$11.7 million by 2020;
2. Align fees to supervisory activity by sector by adjusting fees to closely reflect resources utilised in regulating firms within that sector;
3. Increase discretion of supervisory teams by allowing fees to be levied for activities that require exceptional BMA resources; and
4. Maintain competitiveness via consideration of pricing relative to peer regulatory bodies to ensure Bermuda remains competitive.

Mr. Speaker, it was initially intended that the revised fees be introduced over two years—2019 and 2020. During the consultation process and in subsequent meetings with the Authority that the Authority held with relevant industry stakeholder groups, the most prevalent comments were that the impact of the fee increase should be ameliorated by adopting a longer implementation period. As such, a three-year phase-in period—2019, 2020, and 2021—is now proposed.

Insurance industries requested that the Authority have greater flexibility regarding fees to be applied in specific circumstances such as where affiliated insurers have similar risk profiles and in cases where combined application fees would otherwise be payable has also been addressed via a separate creation in the Insurance Act by a power to waive or reduce certain fees.

For the relatively new corporate service provider regime the Authority proposes to retain the existing fee structure for one more year only, with fees for that sector to be subject to an industry-specific consultation process in 2019.

Mr. Speaker, in closing, I would like to thank all of those persons within the BMA, the Attorney General's Chambers, the Ministry of Finance, and the private sector who have assisted in the development of this Bill.

Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

Does any other Member wish to speak?

We recognise the Honourable Member from constituency 23.

Honourable Member, you have the floor.

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

Mr. Speaker, again, I apologise to the people of Bermuda if I appear unprepared, but I appreciate the Minister's acknowledgement that we did agree to take this up on short notice.

Let me just point out—the Bermuda Monetary Authority Amendment Act—in going through this Act there is, as the Minister indicated, a staggered approach towards the implementation of new fees, some of which will come into effect in 2019 and these fees are usually due January 1 . . . or the majority of them are due January 1. And then they will have a different set of fees coming into effect in 2020 and then 2021, taking into consideration the tenuous position of the economy and the consultations that they have had with respect to the companies that are likely to be impacted.

I do not think I necessarily have to declare an interest, in as much as I no longer work in the insurance industry, but it is important to point out that there are a lot of the fees that have come into this Act that do relate to the insurance industry and with which I am intimately familiar and for which I will probably have some queries when we get into Committee.

The Speaker: Mm-hmm.

Hon. Patricia J. Gordon-Pamplin: The interesting thing with this is that there are included in the fee structure here some categories and changes in strata that would have, perhaps, been better had we debated this after we debated the next piece of legislation, the Insurance Amendment Act.

But from what I have been able to see (I will work through this) this Act provides for additional fees, but in the banking categories there are . . . we have moved from three to five different banking categories. So we have got fees where we do not actually see the . . . necessarily . . . I am sorry, the categories, as far as banking is concerned, we have the implementation of fees before I actually saw that there was an effective delineation of these additional banking categories.

There are also significant fees that are being addressed in respect of run-off general business, which is a new category. Historically, companies would operate and depending on what their capital and surplus is they would then carry on, and in carrying on their business, if that business should happen to go into run-off, then they are subjected to the fee that is determined by the category, whether they be a Class A, B, C . . . Class 1, 2, 3, 4. The category would determine the fees. There is a specific segment within these fees now that refer to a special run-off category.

And while I understand fully the importance of having a structure within the Monetary Authority that monitors and that regulates run-off companies, when I looked at the fees, the fees in some instances, notwithstanding there has been consultation, but I think it is important to just point out the observations that the fees relating to some of these are, in fact, quite large

and that what could conceivably happen is when companies go into run-off, having to pay such a large amount of fee from a run-off situation where they are not effectively making the underwriting profits that they normally would have done under normal operations, that these fees . . . that the companies can do what has been done, as I have experienced before, is to take the run-off portion out of Bermuda. And that effectively impacts the jobs that might otherwise be able to be enjoyed by the Bermudians who work for these companies because it could be deemed that it is more efficacious to utilise a different jurisdiction in order to be able to manage these run-off funds.

So I am just a little concerned, especially given the fact that the US, in particular, under this new different administration has seemed to have made it a little bit more attractive for companies to relocate on-shore. So what we do not want to do is to price ourselves out of the market when an ongoing concern has obviously a greater need—in my estimation—has a greater need for regulation than does a company that has been regulated to the hilt and is now simply managing its run-off book. So I was just a little concerned about that.

As I said, there is a . . . this Bill provides for additional banking categories, there is a run-off for general business (which has been segregated out), there are fees when it comes to issuing certificates. That is one of the biggest bugbears that exists within the Monetary Authority, in my estimation, is that clients at times require notification or certification that a corporation is compliant with whatever their responsibilities are as far as the Monetary Authority is concerned. And what happens then is that the BMA is required to issue a certificate to say that this company is in compliance—say that they have filed their returns, they have put in their CISSAs, that they have done all the things that are necessary to be done. What happens is if you get two clients who ask you for a certificate, you have to get two letters from the BMA. And sometimes those requests come in at the same time and when those requests come in they literally have to print two certificates instead of one on the given date, but you are charged at the same price for certificate number two as you are for certificate number one. It has always been something that has bugged me and while the amount is insignificant, it is the principle that, you know, obtains here.

We look also at some of the fees as they relate to extensions that are required because you have . . . under the new regime and the new additional structures, many companies have been required to hire additional staff in order to meet the deadlines that were necessary for the BMA. That is fine if . . . you know, recognising that we are required, especially with the OECD and the EU and everybody else breathing down our necks, we know that we have to comply. And I know that the BMA has to be effectively staffed in order to ensure that they have the proper

oversight capabilities and regulatory authority capabilities as is necessary in order to fulfil the responsibilities that they have.

But I think that . . . I know that they have staggered these fees over a three-year period of time from 2019, 2020, and 2021. The questions that we have, obviously, are such that when we have a situation where a company—and there is a category of fees—in a run-off environment, if that company has an extensive change of its responsibilities as well as its resulting capital and surplus and the like as a result of being in run-off, what run-off precipitates are significant commutations of books of business. And if there is a commutation, then it may be difficult to determine from one year to the next a comparative asset base for what is left of the shell, if I can put it that way, when a company goes into run-off.

So my question is that we are having these fees appended to a company which goes into run-off, which may differ significantly from year to year. Now there are bands within the new fee structure that changes the fee from what your capital and surplus may have been . . . and I think it actually moves from capital and surplus and I think it goes to . . . if I can remember the terminology . . . give me one second . . . On the run-off . . . it does not work on the capital and surplus, and what the company is required to hold by way of confirmation to meeting certain statutory and solvency ratios, but, rather, it starts to look at what the gross reserves are and what the assets are in relation to gross reserves. So these can change dramatically from year to year, as I said, given the advent of the . . . not even the advent, but the application of commutations.

And I just wanted to know that we are not finding a company in a situation where their reserves have changed dramatically from year to year; hence, their fees will have to change dramatically from year to year. Or, if the fees are going to stay where they are, are we overcharging? That would be the question and concern that I have.

Some of the clauses, as I said, it is probably better to get into them when we go into the actual Committee. But when I look at some of the variances, it would seem to me that some of the new bands that have been put in place, whereas you might have had, historically, that the company might have assets that exceed \$35 million, and now they have put in an additional category from \$35 million to \$100 million, and then over \$100 million, when you are talking about the fees that are being charged for the registration fees, and for the oversight that is required for lots of these companies.

I am just curious, because when a company goes up the ladder in terms of the business that it is writing and the like, I would anticipate that the audit fees are also going to go up. So, we are now in a situation where the audit fees will increase exponentially

as well as the regulatory fees going up at the same time.

Now, I know, as I said earlier in the other debate, that the Monetary Authority are very good when it comes to consultation, and they put out consultation papers, and they put out position papers, and they put out papers on the papers that they put out because they want to make sure that companies are fully apprised of what their responsibilities are. But I just want us to guard against finding ourselves in a situation where a different jurisdiction starts to look more attractive, especially in the run-off business. Because you find that the run-off business has been a relatively reliable aspect where local staff, who have become familiar with the operations of those companies, find their niche. If we find that those companies are now moving, because it is more attractive to operate in a different jurisdiction, then we are going to be negatively impacting our employment base.

So those are some of the concerns that I have. Obviously, as I said, we support the Monetary Authority and what it is required to do, primarily because we would be lost as a jurisdiction. We rely on their oversight and we rely on them to keep our companies in line so that we do not fall afoul of the international regulators who would have us . . . you know, who would be keeping a watchful eye over every step that we make. So, we certainly support the legislation.

I did wish to speak, as I said, more specifically to some of the fees where I have some questions, but outside of that I just wanted to, again, thank the Minister for his presentation and for acknowledging the fact that we have been required to do this on short notice, and we appreciate that acknowledgment.

Thank you.

The Speaker: Thank you, Member.

Does any other Member wish to speak?

I now recognise the Honourable Member from constituency 30. Honourable Member, the Deputy Opposition Leader, you have the floor.

Ms. Leah K. Scott: Thank you, Mr. Speaker, I will not be long.

First of all, I would like to say that if I were the Minister for Finance, or Jeremy Cox, I would be sending a bill to the OECD, FATF, and the EU for the regulatory burden that they have imposed upon us as a jurisdiction.

A lot of what is going on—

An Hon. Member: Yes.

The Speaker: I think you will have a lot of agreement on that one from here.

[Laughter and desk thumping]

Ms. Leah K. Scott: A lot of what is happening in Bermuda is because of—and I probably should not say it, but I will say it—their jealousy of us as a jurisdiction to be able to maintain a reputation that causes people to want to come here to do business. We are able to manage ourselves.

Hon. Walter H. Roban: They are jealous.

[Inaudible interjections]

Ms. Leah K. Scott: Thank you, Deputy Premier.

And, you know, it is unfortunate that the EU can have such a level of extraterritorial reach where we have to now amend our tax system, we have to impose charges on companies that are servicing people who want to directly invest in Bermuda. I think it is unfortunate. What I got up to say, though, was not that, because I will save that for the debate next week.

What I wanted to say was thank you to the Minister of Finance and to the BMA. This is one of the few papers that I can say that industry consultation has been considered and it has been incorporated. So I would like to say thank you to the BMA for the trust industry where the phasing-in of the fees will be over a three-year period, as opposed to a two-year period. And for corporate service providers where the level of fees will be retained at the 2018 level, there will be consultation in 2019 with the new fee schedule being imposed in 2020.

So, I was happy with the consultation. I was happy with the steps that the BMA took, and I would like to thank the members of the BMA and the Minister of Finance for a coordinated effort.

Thank you.

The Speaker: Thank you, Honourable Member.

Does any other Member wish to speak?

No other Member?

Minister.

Hon. Curtis L. Dickinson: Thank you, Mr. Speaker.

In response to my honourable colleague's question about the potential concerns around folks leaving inasmuch as they are winding down, I will just remind her that the BMA sought the assistance of a leading consulting firm as they went about doing a review of the target operating model. As you will appreciate, my powers as Minister, with respect to the operations of the BMA, are very limited, as they should be. So, I have left it up to the BMA professionals to decide how to develop the pricing for the services that they provide. I am sure that they have done a proper job of assessing the risk associated with the new fee schedule.

With that said, I would like to move that the Bill be committed.

The Speaker: Thank you, Minister.

Deputy, would you like to take the Chair?

House in Committee at 4:07 pm

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

COMMITTEE ON BILL

BERMUDA MONETARY AUTHORITY AMENDMENT (NO. 3) ACT 2018

The Chairman: Honourable Members, we are now in Committee of the whole [House] for further consideration of the Bill entitled [Bermuda Monetary Authority Amendment \(No. 3\) Act 2018](#).

Minister, you have the floor.

Hon. Curtis L. Dickinson: Mr. Chairman, this Bill seeks to repeal and replace the Fourth Schedule to the Bermuda Monetary Authority Act 1969 (the "principal Act") providing for amongst other things, annual and licensing fees payable under the Insurance Act 1978, Banks and Deposit Companies Act 1999, Trusts (Regulation of Trust Business) Act 2001, Investment Business Act 2003, Investment Funds Act 2006, Credit Unions Act 2010, Corporate Service Provider Business Act 2012, and Money Service Business Act 2016. Furthermore, the Bill provides for consequential amendments to the Banks and Deposit Companies (Fees) Act 1975 and the Investment Funds Act 2006.

Mr. Chairman, I would like to move clauses 1 and 2, please.

The Chairman: Yes, you may move clauses 1 and 2. Continue.

Hon. Curtis L. Dickinson: Clause 1 provides a citation for the Bill.

Clause 2 amends the principal Act by repealing and substituting the Fourth Schedule to the principal Act. The substituted Fourth Schedule provides for fees payable under Part A, for the period 1 January 2019 to 31 December 2019; Part B, for the period 1 January 2020 to 31 December 2020; and Part C, as from 1 January 2021.

The Chairman: Thank you, Minister.

Any further speakers to clauses 1 and 2?

The Chair recognises the Honourable Member Pat Gordon-Pamplin.

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

Mr. Chairman, the Minister had made reference in clause 2 to the Fourth Schedule, so I would like to refer to the Fourth Schedule for my comments.

The Chairman: Mm-hmm.

Hon. Patricia J. Gordon-Pamplin: So they are repealing the existing Fourth Schedule and replacing it with this new Fourth Schedule, with this new schedule of fees coming into effect for 2019, and then a separate . . . for 2020 and one for 2021.

The Chairman: What page?

Hon. Patricia J. Gordon-Pamplin: This is the Fourth Schedule, which starts on page 3. So, I am speaking now generally to clause 2, that the Minister just referred to, which was on page 2. But the [repeal and replacement of the] Fourth Schedule starts on page 3.

So I just wondered if the Minister could give us a little bit of breakdown. The "Application for a licence . . ." This is on page 3 under "Banks and Deposit Companies [Act 1999]." There are two additional bands. We used to have three bands, effectively, for banks. We now have gone into two additional bands. Is the intent that those additional bands for banks . . . are we looking to expand our banking industry, or are we just revamping the existing banks that we have?

In other words, I realise that they have to make provision for eventualities, but I am just wondering whether they foresee additions here in that regard.

Page 8, of Schedule [1] which . . . starting at the bottom of page 7, the "application for approval [of an] eligible capital instrument under section 6C:" of the Act. This is in the Insurance Act now; this moves over to the Insurance Act. So the application for approval of an eligible capital instrument under section 6C; this is new. And it is on a case-by-case basis.

My question simply is: It says the application is made hereunder . . . (at the top of page 8). "Applications made hereunder shall be subject to a sliding scale fee payment . . ." and my question is, When does the applicant know . . . when will the applicant know when they have been . . . you know, what their fee is going to be? Because their fee is anywhere between [\$]10[,000] and [\$]130,000 in the first instance, and on a case-by-case basis between \$10[,000] and \$200,000. So I just want to know, When do they know where they fall and what their fees are likely to be?

On that same page, on Class 3A, C and D insurers, this is for penalties . . . I am sorry, for the excess that is paid when filings are late. There is a plethora of new fees that are being implemented here. They are basically enhanced as the longer you take to pay, the more you are going to have to pay. I think that this is a good thing. I just wanted to let the Minister know that we support that. Because you can find yourself having to pay \$1,500 for late filing, but then if you pass the deadline, you have to pay more. And, certainly, we appreciate that this has been included.

My question in the general debate in respect of audit fees, this is on page 10, when we start to look at this new . . . carrying on general business, they have increased the number of bands which exist. It used to be anything over [\$]35 million, and now it is

[\$]35 [million] to and over \$100 million. And I am just wondering, with respect to the audit fees that are now likely to be imposed upon these companies who fall into that second band, now that there is a separate band, it is going to require more auditing. I was just curious about that.

There also is an inconsistency (it appeared) with the band . . . hmm. Okay. Items (D) and (E) under [3] (a) with respect to . . . this is the registration for \$35 million to \$100 million, and then exceeding \$100 million. And I am showing that there is an inconsistency. I see no difference in the band cost. So, I guess my question is, If there is nothing different in the cost of the band (D), and this is in the middle of the page [10], in the cost of band (D) which is exceeding \$35 million but not exceeding \$100 million, and then that is \$20,000 for the registration fee. And then exceeding \$100 million is also \$20,000. So I am just curious as to whether that second \$20,000 is an error or whether it was intended that the fee remain the same. Otherwise, we could just put straight over \$35 million. You know, that just seemed to be something that needed to be questioned.

I am not certain how far . . . yes, okay. I can go right the way through. I note that there is a new structure of insurance manager and the methodology by which the new manager's fees are being charged, the insurance managed, the various classes. I accept the fact that this has been as a result of consultation, so I appreciate it. It just seems like there are lots of extra layers that have come in as a result.

I am going to go over to page 15, and that is at the bottom. This is Part A 2019, at the bottom, under item [7 (vi)](B), "Conducting unrestricted special purpose business." The cost of which is going to be \$7,000, and [also (A)], Restricted special purpose business. These are two new categories. But underneath [that] it has (B)(vii), Class A insurer, is \$11,500, and [underneath that] it has (vii) Class A insurer, is \$11,500. It has the same reference. It just seems that something may have been overlooked there because it is duplicated.

As I said earlier, there is a whole different run-off general business and the series of fees relating to that, and I have expressed my concern relating to an insurer registered to carry on run-off general business. As I said, I think the fees . . . I accept the Minister has indicated that these fees are . . . have been consulted, but they seem tremendously high and I am concerned for the impact on jobs in that particular level.

The Chairman: Honourable Member, I just want you to pause there and get an answer.

Hon. Patricia J. Gordon-Pamplin: Okay. Sure.

The Chairman: Minister, you want to answer there? And then you can continue.

Hon. Curtis L. Dickinson: Thank you, Mr. Chairman.

I will take them in the order in which they were asked. In the first instance, the bands reflect the growing complexity of the existing banks as they grow their asset basis.

With respect to guidance, I guess the application fees on a . . . I think the language in the Act that was tabled speaks to on a case-by-case basis. So guidance would be provided when the BMA has committed to the industry.

Then I think on page 10 there was a question about audit fees. The BMA does not drive audit fees. Those fees are something that is negotiated between the issuer and its auditors.

I am waiting for some guidance on the other question, but I sense by the look on your face that you have a follow-up, or you need some clarity.

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

The Chairman: Mm-hmm.

Hon. Patricia J. Gordon-Pamplin: I can continue?

The Chairman: Continue, yes.

Hon. Patricia J. Gordon-Pamplin: I just wanted to make clear that I was not suggesting that the BMA is responsible for the audit fees. What I am suggesting is that as the complexities of the organisations grow, the auditor's responsibilities will also grow; hence, engendering the necessity for higher audit fees. So when you have higher audit fees, and you also have higher BMA fees for registering or regulating that particular class of business, it was just those additional fees, not the . . . you know, I recognise that the BMA does not generate audit fees.

Hon. Curtis L. Dickinson: I guess in response to that, I think, issuers will appreciate that, given the complexities of their business, this is going to result in an attendant higher fees, whether they be for the auditor and/or the regulator. I think you would be challenged, like I would be, to justify why, in the provision of a service for a complicated entity, we should charge less, because another service provider is also charging more. I think the target operating model review has concluded that there are instances when the BMA is actually undercharging for the services that it is providing. And I would think that all of us who are focused on matters fiscal, would want to be sure that we are getting good value for the services we are providing. So inasmuch as they have to charge more because that is what it costs to provide the service, I think we can all kind of fully endorse that.

The Chairman: Honourable Member Gordon-Pamplin.

Hon. Patricia J. Gordon-Pamplin: Yes, I was just waiting, Mr. Chairman, on the response in terms of the—

The Chairman: You can continue then.

Hon. Patricia J. Gordon-Pamplin: Okay. All right, so I will continue here.

On page 22, on Digital Assets Business Act [2018], Grant of a licence to carry on digital asset business, it starts on [page] 22, respecting the grant of a licence, (a) and (b) are on [page] 22. When we get over to (c) [on page 23], it says that the fee payable by a licensed undertaking carrying on [digital asset business] activity of maintaining custody of client private keys, it has a [subparagraph] (i). But in the principal Act there is also a [subparagraph] (ii) which has been left out here. But when we switch over the page, [subparagraph] (ii) comes in on page 25, in the grant of a licence.

So I am just curious as to why we have that inconsistency where in 2(c)(i) is included, on page 23, [and] on page 25, 3(c)(i) is included, but also there is a (ii). So they took that (ii) out from the page before. So I am just wondering whether that was an oversight or whether that was intended to be? I could not quite understand why that happened.

So those were basically my concerns and questions that I had.

The Chairman: Okay. Minister?

Hon. Curtis L. Dickinson: I was just waiting for some guidance from the technical folks.

[Pause]

Hon. Curtis L. Dickinson: Okay. So on page 11, with respect to page 11, item (A), on some fees they have made concessions. And then with respect to page 12, the run-off answer . . . the run-off issue required—many times [the] same amount of supervisory effort or resources [was required] and that is why the costs are what they are.

And then with respect the observation on page 22, that could be an oversight.

Hon. Patricia J. Gordon-Pamplin: Just before you go on, Mr. Chairman—

The Chairman: One second, Minister.
Go ahead.

Hon. Patricia J. Gordon-Pamplin: Sorry. Just before you go on to [page] 22 (so I can tick this off), you said that there are concessions. This is on page 10; you said page 11. But I am speaking to page 10. And it was on page 10 where the fee in relation—

The Chairman: For (D) and (E), right?

Hon. Patricia J. Gordon-Pamplin: Yes, where (D) and (E) were the same, the \$35 million to \$100 million and over \$100 million, the fees were the same. So is this a concession which has been made that the over \$100 million will be the same as \$35 [million] to \$100 [million]?

Hon. Curtis L. Dickinson: The guidance I am getting is that your point has been noted.

Hon. Patricia J. Gordon-Pamplin: Oh, okay. So there is probably a different fee that should be in there? Okay.

So, it was worth staying out of bed last night, Mr. Chairman.

The Chairman: Well, yes, yes indeed.

Hon. Patricia J. Gordon-Pamplin: It shows how exciting my life is.

[Laughter]

The Chairman: Yes. Yes, it is. It seems is very exciting.

Hon. Patricia J. Gordon-Pamplin: As well as now on page 15, the duplication that is there with respect—

The Chairman: Class A.

Hon. Patricia J. Gordon-Pamplin: Class A insurer. I think that is probably just an oversight which needs to be corrected.

The Chairman: Minister, is it the same for page 15? Down at the bottom?

Hon. Curtis L. Dickinson: It would appear so, sir.

The Chairman: Okay.
Any further speakers?

Hon. Patricia J. Gordon-Pamplin: Just the final question on the last point that I had.

Hon. Curtis L. Dickinson: The question with respect to page 22, I think, digital assets business, I guess, item (c). I am being told that this could be an oversight which we will check.

Hon. Patricia J. Gordon-Pamplin: Sorry?

Hon. Curtis L. Dickinson: It could be an oversight. We have to check it; we will review it.

Hon. Patricia J. Gordon-Pamplin: Okay.

I think that this handles the queries that I have specifically on the Schedules. I did not literally have the time to go into the 2020 fees or the 2021 fees.

The Chairman: Mm-hmm.

Hon. Patricia J. Gordon-Pamplin: But I just thought that the observations that we made in respect to the 2019 fees, which are imminent, were more important. And if there are other challenges that come up as I further investigate and delve into it, I will certainly point it out to the Minister and to the technical officers so we can get it right.

The Chairman: Thank you, Member.
Minister.

Hon. Curtis L. Dickinson: Thank you, Member, I appreciate that.

Mr. Chairman, I would like to move now clauses 3, 4 and 5.

The Chairman: You want to approve [clauses] 1 and 2?

Hon. Curtis L. Dickinson: Oh, sorry.
I move that we approve clauses 1 and 2.

The Chairman: It has been moved that clauses 1 and 2 be approved.

Any objection to that?
There appear to be none.
Approved.

[Motion carried: Clauses 1 and 2 passed.]

Hon. Curtis L. Dickinson: Mr. Chairman?

The Chairman: Mm-hmm.

Hon. Curtis L. Dickinson: Mr. Chairman, I would like to move clauses 3, 4 and 5 now, please.

The Chairman: Continue.

Hon. Curtis L. Dickinson: Clause 3 provides for consequential amendments to the Banks and Deposit Companies (Fees) Act 1975. The clause amends the Banks and Deposit Companies (Fees) Act [1975] by repealing and substituting the Second Schedule to that Act. The substituted Second Schedule provides for fees payable under Part A, for the period 1 January 2019 to 31 December 2019; Part B, for the period 1 January 2020 to 31 December 2020; and Part C, as from 1 January 2021.

Clause 4 provides for consequential amendments to the Investment Funds Act 2006.

Clause 5 provides for the Act to come into operation on 1 January 2019, subject to subclauses (3)

and (4) of clause 2 and subclauses (3) and (4) of clause 3 of the Bill.

The Chairman: Honourable Member [Pat] Gordon-Pamplin.

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

As indicated just a little earlier, that it was not possible for me to go into Part B or Part C. But I will certainly undertake to do so from my perspective so if there are any concerns I certainly will point it out to the Minister so he can pass it on to the technical officers.

The Chairman: Thank you.

Hon. Patricia J. Gordon-Pamplin: So I have no objections to clauses 3 or 4.

The Chairman: Minister.

Hon. Curtis L. Dickinson: Thank you, Mr. Chairman.

I would just like to advise the Member that inconsistencies in the section references will be corrected by the Attorney General's Chambers under the Computerization and [Revision] of Laws Act 1989. I thank you for your diligence in reading through the Schedules and identifying the typos.

Mr. Chairman, I move that clauses 3, 4 and 5 be approved.

The Chairman: It has been moved that clauses 3, 4 and 5 be approved.

Are there any objections?
There appear to be none.
Approved.

[Motion carried: Clauses 3, 4, 5 passed.]

Hon. Curtis L. Dickinson: Mr. Chairman, I move that the preamble be approved.

The Deputy Clerk: The two Schedules.

The Chairman: The Schedules first, there are two.

Hon. Curtis L. Dickinson: I'm sorry?

The Deputy Clerk: Move the two Schedules.

Hon. Curtis L. Dickinson: Well, the Schedules are part of the clauses 2 and 3.

The Chairman: Well, you have to move them separately.

Hon. Curtis L. Dickinson: Move them separately? Okay. Whirr . . . rewind tape.

Okay. I move that the Schedules be approved.

The Chairman: Schedules 1 and 2.

Hon. Curtis L. Dickinson: Yes. Schedules 1 and 2.

The Chairman: It has been moved that Schedules 1 and 2 be approved.

Are there any objections to that?
No objections.
Approved.

[Motion carried: Schedules 1 and 2 passed.]

The Chairman: Now you can move the preamble.

Hon. Curtis L. Dickinson: I move that the preamble be approved.

The Chairman: It has been moved that the preamble be approved.

Are there any objections to that?
There appear to be none.
Approved.

Hon. Curtis L. Dickinson: I move that the Bill be reported to the House as printed, or amended.

The Deputy Clerk: As printed.

The Chairman: It has been moved that the Bill be reported to the House as printed.

Any objections to that?
There appear to be none.
The Bill will be reported to the House as printed.

[Motion carried: The Bermuda Monetary Authority Amendment (No. 3) Act 2018 was considered by a Committee of the whole House and passed without amendment.]

[Crosstalk]

The Chairman: What's that? Go ahead.

The Deputy Clerk: He has already said that there will be typos which will be corrected by Chambers.

The Chairman: Yes, under that 1989 Act.

House resumed at 4:29 pm

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

REPORT OF COMMITTEE

BERMUDA MONETARY AUTHORITY AMENDMENT (NO. 3) ACT 2018

The Speaker: Good afternoon, Members.

Members, are there any objections to the Bermuda Monetary Authority Amendment (No. 3) Act 2018 being reported to the House as printed?

An Hon. Member: No.

The Speaker: No. So moved. It has been reported.

That now moves us on to the next item on the Order Paper which is the second reading of the Insurance Amendment (No. 3) Act 2018 in the name of the Minister of Finance.

Minister.

SUSPENSION OF STANDING ORDER 29(1)

Hon. Curtis L. Dickinson: Mr. Speaker, I move that the Standing Order 29(1) be suspended to enable the House to proceed with the second reading of the Bill entitled Insurance Amendment (No. 3) Act 2018.

The Speaker: Any objections?

No objections.
Proceed.

[Motion carried: Standing Order 29(1) was suspended.]

BILL

SECOND READING

INSURANCE AMENDMENT (NO. 3) ACT 2018

Hon. Curtis L. Dickinson: Mr. Speaker, it gives me pleasure to present to this House the Bill entitled Insurance Amendment (No. 3) Act 2018.

This Bill highlights the proposed changes to the Insurance Act 1978 [the “principal Act”] that enables the BMA to put in place a new reporting framework for registered insurance agents and insurance brokers, otherwise known as “insurance intermediaries.”

Mr. Speaker, the BMA is a founding member of the International Association of Insurance Supervisors [IAIS] and continues to be an active participant within this international regulatory body to the benefit of both the Bermuda insurance sector and the BMA supervisory regime. The Authority is committed to ensuring that the regulatory regime that governs insurance registrants is suitably aligned with the core principles set down by the IAIS through making necessary enhancements to the local laws and regulations.

Mr. Speaker, it is to this end that the Authority proposes to take steps to enhance the regulatory re-

gime for insurance agents and brokers pursuant to the following IAIS core principles.

ICP 18, which relates to the supervision of insurance intermediaries, requires that insurance supervisors to set and enforce requirements for the conduct of insurance intermediaries, in order that they conduct business in a professional and transparent manner.

ICP 19, which relates to the conduct of business, requires an insurance supervisory to ensure that insurers and intermediaries in their conduct of insurance business treat customers fairly both before a contract is entered into and through to the point at which all obligations under a contract have been satisfied.

ICP 21, which deals with countering fraud in insurance, requires an insurance supervisor to ensure that insurers and intermediaries take effective measures to deter, prevent, detect, report and remedy fraud in insurance.

ICP 22, which speaks to anti-money laundering and combating the financing of terrorism, makes it mandatory for a supervisor to ensure insurers and intermediaries take effective measures to combat money laundering and the financing of terrorism. ICP 22 also provides that a supervisor must take effective measures to combat money laundering and the financing of terrorism.

Mr. Speaker, the House will note that these amendments pertaining to the insurance agents and brokers are equivalent to the requirements put in place for insurance managers in 2015.

Mr. Speaker, it is further proposed to amend the Insurance Act 1978 by making it mandatory for registered insurance agents and brokers to file an annual return with the Authority covering the following matters:

- detailed corporate data of the intermediary and its clients;
- corporate governance data;
- training;
- integrity data;
- cyber risk; and
- anti-money laundering and countering the financing of terrorism risk data.

There are specific provisions in the amendment that are now to apply to insurance brokers and agents, such as prudential rules, principal office and payment of fees.

Mr. Speaker, industry participants were consulted on these proposed amendments from the period commencing August 2018 ending 7 September 2018. There were no material objections to the proposal.

Mr. Speaker, the Bill also makes further amendments to the Insurance Act 1978 by providing for new subcategory definitions, special purpose business, and for the registration of corporate bodies that may carry on run-off insurance business.

Mr. Speaker, the proposed amendment will become quite clear to Members when we are in Committee. Mr. Speaker, in closing, I would like to thank all of those persons within the Bermuda Monetary Authority, the Attorney General's Chambers, the Ministry of Finance, and the private sector who have assisted with the development of this Bill.

Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

Does any other Honourable Member wish to speak?

We recognise the Honourable Member from constituency 23. Honourable Member Gordon-Pamplin, you have the floor.

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

Mr. Speaker, this Bill actually manifests the observation I had when we did the last one in terms of this now give rise to the categories for which we have already passed the fees.

The Speaker: Mm-hmm.

Hon. Patricia J. Gordon-Pamplin: So that is why I said I thought it would it would have been more helpful if we had debated this first. So we put the structures in place and then we know what the fees are for those structures. With that said, because I can multitask, because I am a woman and that is the way we do things—

The Speaker: Well, well, well—

Hon. Patricia J. Gordon-Pamplin: —I was able to—

The Speaker: Now we are all equal Members in this House whether you wear a skirt or pants. We are all equal.

[Laughter]

Hon. Patricia J. Gordon-Pamplin: Well, well, well, Mr. Speaker, I do not want you to mislead the House.

[Laughter]

Hon. Patricia J. Gordon-Pamplin: However, the concern that I have in this Bill is with respect to two areas. One of which is the situation when it comes to an application to reduce or to request an exemption from payment and you make an application. You apply to the Authority, and if the Authority says no, it says to write again to the Authority with a little bit more detail. It seems to me like we are taking two bites of the cherry when it could be more efficient if the first application to the Authority set out the terms and conditions under which the request is being

made, and this is for the reduction or exemption from payment of fees.

That, instead of having to write to the Authority and then they come back and say no, then you write back to them, and they say, *Give us more detail*, it would seem to me to be more efficient to write with all the detail first and say what the challenge is.

If the Authority then says no, then instead of going back to have Caesar appealing unto Caesar, instead of saying, you know, *The Authority said no, we are going to go back to the Authority*. It seems to me that this is an ideal opportunity for us to be able to harmonise our tribunals that we have, and that second application may be able to be made to a tribunal, as opposed to going back to the Authority who has already told you no at the outset. It just seems like it is counterintuitive.

The other concern that I have is with respect to cyber risk. There are significant inclusions in this new requirement for cyber risk. And I think that all of us know, I think that anybody who has even been half awake in the course of the last year and a half, two years, will know the challenge that we have seen, certainly in the United States with the involvement of Russia in the 2016 elections and the grief that this has caused to—

The Speaker: Donald Trump said that it is not true.

Hon. Patricia J. Gordon-Pamplin: —that infrastructure.

He says there is no collusion.

The Speaker: Trump says that it is not true though.

Hon. Patricia J. Gordon-Pamplin: And whether there was collusion or not, I said “involvement” and I think it has already been established that involvement was there. And that involvement is as a result of cyber threats.

The Speaker: Mm-hmm.

Hon. Patricia J. Gordon-Pamplin: Cyber risks are things that insurance companies, more recently, have had to acknowledge and deal with as an integral part of their operations, because it can serve to undermine everything that they do. So, the whole concept of what is now being required—and we can discuss it a little bit more when we get into Committee—but the whole concept of what is required with respect to cyber risks, are now needed from the Authority's perspective as a separate and involved entity report that must be submitted.

So the question begs whether any or part of that can actually be included with the CISSA responses. This is the Commercial Insurer's Solvency Self Assessment, which they are required to file on an annual basis with their statutory returns, or the Financial

Condition Report [FCR]. Because now we have got CISSA, we have got the BSCRs [Bermuda Solvency and Capital Return] that have to be filed. We have the auditor's statements that have to be filed. We have got the BSCRs that have to be filed. We have got CISSAs that have to be filed. We have got an FCR that has to be filed. And now we have got a big, major cyber risk entity that has to be filed along with all of the other ancillary documentation that is required in order for your filing to be complete.

So I only have concerns in terms of whether this can be somehow streamlined into one report, as opposed to, on the face of what is happening here, or what is appearing to be mentioned here, is a separate report coming in again which just involves more work and more work and more work. I understand; I am not trying to understate the necessity for the oversight and the regulatory oversight. I am just trying to determine whether there is a method by which we can make all of these filings a little bit more efficient for the companies that have to do it.

It might be that we want to leave it as it is and maybe even make it a little bit broader so that it creates another employment category so we can put some more people to work. However, I always try to look at efficiencies and it just seems to me that the cyber risk reporting could be able to have some efficiencies relating thereto. Because when you put your whole business plan and your economic plan for your ensuing year, which also has to be filed, your economic capital models . . . it seems like that has got to be part of it. Part of the economic capital model has got to include your cyber risks because that is a clear and present danger to most companies.

The other thing that I wanted to just highlight, is with respect to the schedule of compliance and sanctions. I think it is critical that companies are made aware of their necessity not only to keep themselves currently apprised of what the restricted territories are, so that they do not have any challenges with sanctions compliance, but also to ensure that the training relating to sanctions compliance goes down to their line staff. Because predominantly where you are going to get these issues, especially in an insurance environment, is where you have situations where you have got underwriters. And underwriters may be writing a risk and a risk may happen to emanate in a country or in a territory that has these restrictions. The underwriter may be unaware at the time that what he is doing is not appropriate because there are sanctions.

Well, under normal circumstances, these matters will be caught by the board. And when one gives their plans in terms of *this is what we are planning on writing*, it can get caught. But I think that the educational component is critical. I think that companies have to take that responsibility to ensure that every member of their staff who is likely to be impacted by

falling afoul of sanctioned territories are made aware of the pitfalls that occur.

I think that those are my major concerns that I have with the Bill, my observations (I should not say "concerns"). Again, let me say that the Monetary Authority is an institution that I respect. I take my honourable colleague, the Deputy Leader's comments in terms of the additional work that is required for us, just to make sure that we maintain our status as a pristine jurisdiction. And the Monetary Authority certainly goes above and beyond in doing their part in order to ensure that we do not fall short, that we do not have the blacklisting issues that have existed, or the threats of blacklisting that we now have to deal with that we will start to look at.

It is also very positive [that] this Bill ensures that the insurers, insurance managers, brokers and agents shall maintain a principal office in Bermuda, because that gives rise and support to the economic substance that we will discuss, probably next week, in detail in terms of the Bill, and that the Authority is able to be satisfied that there is economic substance by the companies having the necessary infrastructure locally. Not only does that bode well for us as a jurisdiction, it also gives support to the necessity for us to ensure that we find employment for people. Because if there is a local jurisdiction . . . even if a company has a specialised area of expertise under which they operate, they also will need [people] if they have a company in Bermuda, even right down to needing somebody to clean the office after five. There is always a job for somebody to do.

And the requirement to have this is something that we saw for the first time, I think, making it a necessity a few years' back. Certainly under our administration we discussed it and thought it was probably one of the best things that had come out of the BMA having that requirement, that overarching requirement for effectively having a local presence.

So as we continue to traverse the minefields of scrutiny that are being imposed upon us by the OECD, by the EU, by everything else . . . we have country-by-country reporting, everything that we have to do with the rules and regulations under which we have to operate in order to be seen to be a pristine jurisdiction. Notwithstanding that we have the benefits of (a) experience, and (b) reputation, that bodes well for us as a country, we need to make sure that we stay on that track and that we do not falter from it in any way, shape, or form. And for that I am appreciative to the Monetary Authority and obviously their senior staff for the job that they do in order to bring these issues to the fore to make sure that it is enshrined effectively in legislation so that when we are asked we can hand on heart say, *It's there. We have done it. And, yes, we are complying.*

Thank you, Mr. Speaker.

The Speaker: Thank you, Member.

Does any other Member wish to speak?

No other Member. Minister, once you get your note, I will let you have the floor.

ANNOUNCEMENT BY THE SPEAKER

HOUSE VISITOR

The Speaker: But in the meantime, I would just like to recognise that in the Gallery there is Senator Jones.

Senator Jones, welcome to our Chamber.

[Insurance Amendment (No. 3) Act 2018, Second Reading debate, continuing]

The Speaker: Minister.

Hon. Curtis L. Dickinson: Thank you, Mr. Speaker.

In response to the questions by my colleague, I have been advised that the Schedule of Cyber Risk, part of the annual filing for insurers, data called in 2018 with industry cooperation.

Has it brought any clarity for you?

[Inaudible interjection]

Hon. Curtis L. Dickinson: Then they provide guidance on cybersecurity. Shortly there will be some follow-up on that.

And then the fee reductions announced for the tribunal appeal . . . in the past, the Authority will allow more detailed applications for fee reductions, waivers, and review on work to be done.

The Speaker: You can move us to Committee.

Hon. Curtis L. Dickinson: Mr. Speaker, I move that the Bill be committed.

The Speaker: Thank you, Minister.
Deputy.

House in Committee at 4:46 pm

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

COMMITTEE ON BILL

INSURANCE AMENDMENT (NO. 3) ACT 2018

The Chairman: Honourable Members, we are now in Committee of the whole [House] for further consideration of the Bill entitled [Insurance Amendment \(No. 3\) Act 2018](#).

Minister, you have the floor.

Hon. Curtis L. Dickinson: Mr. Chairman, this Bill seeks to amend the Insurance Act 1978 (the “principal Act”) to, amongst other things, make provision for en-

hanced supervisory and regulatory requirements to apply to insurance brokers and agents in Bermuda, and in furtherance of amendments required to be made to the Fourth Schedule of the Bermuda Monetary Authority Act 1969, under the heading “Insurance Act 1978.”

The Chairman: Mm-hmm.

Hon. Curtis L. Dickinson: I would like to ask to move clauses 1 through 4.

The Chairman: Continue.

Hon. Curtis L. Dickinson: Clause 1 provides for the Bill’s citation.

Clause 2 amends the principal Act in section 1 to insert new subcategory definitions of “special purpose business.” The new subcategory definitions are “restricted special purpose business” and “unrestricted special purpose business.” The Authority has proposed this amendment in furtherance of enhancing the manner in which it seeks to supervise and regulate the business to be carried out on Special Purpose Insurers. Where a Special Purpose Insurer proposes to conduct business with only one policyholder, it shall be deemed by the Authority to be carrying on “restricted special purpose business”; where a Special Purpose Insurer proposes to carry on business with multiple policyholders, it shall be deemed by the Authority to be carrying on “unrestricted special purpose business.” The Authority already has regard at the time of registration of Special Purpose Insurers regarding the number of policyholders it seeks to insure under section 5(2)(a) and now seeks to formalise this process.

Clause 3 amends the principal Act in section 4 by expanding the manner in which the Authority may register the type of special purpose business to be conducted by Special Purpose Insurers. Under the new provision a Special Purpose Insurer may be registered to carry on either “restricted” or “unrestricted” special purpose business.

Clause 4 amends the principal Act in section 4A to insert subsections (5) and (6), which provide that, when determining the class of general business to be conducted by a corporate body seeking registration, the Authority may also determine whether such corporate body may be registered to carry on run-off insurance business.

The Chairman: The Chair recognises the Honourable Member Pat Gordon-Pamplin. You have the floor, Honourable Member.

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

Mr. Chairman, as mentioned, we certainly support this, but we . . . I just wanted to highlight that

under clause 2, we have already shown that we have reflected the fees in the BMA Act that we passed earlier for the fees.

The Chairman: Mm-hmm.

Hon. Patricia J. Gordon-Pamplin: I have a question with respect to [clause] 4, and that was the concern that I raised while we were in the debate of the whole [House], and that was in respect of the run-off business, and the fact that onshore has become more appealing. Have we gotten any kind of financial impact as to what we are likely to lose by having this special category of run-off business, given the fees that are attendant thereto?

The Chairman: Minister.

Hon. Curtis L. Dickinson: I am just waiting for my technical officers to provide me with an answer to that.

The Chairman: Understood.

[Pause]

The Chairman: Minister, are you with us?

Hon. Curtis L. Dickinson: Yes, Mr. Chairman.

I have been advised that there has been no financial impact analysis. However, the BMA did complete a target operating model review. And, I think, consistent with that review, they are comfortable with the construct that is being proposed.

The Chairman: Any further speakers?

The Chair recognises the Honourable Member, Pat Gordon-Pamplin.

Hon. Patricia J. Gordon-Pamplin: Yes, just for clarity. The Minister indicated that there had not been a financial impact analysis done. And I know that according to House rules we should have, when we have these kinds of Monetary Bills, there should be a financial impact statement that is attached to it, and I note that this is missing. But I think that at some point if the Minister would be willing to share with this House, and certainly share with me, so that we can have some comfort that the financial impact, you know, what it is so that we can start to evaluate. I appreciate the Minister's response.

The Chairman: Minister.

Hon. Curtis L. Dickinson: [No Audio]

The Chairman: Do you have your microphone on?

[Crosstalk]

Hon. Curtis L. Dickinson: I move that clauses 1 through 4 be approved.

The Chairman: It has been moved that clauses 1 through 4 be approved.

Any objections to that?

There appear to be none.

Approved.

[Motion carried: Clauses 1 through 4 passed.]

The Chairman: Carry on, Minister.

Hon. Curtis L. Dickinson: Mr. Chairman, I now wish to move clauses 5 through 9.

The Chairman: Continue.

Hon. Curtis L. Dickinson: Clause 5 amends the principal Act in section 6A to allow for the Authority to create prudential rules to govern the manner in which insurance brokers and insurance agents are to comply with technical requirements.

Clause 6 amends the principal Act in section 6C to require insurance brokers or agents to apply to the Authority where they are desirous of being exempted from the requirements of any prudential rule (or any part thereof); or to have an applicable prudential rule modified.

Clause 7 amends the principal Act in section 8 to require insurance brokers and agents to have a principal office and to confirm at registration the location of such office; penalties shall apply for non-compliance.

Clause 8 amends the principal Act in section 8B by repealing and replacing subsection (1) to provide clarity as to the opinion requirements to be imposed on a loss reserve specialist appointed by a Class 1, 2, 3 or Class IGB insurer.

Clause 9 amends the principal Act in section 14, (i) to require insurance brokers and agents to pay registration, annual and other relevant fees; (ii) to provide a new power to be exercised by the Authority to exempt any registered person from the payment of any fee imposed by or under the section; (iii) to require an application to be made in relation to excepted long-term business under section 1(1)(a)(iv); and (iv) to provide a new power for the Authority to reduce any fee payable by a registered person under the section. The new provision requires that prior to granting exemption from or reduction of fee payment, the Authority is to take into account the nature, risks and scope of the business conducted or to be conducted by the registered person. The Authority may also revoke its approval and is required to notify the registered person in writing, who shall have 28 days from the notification date to make representations to the Authority. The Authority is required to have regard to representations made when making its decision.

The Chairman: Any further speakers?

The Chair recognises the Honourable Member Gordon-Pamplin.

Hon. Patricia J. Gordon-Pamplin: Mr. Chairman, clause 5 and 6 are effectively housekeeping, and we have no objections to those.

Clause 7, as I mentioned before in the debate, it is just positive that insurers, insurance managers, brokers and agents shall maintain a principal office in Bermuda. That is not discretionary. That is mandatory; it is obligatory. I think it is important for our economy to ensure that people who are benefiting from this jurisdiction pay their fair share, and make sure that they have an infrastructure that supports them, but I have no objections.

The Chairman: Minister.

Hon. Curtis L. Dickinson: Mr. Chairman, I move that clauses 5 through 9 be approved.

The Chairman: It has been moved that clauses 5 through 9 be approved.

Any objections to that?

Hon. Michael J. Scott: Mr. Chairman, before . . .

The Chairman: No, no, no. Uh-huh.

It has been moved that clauses 5 through 9 be approved.

Are there any objections to that?

You have an objection?

Hon. Michael J. Scott: Yes, I have an objection.

It is not an objection, I wish to . . . I thought that you were going to invite other Members to speak after the Madam sat down, because I would like to speak to clause 5.

The Chairman: Do you have objections?

Hon. Michael J. Scott: No, sir, as I indicated, it is not an objection.

The Chairman: Well, you know, we are . . . you are objecting. The Minister has moved the clauses to be approved. I cannot retract that.

Hon. Curtis L. Dickinson: Mr. Chairman, I would like to move clauses 10 through 15.

The Chairman: Hang on. I have to put through clauses 5 through 9 before we . . .

It has been moved that clauses 5 through 9 be approved.

Any objections to that?

There appear to be none.

Approved.

[Motion carried: Clauses 5 through 9 passed.]

The Chairman: Minister, carry on.

Hon. Curtis L. Dickinson: I move clauses 10 through 15.

The Chairman: [Clauses] 10 to 15?

Hon. Curtis L. Dickinson: Yes.

The Chairman: Continue.

Hon. Curtis L. Dickinson: Clause 10 amends the principal Act by inserting a new section 17B which imposes a requirement on insurance brokers and agents to file statutory financial statements.

Clause 11 amends the principal Act in section 18A to align it with the new requirement imposed on insurance agents and brokers under section 18AA; and ensures that there is a penalty imposed for non-compliance with such requirements.

Clause 12 amends the principal Act in section 28 by requiring insurance agents to maintain a list of insurers for whom they act.

Clause 13 amends the principal Act in section 30 to extend the power of investigations on behalf of the Authority to insurance brokers and agents.

Clause 14 amends the principal Act in section 30AA to require insurance brokers and agents to produce documents to the Authority in accordance with the requirements of the section.

Clause 15 amends the principal Act in section 30CA to require insurance brokers and agents to notify the Authority of changes of shareholder controller or officer.

The Chairman: Are there any speakers to clauses 10 through 15?

The Chair recognises the Honourable Member Pat Gordon-Pamplin.

Hon. Patricia J. Gordon-Pamplin: [Clauses] 11 through 15, Mr. Chairman, are all just housekeeping. But I think it is important in [clause] 10 just to point out that this is the springboard from which the other amendments are being made. And that is to ensure that insurance managers, brokers, agents shall file a statutory return in the prescribed form.

I just wanted to find out what the formalisation process is for the filing of that prescribed form. Are they constrained by the same dates for filing as exist under the April 30th drop-dead date of the statutory returns?

The Chairman: Minister.

Hon. Curtis L. Dickinson: Mr. Chairman, I am waiting for some technical advice on this one.

The Chairman: Are there any further speakers?

[Pause]

Hon. Curtis L. Dickinson: Mr. Chairman, Honourable Member, I have been advised that there is a requirement that financial statements be prepared and be filed by or on June 30th, annually.

The Chairman: Any further speakers?

Minister, you want to move [clauses] 10 through 15?

Hon. Curtis L. Dickinson: Mr. Chairman, I move that clauses 10 through 15 be approved.

The Chairman: It has been moved that clauses 10 through 15 be approved.

Any objections to that?

There appear to be none.

Approved.

[Motion carried: Clauses 10 through 15 passed.]

The Chairman: Continue, Minister.

Hon. Curtis L. Dickinson: Mr. Chairman, I would like to move clauses 16 through 18.

The Chairman: Okay. Fine. Continue.

Hon. Curtis L. Dickinson: Clause 16 amends [paragraph] 4(2B) of the Schedule to the principal Act to extend the requirements of paragraph 4(2B) of the Schedule on minimum criteria for licensing to insurance brokers and agents.

Clause 17 provides for amendments in the Schedule to the Insurance Returns and Solvency Regulations 1980 to make requirements, among other things, with respect to the schedule of cyber security management and the schedule of sanctions compliance.

Clause 18 provides for commencement.

The Chairman: Any further speakers?

No? Minister, do you want to move . . .

Hon. Curtis L. Dickinson: Mr. Chairman, I move that clauses 16 through 18 be approved.

The Chairman: It has been moved that clauses 16 through 18 be approved.

Are there any objections?

There appear to be none.

Approved.

[Motion carried: Clauses 16 through 18 passed.]

Hon. Curtis L. Dickinson: I move that the Schedule be approved.

The Chairman: It has been moved that the Schedule be approved.

Are there any objections to that?

There appear to be none.

Approved.

[Motion carried: The Schedule passed.]

Hon. Curtis L. Dickinson: I move that the preamble be approved.

The Chairman: It has been moved that the preamble be approved.

Any objections to that?

There appear to be none.

Approved.

Hon. Curtis L. Dickinson: I move that the Bill be reported to the House as amended. *[sic]*

The Chairman: It has been moved that the Bill be reported to the House as . . .

[Inaudible interjection]

The Chairman: As printed.

Any objection to that?

The Bill will be reported to the House.

[Motion carried: The Insurance Amendment (No. 3) Act 2018 was considered by a Committee of the whole House and passed without amendment.]

House resumed at 5:02 pm

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

REPORT OF COMMITTEE

INSURANCE AMENDMENT (NO. 3) ACT 2018

The Speaker: Members, are there any objections to the Insurance Amendment (No. 3) Act 2018 being reported to the House as printed?

No objections?

It has been so moved and reported to the House.

We will now move on to the next item on the Order Paper. It is the consideration of the Contributory Pensions (Amendment of Benefits) Order 2018, and again, in the name of the Minister of Finance.

Minister, would you like to carry on?

SUSPENSION OF STANDING ORDER 29(1)

Hon. Curtis L. Dickinson: Mr. Speaker, I move that the Standing Order 29(1) be suspended to enable the House to proceed with the consideration of the draft Order entitled Contributory Pensions (Amendment of

Benefits) Order 2018 proposed to be made by myself, the Minister of Finance, under section 37 of the Contributory Pensions Act 1970.

The Speaker: Any objections?
No objections. Continue.

[Motion carried: Standing Order 29(1) suspended.]

ORDER

CONTRIBUTORY PENSIONS (AMENDMENT OF BENEFITS) ORDER 2018

Hon. Curtis L. Dickinson: Mr. Speaker, I am pleased to present the [Contributory Pensions \(Amendment of Benefits\) Order 2018](#) for the consideration of the Honourable Members. This is a reflection of Government's resolute and unwavering commitment to improve the quality of life of our senior citizens.

Mr. Speaker, you will recall in the Government's 2017 Election Platform it was declared that this Government would put our seniors first and institute annual cost of living increases for Social Insurance pensions that will be linked to the rate of inflation to help lessen the hardships that too many of our seniors now endure. Mr. Speaker, before I get into the specifics of this Order, it may be useful to elaborate on the pensions arrangements currently in place.

Bermuda, like most other countries, currently provides retired individuals with a combination of Social Insurance from the Contributory Pension Fund and an occupational pension from their employer. In a perfect world, the Social Insurance would provide a first tier, or basic, pension which would most likely be supplemented by a second tier, or occupational pension. Through no fault of their own, currently a number of retired persons are not receiving an occupational pension and are, therefore, relying on their Social Insurance as their sole source of income in retirement. Obviously, Mr. Speaker, this is not an ideal situation and the Government continues to do its utmost to ensure that seniors who rely heavily on their Social Insurance benefits are cared for suitably.

Mr. Speaker, notwithstanding the above, the Contributory Pension Fund benefit provides an important base retirement income. Currently, the maximum pension paid under the Contributory Pension Fund is around 26 per cent of the median annual gross earnings for Bermudians as indicated in the Bermuda Job Market Employment Briefs produced by the Department of Statistics. This compares closely with the UK with a full basic state pension as a percentage of average earnings is around 24 per cent.

Mr. Speaker, the purpose of the Order is to increase pensions and other benefits under the Contributory Pensions Act 1970 by 1.4 per cent, backdated to August 2018, when increases are typically made to the benefits. The 1.4 per cent increase in benefits

would represent an additional cost of \$2.3 million per year to the fund, with a retroactive pay costing approximately \$950,000. The Contributory Pension Fund in principle relies on current contributors, or workers, paying for current pensioners and for the most part this is a pay-as-you-go finance programme. However, the policy of increasing contribution rates by 2.5 per cent above the rate of pension increases has allowed a significant level of funds to build up and thus the plan is partially funded, which provides further security of benefits.

Under section 37 of the Contributory Pension Act 1970, the Minister of Finance has the power to make an Order to revise the rate of contributions and benefits of the Contributory Pension Fund. Mr. Speaker, there are seven types of benefits payable under the Contributory Pension Act 1970. All of the pensions and allowances will be increased by 1.4 per cent. These pensions and allowances are as follows:

1. Contributory old age pension;
2. Contributory old age gratuity;
3. Contributory widow or widower's allowance;
4. Contributory widow or widower's gratuity;
5. Contributory disability benefit;
6. Non-contributory old age pension;
7. Non-contributory disability benefit.

Mr. Speaker, the basic contributory pension [is] \$1,049.68 per month. The maximum contributory pension payable which includes additional increments is approximately \$1,531.00 per month, although some 13,298 persons currently receive benefits under the Act. The proposed 1.4 per cent increase will raise the basic contributory pension to \$1,064.37 per month and the maximum benefit to about \$1,545.63 per month. Approximately 8 per cent of the 13,298 seniors covered by the Contributory Pension Fund receive maximum pension benefits ranging from basic to the maximum.

Mr. Speaker, the 1.4 per cent increase marks the 12th pension increase that the Progressive Labour Party has put in in its time in Government.

An Hon. Member: Hear, hear!

Hon. Curtis L. Dickinson: Since taking office in November of 1998, and now, this Government has put through 12 increases. In August of 2000, there was an increase of 3.0 per cent. In August of 2002, there was another 3.0 per cent. In August of 2003, there was another 3.0 per cent. In August of 2004, we increased pensions by an extraordinary 9.0 per cent. In August of 2005, there was an increase of 3.5 per cent. In August of 2006, there was an increase of 4.0 per cent. In August of 2007, [an increase] of 4.5 per cent. In 2008, similarly August, 5.0 per cent. In August of 2009, [an increase] of 5.0 per cent. In August of 2011, [an increase of] 3.0 per cent. In August of 2017, [an increase] of 1.7 per cent. And now for August of 2018, an increase of 1.4 per cent.

In every case, the benefit increase has either exceeded the prevailing rate of inflation or has been in line with the underlying trend rate. Honourable Members are advised that based on the CPI, the cost of living has increased by 1.4 per cent since the last increase was granted. Therefore, the proposed benefit increase fully covers the prevailing rate of inflation. Mr. Speaker, the 2018 increase in benefits would normally be accompanied by a corresponding increase in contributions by an actuarially recommended rate of 3.9 per cent. However, Honourable Members will recall that in the 2018 Throne Speech, Government announced that Bermuda's Social Insurance system would be changed from a flat rate contribution to one based on a percentage of income. Therefore, contribution increases will be delayed until the actuary completes the modelling to effect this policy objective.

Honourable Members are advised that the actuary is currently working on the 2017 Actuarial Report for the Contributory Pension Fund and it is anticipated that this report will be completed in the second quarter of 2019, at the latest. Mr. Speaker, it is also noted that contributions were last increased in August 2018 by 4.2 per cent. Considering the relatively strong position of the fund, it is anticipated that the fund can withstand the one-year delay in contribution increases. However, it is critical that the increased contributions come into force in August 2019.

Mr. Speaker, as of 30 September 2018, the fund had total assets of over \$1.9 billion, representing approximately 11.7 times the annual value of the benefit paid in the 2017/18 fiscal year. This is a relatively high rate of funding, and when compared to 14 other Social Security schemes in a 2013 study, Bermuda's ratio is better than nine of these countries, an average of 7.5 years. By comparison, the ratio for the Canada pension plan in 2017 was 7.5 times.

The effect, Mr. Speaker, is that if the Contributory Pension Fund received no further contributions it could still continue to pay out pensions at the prevailing rate for almost 12 years. However, the reality is that contributions will continue through time and will be increased from time to time. In addition, the prudent investment of the pension fund assets is also an important factor in the fund's financial position. In this regard, Government's investment strategy for pension fund assets is achieving good results.

As [previously] mentioned, as of September 30, 2018, the Contributory Pension Fund stood at \$1.9 billion. For the trailing year, the fund posted returns of 6.7 per cent. And over the longer term, 5- and 10-year periods, the fund posted returns of 6.1 [per cent] and 7.4 per cent, respectively.

Mr. Speaker, as evidenced by the 2014 Actuarial Report tabled in this Honourable House in June 2016, the viability of the fund in the short- to medium-term is good, with the fund being positive for the next 25 years. However, recognising the long-term challenges of the fund, the Ministry will continue to closely

monitor the performance of the fund. It should also be noted that the funding policy for the fund is not based on full actuarial funding, but based on sustainable funding; that is, contributions plus investment income should cover benefits and administration expenses on an annual basis while the fund builds up sufficient reserves to cover several years of benefits and expenses to withstand future adverse circumstances.

Mr. Speaker, despite the encouraging short- to medium-term outlook on the fund, what is clearly evident from the latest actuarial review, is that Bermuda, like most of the developed world, is faced with the challenges associated with the growth of an ageing population. During the next 50 years, the number of people over pension age, 65 at the moment, is expected to increase from 10,484 to 17,665, an increase of 7,181, or 68 per cent. This increase in our seniors will obviously place a greater strain on the country's pension system, and it is essential that Government continues to closely monitor the performance of the fund and our overall pension arrangements to ensure pensions are set at an appropriate level.

As mentioned [previously], the next actuarial report for the Contributory Pension Fund is due for the period August 1, 2017, and is currently underway. This report will be tabled in this Honourable House as soon as it is completed. Following this review the Ministry will propose changes to the fund to ensure its sustainability in the long term. Mr. Speaker, the Progressive Labour Party Government is nurturing the Contributory Pension Fund and tending to the needs of our seniors and we are striking the right balance between social and fiscal responsibility.

Mr. Speaker, in closing, I wish to assure Members, and more importantly, current and future pensioners, that Government is sensitive to the challenges facing pension plans of this nature and will endeavour to take the appropriate steps to enhance the benefits paid from the scheme, as well as ensure the fund has an ongoing ability to pay for such benefits.

Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

Does any other Member wish to speak?

I recognise the Honourable Member from constituency 23. Honourable Member, you have the floor.

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

Mr. Speaker, of the legislation that we have passed today, this is clearly the *pièce de résistance*. And I say that because we have an increase of pensions to our seniors, as the Minister has indicated in his presentation, which ranges from the high amount, the top amount that people are getting, which is now \$1,531.00 per month, which will go up to \$1,545[.63] per month, and is an increase of \$14.00.

That \$14.00, Mr. Speaker, will just about pay for the Paw Paw that the Honourable Member spoke to this morning (that he received a picture of) to say that the Paw Paw costs \$14.00. Because there is not much more that can be purchased.

When we say that we want to increase how we care for our seniors, Mr. Speaker . . . and the Minister then went on to say that in 2000 they had a 3 per cent increase, and then 3.0 per cent for 2002, 2003. And 9.0 per cent in 2004; 3.5 per cent in 2005; in 2006, they had 4.0 per cent; in 2007, 4.5 per cent; in 2008 and 2009, were 5.0 per cent, respectively; in 2011, was 3.0 per cent. And then they were only speaking about their years, so 2017 was 1.7 per cent; and 2018 was 1.4 per cent. So this is the lowest pension increase that this Government has afforded to our seniors, many of whom are struggling severely since they came into office in 1998.

[In 2018] 1.4 per cent—1.4 per cent! And as I said, Mr. Speaker, what we have seen and what we heard about with price gouging this morning, that difference at the top level cannot pay for Paw Paw.

Mr. Speaker, our concern, obviously, is for Mr. Smith and Mrs. Smith. And our concern relating to that is going to be expressed in our support for this legislative Order, because, Mr. Speaker, a half a loaf, I would imagine, is better than none. But at 1.4 per cent, I would have been embarrassed to bring this to this Honourable House.

Why would I be embarrassed? Because what it appears is that the Minister and the Government are doing not much more than ticking the boxes. *We said we were going to give you a pension increase, so here is your pension increase. Don't complain, Mr. and Mrs. Bermuda. I am giving you a pension increase. That is what we said we would do and that is what we are doing.* And I grant them that, but 1.4 per cent. Let not anybody get particularly excited as to what this *extra* is going to do for them.

Probably the one fortunate thing is, there is a presumption that with this being retroactive to the 1st of August, that people will probably see it in their pension cheques this week. But I do not know. It might not be possible, possibly. So it means that they will not even see this until after Christmas. So there is no Paw Paw casserole, Mr. Speaker, for Mr. and Mrs. Smith. There is very little more that they can do. Their medications, notwithstanding that the Minister indicated that the rate of inflation, the CPI, has increased by 1.4 per cent; hence, this 1.4 per cent offset.

But it is important also to understand that what is contained in the basket of goods and services is not necessarily all of that, that Mr. and Mrs. Senior require. That basket of goods and services is more indicative of your average person in the street, your median population, if I can put it that way, Mr. Speaker. Mr. and Mrs. Senior are not out buying diapers. They are not out buying the things that help to make up the basket of goods and services. And therefore,

the impact on them, notwithstanding what the overall CPI index might be . . . the impact on Mr. and Mrs. Senior is significant. Now, we are going to get a pushback coming from the Government saying, *Well, what happened to you? You didn't give them increases during the four years that you were in Government. You only gave them increases the last year* (I think it was; we might have done one, maybe it was two. There were two increases. So we missed one).

But against the backdrop of attempting to keep the country from falling off the edge of a financial cliff, the austerity measures that were required to be employed were significant. I expect the criticism. And I can take the criticism, Mr. Speaker. But I can tell you that if things are as wonderful as the PLP Government would have us believe they are, they should be ashamed of themselves to come to seniors with a 1.4 per cent increase.

If you stop and look at the amounts, Mr. Speaker, it is almost embarrassing to highlight them. Where the basis of a contributory, which is now 11085, it will go up to 11240, and increase of 155. And that is based on a group of contributions of which the minimum, I believe, is 25 contributions, up to a level of additional contributions that help to make up, to put the numbers of blocks (as it were) . . . This is where our blockchain comes in. I suppose we have to be appreciative of it. Where the blocks together will bring this base up to the total of \$1,545.

When you have some seniors, as I had very recently, complain that the insurance policy that they are paying for two people was in excess of \$3,000, and now we are seeing that each of them, provided that they had full contribution, will get a total of \$3,060, then they have a whole \$60 left over to buy some food, pay lights, buy clothing, and what have you.

So I am saying that while I support any increase for our seniors, at this paltry level we are causing our seniors to grovel when they do not need to. When we listen to some of the increases that we have just put through, and some of the corporate stuff, and you see these, you know, 8, 10, and 15 per cent increases coming through for Monetary Authority and you sit there and you start to juxtapose that against where the real necessity is. And the real necessity is in our senior population, Mr. Speaker, those who we always hear cannot afford the rent, have to make the choice between food and medicine. And this Government with a 1.4 per cent paltry contribution has failed to give any significant or appreciable relief to our seniors.

So, as I said, Mr. Speaker, the *pièce de résistance* is the most disappointing of all the reasons why I have stood on my feet today. Mr. Speaker, you might notice that I have been up on every single piece of legislation that we have covered today.

The Speaker: You have been active this afternoon, yes.

Hon. Patricia J. Gordon-Pamplin: That is for my sins of being both a spokesperson in this House responsible for Health, as well as the spokesperson responsible for Finance. And I have no problem with carrying that burden, Mr. Speaker, especially when we want to advocate on behalf of people who cannot advocate for themselves.

But I would ask that the Government, when they look at what they are attempting to do, as opposed to just trying to tick the box so that they can go in 10 years' time and say, *And we gave them a pension increase of 1.7 per cent last time, and 1.4 per cent . . . if you take last years' increase plus this years' increase, it just about ekes out a comparison to the lowest amount that they gave to the seniors, and that was in 2011. Because that gave you a 3.1 per cent total last year and this, when in 2011, they offered a 3.0 per cent increase.*

So, Mr. Speaker, some people might get excited. The Government may say, *We ticked the box. We heard the Minister beat his chest, pound his chest and say that, We promised this in our Throne Speech. We promised it in our platform. We are going to give you an increase every single year.* But you know what? I can say to my children that *I am going to give you something every year.* The question is, What is the relative value of what they are getting? And in this instance, Mr. Speaker, there is nothing that would say to me that Mr. and Mrs. Senior Smith are going to be any better off with this paltry 1.4 per cent increase than they were prior to it. Especially given that they will not be able to have Paw Paw casserole for Christmas.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

We recognise the Honourable Member from constituency [6], Honourable Member Furbert. You have the floor.

Hon. Wayne L. Furbert: Thank you, Mr. Speaker.

[Crosstalk]

Hon. Wayne L. Furbert: Just one minute, Mr. Speaker.

The Speaker: Yes, you have the seat.

[Pause]

Hon. Wayne L. Furbert: Mr. Speaker, you know, I was not sure if I should slap myself to make sure I was not dreaming. But I realised, Mr. Speaker, that we are living in times of deception.

Mr. Speaker—

An Hon. Member: Wow!

Another Hon. Member: It is from your side.

[Inaudible interjections]

Hon. Wayne L. Furbert: —are you trying to tell me . . . not you, Mr. Speaker.

The Speaker: Speak to the Chair. Speak to the Chair.

Hon. Wayne L. Furbert: But is the Opposition is trying to tell me that this Government, who has made a commitment to the people of Bermuda, to the seniors, that they will give an increase every year while they are the Government, [that it] is wrong? When they were in power, Mr. Speaker, for five years—five years—and gave one increase. Am I . . . am I . . . Mr. Speaker, am I missing something?

And they tell me, Mr. Speaker, that they care. But when did they start caring? When the former Minister—

[Inaudible interjections]

Hon. Wayne L. Furbert: She was the Minister of Health. The [Honourable Member] was the Minister of Health. And the former Premier sits there as they chat, and could not get his Cabinet to support an increase for our seniors every year? Mr. Speaker, at least the seniors can buy a Paw Paw for \$14.00. Under the OBA, they could not buy a Paw Paw at all!

[Laughter]

Hon. Wayne L. Furbert: Mr. Speaker, they could not even buy a Paw Paw, because there was no increase under their administration, [except] for one year. And Mr. Speaker, that was leading up to an election. Trying to get the senior support. All of a sudden they woke up and realised, *Oops! We forgot to take care of our most important citizens in Bermuda. Our seniors!*

And the Honourable Member, as she leaves, must recognise that. You cannot challenge this Government, who is talking about giving an increase every year on the rate of inflation, and they give no increase! Am I losing my mind?

[Inaudible interjections]

An Hon. Member: Yes.

[Crosstalk]

Hon. Wayne L. Furbert: Mr. Speaker, the Honourable Member who speaks for constituency 11 *[sic]*, in-

creases his prices every year on the wholesales against our seniors.

Some Hon. Members: Ooh!

[Inaudible interjections]

Hon. Wayne L. Furbert: But would not give seniors an increase!

[Inaudible interjections]

Hon. Wayne L. Furbert: [Constituency] 10.

But he would not give an increase. The former Premier would not give . . . the Honourable Michael Dunkley, from [constituency] 10, knew that he was giving an increase on his Paw Paws, his eggs, his bread, his Pepsi, and the list goes on and on. But he would not give an increase to our seniors.

Am I missing something, Mr. Speaker? There is not one Member on that side—

The Speaker: Speak to the Chair.

Hon. Wayne L. Furbert: —can stand up and justify for five years not giving an increase to our seniors.

But, Mr. Speaker, what did the PLP do? In 2000, they gave 3.0 per cent. In 2002, they gave 3.0 per cent. In 2003, they gave 3.0 per cent. In 2004, they gave 9.0 per cent. In 2005, 3.5 per cent. In 2006, 4.0 per cent. In 2007, 4.5 [per cent]. In 2008, 5.0 per cent. In 2009, 5.0 per cent. In 2011, 3 per cent.

And then all of a sudden, the OBA took over. In 2012, 0.0 per cent; 2013, 0.0 per cent; 2014, 0.0 per cent; 2015, 0.0 per cent, Mr. Speaker. And they are talking about who cares?

They should . . . you know, I was trying to keep . . . I said, *They won't say nothing. They wouldn't have the nerve to stand up and challenge a 1.4 [per cent].* A lady who can buy a Paw Paw, but under their administration they couldn't even buy that Paw Paw. I could not believe when they stood up. I said, *I must be dreaming.* They aren't even politically smart to realise just keep quiet when you know you are in trouble.

Mr. Speaker, I am proud of this Government. We made a commitment to the seniors of this Island. Mr. Speaker, we not only gave an increase, but this year [we] reduced some of the goods when it came to those products . . . that are . . . um . . . e—

[Inaudible interjections]

The Speaker: Essential?

Hon. Wayne L. Furbert: Essential; essential food.

An Hon. Member: Slap yourself.

Hon. Wayne L. Furbert: I know who I would like to slap.

An Hon. Member: You would like to slap yourself.

[Laughter]

The Speaker: Now, now . . . keep the conversation here.

Hon. Wayne L. Furbert: I wasn't talking to him, Mr. Speaker.

The Speaker: Keep the conversation here.

Hon. Wayne L. Furbert: Mr. Speaker, I started out by—

[Inaudible interjections]

Hon. Wayne L. Furbert: I started out by saying I would slap myself.

An Hon. Member: Yes, that's what I'm saying.

The Speaker: Keep the conversation this way.

Hon. Wayne L. Furbert: I started out by saying I would like to slap myself.

The Speaker: Keep it this way.

An Hon. Member: Yes, that is what I said.

Hon. Wayne L. Furbert: So that is what I said.

An Hon. Member: That is what I said.

Hon. Wayne L. Furbert: And that is why I said I know who I want to slap.

An Hon. Member: Yourself.

Hon. Wayne L. Furbert: You can say what you want.

Mr. Speaker, I cannot . . . just sit down in your seat. Take your political advice and tell your advisors to keep quiet.

When you are in a hole, stop digging. Do not get back up and . . . and . . . and . . . I do not know who is going to stand up after me, but I would suggest to you, stay low. Because you cannot win this battle. You cannot go and justify a 0.0 per cent and we got 1.4 [per cent]. You cannot justify it.

Oh, are you saying that when you get . . . you think you will get back in another 50 years, then you will go up some percentage? Well, most of you will not be around here, at least the Honourable Member from constituency 11 *[sic]*.

The Speaker: In 50 years, I don't think any of us will be around here.

Some Hon. Members: [Constituency] 10!

Hon. Wayne L. Furbert: Number 10, number 10. He will not be around here because his Member . . . his Leader wants to get rid of him also. So he may not be around here next election.

Mr. Speaker, I am proud of the record of this Government so far. And, hopefully, when, as the new Minister of Finance sees fit to take some of the recommendations of the tax reform, who talks about even going further to reduce some of the cost of food being brought in. It is not just about giving . . . it is about looking at the whole picture. It is about the whole picture.

An Hon. Member: Yes.

Hon. Wayne L. Furbert: So the honourable Michael and I . . . I wanted to . . . I wanted to, Mr. Speaker, after we gave a reduction on import of eggs in April of this year, I went down to MarketPlace to see what the honourable Michael Dunkley's eggs were.

An Hon. Member: Yes.

Hon. Wayne L. Furbert: And they were up. I must admit, maybe the chickens were not laying too many eggs those days. Supply and demand.

[Laughter]

Hon. Wayne L. Furbert: I must admit they are down now, they are down now a little bit.

But, Mr. Speaker, I just ask the Opposition, just cool out. Lay low. When you want to speak, the first three Bills were excellent. I mean, they were excellent. You spoke calm and then the Honourable Member gets up and disturbs this Honourable House. Mr. Speaker, there are too many Members on this side [who] remember. You think a senior forgot that they did not get any increase at all? That is why they did not get voted in!

An Hon. Member: Hmm.

Hon. Wayne L. Furbert: Did you realise that they did not get voted in because they had no increase? And then the Honourable Bob Richards tried to sneak in one just before the election. No, you cannot trick seniors. At least under this Government we have said [that] we have made a commitment, we will fulfil our promise.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

[Desk thumping]

The Speaker: Does any other Honourable Member wish to speak?

I recognise the Honourable Member from constituency 10. Honourable Member, you have the floor.

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

Mr. Speaker, I think everybody in this Honourable House would like to ensure that our seniors have sufficient pensions to allow them to enjoy their sunset years. I remember when I was younger and everyone talked about seniors and the sunset years. But it seems now that seniors, as they approach those sunset years, life is much, much tougher for them, for many reasons.

One of the first being, I think, is that the cost of health care has risen at alarming rates, double digits over the last probably, probably over the last . . . the 10 years to start this century. It slowed down a little bit and it is increasing again, so seniors have a challenge. It is unfortunate that we get into debates in this Honourable House about pension increases given to our seniors. And I know it is politics, back and forth. And I can imagine that Honourable Members, if we listen to our constituents at the end of this debate, we would probably be embarrassed because those seniors listening to this debate want to know that they are going to get an increase, and they do not want us squabbling back and forth.

An Hon. Member: Are you serious?

Hon. Michael H. Dunkley: And, yes, certainly. The Honourable Member says, [Are] you serious? I am as serious as a heart attack.

And while the Honourable Member interpolates from his chair, let me digress from what I was going to say for one second, Mr. Speaker, because it is interesting that the debate in this House always has to get personal.

I had not said anything about this debate, and the Honourable Member wants to focus in on me. I will stand proudly here and talk about business, because I employ Bermudians, Mr. Speaker. I never left debts out there that could not pay. And I always hired Bermudians. That speaks more than the clap-trap I heard from the Honourable Member on the on the side. And that is all I will say to that. If he wants to talk about pricing of consumer goods, I am happy to talk to the Honourable Member about that. Because sometimes it is better not to insert your foot in your mouth when you are going on national radio, Mr. Speaker.

Now, Mr. Speaker, back to the subject. When the OBA became the Government in Christmas of 2012, six years ago, we inherited a budget that was going to close in on a \$330 million annual deficit—

[Inaudible interjections]

Hon. Michael H. Dunkley: [It was] \$333 million, Mr. Speaker. We bought it in at the level.

And I raise that point for two reasons. One is, it is a tremendous deficit because at that time, I think, the overall budget probably was somewhere in the range of \$950 million, maybe a little bit less, little bit more. So, every \$3.00 that we spent, \$1.00 we had to borrow. And in that time, the Honourable Finance Minister, one of the first things he had to do in the new year was go borrow more money to pay for civil servants pay cheques. And we are talking about giving people increases. We had to go find money to pay people we had working every day, hard-working civil servants. We had to go find money because the former Government left it lay.

And the other thing I say about that deficit, Mr. Speaker, in the previous six or seven years the PLP budgets had been so far off base that the deficit that we had ended up being much more, putting a further hurt on our economy. So the Junior Minister, no matter how long he is a Junior Minister, Mr. Speaker—

[Inaudible interjections]

Hon. Michael H. Dunkley: —should check his facts before he comes here.

[Inaudible interjections]

The Speaker: One Member speaking, please. One Member.

Continue on.

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

I pay him little mind when he is sitting down in his chair.

The Speaker: Just speak to the Chair. Just speak to the Chair.

Hon. Michael H. Dunkley: I always do, Mr. Speaker, I know you are paying full attention.

The Speaker: Just speak to the Chair.

Hon. Michael H. Dunkley: So, Mr. Speaker, we can debate who has given pensions and who has not given reasonable pensions.

An Hon. Member: Well, we know that!

Hon. Michael H. Dunkley: The Finance Minister at that time was adamant in the programme and the plan he had to get our economy back in a better position and to get Government finances in a better position, and he accomplished both of those, Mr. Speaker. And

it seems now that we are going in the wrong direction. We are going in the wrong direction again today.

And so my colleague is perfectly within her right to express her viewpoint on the amount that the pension has been increased, because in reality, 1.4 per cent is a very small increase. It is an increase; I will give you that.

An Hon. Member: Margin of zero.

Hon. Michael H. Dunkley: And the Honourable Member who claims to have something to do with accountancy, continues to interpolate. I do not believe—

Hon. Wayne L. Furbert: Point of order, Mr. Speaker. Point of order, Mr. Speaker.

The Speaker: Ah, ah, ah! Member . . .

POINT OF ORDER

Hon. Wayne L. Furbert: The Honourable Member is not an accountant. And I do not claim to be . . . I do not claim—I am!

[Inaudible interjections]

Hon. Wayne L. Furbert: But you are not!

The Speaker: Members, Members. Let me invite you all to have thick skins. If someone is going to talk about another Member, and it comes back at you, have thick skin. If you do not . . . if your skin is not thick enough to take it, do not dish it out. I did not interrupt you when you were throwing stones that way, if a stone comes back this way, all the same. If I go out in the playground and I pick a fight with the bully, and the bully beats me up, I cannot go crying to nobody over it. I picked the fight. If I am going to pick the fight, I had better take what is coming. Understand me?

Continue.

Hon. Michael H. Dunkley: Amen to that, Mr. Speaker.

The Speaker: Ah-ah. Just continue on.

Hon. Michael H. Dunkley: Mr. Speaker—

The Speaker: Just continue on.

Hon. Michael H. Dunkley: So, Mr. Speaker, the Honourable Minister who gave a comprehensive overview on the pension scheme . . . it seems important to note that for the next couple of years we are in a reasonable position, but because of the advancing age of our population, of people living longer, I think the mountain is going to get harder to climb over the next 5, 10, 15 and 20 years. And so while it is, perhaps, in some

minds, prudent that the Minister takes this approach today, I think in 5 years' time we are going to be talking a different story because people are going to be living much longer and, obviously, claiming pensions for a much longer period of time.

I remember when I was younger, and to see somebody living into their 70s, it seemed like that was an advanced age. I was talking to a constituent of mine the other day and both of their parents are still alive, in their mid-90s, and play tennis every day. And that just goes to show that, with the grace of God and with good health, you can live a longer period of time.

So we do have a real challenge because the sustainability of this pension fund and private pensions that people are also trying to earn and invest and raise, Mr. Speaker, is going to be what I consider one of the most critical challenges going forward. People are going to be retiring over the coming years and they are not going to have adequate resources, certainly from this pension fund, because \$1,545 at the top line of it does not take you very far. And private pension funds were only mandated about 20 years ago. So we have significant challenges.

And the challenges that we need to find here in the House is how we can ensure that our seniors get a reasonable increase as the years go by to pay for their goods. Because if they do not, Mr. Speaker, what happens is, and I am sure the Minister is well aware of it, that Financial Assistance pays more. Right now I would imagine that at least 30 per cent of the monthly expenditure for Financial Assistance is for our seniors. And that is a number that needs to be factored into the equation that we have currently, because that number will probably rise over time.

So, Mr. Speaker, 1.4 per cent increase is something that the seniors can expect in a reasonable period of time. We need to make sure that we shore up our pension funds as much as we can. I will be interested to see how the Government will be doing going forward. There has been some comment in the Throne Speech and I look forward to in the next year when the Government actually brings legislation as we can move forward to it.

We will have this debate again next year, I am sure, Mr. Speaker, and the year after that. But the fact of the matter is we cannot keep up with the cost of living for our seniors in the rates that we give under the current pension contributions and we have to try to do the best we can.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

Mr. Premier, would you like to contribute to this debate?

Hon. E. David Burt: I absolutely would, Mr. Speaker.

The Speaker: Well, continue on.

Hon. E. David Burt: And, Mr. Speaker, I would first like to commend the Minister of Finance on his brief—

[Desk thumping]

Hon. E. David Burt: —and for laying out in such plain and simple terms the fact that the Government is fulfilling its promises.

But I find it very interesting, coming from a Government and a party that broke their promises so many times, that they almost feel it necessary to criticise the Progressive Labour Party for keeping ours.

An Hon. Member: Yes.

Hon. E. David Burt: The former Premier who just took his seat said that we will have this debate every year. You know what, Mr. Speaker? Yes, we will.

And the reason why we will have this debate every year, Mr. Speaker, is because we promised the people of this country that we would deliver pension increases in line with the cost of living. That is what we promised and that is what we have delivered.

So when Members on the other side want to get into revisionist history, when they want to complain about the fact that the amount might not be enough, let them be reminded, we are increasing it by the cost of living. It is now indexed to the cost of living. That is a promise, and that is something that the seniors can look forward to under this Government, today, next year, the following years, and all the time into the future. Because there is one thing that we know, Mr. Speaker, it is that this side of the House will take care of our seniors and that side of the House will make them wait while telling them that money does not grow on trees.

Thank you, Mr. Speaker.

[Desk thumping]

The Speaker: Thank you, Mr. Premier.

Is there any other Member wish to speak?

No other Member?

Minister.

[Crosstalk]

[Pause]

Hon. Michael J. Scott: Mr. Speaker.

The Speaker: Ah . . .

Hon. Michael J. Scott: Mr. Speaker, are we just waiting for a message to be sent to the Governor on this Order?

The Speaker: Yes, it does not go to Committee. This is an Order. Yes. We do not go to Committee.

Hon. Curtis L. Dickinson: Mr. Speaker, I request that a message be sent to the Governor.

The Speaker: Yes.

Any objections to that?

An Hon. Member: No.

The Speaker: No objections. So done.

[Motion carried: The Contributory Pensions (Amendment of Benefits) Order 2018 was approved.]

The Speaker: [This] now brings us to a close of that matter.

The next matter on the Order Paper today is, actually, a motion by the Minister of Finance.

Minister, are you going to proceed with your motion at this point?

Hon. Curtis L. Dickinson: I am, Mr. Speaker.

The Speaker: Let me just add, I think it was [misinformation], to clarify that it is a take note motion, rather than a substantive motion. Right?

Hon. Curtis L. Dickinson: Yes, sir.

The Speaker: That means that as a take note motion you get to open it, but you do not get to close it. If it was a substantive, you would open and close it.

[Inaudible interjections]

The Speaker: It is a take note. So, feel free to proceed when you are ready.

Hon. Curtis L. Dickinson: Thank you, Mr. Speaker.
Mr. Speaker—

An Hon. Member: You can [put] your closing remarks in your opening remarks.

[Laughter]

MOTION

TAKE NOTE OF THE REPORT OF THE TAX REFORM COMMISSION 2018

Hon. Curtis L. Dickinson: I move that the House do now take under consideration the following motion, notice of which was given on the 23rd of November 2018.

WHEREAS Honourable Members are mindful of the contents of the Report of the Tax Reform Commission 2018;

BE IT RESOLVED that this Honourable House carefully consider both the contents and implications of the said report.

The Speaker: Any objections?

No objections.

Continue.

Hon. Curtis L. Dickinson: Mr. Speaker, I did not have a chance to kind of make some closing remarks at the end of the last topic, so I will just take a minute to kind of make an observation.

The Speaker: I beg your pardon?

Hon. Curtis L. Dickinson: I will take a minute . . . I will ask you, can I have a minute to make an observation?

The Speaker: In reference to?

Hon. Curtis L. Dickinson: The last matter that closed before I—

The Speaker: Well, that is finished. We have moved on.

Hon. Curtis L. Dickinson: All right. Fine.

The Speaker: We have moved on. You could have done it before you asked for the Order to be passed on to the Governor, but you can move on now.

Hon. Curtis L. Dickinson: That is quite all right. Thank you. And with your indulgence, Mr. Speaker, I would like to be able to refer to my notes as I make comments—

The Speaker: Yes.

Hon. Curtis L. Dickinson: —on the Tax Commission.

Mr. Speaker, it was three weeks ago my colleague, the Honourable Junior Minister of Finance, on my behalf, tabled in this House the report of the Tax Commission. By way of background, Mr. Speaker, and Honourable Members, the 2017 Throne Speech spoke to establishing a Tax Reform Commission and a Tax Reform Commission Act 2017, was passed.

The purpose of the commission was to conduct a thorough review of Bermuda's tax system and revenue collection, and to make a series of recommendations on tax reform to Parliament. More specifically, the Tax Reform Commission was given a mandate by the former Minister of Finance to examine Bermuda's tax system, and determine any measures that may be best taken to best enable a system of taxation and revenue collection that is equitable, efficient, competitive, and transparent. It would look at ways of increasing public sector revenue. The reve-

nue yield from 17 per cent of GDP to a minimum of 20 to 22 per cent of GDP, and it would prepare a report and submit that report to this House.

Mr. Speaker, as Minister of Finance—

The Speaker: Minister, let me just interject one thing before you really get started. Being you are new at this, the opening speaker is yourself and the opening Member who replies from the Opposition gets to speak for an hour. And every other Member gets to speak for half an hour after that. So feel free; you have got time.

Hon. Curtis L. Dickinson: Thank you.

The Speaker: You have an hour.

Hon. Curtis L. Dickinson: In the spirit of sharing, I will not take an hour.

[Laughter]

The Speaker: Okay. Just letting you be aware of it.

Hon. Curtis L. Dickinson: Thank you.

An Hon. Member: No, you do not want to share your time with anybody else.

Hon. Curtis L. Dickinson: Well, I know that there are some in here who like to talk for the sake of talking. I am not one of those people.

An Hon. Member: Amen!

The Speaker: Okay.

[Desk thumping]

The Speaker: And I hope others will follow suit from you and we will have short speeches from everyone.

Hon. Curtis L. Dickinson: Well, one can hope, Mr. Speaker.

The Speaker: One can hope, yes. Continue on.
[Inaudible interjections]

Hon. Curtis L. Dickinson: I did not mention any names.

[Inaudible interjections]

The Speaker: Thank you for clarifying that, Minister. We appreciate that.

Hon. Curtis L. Dickinson: Mr. Speaker, as Minister of Finance I would like to convey my personal thanks to the seven-member bipartisan commission team and

commend on their tremendous efforts and their hard work. The names of the commission members:

The Chairman, Mr. Ronald Simmons, who is a partner at Moore Stephens, the accounting firm in Bermuda;

The Honourable Wayne Furbert, JP, MP, Junior Minister of Finance;

The Honourable Jeanne Atherden, JP, MP, Member of the Opposition;

Mr. Donald Scott, former Secretary to the Cabinet, Head of Civil Service, and Financial Secretary;

Mr. Mitch Blaser, COO (Chief Operating Officer) of Ironshore Inc., and CEO (Chief Executive Officer) of Ironshore Bermuda;

Economist, Mr. Craig Swan *[sic]*; and Lawyer at MJM Limited, Mr. Brian Holdipp.

The Speaker: Craig Simmons or Craig Swan?

Hon. Curtis L. Dickinson: Craig Simmons.

The Speaker: Craig Simmons, yes. Somerset boy, we want to clarify that name; get it straight.

[Laughter]

Hon. Curtis L. Dickinson: From Ely's Harbour, I think that is. Right?

The Speaker: Very true. Yes.

Hon. Curtis L. Dickinson: Mr. Speaker, over the last three weeks there has been considerable discussion about the content of the Commission's report and speculation on what this Government will do with respect to the implementation of the recommendations.

Rather than go through each of the report's recommendations and take up an entire hour, I would like to encourage people to read the report in its entirety in order to inform themselves of its contents.

I also have had the opportunity to engage with a number of the Island's stakeholders who have shared with me their observations and concerns, and I would like to thank those individuals for their feedback and [I] promise to consider their views in my deliberations.

Mr. Speaker, let me state very clearly for the benefit of this Honourable House and the members of the Bermuda general public and business community. I continue to review the recommendations contained in the report and have made no decisions yet on which recommendations will be advanced to implementation. However, I have begun to develop a framework through which the team at the Ministry of Finance will evaluate each recommendation. Before I discuss that approach, let me remind Members of the challenges that we are working through:

1. We have a net debt of approximately \$2.45 billion, which costs the Government approximately \$188 million a year to service.
2. We have an unfunded pension liability in excess of \$1.4 billion.
3. We still have a budget deficit.
4. We have an ageing population.
5. We have an increasing health care cost burden.
6. We have an economy that, while moving forward, is doing so slowly.

As we work through these challenges, we are also engaged in a fight to remove and reduce the impact of external threats to Bermuda and our existence. While the totality of these challenges may seem daunting, we remain focused on tackling them in a judicious manner.

As the Ministry of Finance team works to develop the Government's budget for 2019/20, we will be guided in our consideration of the Commission's report by the following:

- We are striving for a balance approach. One that looks at finding sources of incremental revenue while at the same time seeking to find opportunities to make Government more efficient.
- We are seeking to understand the impacts of any change that we propose to make in taxes on the broader economy. We accept and understand the axiom that taxpayers do not want to pay a penny more of taxes than they have to. We will employ a consultative approach. We will focus on better collection and enforcement of taxes that are already on the books.
- The solutions require a lot of fiscal discipline by our Government where we properly prioritise our needs over our wants. And we will need to find ways of decreasing the administrative burden associated with tax payment and tax collection for both taxpayer and the Government.

Mr. Speaker, for a brief moment I would like to focus on one particular area that has generated a fair amount of attention by many people who have spoken to me over the past few weeks about this report. There is widespread support for the notion that we need to do a better job of:

1. collecting the taxes that we currently have on the books; and
2. collecting outstanding taxes that are due to government.

So enforcement and collection will continue to be priorities of the Office of the Tax Commissioner. We are looking at ways of supporting the Office of the Tax Commissioner, which has a critically important mission; however, today is under-resourced from a people and systems perspective.

Mr. Speaker, I want to state clearly that I believe the best way to resolve our fiscal challenges is to grow our economy through the creation of more well-paying jobs. A growing economy leads to a broader tax base with more participants and, through the law of averages, an ability to spread the tax burden across a broader number of people. While remaining mindful of the important and significant contributions that big business makes to our economy, we need to continue to work on policies that help entrepreneurs, small- and medium-sized businesses to thrive as they participate in our . . . it is a critical ingredient in building employment and growing our economy and our wealth.

However, growing the economy will take some time. In the meantime, we need to examine more immediate ways of increasing revenue while at the same time reducing the rate of growth of expenses. There are many variables to consider. But this complex equation can be solved with a thoughtful approach, collaboration, and consultation. I am confident that we can develop a way forward that reflects the concerns of all stakeholders.

With that, Mr. Speaker, I yield the floor to my honourable colleagues who may want to weigh in on the report of the Tax Reform Commission.

The Speaker: Thank you, Minister. You did say you were going to be brief and set a tone for others to follow, so I will remind others that it is a brief discussion by all, hopefully.

[Inaudible interjections]

The Speaker: I recognised the Honourable Member from constituency 23. Honourable Member, you have the floor.

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

Mr. Speaker, the presentation that the Minister gave was brief, at best, given that this was an exercise that was initiated by his Government. I would have hoped that the exploration of the individual areas that had been recommended would have had a little bit more detail appended to it.

The Minister indicated that he does not . . . or they have not made any recommendations to pare down, or have not made any choices to pare down the recommendations that have come from the Commission. Let me also say that that Commission had esteemed members of our community, one of whom is our very own Fellow Chartered Accountant, as she sits behind me, and has put her astute eye to the job at hand. The other is the Honourable Member (this is from this Honourable House) from constituency 6. Along with some extremely esteemed members in the financial world, in the economic world, and in the accounting world.

So, it was important to get a feel for what their recommendations were and that we have the opportunity to explore how those recommendations may or may not fit into what would be good for us as a country going forward.

Now, the first thing that I wanted to say, Mr. Speaker, is the mandate that was given to the Tax Reform Commission was that they look at whatever methodologies they determine to be appropriate to be able to yield additional revenues, additional monies, into the coffers so that we can survive, and survive well economically.

The one issue that came to mind immediately is that governments are not in the business of being a for-profit organisation. So what we would expect to see with the choices that are made is that Government will make the necessary selection from the recommendations that would balance our budget. We are not looking for a whole of extra money. We are not looking for money that, on the backs of the taxpayers, will go to grow a burgeoning government. That is not the intent.

The intent is to make sure that the funds that come in are matched . . . or the funds that go out, are matched by the funds that come in. But in that matching process, I think it is necessary to understand that you do not want to have an assault on the taxpayer by requiring more of them, more funds from them, in order to fund a government that we have yet decided how we should come to grips with rightsizing.

And I say rightsizing because until we come, until we understand our responsibility to reduce our costs, then any additional tax that we raise from any one of the methods that have been appointed herewith, is simply going to be a way to put more money into the kitty.

Now, you know the expression, the Peter Principle, which effectively says that work expands to suit the time that is allocated thereto? The same thing applies when it comes to money. If you have an extra \$147 million in the kitty, you are going to spend it. So, we have to be judicious in how we approach the funding of our government through the taxation structure because increasing taxes does not grow the economy and it does not create jobs.

I think one of the things that we want to make sure that we do in whatever our choices are is that the job element is able to be supported in the private sector where we are able to create an environment which assists job growth. So, until we bring our spending under control then whatever additional revenues are coming in are basically just going to stress and strain the taxpayer without controlling what it is that it is going to be utilised towards.

[Crosstalk]

Hon. Patricia J. Gordon-Pamplin: We have a responsibility—

The Speaker: Members, Members. One person speaking.

Hon. Patricia J. Gordon-Pamplin: —as we look at the recommendations that have been made, it is important for us to start to drill down on some of the things that have come to us as support for the proposals of new taxes. Now, in those proposals we have a tax on rental income—commercial and residential. We have a recommendation for a General Services Tax. We have a recommendation for a managed services tax. We have a recommendation for interest and dividends tax and, to a certain extent, some reforms towards our payroll tax and our visitor tax structure.

Now, Mr. Speaker, there are certain things that as we evaluate them, and certainly as I—I would not even say we, as I—evaluate them, I start to look at how best do we achieve the optimum result for the rightsizing of our taxation. And it must be predicated upon how we manage our spending. There are individuals who, when they receive money, if they are 100 per cent ranked with their neighbour, we will find that the choices that they make and their prioritisation of how they spend what is available to them will be significantly different person to person.

So, what are we looking at? We, first of all, have to recognise that our community, our economy, our country, our jurisdiction, is under severe attack from external forces. So we are being required . . . as we may have alluded to earlier, my honourable colleague mentioned that we should be sending a Bill to, you know, certain powers that be to whom we are answerable and who expect us to provide certain conditions in order to satisfy their oversight because they cannot be as successful as we are as a jurisdiction, that we have taken time to build and that we have tremendous pride in to ensure that what we have is appropriate.

So, we want to realise, though, that we are going to be deemed to be . . . well, we have striven hard to ensure that the label of being a tax haven does not stick. We have done a tremendous job, all administrations from day one, from way back in the 1960s all the way up to 2018. We have had the type of regulatory environment that ensures that our regulatory ratings remain pristine. Because in the absence of this, we find ourselves unable to borrow at preferential rates and, therefore, the cost of borrowing goes up and as you end up with deficits in your budget which you may have to fund in order to reduce them, to have the cash flow, then you want to make sure that the money that comes in is appropriate for what you spend. But to keep that on an even keel, we have to make a commitment that we are not going to grow exponentially for the costs that we have, so then we are required to bring more money in.

Now, if the Minister is saying or thinking that because we have large debt that he wants to, perhaps maybe on an even one-off basis, have sufficient addi-

tional money to go towards paying down that debt, that is one thing. But the important thing is that the balance between revenue and expenditure is what Government is expected to [achieve] because we are not there to make a profit off of the backs of our people. What we have to look for is where the stimulus is, because that is—

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: That is what we have.

And Honourable Member from [constituency] 32 will forgive me for not being in the position to genuflect every time he says something needs to be so, because it is important that we evaluate where we are in an appropriate manner so that we do not find ourselves continuing to go down the path that was forged between 1998 and 2012, so that we find ourselves way, way, way behind the eight ball.

You will look at the graphs of the increase in the debt during that period of time and see how it ballooned out of proportion. You will see that. You will also see that when we got to 2012 and into 2016 . . . I am sorry, 2017, that we had the necessity . . . first off, I think my honourable colleague alluded to it a little earlier, that within three weeks of taking over the Government, we had to borrow money to meet the payroll. Such was the tenuous position that we found ourselves in.

As a result of that, we could not afford to continue to go down that same path, so we had to put in different measures than might have been accustomed, than we might have been accustomed to as a country.

But, let us start to look at some of the new proposed taxes that have come, that have been recommended.

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: So, there is going to be—

The Speaker: Members, Members.

Hon. Patricia J. Gordon-Pamplin: —a tax on rental income.

The Speaker: You all will have the opportunity.

Hon. Patricia J. Gordon-Pamplin: They will all have the opportunity to speak, Mr. Speaker.

There is tax, as a proposal, on rental income—commercial and residential. Now, Mr. Speaker, we have, if one would look, a land tax which is based on the annual rental value of a property. So, if there is already a tax on the ARV, to then put an additional tax on residential properties (or commercial

properties) seems like double taxation—seems like double taxation. Now, what . . . if the Government finds it appropriate to alter the rates and bands of existing taxes on land, according to the ARV (which is annual rental value) the Government chooses to alter the bands to be able to generate more income. Then that perhaps is a recommendation that they might want to look at. But, to bring another tax on top of a tax that you already have does not seem to be fair.

Now, even though the recommendations—

Hon. Curtis L. Dickinson: Point of order, Mr. Speaker.

Hon. Patricia J. Gordon-Pamplin: —allow for—

The Speaker: We will take the point of order.

POINT OF ORDER

Hon. Curtis L. Dickinson: The point of order is that the recommendations were made by the Tax Reform Commission. Government has not decided to do anything, other than to review the recommendation to make an assessment.

[Inaudible interjections]

The Speaker: Thank you.
Continue on, Member.

Hon. Patricia J. Gordon-Pamplin: I said *if* the Government chooses to adopt the recommendation that was made by the Commission that they embodied, that would be an option. I did not say that Government had decided on all of these. Truth be told, I would like to see very few of these actually being implemented in the short term. However, with that said—

[Inaudible interjections]

The Speaker: Speak to us. Members, she is speaking to the Chair. Members, Members.

Hon. Patricia J. Gordon-Pamplin: With that said, Mr. Speaker, I would certainly like to see—

The Speaker: Members.

Hon. Patricia J. Gordon-Pamplin: I would certainly like to see how these recommendations actually filter their way through to the next budget. I would be very curious to see that.

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: So, what I want to say was that with the ARV, as I said, it is based on rental value. So, to impose another tax on top of a tax

and call it a rental tax when we already have a rental tax, an ARV tax, I am not sure that this is fair or appropriate.

There are recommendations from the report in which there would be a base over which this additional money would not be charged. And that can all be tweaked in one application to make sure that we are not double taxing individuals.

We also looked at what they spoke to, which was the hotel occupancy tax coming down to 5 per cent from 7.5 per cent as recommended by CARTAC in 2015. The only thing that I would want to highlight here is that with some of the vacation rentals, such as the Airbnb properties, we have just imposed a 4.5 per cent tax on that. So, one of two things would have to equalise. Either that 5 per cent will come down to 4.5 [per cent], or the 4.5 [per cent] will go up to 5 [per cent]. But I think it is important that we do not have inequitable bands of taxation if the idea is to harmonise what it is that they are attempting to achieve. But of this additional tax that they are recommending, there is \$41 million that they have indicated may come in as a result of implementing this particular tax and tax on rentals.

Now, I just wanted to point out a couple of things, if I may, Mr. Speaker.

The Speaker: Yes, you may.

Hon. Patricia J. Gordon-Pamplin: And that is to go back somehow to first principles and we have to consider, as I started to say at the outset, what are taxes for and if they are required to fund government operations and programmes. Let us look at that.

Let us look at that. And let us not say that we are going to come up from a governmental perspective with so much revenue that we have drained from our people because we have not gotten the mix correct. There is only so much blood, if any, that you can get from a stone. And I think it is important that we do not provide the opportunity which says we have got more, therefore we spend more.

I am concerned about the negative impact on GDP growth. We have seen now that our economy is effectively on a downward spiral. It is mainly caused by activities in the IB sector. It is caused by activities in the IB sector. And what happens, the IB sector is a significant, reliable investor in our public purse—and I say “investor” using it loosely. They are the part of our economy where we can guarantee their payroll tax is going to be paid on time. Their business taxes, albeit they go to the BMA, are paid on time. That is the model by which they operate. But most of our payroll tax coming from our international business is done online, it is done on time and it is as good as guaranteed as far as the public purse is concerned. So, we do not want to do things that are assisting job destruction.

You might know very recently, Mr. Speaker, that we had the merger of Tokio Millennium, which was subsumed in the corporate structure of RenRe. So, the people who used to be employed by the individual entities may find the necessity to . . . there will be some redundancies, and there may not necessarily be all of the ability to get new jobs in the similar industry that would help to replace the income that is being lost, or the revenue that is being lost, by the mergers and the acquisitions. So, we have to make sure that we consider all of those aspects as we look at the recommendations that were made by the tax Reform Commission.

Now, I want to also thank, as the Minister did, the work that was done by the Tax Reform Commission. Effectively that we recognise that they were tasked with a difficult proposition because . . . it being one-sided—*let us get some revenue, but do not mess with our expenditure.*

So, we want to look at some of the other recommendations . . . or, I wish to look at some of the other recommendations. The General Services Tax—now, that was something that I think was recommended before. It was part of the CARTAC review and from that GST, it was going to be a 5 per cent tax levied on services and applicable to certain classes of business (over \$250,000 annual turnover—and that is on a two-year rolling basis). And the idea of that was that there would be an extra \$27.5 million infused into the economy on the GST.

So, the question is, as that tax could be considered as an option, how is that going to impact the cost of doing business in Bermuda and will that exacerbate what we have seen in the M&As (mergers and acquisitions) and the impact on our workforce . . . which has a snowballing, knock-on effect because what will happen is that when you do not have the employees out there working. Then you do not get the payroll tax. When you do not get the payroll tax, you cannot pay the bills. When you cannot pay the bills, you do not have enough money. You either have to get more money or you got to borrow some. And you have to be able to keep your current account current. And this is one of the challenges that we have.

So whatever considerations that we put in place . . . and this was deemed to be a medium-term proposition. Whatever we put in place, we have to consider the final impact. And I do not know whether you remember, Mr. Speaker, way back in the 1970s, I want to believe. We had what was then called the “hospital levy.” It started off being something, to all intents and purposes, miniscule in its application with the idea of paying for the construction of the new hospital that went up on Point Finger Road, which effectively replaced the old structure that existed there from time immemorial. Well, that hospital levy, once it was established, somehow two or three years later the then Government decided that this was a reasonably

sure source of income so, therefore, we are going to utilise this as part of our regular revenue stream.

So, what has happened subsequent to that with the recommendations that we see here, is that if the Government's intention is to utilise additional revenue so that there is extra money to pay something off . . . and none of us wants to [say] that \$188 million which we are expending now on debt servicing, that this is appropriate. You know, that is bigger than most of the ministries that we assign money to in our annual budgets. But once you get that taxation, it does not go away. So, I am less inclined to be enamoured with something to say, *Let us get as much as we can now and put it in the kitty because we have got some debt out there that has to be repaid and let us get as much as we can.* Because once it is implemented, it is not going to go away.

So, we have looked at interest and dividend withholding tax. Now, that is interesting. I think, Mr. Speaker, nobody wants to pay more tax. Nobody is clamouring and chomping at the bit to say, *Charge me more. I put my hand up. I will pay you more. I will pay you more. I will pay you more.* Nobody wants that. But what we do want is an efficient and effective utilisation of the funds that come into the government coffers.

So, it is important that when we look at interest and dividend withholding tax there are some challenges. There are people for whom their only income are their dividends. So, we do not want to squeeze more from that pot to increase the revenue base and think that in the process we might have accomplished . . . we might have won the battle, but we will lose the war. And the significant numbers of people who have investments and dividends that are coming in, a lot of them are our seniors.

I remember when the Bank of Butterfield started running into challenges under the former PLP administration. And I can remember the then Finance Minister, the Honourable Minister Cox, bringing legislation to this House to bolster the balance sheet, as it were, of the Bank of Butterfield so that it did not go under. But, as a result of that exercise, or the result of the challenges that led to the requirement for that exercise, there was a necessity for the bank to decide that they were no longer going to declare dividends for a fixed period of time and a number of people were hurt as a result of that—the seniors.

You will know, Mr. Speaker, I play tennis. I go to my tennis club and sometimes—

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: —I talk to some people who actually would be—

[Laughter]

Hon. Patricia J. Gordon-Pamplin: I would talk to people at the club and they would lament the loss of

their primary revenue to the point that, *I cannot continue to be a member of the club. I cannot pay my fees. I cannot pay my club dues for next year because I do not have that revenue coming in.* So, when we start looking at interest and dividend withholding tax, some people do not have the benefits of having dividend, and we recognise that. And we recognise that it is important for people who do not have dividends from which tax can be withheld to have a safety net within our community. But that is where we bring in some of our other social services, Financial Assistance (when it is necessary) and whatever other supporting bases that we need to employ to ensure that they are not left out of the loop. But when we start to drain, in some instances, the only means that some people have, it is difficult. It is difficult for them.

Now, Mr. Speaker, let us look at payroll tax. I spoke briefly earlier in terms of what M&As do to payroll tax base, and what that effectively will end up doing is minimising what we have come to historically rely on as being a given. So, if our payroll tax does not sustain the levels that it has done historically in terms of the balance that it provides, then we can find ourselves just slipping, slipping, slipping, slipping again—slipping back. So, it was one of the recommendations that perhaps we look at increasing a different payroll tax band and maybe even upping the upper band, but in terms of their total taxable remuneration.

And I think it was being recommended that it go up to \$1 million. I think historically, or presently, it is \$900,000, if not \$950,000, annually. My concern there is simply that when we have major executives who are the ones who are really the million-dollar-plus earners who work for corporations that are multifaceted and multinational, that Bermuda is not the be all, end all for them. So, therefore, lots of them . . . if we start to say we are going to tax that additional, you know, we are going to take it up to \$1 million or whatever your salary is, and we are going to tax you on all of that, they will end of with one of two choices. And I know what the choice actually will end up being, because we do not have a double taxation relief treaty that will prevent somebody who is in those upper bands of income—

Hon. Curtis L. Dickinson: Mr. Speaker, point of order.

The Speaker: We will take your point of order. Member, if you will yield.

POINT OF ORDER

[Misleading]

Hon. Curtis L. Dickinson: The Member may be inadvertently misleading the House. The tax on payroll, as per the report, it is actually recommended that it be cut, and the \$1 million threshold is actually a tax cut on payrolls that exceed \$1 million. It will be tax relief

for those companies that actually had payrolls exceeding \$1 million.

The Speaker: Thank you, Minister.
Member.

Hon. Patricia J. Gordon-Pamplin: Yes, I will accept that point of order, the interjection by the Minister. I am appreciative of it. But I think it is also important to recognise the point that I really wanted to make is that whatever we do with payroll tax, we have to make sure that we do not dissuade, that we do not have a disincentive for people who are at the upper bands of taxation to find that they are ending up paying twice—both in our jurisdiction and then secondarily in the jurisdiction of their domicile because when that happens, there is no . . . there is no “warm and fuzzy” feeling to stay in our jurisdiction. It is like, *if I am going to pay more, why am I going to move?*—I am sorry—*Why am I going to stay here? I can move to a different jurisdiction where there is a comparable benefit or better benefit for me.* And whether our payroll tax goes up or down, they are still caught in that nexus of where we are in terms of the charges of payroll tax.

Customs duty and excise tax. It is important, obviously, that we reduce the cost of staple food items and of children’s clothing because that is one thing that assists our families, our average everyday families, to ensure that they can live and sustain themselves. So, I looked at the target that the Minister wanted to implement, excuse me, that the Commission had a mandate to try to strive towards and that target of 20 per cent of GDP is quite an arbitrary number because that number actually will generate somewhere on the order of maybe \$50 million more than we need on an annual going-forward basis to equalise revenue and expenditure. So, we need to be mindful of that.

The question that had to be asked was, are we going to ringfence where the international business comes down, vis-à-vis, what happens with the local businesses? And we have to be mindful that we do not have preferential treatments so that we are looked on as being something other than an equitable tax jurisdiction.

So, notwithstanding the negative affect on the economy, and without examining and taking a hold of and arresting big expenditure, it was going to be very difficult for the Tax Reform Commission to fulfil their mandate of trying to come up with a 20 per cent of GDP.

The . . . in case it was . . . which I know I will hear. I heard it earlier in the last debate that we had, not meaning to reflect, but we are always going to get this, *The OBA did this.* You know, *We did it this way.* *You guys did that.* Yes. And we did raise taxes at a time when nobody wanted an increase in taxes. But as I had mentioned earlier, it was essential to keep us

from falling off the cliff and going into the economic abyss.

So, I do not want to see us make the mistake of using a flawed logic to raise tax to an extent that is greater than that which we need. I cannot stress enough the equalisation necessity.

They obviously need to be able to suggest . . . and it would have been nicer if they had come to say, *This is what our committee has recommended. These are what we think might be appropriate avenues to consider.* As opposed to leaving a wide open and open-ended report that says, *Go pick out of what whatever you will.* And, you know, as long as we can get to Budget day and at Budget day we can say we had a debate on this in the House of Assembly that somehow gives us the ability to impose taxes that we might look at when we come to a March Budget time that we might be concerned about the impact.

Now, foreign currency purchase tax. While it does not yield an awful lot, I am not sure the extent to which increasing it to 1.75 per cent from 1 per cent is going to deter people . . . so, that will contribute something to the kitty and that is something that is, to all intents and purposes, voluntary; it is choice. People can decide, *I work in Bermuda and, yes, I will send money to wherever I send it.* But if we are not mindful of how it is that we impose these taxes, we might find ourselves in a situation of encouraging people, irrespective for the foreign currency purchase tax, to send as much as possible wherever they send it, and not leave the expendable income to generate itself throughout our own economy. Because that obviously is the ultimate.

The ultimate is that we want to make sure that people who work here take as much of their money and put it into our economy. That is what we want. And we want to make sure that whatever the Government chooses to adopt, once all is said and done, with their consideration of the recommendations that have come from the Tax Reform Commission, that we do not find ourselves continuing down the slippery slope. We do not want to kill the energy that we are trying to generate in our community.

Now, the Minister indicated that some of the criticisms that he has had is that we seem to have a challenge collecting the money that is already due to Government. And the one thing that we know historically from time immemorial, people do not prioritise government debt. You know, government fees. It is like when you have to do up your budget. The average person will say, you know, *I owe land tax, I owe rent, I owe electricity, I owe telephone, I owe groceries.* They are going to pay groceries. They are going to pay rent. They are going to pay, you know, all the things that they . . . they are not going to pay the government fee. They have to pay payroll tax because it is deducted at the source.

So, to the extent that people work for somebody, they will not pay . . . I mean, they have no

choice but to pay the payroll tax. But for people who are self-employed, the challenge that we have there is, are they going to stand up and make their fair share contribution to the economy when there is no penalty. There is no penalty. Okay. So, on a payroll tax if you are late, there is some charge that is levied, if you are late.

I can recall, I would want to say from the 1970s, if not the mid-1980s, I can remember every single audit report that came through this House showed a particular establishment in Pembroke North that owed thousands [in] taxes. Not just . . . I mean, basically they had not paid payroll tax. They had not paid pensions for their employees. They had not paid social insurance for their employees. And that ends up having a negative impact on those employees when it comes time for retirement.

So, the attitude that we have had historically of giving people a slide, let us give them a pass because they have not paid the government fees, there is no real punitive incentive to be able to say we are going to start collecting this. Once in a while you might get the Attorney General's chambers or the Department of Public Prosecutions going out and saying we are going to do a concerted collection effort for the money that is already owed to us that is on the books. And guaranteed, if we had some of that money, Mr. Speaker, if we had a lot of that money, we would be in less dire straits in certain circumstances than we find ourselves in now.

So, it is important that we prioritise the collection of what we presently have as receivables before we start thinking that we got to go raise some more money. So, I obviously am concerned. I do not want to see that . . . historically we have had a taxation of our active income (our payroll and the like). But when we start moving towards our passive income, some of which is the difference between someone being able to pay for a mortgage or not, or someone being able to have their rents paid if they are relying on some dividends that they have, if they chose to invest and not purchase a house, but they decided that, *I am going to invest my money in the stock market. I am going to get my dividends and interest income.* And now that money could go to keep a roof over their head or go to salt away some for a rainy day, because, clearly, the pensions that we saw are not going to cut it if we have only a government pension and if people do not have occupational pensions to fall back on as well.

And the construct of the occupational pensions is such that unless you are extremely, you know, low risk—extremely low risk—you put your money in an account, in a pension account, and that money is sitting there for the pension operators to do with whatever they will, given your risk tolerance. And then you find out that the market crashes because somebody decided they are going to start a trade war with China and then the market goes, you know, hits rock bottom. And what you thought you had in terms

of a fund for your pensions has now been salted away.

So, that is one of the challenges that we have when we start to think in terms of whether we are going to further tax dividends and interest income at a point when it is already being subjected to a volatile environment in the stock markets that determine whether they in fact will get dividends or not.

We just want to make sure that whatever considerations we are coming up with . . . this debate in my estimation, is not a critical . . . it is not to criticise the Government. The Government has chosen to have a Commission. The Commission has come up with recommendations, and I see it as our responsibility to say whether we agree with the recommendations, we do not agree with the recommendations, or what would we do differently. Because I think that notwithstanding that this debate is intended to debate just the report, it would be remiss of us if we failed to give other recommendations of things that we think that might be appropriate that could conceivably be considered.

So, Mr. Speaker, I am going to allow other Members to contribute to the debate. I know that what we already pay for in the taxes that we pay out we are not getting that which we pay for. I refer specifically to things like no trash collection, poor roads, poor lighting in certain areas. So, if we do not get what we are presently paying for, how can we optimise what we are providing from what we presently have, and how can we cull any wastage that exists before we start trying to squeeze blood out of a stone from our population, some of whom are already cash strapped and hard done by?

So, if we can start looking at some penalties for delinquencies from a governmental perspective, it is a real bad idea if you want to be political because nobody is going to remember come election time that, you know, *Oh, we really needed to collect what we had.* We passed a couple of weeks ago the Debt Collection Act, but government is not subjected to that. So we do not have that ability to sort of send somebody out on an external basis to say go collect my debts. But we do have a mechanism within the government in the DPP that they can actually go out and start to collect debts.

So, these are things that I just want to consider. We need to make sure that we do have something set aside for a rainy day because right now our rainy-day fund is non-existent. So, as we look at the recommendations of tax reform, it is important that we make representation on behalf of our population, that we do not support something which looks like it may put them in worse and more dire straits than they probably [are in] at the moment.

Mr. Speaker, I think that the contribution to this debate in the absence of a method or a guidance or an intention by the Government based on the recommendations that they got is perhaps a little unfortu-

nate, because we could then explore better and deeper what might be appropriate or where we might have variances and how we can look at alternatives.

But with that said, Mr. Speaker, I will allow others to contribute to the debate and I appreciate the opportunity to make my contribution.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to contribute to this debate?

We recognise the Honourable Member from [constituency 6] Furbert, Junior Minister? Yes, Junior Minister, you have the floor.

Hon. Wayne L. Furbert: Thank you, Mr. Speaker.

Mr. Speaker, allow me at least five to seven minutes to wear my political hat, and then thereafter I will speak on behalf, as part of the . . . on the Commission, as part of the . . . on the committee.

But, Mr. Speaker, I heard the Honourable Member say that the report . . . we should either agree, disagree, or what would we do different. What I have not heard from them is what would they suggest we do different.

[Inaudible interjections]

Hon. Wayne L. Furbert: I have not heard from them. So, the Progressive Labour Party believes in consultation. In such a degree, Mr. Speaker, as you will recall last year for the pre-budget report, we went out for consultation. And, so there is no difference, and I believe that the Minister of Finance will once again, after looking at the report, putting down suggestions on options that he may consider and go back into the field to look at what consultation the Government should do. That is the basic way it should happen.

But, Mr. Speaker, why did the Government decide to set up a committee, which was put in their platform, to look at taxes? Because of the inequality of our tax system. I think first we have to accept, on both sides, that the tax system that we currently have is not equitable or fair. If we can accept that, then we can move on, on how do we make it equitable or fair. If you do not want to accept that first, then we are at a standstill or standoff. If you recall, Mr. Speaker—

[Timer beeps]

Hon. Wayne L. Furbert: Are my five minutes up for political speech?

The Speaker: Not yet.

Hon. Wayne L. Furbert: —but that the Government, the former Government, was going to increase payroll tax this budget from 10.25 per cent to 11.25 per cent, payroll tax on the employer and also additional payroll

tax on the employee. What we did when we came in and said we would not increase payroll tax on the employer and . . . as a matter of fact, Mr. Speaker, we decreased payroll tax on the employee. So, we went from 5.25 per cent for the first \$48,000 down to 4.0 per cent between 0.0 [per cent] and 48 per cent *[sic]*.

So, Mr. Speaker, tax on labour has been a problem. From 1995, when payroll tax came in by a former Minister, that is the only thing they looked at. But there are thousands of people out in this country, Mr. Speaker, who are making millions of dollars and not paying a cent on it. But Mr. and Mrs. Smith who made \$1,000 were paying a larger portion of their salary on the cost of goods and service in Bermuda because payroll tax was on everything that she or he had. So, that is the premise that the Tax Reform Committee started.

How do we make it more fair and equitable? Now, let me say, Mr. Speaker, there were very few people who put their hand up when we had the 400-some people appear before the Committee and said, *I want to pay more taxes*—500 individuals. And, Mr. Speaker, those members, the people that we saw started from parliamentarians, we met them. And, as a matter of fact, Mr. Speaker, I do not recall too many suggestions. We had ABIC [Association of Bermuda International Companies], ABIR [Association of Bermuda Insurers and Reinsurers], Chamber of Commerce, retail, construction. We had Age Concern, Bermuda Tourism Authority, Bermuda Hotel Association, [Bermuda] Trade Union Congress [BTUC], Bermuda Bar [Association], People's Campaign, PLP Members, OBA Members—and the list goes on.

An Hon. Member: It was bipartisan.

[Hon. Derrick V. Burgess, Sr., Deputy Speaker, in the Chair]

Hon. Wayne L. Furbert: This is bipartisan. Matter of fact, the Honourable Member Jeanne Atherden and I were on the committee. So, we were trying to work to find something that we felt, the Progressive Labour Party . . . the Premier, said, *Let's find a way that we take this country together*. So, now we have before us, Mr. Speaker, a roadmap. Two roadmaps, Mr. Deputy Speaker, a roadmap for a SAGE report which the Honourable Members, opposite, the former Government, put in place—[but] which never implemented a thing to cut expenditure. And we have a roadmap also, Mr. Deputy Speaker, off revenue.

Mr. Deputy Speaker, we cannot continue on the path that we are going because I did not hear from the Honourable Member who just took her seat of how to . . . what revenue she would accept. And she did not say which expenditure she would cut. She remembers the walks around this Parliament over time when they took the furloughs days. They also remem-

ber, Mr. Deputy Speaker, the other certain expenditure that the Government tried to make.

So, how do we find a balance between cutting expenditure, making things more efficient, and raising revenue? There is no doubt, Mr. Deputy Speaker, \$118 million of interest that the Government pays a year is too much. So we have got to find a way to get into a surplus, and both of us are in a profession together, so we understand that we need to be in a positive mode if we are going to move forward.

Mr. Deputy Speaker, there is no doubt that our debt increased up [by] 2013 to \$1.4 billion. Mr. Deputy Speaker, the Progressive Labour Party was responsible for increasing on average of \$98 million per year. But, Mr. Deputy Speaker, we are all guilty, because if I point my finger at some over there, there are four fingers pointing back at [me]. Under the Opposition, under the former Government, the OBA, they increased the debt, the net debt of \$2.4 billion, an average of \$230 million per year. So there is enough to go around for all of us. Hence why I believe what the Premier said, *Let's find a way to move this forward together. Let us find a way.*

We have not increased debt for this year. The Government has made a commitment that they will not increase the debt next year. But expenditure still continues to rise sometimes because there are salaries that were not given to the civil servants for years. This Government made a commitment not only to help our seniors but to ensure that civil servants get a reasonable increase.

So, here we find ourselves. The biggest debt that we have, the biggest expenditure, is salary. The next, Mr. Deputy Speaker, is contribution. And that contribution includes our hospital, BTA, BDA, and the list goes on. So, it is very hard to say let us slice up. But what we did, Mr. Deputy Speaker, is say that the expenditure this year would be the same as it was in 2017. So, we have not increased expenditure and our deficit went down this year. And if it goes according to the plan from the Tax Commission, we could decrease that even more, or depending on how far the Government goes, possibly break even, based on the Tax Reform suggestion.

So, Mr. Deputy Speaker, we are all in this boat together. Mr. Deputy Speaker, let me remind this Honourable House—for some of you who were not around at that time—that in 1999 there was a tax report. Mr. Deputy Speaker, let me just say, at that time, guess what was some of the reference? Improve progressivity and their overall system of taxation, increase tax revenue to 24 per cent of GDP.

Mr. Deputy Speaker, another tax report was done in 2017 by the former Government, by CARTAC. It was their suggestion, Mr. Deputy Speaker, to introduce the GST. That GST was supposed to be implemented in October of 2017, if they were still the Government. We are starting to hold out to do a compre-

hensive look on what direction we will go regarding taxes.

So, Mr. Deputy Speaker, enough is enough. We continually do reports, have recommendations from very intelligent individuals, and we do nothing about it. Our reports go on our shelves and just sit there for . . . and we are all at fault. But we are in a position right now of asking ourselves where we want to go. Do we want to make taxes more equitable and fair? Or do we not? If you answer that question, then you have to go after tax revenue that you have never gone after before.

You cannot say you are going to make it fairer by increasing payroll tax, and say that this is fairer and equitable because you are going after the same people—Mr. Smith who made \$1,000 paying 8 per cent this year, and so let me make, maybe we can make it more fairer and equitable by increasing it to 9 per cent. That is not fair and equitable. When individuals are making millions of dollars on other transactions and not paying taxes on some of them at all.

It was not by chance that we said that we would increase it by looking at tax revenue based on GDP by 20 per cent. The Cayman Islands is 24 per cent. The UK Government went down there and said this is what you have to do if you want to move in [the right] direction. We were at 17 per cent of GDP and all we are saying now is, how can we get to 20 per cent? I tell you, Mr. Deputy Speaker, if we got to 24 per cent it would be too much for a Government to move forward. It would be a lot of money for the Government to collect, but too much. You are right. We cannot. You should not be over taxing. But how can we do it?

So, Mr. Deputy Speaker, I notice that the Honourable Member did not say . . . Mr. Deputy Speaker, how much time do I have left, first of all?

The Deputy Speaker: You have about 17 [minutes].

Hon. Wayne L. Furbert: Seventeen minutes.

Mr. Deputy Speaker, I noticed that the Honourable Member . . . and I am going to get into some of the recommendations, because I think it is important.

What was our train of thought, first of all, on taxing or looking on a tax report? What was it? And I have to say, we met for nine months, twice a week, around the clock, me and individuals asking . . . one recommendation from a young lady . . . and we had more recommendations from young people than we had from ABIC, ABIR, politicians, and the whole list of them. Some of them supported, Mr. Deputy Speaker, income tax. Young people. Black and white.

Mr. Deputy Speaker, one young lady felt that we should put a toll booth down on East Broadway. I said, *You can do one on East Broadway, but you will not do one in Hamilton Parish.*

[Laughter]

Hon. Wayne L. Furbert: So, that recommendation failed. But that would not have been equitable or fair.

But, Mr. Deputy Speaker, the first thing we asked ourselves is how do . . . and you have heard this Government from time to time say that payroll tax is prohibitive to growth. So, the Honourable Member earlier [asked], *How do we stimulate?* So, what we did in April of this year was say that any new increase over the net amount of staff you have as of March 31st, there would be no payroll tax for new employees going forward for three years. And with the option of the Minister of Finance to increase it. Because it was a stimulus in saying we want more business in Bermuda. We want more . . . we want companies to hire more staff and that was our stimulus. And we are seeing some progress in that. We are seeing some progress in that.

The Honourable Opposition Leader is shaking his head. Mr. Deputy Speaker, despite reducing payroll tax last year lower than the Government had the year before, our payroll tax is up for the first six months.

So, Mr. Deputy Speaker, let us get back to the payroll tax. There are significant numbers of people who are making under \$48,000. And so we said, why should they pay? We are recommending that they should pay 0.0 per cent tax. Some people say, *Yeah, well, somebody should pay some tax.* Well, that is up to the Minister, at the end of the day, to decide, to make a decision. The recommendation from the committee was no payroll tax for those between, that make between zero and \$48,000.

And then we said, let us bring down payroll tax for the employer. Let us bring it down. So, by doing that Mr. Deputy Speaker, it will hopefully stimulate new hires because the employer payroll tax is approved to grow. We put a new band, because normally the band went from 1.75 per cent if you were making, if your payroll, I think it was, under \$200[,000] or \$250,000. Then it jumps to 7 per cent. So we put a band in there for 3.5 [per cent] to cause more growth in small business.

And, Mr. Deputy Speaker, with the recommendation, our payroll tax will [go] from \$454 million down to \$430 million. So, how do we make up the difference? Again, we said payroll tax . . . sorry, payroll tax was inequitable, and it was not fair. Or our tax system was not fair. This withholding tax, Mr. Deputy Speaker, of . . . or management and services tax was an idea that came from some of our accounting professionals. Because what they realised, Mr. Deputy Speaker, was that there were individuals coming to Bermuda competing against even themselves (accounting firms, law firms, actuaries, and the list goes on) without paying a dime other than coming in here for a plane ticket from New York—\$430-some dollars—and walking out of here, doing work in New York, doing work in Cayman Islands, doing work in UK and not paying a cent to this Government.

So we said, why can we not put in what we call a withholding tax? And the withholding tax works like this: A \$100,000 bill comes in from Mr. ABC Company in New York. It is a law firm in New York. They send a bill to AB Insurance. The tax will work with a charge they withhold, ABC Company withholds 5 per cent, sent to the Government and then 95 per cent goes to them.

There is no impact on the company, because what we said to them is that, by law, this is what happens. If you want to do work in, do business in Bermuda, you are going to pay 5 per cent. It is not inflationary because it is not able to be passed on. And do not tell me they will pass it on because at the end of the day that means there is more . . . there is a spiral. Whatever they do, it is a spiral. And then, because most of the large companies . . . it is self-reporting. So, it is not difficult.

Then, Mr. Deputy Speaker, [there] was a recommendation for a GST. Now, this GST came under the CARTAC report and came under the OBA. We looked at it and said, *Hmm. This looks good. Let us move ahead with it.* And the GST works like this . . . and I talked to some of the larger reinsurance industries because there was concern that AB Law firm or AC Accounting firm or whoever is providing the service will pass it on to them. And they said, *No, no, we will deal with that.* We will negotiate our fees with those companies. So, move ahead with the GST. Again, we felt this was the right move.

Mr. Deputy Speaker, the other large increase which had to do with . . . and which is more sensitive, and I accept that. But commercial rent, Mr. Deputy Speaker. For over hundreds of years individuals who have commercial [rental properties] in Bermuda paid very low taxes. What do I mean by that? Because they have normally what they call a “London lease” and pass all their expenses on to the person who is leasing the property—the land tax, service tax, whatever it is. And so they charge a million dollars for their rent for the year and they basically walk away with a million dollars.

It was felt that it was time for them to pay something on their commercial rent [income]. They benefit by the Government of the day providing a system to allow them to thrive and grow within the industry. That is why. And we held it. We were going to do it this year, and we put the land tax on. Now, I accept that people were charged a land tax. Well, the land tax had a sunset clause, meaning the next year the land tax disappears. So, why shouldn't Mr. Smith who owns a six storey, or whatever, a five storey, and making over a million dollars, not pay anything on that?

Mr. Deputy Speaker, the other one was to do with . . . so that was commercial rent. Now, I accept, Mr. Deputy Speaker, and we had a long debate on residential rent. This is being recommended by the Tax Reform Committee. Not necessarily does the

Government at the end of the day have to accept it. It is up to them. But, Mr. Deputy Speaker, what we recognised was that anyone whose ARV was under \$22,000 would not pay a rental income tax, a rental tax. But, Mr. Deputy Speaker, as I said to a banker once, why should a person who has 99 houses . . . and, Mr. Deputy Speaker, for some reason that banker knew exactly what I was talking about. That was strange.

I do not think we ever said it and Jeanne . . . I am sorry, the Honourable Member Jeanne Atherden, was in the room. They told me, 99 homes on an average, [would earn] say \$1,000 each. They would get \$99,000 a month times 12, and not pay a cent. That cannot be fair. When Mrs. Smith makes \$1,000 and pays tax on all her income.

Now, it is up to the Government to decide how they should move ahead. But what we have put in place is a balance for those grandmas, grandpas, and even people of this House, who have ARVs under certain ARVs, to not be taxed. But those individuals whose ARV is over a certain amount will probably be hit. It is talking about fair and equitable based on the tax reform. I am saying that the Government would move ahead with that.

And, Mr. Deputy Speaker, the other one that we moved on was, as I said, payroll tax. But we talked about, and I mentioned it earlier. I am not going to reflect on the debate but, 1.4 (or whatever) per cent you will be getting to a senior, but reducing cost of staple foods items, once again, and children's clothing.

Mr. Deputy Speaker, I would have thought that we should be jumping for joy on that one because we hoped that this cost would be passed on to the consumer. The other one, Mr. Deputy Speaker, where the Government, the former Government, failed . . . financial service banks and insurers. Everybody now looks at their insurance invoice and there is a fee and is says "Government fee." It was never the intent for the Government to pay that fee. We were looking—you were looking, the former Government was looking—at going after the financial service for them to pay, because they make a lot of money. Well, the tax reform is suggesting that you double it. And this time we will make it very clear. It is not going to be passed on to the consumer.

[Inaudible interjections]

Hon. Wayne L. Furbert: Not. It will not be named after the Government.

And, so the Honourable Member says that it will be passed on. And he is a lawyer; I am an accountant. So, if I am charging \$1,000 and we pass on 10 per cent . . . so it is \$110. So let us say I am now going to pass it on. Do you know that now you charge 10 per cent of the \$110? It keeps on going. Spiral,

spiral, spiral. You cannot call it expense. It is called revenue.

[Inaudible interjections]

Hon. Wayne L. Furbert: I will hear the Honourable Member later on to hear how much he wants to pay.

Mr. Deputy Speaker, the other part was to look at . . . and the Honourable Member, the only thing I heard supported was the Foreign Currency Purchase Tax, which will get moved from 16-point . . . the current of \$22 million up to \$38.5 million.

Mr. Deputy Speaker, it was also a way to . . . immigration fees. They tell me that the immigration fees for lawyers, accountants and professionals in the Cayman Islands is about \$25,000. We charge \$2,000. So, I said to one of my international friends . . . and I will go slow on this. How much time do I have left, Mr. Deputy Speaker?

[Inaudible interjection]

Hon. Wayne L. Furbert: I will go slow on this one. And let me explain to you.

So, I bring in an actuary, and I charge \$500,000 for this actuary. That is how much salary they are and probably more than that. But I am going to give him \$500,000. And let us assume that the payroll tax is 10 per cent, which now they will not pay. So, they normally would have paid the Government \$50,000 per year for five years, [that] would mean they would have paid the Government \$250,000.

Mr. Deputy Speaker, if the Government decides to move from \$2,000 to \$10,000 for a work permit fee for an actuary, that company would still save \$240,000. Here and now we are saying this is where we are talking about getting more equitable and fairer. All right? Now, these were recommended, to be honest with you, by some of the professionals out there.

Mr. Deputy Speaker, the other one was the international company fees. I believe we have got to do a little more work on that. But it was [that] you pay fees based on your capitalisation. And so, because we were reducing payroll tax by 1 per cent, recommended by the Payroll Tax Committee, you will have saved thousands of dollars on payroll tax.

Now, let me just say this, Mr. Deputy Speaker, I believe that this is definitely a way to move and [should be] considered by the Government. I had an opportunity to talk to ABIC and ABIR and, Mr. Deputy Speaker, one particular reinsurance company (I will not name, very large). I asked them, here are the numbers for the payroll tax. Tell me how much payroll tax would you pay next year if the Government moves ahead in this direction. Mr. Deputy Speaker, the payroll tax went down.

I suggested to the . . . you can get it down further by stopping the paying of payroll tax for their employees, because every local company pays pay-

roll tax for their employees. In the olden days, they used to bring in individuals because it was for competitiveness. But now, Mr. Deputy Speaker, we have got people coming from Canada, from Europe, who are not paying payroll tax. The only country that mainly has to pay payroll tax now is the United States. So, why should they not pay payroll tax like everybody else?

But that is up to the company to decide. Not up to us. But we cannot at the end of the day leave payroll tax and stifle ourselves for the employee because certain individuals or certain companies feel it was inappropriate.

So, Mr. Deputy Speaker, with the payroll tax reform and with the cost of living report that was put forward, I believe Mr. Deputy Speaker, that we are in for a new dawn. It allows this country to look at what we think is fairer and more equitable. And I understand that those who make more will cry more. and those who make less will hopefully rejoice. So, this allows us to move in a direction that the Government would want us to move.

So, Mr. Deputy Speaker, I appreciate the Premier, the former Minister of Finance, for putting myself on the committee. It was a joy working with Mrs. Atherden over those nine months. We had a few jokes. Of course, it had to be political. But, of course, Mr. Deputy Speaker, it allowed us to work together. So, if Mrs. Atherden and I can work together, as a former Leader, then why can we not all work together to move this country forward.

Yes, we have to look at the SAGE Report to reduce expenditure. Yes, the Government has put together an Efficiency Committee to look at improving efficiency . . . and I can tell you right now, I chair that committee, and we have. I would love to reveal some stuff to you today (but I will not) [of] how we improve some efficiencies with the Government. And we have now a report for revenue. Let not this report die like every other report that has been written since 1999.

Mr. Deputy Speaker, if we fail—

[Timer beeps]

Hon. Wayne L. Furbert: —then we have failed this generation, our current children—

The Deputy Speaker: Thank you.

Hon. Wayne L. Furbert: —and our future generation.
Thank you, Mr. Deputy Speaker.

The Deputy Speaker: The Chair recognises the Honourable Member, the Honourable Leader of the Opposition Craig Cannonier.

You have the floor, sir.

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

I actually, I think most of us are, just about all of us, I think, that I have talked to, are quite happy to see a report of the likes. You know, the Honourable Member from constituency 6 who just sat down, enjoys a bit of a political dig. So it would be remiss of me if I did not say, you know, I am glad. I do not know if it is the fact that somebody bumped their head to get this report done, but since 1998 we have all been looking for fair and equitable taxes. I think that is what led to the victory of 1998. After 20 years, we are finally looking at something concerning taxation that points in that direction. So, I can appreciate the fact that the Honourable Member likes to get political. I will have to remind him of which side he was on at that time in 1998.

Hon. Wayne L. Furbert: Point of order, Mr. Deputy Speaker. Point of order, point of order.

[Laughter]

The Deputy Speaker: What is your point of order?

POINT OF ORDER

Hon. Wayne L. Furbert: I do not want to . . . I am trying my best, because the Honourable Member says the first time for 20 years. I said that we had a report in 1999 and we had a report in 2017.

The Deputy Speaker: Thank you.

Hon. L. Craig Cannonier: Yes, if he would have let me finish, what I was going to say is that it looks to be serious intent to have something happen, which is what I am hearing. There seems to be intent to ensure that something is followed through on. And that is probably most important because I believe that we, as an OBA party, also believe that action needs to take place as far as a different structure of taxation.

But one of the concerns that . . . and I do not want to go through all of the points here. I am going to attempt to stick to a particular area because many other people want to speak to other areas of the reform. So let me first say thank you to the Commission for the time that they put in, for the work. We recognise that these are recommendations that are being made. We also recognise that Bermuda is looking for some way to move forward with this taxation system.

One of the things that has continued to concern me as I have grown to, I was going to say growing to be a young man, but my grey hair is telling otherwise, that, you know, we were taught to go away and get an education so that we could come back. And I can remember in the early days especially, *Go get an education so you can come back and make a difference.* And many of us have come back in this room as a representation of making a difference.

But one of the challenges that we do have is that as we look at a taxation system that we improve on . . . and I will say improve on because I do not think there will be a wholesale change of the structure of it right now. But as we look at that, it is important that we do and are fair and equitable.

Many who have come along, and I have mentioned some who I was away at university with and the likes, are now struggling in this economy. And Mr. and Mrs. Bermuda, which is who I am referring to, are having real difficulty with renting out homes and the likes. We can see where the economy is today, and so we need something that is fair and equitable.

You know, it was rather interesting as I went through here. I am hoping that with these recommendations one of the things that invariably happens when we are not comprehensive with some of the things that we are looking at is that the effect of what it is that we do will invariably be different than the intent. The effect will invariably be different than the intent. Why do I say that? Because here and now, Mr. Deputy Speaker, many of . . . and I will go to the retail sector which is my heart. You know, I have retail business and I have many friends, Mr. and Mrs. Bermuda friends who I went to school with who have local businesses who at this time are struggling in the economy which we do have right now.

And we feel that the taxation system is completely unfair and has put us well behind where we should be. And so I am championing the fact that we have a cause here that says let us say how we can make this fairer and equitable.

Now, I have got some challenges with some of the recommendations that are on here because for me, having grown up, you know, came along and was taught to go get an education and go. Some of these things are going to be a bit difficult for someone like myself, self-made, as they say, in the local economy. And so, we are looking for opportunities that with these recommendations will allow for business to thrive. And I am talking about local business. I am talking about Mr. and Mrs. Bermuda and that retail sector in Bermuda. Next to government, who hires the most Bermudians, the retail sector comes in right in behind there as the largest employer of local people.

And we can see here and now. We have seen the stats, and what has been put out. Sales are down, consecutively, month after month after month. And what happens is we wind up having to contract and we wind up having to lay off our own Bermudians. So, what we need along with a tax structure, a new tax structure system, is a stimulus into the economy. Now, what do I mean by a stimulus into the economy? Well, we had a wonderful report that the . . . and I also want to say, I want to thank the Finance Minister for bringing this forward. I am beginning to actually enjoy him as a Finance Minister, so far. It has only been a couple of weeks, but let us see how long the honeymoon lasts, Mr. Deputy Speaker.

[Laughter]

Hon. L. Craig Cannonier: But I was just reading in the Fiscal Responsibility Panel [Assessment Report], in the very second paragraph. It says, talking about Bermuda and what it needs right now, “But perhaps of greatest concern is the certainty of the island’s shrinking workforce and rapidly ageing population.”

And as we go through [these] recommendations we have here, the single most threat . . . and we are just talking about (I am just sticking to the retail sector here) is the fact that we do not have enough people on this Island spending. We have watched businesses, our friends’ businesses, go out of business unable to pay their taxes. And so what we have got to do is figure out not only through stimulus of how, you know, we change the taxation system with the number of people that we do have here so that it is fair and equitable, but at the same time we [need to] have new money being injected into the economy so that we will see more entrepreneurship.

Right now, if anyone wants to start a business, they are going to look at the business plan and say, *I cannot afford it*. And one of the areas and one of the reasons why retail will continue to die off in this Island is this one factor alone, which we have not addressed as yet. And that is this: duty is being paid up front. So in order for any entrepreneur coming into the Island . . . he has got to be able to say, *Well, look, you know, I need to be able to get enough money in place so that I can open up, but I have got to have enough inventory and these things*. So, if he or she does not have the money themselves, they have got to go somewhere to borrow that money.

We now recognise that the banks, quite frankly, in Bermuda are not friendly to small and medium-sized business. That is just a fact. It is extremely difficult to go to the bank. It takes you sometimes almost a year just to get something to . . . by that time, you have lost interest. You have spent everything that you have and now the opportunity is lost.

And so at the same time I am so appreciative of the fact that they went through this here, the main issue in here with the retail sector, and they give a recommendation that will help the existing retail businesses that are there and for new business—it is given in here. But the reply is kind of stark and it kind of threw me back as to that reality of what they said. And so I will get to that in just a minute.

You know, the key . . . I wrote down the note that the Honourable Member that just sat down from constituency 6. He said, *How do we find a balance?* And that is always a difficult thing. I can remember, you know, watching the excitement as PLP had won the Government in 2017. And when we came back into the House one of the first things I said was, *Listen, this is going to be really, really interesting knowing the fact that we need more people on the Island and one of the greatest issues we have here is immi-*

gration reform. How are we going to get more people into the Island, spending more so that we can grow business? Because if we are going to add, in this . . . outside of the great three taxes that we have, we are talking about adding another four to this.

And, so, if we are going to add more taxation to the system, because we are not saying that we are doing away with any, we are going to add to it—maybe, you know, take a little more from this area here and add a little more over here. We still have not done anything about the fundamental condition and issue that we have and that is not enough people spending into the tax system that we do have today.

And, so, as we start looking at, and I would daresay I am recommending to the Finance Minister, not as a finance person, but that we, as we look at making recommendations we have a real push with these new recommendations if we are going to do some of these here, that we have a real push on stimulating the economy through getting more people here in different industries because therein we will find the balance. But if we go ahead without stimulating the economy (meaning getting more people here) and we add more taxes to the system with the same number of people that we do have today, I go back to what I said before. The effect will invariably be different than what the intent is.

And I recognise the pure intent of this here. And I do not want that intent to be lost by not balancing it out by getting more people spending into this Island. Right now, it is difficult for Bermudians to spend anymore. It is just difficult. And, so we have a real conundrum here. And as I said before, it is going to be rather interesting to see how we manoeuvre through this new structure. It needs to happen, Mr. Deputy Speaker, most definitely needs to happen.

But let us not, in the intent of making this new structure system happen, lose the very retailers who have been out there struggling today who are in debt trying to ensure that they can pay their taxes right now because they cannot and they are being held responsible for those taxes in a system whereby it is not allowing them to pay it today because there are not enough people paying into the system. No fault of any particular Government. I am not blaming any particular Government for that situation, many of the retailers found themselves in that position, maybe because of the recession or other things. But we now need to be able to encourage and stimulate business to be able to pay—to be able to pay.

And, so I flip over to, you know, we need a taxation. I had so many marks on this thing here. This was a very good read, I must say. It was a very, very good read. And for those of us who have not had the opportunity to really go point for point it will be enlightening for us to go through this here. But if I go over and I will repeat again, we need a tax system that encourages local job growth. That is what we need. Therein will lie the fair and equity in all of this here.

But we have got to ensure that we get people back to working, which I am sure for the Honourable Minister will help as far as financial assistance and all of those things that is burdening for Government.

So, I wanted to go over to this . . . this . . . sorry. I am going to flip over to page 34, where it talks about General Services Tax. And, so I just want to go down to (let me put my glasses on, sorry Mr. Deputy Speaker) 2.3.9 and it says there “As a sector,” (talking about retail,) “their overall sales and revenue has declined due, in part, to a reduced customer base.”

Straight up, that is the issue. That is the issue. You know, you will hear many times people saying well, you know, *He who knows it feels it*. Well, I feel it on a regular basis when we start looking at fuel sales (and I will declare my interest having service stations) and to see how fuel sales are now just starting to fall. And usually that is one of the areas where people first start cutting back on, on the amount of fuel that they . . . they do not fill up. And for us now to start seeing people coming in, you know, with coins to pay for putting fuel in a car, it is okay for a bike, but for a car, we know it is getting difficult.

So, we need to ensure that the taxation system, as was already said, is fair and equitable which allows them to have more disposable income. But at the end of the day, really and truly, allows them to have a job in the first place, and that is where we are lagging.

But, anyhow, it goes on, Mr. Deputy Speaker, . . . the 2.3.10 says, “As a sector they asserted that paying import tax upfront before they have an opportunity to recoup any part of their expenses compromises their cashflow.” And that cash flow rung a bell to me, because, having been in a position where we were doing wonderful, the economy was doing well and I personally with my business not having to go to the bank, we were doing wonderful. The recession came along and everyone was struggling and we saw how people were struggling. And all of a sudden now we have to, as a business, also go to the bank, like many others had to go to the bank and say, *Look we need some help*.

Well, I am glad the recession took place when it did because if you go to the bank today it is not going to happen. It is not going to happen, and this is a real, real challenge.

So, when the industry says it needs that cash flow, I am reminded of the fact that what they are basically saying, the retail sector, is, *Listen, the banks have now moved from asset lending to your ability to pay back what you borrow*. So, no longer can you go to the bank now and say, *Well, look, I got some assets, you know, I want to be able to do business*. The bank will not even . . . they will not even call you back.

I mean, this is ugly where we are right now. And so, that cash flow allows the businesses who are struggling today to be able to go to the bank and say, *Look, I got the cash flow, you know, I just need it up*

front because I am just trying to keep up with my—at the end of the day—my inventory. And, so if they are able to keep up with their inventory, they can [stay] in business . . . the selling, selling, selling. Even with a reduced market, the cash flow is there. And, so when I talk about this sector . . . and it makes the one single recommendation that will help save it, single-handedly save it.

This is the reply that I see. It says, “A sales tax will free up cashflow”—

An Hon. Member: What page?

Hon. L. Craig Cannonier: I am on page 34—2.3.11. “A sales tax would free up cashflow and allow the sector to remit tax to the Government on goods that have been sold and not on their total inventory as is the status quo.”

I just explained all of that, however . . . and this may not be a reference to PLP as a Government. I do not know where this came from, but the answer they say is, “However, the Bermuda Government,” (in 2.3.12) “prefers to collect tax at the point of entry as it is more efficient to administer, and revenue is more predictable.”

Well, with that, if we do not do something about getting more people here now, you essentially have just put the last nail in the coffin. And I am not saying PLP as a Government, but that answer puts the last nail in the coffin as to what happens to the retail businesses that are now surviving.

And, so my recommendation to the Minister is, please, go back to this particular section right here, the sector that hires, outside of Bermuda government, more local Bermudians than anyone else. Please, go back to this particular area and give it some more attention. And I would be willing to recommend many of my friends who are in the retail business and the retail sector. Please, go talk to them. I will send them to the Tax Reform Commission. I will send them to them to have some more conversation.

I mean, you know, not everyone is a member of the Chamber of Commerce. Many in the retail sector out there are outside of the Chamber of Commerce. It would be wonderful to be able to get to a position whereby we understand at this point and juncture, here and now, as you have heard me say before, that it is critical that this happen and that the Government find a way. Just like it is finding ways for other things, putting new administration in, changing up ministries to be more efficient, and all these kinds of things, it is vital for it to find a way to save these businesses because these businesses want to pay their taxes. They want to pay it. But right now, they cannot. And it is a dark cloud sitting over all these retail businesses trying to survive.

They do not want somebody to come chasing after them. But they are in that position. And I know

many in this room are aware of it because they are involved in retail businesses. They understand it.

So, I do not want to keep going on and on and on here. I think I have made the point as far as where I believe the real challenge is with this particular part of the industry in Bermuda who pays their taxes. And there was one other area we were talking about, and I would probably hope that there was some more conversation about the taxation on imported goods through the couriers.

Quite frankly, now, you have seen couriers just blossom. And we have seen every year during Budget time where the increase of goods coming in through couriers . . . that dollar value has increased. And, you know, Bermudians like variety. You are not going to get the variety in a small saturated Island like this here, so this does allow for opportunity. I think that going to 25 per cent, in my estimation, the same as being able to go away flying and then to bring it back, is a bit of a reach. I think we can dress that back. But understanding that the intent of this here, I can see that if it goes to 25 per cent the unintended consequence could be that many of these courier services who our cousins are all working at . . . there may be some cutting back of that. And we do not want to have that happen. And, so I am hoping some more attention will be given to some of these areas as we move forward with this new tax structure system.

And so, again, Mr. Deputy Speaker, it is pointed out in the Tax Reform Commission [Report]. It is also pointed out in the Fiscal Responsibility Panel [Assessment Report] that the major threat to Bermuda is the fact that we have the certainty of the shrinking of our population. That has to . . . and that may need another report to address it and what exactly do we do as far as industry is concerned to get more people here. And I think that we can get to that. I certainly believe that there has been some speed up as far as work permits are concerned now, and getting them through. That is one area. But not just getting them through, getting new people to this Island so that we can continue to ensure that this reform gets talked about some more, more ideas, and then we start implementing it.

Thank you, Mr. Deputy Speaker.

ANNOUNCEMENT BY THE DEPUTY SPEAKER

HOUSE VISITOR

The Deputy Speaker: Thank you, Leader of the Opposition.

Before we call the next speaker, I would like to recognise the former Deputy Speaker of this House who served over 25 years in this Parliament, the Honourable “Uncle” Walter Lister.

[Desk thumping]

The Deputy Speaker: Sergeant-at-Arms, he is welcome to come and sit inside the Chambers, if he wants. So, Sergeant-at-Arms, if you want to invite him in, you can.

[Tax Reform Commission Report 2018, take note motion, debate continuing]

The Deputy Speaker: Any further speakers?

The Chair recognises the Honourable Kim Swan from constituency 2, in St. George's [West].

Mr. Swan, you have the floor.

Mr. Hubert (Kim) E. Swan: Good evening, Mr. Deputy Speaker, and like our lead-off speaker tonight, I will not be long. Save and except to say, in the first instance, the Finance Minister was wise to give a brief presentation, Mr. Deputy Speaker, because this particular Tax Reform Commission was commissioned before he was a Member of Parliament, and he was returned. And [I am] very pleased that he was returned to the House of Parliament upon the retirement of a Member. And he has ascended to great heights from the Robin Hood Corner to become the Finance Minister.

I think it is prudent that he, in his role as Finance Minister—yet to present his first Budget . . . I think it would be foolhardy for him to come here today to espouse exactly what it is that he would propose to do, having not yet even really . . . I do not even know if he has given his Maiden Speech yet, apart from doing his ministerial responsibilities.

[Crosstalk]

Mr. Hubert (Kim) E. Swan: So, I believe that you certainly cannot be judged for what you do not say. But, yet, having not said it, persons were prepared to judge him. And I do not think that was . . . I would not say it was not fitting. But I do not think that it has the merit that persons would have liked to have attributed to it. I think that persons were being politically mischievous when they did so. But I think he was acting very prudently—

[Inaudible interjections]

Mr. Hubert (Kim) E. Swan: —and I just want to piggyback on what the previous speaker said, the Honourable Opposition Leader.

And I will declare my interest, like he did. I have been in retail, not currently, but for many years of my professional life. And I think that he made a very good point, of which I have already shared, as he was making it with the Finance Minister, about the fact that we in retail have always had to carry the burden, the tax burden. Many of us know exactly what it is like to employ many Bermudian people and then have to shell it all out ahead of time and hope that we would

make a return. And so, the margin [for] retail is very thin now, more so than it was even when I entered retail.

And so, you know, many of us are looking forward to the opportunities for growth—growth in tourism. The Honourable Member spoke about growth as far as people. But maybe repatriation of our very own people in the thousands who have left Bermuda would help our situation and help us culturally regain.

But, you know, I just ever so briefly would like to look at 8.3 on page 69. Some of the guiding attributes that the Tax Commission took on board, and one stood out to me. It would be number four (it is not numbered, but it is there). "Taxes should not favour one group or sector over another and should not be designed to interfere with or influence individual decision-making [amongst] economic choices."

Well, we know in this country that the tax system that we have inherited has been there since time immemorial. And certainly there is a great deal of favourability which has not been enjoyed by, particularly, the black community. And we in the black community have not enjoyed the spoils of Bermuda's economic success as a collective. So, as we look at fairness . . . and let us be fair when we talk about fairness, in that whenever a Government comes into existence, what are the two boogeyman words that are used? There are three of them, because I remember Dale Butler calling them out in threes.

One is "independence." Mention independence and people go nervous and the boogeyman comes out. And yet we have Britain going through voting and making decisions that impact everyone associated with them, and very little is said about that, and beneficial owner. A member of the Opposition even wrote about that this week, and that is a bipartisan issue. Our Finance Minister, former Finance Minister and Premier, and the Honourable Member, the National Security Minister, have travelled extensively for Bermuda, have been defending Bermuda in the same way that former persons who held those offices have done so. But yet people would nit-pick on their travel and all the like while they are doing necessary business. But let somebody else say it. It is great.

[Inaudible interjections]

Mr. Hubert (Kim) E. Swan: And, so . . . Yes, when the PLP are doing it, we are going to, you know, find fault. And that does not speak to fairness and bipartisanship.

And I was pleased with the Junior Minister who spoke of the collaborative way in which he and the former Opposition Leader were interacting. I can imagine how some of those conversations were going, because I am sure he could foretell for her some of the things that she might not have been aware were happening under her very eyes and ears at that particular time.

But, as we look at fairness, “income tax” has always been the other “I” boogeyman of Bermuda. And we hear persons make reference to, *It is the sole responsibility of a government to only take in what it intends to spend*. In an ideal world, yes. When times are going good, yes, you can operate with a surplus. But I remember . . . and I have to be fair. Between 1998 and 2008 when I was in . . . 2007, when I was a Senator. I remember that Bermuda enjoyed a tremendous boom period economically. Unprecedented! It was a PLP Government that presided over that.

Growth and increases in population do not guarantee equity. And I am sure another Member can speak to that far better than I can. But I can tell you this, when Bermuda’s poor population and near poor grew, it was when the boom period was taking . . . and that is what has to be taken on cue because right now persons that are looking to boost their pockets are persons in position to benefit from it.

You know, I was encouraged today, and if I could have read this article written in *The Boston Globe* about a young Bermudian, a young Bermudian that just received the Rhodes [Scholarship], became a Rhodes Scholar. Her mom is a lawyer, Ms. Stone. And I am looking because I posted it. And it showed some hope because this young lady in being around IB and the like and accepting the opportunity to further herself academically touched my heart in saying that being around the Jesuits and the like and advancing herself academically, she is going to go and examine the poor and how [they are] impacted in a community. May we have more people like that. May we have more people like that.

And, Mr. Deputy Speaker, as we look at these terms of reference that have been laid out, fairness has not been the order of the day in Bermuda for centuries. It has not. And as a consequence of now having this Commission in front of a new set of eyes in finance for the Progressive Labour Party, it is only fair to that postholder’s office, for him to measure it twice before he even decides that it is going to get the scissors to do what he needs to do (and I use that metaphorically). And, so, as it relates, I promised that I was not going to be long and I am not. But fairness is the operative intent of taxes.

But as a retailer . . . I am not a practicing retailer right now, but one at heart as well as other trades, I have to say that the burden on a retailer in that regard is far greater. It is far greater than other persons in business. And I would hope that those set of eyes that have elected to measure twice and then proceed, as we will get a look at the budget, would take a worthy comment like that from the Opposition on board. But I am confident in my Finance Minister. I am very confident. I am proud to have canvassed for my Finance Minister.

[Inaudible interjections]

Mr. Hubert (Kim) E. Swan: Yes, indeed! I am very proud. I knocked on doors. And I look forward to the critical eye that he will put on this important subject.

Thank you, Mr. Deputy Speaker.

The Deputy Speaker: Thank you, Honourable Member. Any further Members want to speak?

There appear to be none.

[Inaudible interjection]

[Laughter]

The Deputy Speaker: The Chair recognises the Honourable Member Rolfe Commissiong.

[Laughter]

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

Mr. Deputy Speaker, Steven High, the author, wrote a book called *Base Colonies in the Western Hemisphere, 1940 and 1967*. I have used this quote before and, with your indulgence, I would like to repeat it. He described Bermuda, and I quote now, “Ruled by and for a white oligarchy” and said that “Bermuda was one of the most reactionary colonies in the British Empire.”

Now, he may have gone overboard a little bit on that one. Certainly, the colonies in other areas and in Africa were fairing far worse.

But he went on to say, “There was no income tax. No inheritance tax. No luxury taxes of any kind. Property taxes were nominal at best. Without a system of direct taxation, the colonial revenues were largely derived from customs receipts. The great beneficiaries of Bermuda’s reliance on customs duties were landowners who paid nominal taxes and merchants who paid none. The great losers, by contrast,” according to High, “were working people who paid the price of higher living costs. As virtually everything had to be imported.”

He went on, “For a hundred years, a small group has made Bermuda its own paradise by controlling legislations and by seeing that taxation policy kept all but themselves in strict economic subjugation while they themselves accumulated fortunes subject to no taxes whatsoever.”

Mr. Deputy Speaker, we have talked consistently about the inequities in our tax system. And when I say we have talked, I am talking about for decades on this side of the aisle. The Progressive Labour Party Government and the Progressive Labour Party going back to its inception over five decades ago described the inequalities in our tax system and called for a more fairer, more progressive tax system. So, let us not be any illusion here. We know the philosophical origins of this work, and it does pose a monumental

and fundamental shift on how Bermuda treats its people. Long overdue, I might add.

Mr. Deputy Speaker, this work by the Tax Reform Commission was a bipartisan work. I think it was the right approach to take, and all credit to our Premier (who was then the Finance Minister) for moving in this direction. Certainly, we want to have as many Bermudians on board as we can as we look to move towards implementation in 2019. As a cautionary note, and for all those in radioland, it is not to say that this report will be accepted *in toto* by our Government. But certainly, you expect that they will act in good faith in judging the recommendations and making that monumental shift toward a more progressive tax system.

Mr. Deputy Speaker, last week I talked about the historical currents which are running throughout the world right now with a bill that is coming due on decades, beginning in the 1980s where there was a monumental shift from labour to capital, what more commonly came to be known as a neoliberal period from the 1980s right up until the present probably hitting a brick wall in the 2008 recession. This shift from labour to capital ensured that income inequality throughout the West, along with the trends that the now-called globalisation exacerbated, would ensure that there would be shrinking middle classes, growing poverty in most of these nations and mainly in the Anglo-Saxon world of the UK, the US and Bermuda.

Although, as Steven High points out, they were late to the table, because Bermuda's tax system, Bermuda's assumptions around the way it organised its economy were there decades before Reagan or Thatcher thought to move in that same direction. We were at least pioneers in promoting inequity with respect to our economy and our tax system. Let us be honest about it.

But that period is over now. France is burning—Paris and all the suburbs. We see the politics in the US and in the UK as the old certainties fade away as that period ends. We would be unwise not to ensure that we shift with the world—but in a positive direction, not in a reactionary, racist, xenophobic, and ultimately destructive one, which seems to be the case in countries that we viewed as exemplars for ourselves.

So, Mr. Deputy Speaker, let me just bear down a little on that thought. There is a columnist in *Bloomberg View* who writes quite prodigiously as Mr. Barry Ritholtz. I will give a little background on what has taken place in the world over the last four decades. It was featured in the ¹*Royal Gazette*. And let me just get the . . . one of the key factors, Mr. Deputy Speaker, and you would be pretty understanding, I think, of what I am going to read here.

He says one of the factors that led us to this period is what I call the decline of unions. "Unions once guaranteed the middle-class good jobs and a

living wage," I quote. "The trade-off was increased labour costs for companies and higher-priced manufactured goods for consumers. That was then. Membership in labour unions has been falling since the 1950s. As of 2017, just 10.7 per cent of wage and salary workers in the US belonged to a union; that is half of what it was in 1983. The share of unionised workers in the private sector is even lower, at 6.5 per cent.

"A turning point in the fate of unions came when President Ronald Reagan fired striking members of the Professional Air Traffic Controllers Organisation. A number of states, especially in the South, passed laws making it harder for unions to organise. As union membership declined, so did the ability of workers to win pay increases from employers. This ties in to the next point." (As I said, about rewarding capital instead of labour).

"We can point to the Reagan, Clinton, Bush and Trump" (I would add Thatcher.) "Administrations for various changes to the tax code that were much friendlier to capital than to labour," he writes. "Capital gains taxes fell, as did the top income-tax brackets. Policies that were extremely shareholder friendly were also put into place. Although income inequality has been rising for decades, these four administrations," talking about the American administrations, "had an outsize impact."

And at the same time we saw a decline of unions that protected the rights of workers through collective bargaining and ensured that they could extract equity from these respective economies; we saw the same trend take place in Bermuda. In 1981, 1982 or 1983 (and I stand to be corrected with respect to those dates), the BIU had over 6,000 members. And it was the BIU that helped protect the interest of Bermuda's workers, particularly the black Bermudian workers, but not exclusively—over 6,000, [in] 1983 in a far smaller economy with fewer workers in that economy. Now that has dropped by 40 per cent in a larger economy, I might add, with far more workers whereby the BIU today has just over 3,000 members.

And in Bermuda, and in many other countries in Europe—again the UK being the most principle offender, but even in mainland Europe—you had increasing numbers, and in America, of workers coming into the workforce without those protections, without the protection of collective bargaining. That is why increasingly from Europe through to the US you saw more calls for minimum and statutory wages to fill that void that was filled during the 1960s and 1970s by labour unions. That is what has been happening here. It was a massive transfer of wealth that created significant amounts of income inequality, and Bermuda has been—

The Deputy Speaker: Honourable Member, speak to the Chair, please. The Gallery is outside of the House. You can speak to the Chair.

¹ [Royal Gazette](#), 29 September 2018

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

So, let us go into the weeds here a little bit, with respect to the report. Mr. Deputy Speaker, on page 11, 1.2.7, it says, "There was a consensus amongst stakeholder groups that Bermuda's tax structure placed a disproportionate burden of tax on those least able to pay."

Some time ago, it may have been a year ago, I came with a report, it was called the Tax Incidence Report, which was undertaken by Mr. Eugene Cox, the Finance Minister of the PLP Government, perhaps, only within a year or two of us taking power. That Tax Incidence Report indicated that with respect to Bermuda's principal revenue streams, in terms of our Government, of land tax, customs duties, and payroll tax, it placed a disproportionate burden on those at the lower income distribution bands.

As I said, the observations by the mid-20th century indicate Bermuda's tax system was essentially doing the same thing then. And we know the intersectionality in Bermuda between poverty, low income and colour. But that tax incidence survey was illustrative and clearly showed the wage and income, or income disparity was pronounced in terms of the tax system that we had there and how it exacerbated it.

I heard earlier about the question of land tax. Those taxes are usually passed on to the renter, whether residential or at the commercial level. And with respect to payroll tax, it has been one of the more regressive taxes we have had, although there have been attempts to tweak it here and there, to try and add more progressivity to it. And lastly, customs duties—not as big a percentage of the overall tax revenue as it was going back 20 or 30 years ago, but still significant. And, again, at every instance the impact upon poor, lower-income and middle-income Bermudians has been pronounced. This is what we were faced with and that is why this has called out for progressive change.

Moving on, 1.2.9, page 11, "In comparing tax/GDP ratios with other countries the Commission found that Bermuda was lagging behind its main competitor jurisdictions as well as the rest of developed economies."

Related to that, 1.2.10, "In comparable international financial centres in the Caribbean and elsewhere, tax/GDP ratios have converged to 20%-24% of GDP compared to Bermuda's ratio of 17% of GDP. In OECD countries, the tax/GDP ratios are in the range of 24%-28% of GDP."

And that brings up the point of the SAGE Commission. The SAGE Commission . . . and if I am being a little unfair in my characterisation, I will stand to be corrected. Its underlying philosophy was that government was too big and thus needed to be cut, and that would have resulted by way of privatisation and other just direct reductions, and probably hundreds of Bermudians losing their jobs, professions,

within the public sector. At no time did the SAGE Commission talk about the fact that we needed also to increase the size of revenue which was coming in to the government, and that essentially, in terms of that tax to GDP ratio, Bermuda's was too small.

Know why? Because if we did that then those who were earning more would have to pay more.

I mean, look at the makeup of that SAGE Commission. I feel the Chairman is a person I can probably rightly say earns millions of dollars of income every year—and others. But they were prepared to place the burden of necessary changes solely on the civil service and in the public sector, while, as Mr. High said, they essentially paid no tax whatsoever themselves. This is what we have to end.

So, the Commission has recommended that we increase tax revenue to 20 per cent [of GDP], I believe. Although that would still place us probably 2 [per cent] to 4 per cent below what is the norm in OECD in terms of the developed world.

Okay. I might add, even though in terms of the government pay . . . the tax to GDP ratio is around 17 per cent. Once you add in, as it states here, the Bermuda Monetary Authority, the Tourism Authority and other Authorities who have fee collecting powers, it goes up to 18 per cent. But this still leaves us short of what the norm is in most countries.

Just moving on. And this is important. "In theory and in practise," ([This is] 1.2.15.) "tax measures may be applied to income or consumption streams in a modern economy. Tax measures may also be applied to the accumulation of wealth." No doubt, and that is another area that we are going to have to look at.

It says here at point 1.2.19, "In Bermuda's case, the tax structure is primarily consumption-based and remains largely tied to 19th and 20th century management systems that present constraints on a tax reform process in Bermuda."

Imagine that! We are living in Bermuda, one of the most advanced countries in the world (at least we like to think so), certainly one of the more richest by any crude measurement, but yet they say that we are still constrained by having a tax system containing powerful legacies from the 19th century, at a time when the very rich pay little or no taxes whatsoever, as mentioned.

Now, this is fascinating, 1.2.22 . . . no, I correct myself, 1.2.23 . . . just a minute. Okay, no. On both counts I was wrong, Mr. Deputy Speaker, [it is] 1.2.21. It says here . . . this is very interesting, "Going forward with this type of tax policy direction" (as encapsulated in this report) "would require the elimination of the tax assurance regime (no extension beyond 2035 . . .)" For our listeners out there, tax assurance regime was a regime that was put in place decades ago to ensure that the companies within Bermuda's then burgeoning international business sector—this is even before the 1980s—would be exempt from having

to pay taxes such as, prospectively, income taxes on their corporate earnings, for example.

That is still in effect. In fact, the PLP Government under the former Premier extended it before the 2012 election—something that I was not necessarily sanguine about myself, I must say. And so that precludes us—because of the 2035 extension—from moving in a direction where we can ensure that the larger corporate companies in Bermuda are paying more to ease up the same small to medium-sized businesses that, Mr. Cannonier, the Opposition Leader, talked about.

That is how we can get more fairness and equity within our business community, in terms of the business sector. But it can only happen if we can ensure that the Dunkley's Dairy conglomerate empire pays more proportionately than the person operating, metaphorically speaking, the small mom-and-pop store.

[Inaudible interjection]

Mr. Rolfe Commissiong: Ashley's Lemonade. I love Ashley's Lemonade. I just do not . . . I like some, but I have to say . . . you know, I have to be politically astute here. I love it; but I would not like it as much if it was down on the Shelly Bay Beach. But anywhere else, Ashley.

So, that is an issue. Now, having said that, I have had it confirmed that while that assurance is in relation to corporate tax on earnings, there is nothing comparable with respect to personal income. And I am not suggesting that we need to do that, but it is on the table, and should be, for consideration.

Now, Mr. Deputy Speaker, I just want to go down . . . how many minutes do I have left, Mr. Deputy Speaker?

The Deputy Speaker: Ten and a half.

Mr. Rolfe Commissiong: Ten and a half, okay, I still got some time.

Mr. Deputy Speaker, I just want to say this, that what I was really positive about . . . were two things. I believe we need to get the proverbial monkey off the back of Bermuda's low income, its poor, its middle class—which is shrinking. And I am happy that for person's earning up to a \$48,000 per annum, that they would not pay any payroll tax under this plan, under this recommendation. Whether it holds up as it goes through the sausage factory of politics is another matter. But, clearly, this is welcome. I would like to see it a little higher, myself, to be honest about it, also, the move to reduce customs duty on staple foods and children's clothing to 0.0 per cent. That should have happened a long time ago. Just remember, as I said, the burden that is placed on low-income and lower-middle income people by way of customs duties, a land tax and payroll tax is phenomenal.

Mr. Deputy Speaker, I am just going to conclude here by saying the following. I came across something in the *New York Times Sunday Magazine* that I thought was very fitting. And it talks about the need for a new social compact between the various parts of our society. I will say it as that. We know what the old compact is—we are struggling with it now, the current status quo. And so, as I mentioned last week, we have a historic opportunity to craft a new social compact (this is how I am going to term it), one that will be consistent with our values as members of the Progressive Labour Party and, more importantly, our values as Bermudians.

Earlier we heard the Minister, or the Opposition Leader, talk about the people who are overseas or . . . no, he talked about the need for us to grow our population by increasing the numbers of work permits in our society. But there is hardly any mention as was mentioned or alluded to by some already that . . . what about the over 3,000 Bermudians who are no longer with us? And many of them are young Bermudians. Many of them black, but white as well, who are overseas in places like the UK. Many of whom left the country because they became essentially economic refugees in this country, outside of those who have gone for education.

There are those who have actually picked up sticks and left to live permanently in the UK. And I would say many of those people were economic refugees. Unless we begin to get this right and recognise that this status quo is no longer serving us, and that it has become an existential danger to us if continued to maintain over the next few years, then unless we have realised that it has to go, and we need to judiciously bring about these types of progressive reforms, I can get very pessimistic about Bermuda's immediate future.

But this does give me cause for optimism. The health care reform that is coming down the pike gives me cause for optimism. The course for living wage gives me cause for optimism, and a reduction in the overall cost of living gives me cause for optimism in Bermuda. The fact that now and within the corporate sector and IB you have people sounding like a Ewart Brown and calling for inclusion and inclusivity and diversity, racial diversity within IB and our corporate sector, gives me cause for optimism. The fact that the PLP is now prepared to call for pay equity gives me cause for optimism. These are the things that will help us create a new social compact for Bermuda and we should make no apologies about it and pursue this social justice agenda.

Thank you, Mr. Deputy Speaker.

The Deputy Speaker: Thank you. Any further speakers?

The Chair will recognise the Honourable Pearman from constituency 23 *[sic]*.

Mr. Scott Pearman: [Constituency] 22.

The Deputy Speaker: [Constituency] 22. Thank you. Mr. Pearman, you have the floor.

Mr. Scott Pearman: Thank you, Deputy Speaker.

Let me start, Deputy Speaker, by winding this back about five speakers to the Minister for Finance who began the debate. He presented this Tax Commission Reform in a way that was carefully and softly spoken, projected at a high level. He spoke to this report, and he was brief. And I will try and emulate that style of presentation now.

The Deputy Speaker: It would be appreciated.

Mr. Scott Pearman: And I want to also look at this based upon fundamental principles and not political point scoring.

Let me start by putting the report itself in context. And, if you permit me, Mr. Deputy Speaker, page 11, paragraph 1.2.3, "For the avoidance of doubt, the Commission has not addressed Government spending directly. This was not part of the Commission's remit."

So, this report is ignoring one of the major elephants, namely government spending. But let us look at this report. What is the problem that needs solving? Simply put, we need to grow the economy and we need to increase jobs. And, Mr. Deputy Speaker, both sides of the House recognise that. The current PLP Government recognises that in their drive to grow the FinTech industry. They recognise that more jobs are needed.

But, respectfully, Mr. Deputy Speaker, the solution being offered by this report does not solve the problem that I have just identified, the problem that Bermuda faces. And the reason I say that, again, based upon fundamental principles, not politics, fundamental principles, is that taxing and spending does not grow an economy. Taxing and spending does not grow jobs. Taxing and spending merely circulates existing money, and that is a fundamental economic principle.

A few hard facts in relation to this report: The taxpaying population of Bermuda is shrinking. On that I think we can all agree. We need to be very careful about placing an increased tax burden on this shrinking population. On that, I think we can all agree. The report, if enacted in the way that it is envisaged, and it may not be, and the Minister of Finance rightly recognised that this is a menu and he may not choose certain things from this menu, but this is a projected new tax burden if enacted in full in the region of \$150 million. That is a substantial burden to be placed on an increasingly shrinking taxpaying population. And there is also the fundamental principle, which is that raising taxes in a faltering economy is dangerous economics.

Mr. Deputy Speaker, we all know about the law of unintended consequences. And the best thing that we can do, because we do not anticipate what may happen by our actions, we do not know what is six or seven steps down the road, so the best we can do is to ask ourselves what might happen if we do this.

Now, the present-day facts are these: At the moment, we have the big three. We have the big three taxes. We have payroll, land tax and customs duty. And no one—no one—likes to pay tax. But the positive point about the big three that we have is that in theory they are relatively easy to collect. They are taken either at the point of entry, or they are taken from the employer, or they are taken from the landowner. And they are relatively easy, in theory, to collect.

Now, the Minister of Finance, when he opened, recognised that in practice there may be large amounts of uncollected taxes. Indeed, I would go further, there are large amounts of uncollected taxes, and I think it would help if working together we all agreed that. But in theory, it is an economic principle that when taxes are less complicated, more taxes are paid. The reverse is also true. When taxes are more complicated, less taxes are paid. And the current three that we have, no matter their faults and their flaws, are at least commendable in that they have the beauty of not being that complicated.

And I say that because we are moving from the current big three in this proposal, or we may move (more accurately), to a big seven. What is being proposed now—and there are more in here, but the lion's share of these are four new ones: a rental tax, a General Services Tax, a tax on interest and dividends, and what I am going to call an outsourcing tax because there is a little bit of confusion as to the nomenclature.

Now, here is a fundamental problem. None of those, save perhaps for the rental tax, are easily ascertainable and easily collectible and that is an issue that no doubt the Minister of Finance and his Junior Minister and the Government in general will have to grapple with.

Let me quickly address each of the four and share my two cents, for what they are worth. After these taxes are in place there may be just one penny left.

The GST: If there is going to be a General Services Tax, and if it is going to be, if not welcomed, then tolerated by business in Bermuda, then perhaps consider whether or not the GST should apply only to foreign purchasers of our services. Do not say to an accounting firm or a doctor's firm or a lawyer's firm, and I declare my own interest both as a lawyer and a taxpayer, do not say, *Let's place this additional tax burden under a GST on everyone*, because that is just going to hurt Bermudians. Maybe, just look at the international providers of the services. It is just a recommendation.

The tax on interest and dividends: I have already addressed the House of Assembly on this before, and I do not need to repeat myself, but it is important to recognise this key point on taxing dividends because there is a general sense, and it is wrong, that taxing dividends just hits the rich guy. Not at all, Mr. Deputy Speaker. Anyone who operates their business through a company suffers from a dividend tax. Who is it on this Island, not the businesses, but who are the people on this Island who operate businesses through companies? Well, the answer is, those who need the protection of limited liability—electricians, masons, carpenters, people driving around in white vans with a limited company. And how do they pay themselves, because often they do not draw much of a salary? They wait until the year end to see how their business has done during the year, and then they seek to pay themselves from the profits of what they rightly see as their business. And it is at that point that the dividend is what they are waiting for. It is the pre-Christmas money to themselves to support their family, to pat themselves on the back, metaphorically, since they worked hard and scrimped and saved all year. So, just remember that a tax on the dividends hits people who operate through businesses.

Also remember that taxes on certain businesses in Bermuda, local businesses, when we are not taxing international businesses, put a very large target on the chest of Bermuda in the eyes of the OECD and the EU, because they will come and say that is unfair tax treatment. You are preferring international business when you are not doing the same to local business. So again, the law of unintended consequences; we may think that this is a good idea, but then along comes a blacklist that we have tried so hard to avoid as a jurisdiction. Another potential unintended consequence, if you are going to tax on dividends and interest, then fewer people will be likely to invest in Bermuda and in Bermudians.

Turning, and trying to keep this quick, to the outsourcing. I must confess, Mr. Deputy Speaker, I did not entirely understand the explanation that was (I do not mean this disrespectfully) ventured by the Junior Minister. I struggled with the analogy of \$100 coming from a US lawyer and \$95 going back. I am not sure why a US lawyer would take \$95 back and not demand the \$100 they were paid. But, as I understand it, it is a tax on outsourcing. It is a tax on businesses that use other international businesses to help them grow their businesses.

Now, Bermuda is 21 square miles. Bermuda businesses, the big ones, the ones that employ lots of Bermudians, are trying to compete on the global stage. They are competing with these other businesses around the world. To deny them the opportunity to outsource where necessary, or to make it more difficult or burdensome or expensive, ties the hands of Bermudian businesses behind their backs and it does not assist in their ability to grow their business, to

grow the economy and to grow jobs. So, unintended consequences. Bermuda business will become more costly, and, potentially, Bermuda business will become less efficient.

The Junior Minister made a comment about the cost of work permits in Cayman—and he was quite right. The cost of work permits in Cayman—

[Inaudible interjections]

Mr. Scott Pearman: Okay. The cost of work permits in Cayman is considerably more expensive than the cost of work permits here. But in Cayman there is no payroll and there is no tax on earnings. So, it swings in roundabouts.

Turning to the rental tax on commercial and residential property, a number of those on our side have already pointed out how this is in fact double taxation, because land tax already taxes people on the annual rental value of their property. The last speaker before me pointed out how these costs would be passed on to the renter. And, yes, they often are. But that does not grow Bermuda either, because if a tenant, commercial or residential, finds their rents are going up, it is a good reason for them to move on.

In closing, just a few general points. These proposals at their heart mean more tax on Bermudians when there are less Bermudians to pay them.

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

Mr. Scott Pearman: Mr. Speaker, we need to attract more people to this Island, not chase them away with higher taxation. And it is not proposed, at least not yet, that any new taxes, any big seven that might be implemented to supplement the current big three, would be used to pay off Bermudian debt. So, respectfully, tax and spend is not a solution.

Growing the economy and growing jobs is the solution that we need. We need more people here spending more money. And, Mr. Speaker, it is interesting that today the Fiscal Responsibility Panel also tabled their report in the House, because I would just end with this observation, and it is on page 2 of the report, second paragraph, and so important is it that they have italicised it. “But perhaps of greatest concern,” it says, this report, “But perhaps of greatest concern is the certainty of the island’s shrinking workforce and rapidly ageing population.”

Mr. Speaker, if we are to grow the economy, if we are to create jobs, more jobs for Bermudians, we do need more people here, and taxing the dwindling numbers that remain is not the solution.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

No other . . . We recognise the Honourable Member from constituency 19.

Hon. Jeanne J. Atherden: Hello—

The Speaker: Honourable Member—

Hon. Jeanne J. Atherden: —Mr. Speaker—

The Speaker: You have the floor.

Hon. Jeanne J. Atherden: I think, recognising that I did sit on the Commission I have a few observations to make. And I think I am just going to observe them in the context of the way the motion was laid. The motion said:

“WHEREAS the Honourable Members are mindful of the contents of the Report of the Tax Reform Commission 2018;

BE IT RESOLVED that this Honourable House carefully consider both the contents and the implications of the said report.”

And I think it is important that we talk about the implications, because sometimes you are busy looking at the content and you do not realise that the implications are what is going to be the operative word. Because once it is out there it is up to the Minister of Finance to decide which, if any, and how much of any of the recommendations he wants to implement. And that is why I am just going to concentrate just for a few minutes on what I believe are implications because I recognise that when the Finance Minister put together the Commission, there were some parameters that were put, and I think it is important for us here and also for Mr. and Mrs. Bermuda to understand that, you know, there were some guidelines. There were some guidelines that we had to help us address and deal with all the vexing questions that we have to ask.

And I am just, if you could allow me, Mr. Speaker, just going to observe a few things from the report. The questions that have to be considered, as it says in the report, are the following [1.2.14]:

- Are the tax measures fair? Are they simple and easily understood?
- Do all tax payers contribute their fair share to the public purse?
- Is the tax base broad and resilient enough to withstand global and local economic or other shocks to the system?

And I think, if you put that in the context of the Commission which was then directed to go and look at the tax structure, look at the Bermuda economy and to come up with some recommendations, at least you can understand when you start to read the report again how some of these things were developed.

We were very fortunate in being able to reach out to Mr. and Mrs. Bermuda, Mr. and Mrs. Business Bermuda, the ABIC, the ABIR, the retail sections, and

even encourage other people to come who were not (if you will) in what I call the established business organisations, to be able to come and talk to the issues that were important to them. We also tried to go out and have consultations with the under-35s, the young people who are out there who potentially will be impacted by this, because we do not know when the Finance Minister is going to pull the lever (and I call all these things levers), and how much of each lever he is going to pull.

The bottom line is every one of these things, although we put a number there, every one of these things is something that could be operated. And just by changing it from 5 per cent to 6 per cent or 7 per cent you can double the number and you can decide that you get rid of one potential tax and you have something else. So, I am not suggesting that the Finance Minister is going to say that a certain one of these things is going to be implemented over something else. I think we have to understand that it is a, if you will, a landscape that the Finance Minister can look at and say, *What do I want to implement?*, based on some of the other parameters that he is going to face at the time. And I say some of the other parameters because the bottom line is that it is important to understand that we have a choice.

We have what I call a consumption-based economy. Our tax system here is based on what you consume whether it be the goods that come in that are subject to duty or whether it be when you are going abroad, whether it also be the, sort of, the land tax . . . some of these things are more what I call consumption based rather than income tax.

Now, we know that in some other countries there is a mix of income tax and consumption tax. And in the past, I think we have always been able to say to ourselves that we could stand up and we could say proudly that Bermuda does not have income tax. But I think you would also have to acknowledge, although you do not have income tax, there are ways in which taxes have been collected. And in some respects, it is a form of saying [it is] tax on something that you have earned and therefore on your income.

But I think we have proudly been able to say to people abroad that do have income tax where they sit down, and they fill out [and list] everything that they own, everything that they earn, and they have dollars . . . so we have tread this fine line. And I think, Mr. Speaker, this report reminds us that the majority of developed economies have a combination of taxes on income and taxes on consumption. And all it is doing is making Bermuda and the Minister aware of different types of consumption tax, or different types of income tax, that he can decide to either increase or reduce. And as I said before, he can decide, based on what he has to achieve in terms of the amount of revenue that he has to try and find in any one year or in any one period which pieces of it [to choose].

Now, I think it is important for us to recognise that when we had the conversation in terms of the Tax Commission, and we said it right in our report, we did not get into a discussion [about] government spending, how efficient the government was on spending, and also what [amounts] of money the government needed to achieve because that is something that the Finance Minister of the day is going to have to. When he decides to introduce any of these taxes, he is going to have to say to the people of Bermuda, *I need to raise this amount of money and this is why we need to raise it.* And the people of Bermuda all the time have to be looking at the government and saying, *How efficient are you, government? What are you spending our money on? Do we feel that we are getting value for money? Are we happy then in you telling us that you are going to introduce this tax and you are going to include this one and lower this other?* So, it is still in the hands of the Finance Minister, but it is also in the hands of the people.

From the perspective of revenues, government revenues have always been raised to take care of government programmes. And always the people of Bermuda should be looking at the revenues that have been raised and how efficient and how well they have been spent. And that is why, when you talk about in the report and also in the Fiscal Responsibility Panel, you see people like . . . our Tax Commission said that we have not opined on how efficient government is or how much revenue they need to achieve. But we understood the relationship between raising revenue and spending.

And also the Fiscal Responsibility Panel said very clearly that it is important for the Government to understand that if they do not start to pay attention to the efficiencies, the government efficiencies, then they are going to have some negative knock-on effect with respect to the people of Bermuda.

We said, and I know that it has been said even more clearly, that another paramount issue is the question of the deficit of the country and the deficit and the amount of debt that we have. We had to at least recognise that it was there because if we did not recognise that it was there we would not be recognising, one, why the Commission was being given a directive to raise a certain amount of GDP—a certain amount of revenue to a certain level of GDP. But I am saying that when you are tasked to do that, you have to recognise that the other side of the lever, potentially, is to be more efficient. And then you do not have to have as much revenue.

So, I think that we know that we cannot do anything, as it says in the report, that we did not want the risk of a downgrade. And I think that the point that we want to make . . . and for me personally, I think this is something that has been very strong from my perspective. Unless you get more people on the Island, unless we start to grow the base on which the taxes are, the taxes are . . . the people that are being

taxed, then all you are doing is turning around and what you are saying is that the small base that you have there, more people have to pay more—the same number of people have to pay more in order to get the higher amount. And you know that if you do not want to do that, the bottom line says get more people and you can spread it around and everybody pays less.

And I know that very carefully. And I say this because I know that when we started to look at health that we were going along, we had a bigger base of individuals who were sharing the health expenditure, and it meant that the premiums could go down because the expenditure was spread around. It is the same principle with respect to taxes. If you can get more people in here . . . and I say more people in here by growing businesses, by having people here who can employ Bermudians. Because the bottom line is you want people to be on the Island. You want Bermudians to be employed and you want them to be paying payroll tax because they have a job as opposed to not being able to pay payroll tax, or paying payroll tax on a shrinking . . . on a shrinking revenue and therefore feeling, *how can I make ends meet?*

The Speaker: Mm-hmm.

Hon. Jeanne J. Atherden: So, we know that it is important.

So when I hear each one of us talking and saying to the Finance Minister the fact that we believe that it is important when he looks at all of this, to be reminded of the fact that these levers are just opportunities to raise revenue, but more people having . . . your tax base, if it is increased by the people that are working here, then it makes it easier and it also makes it fairer for people in Bermuda, because the other side of this, when we talked about this, was to hold the question of trying to make it fair and trying to make it equitable. And it is difficult when you start trying to go from a system that is in place to potentially look at another system. And I think if you start to look at what the Tax Commission is saying, that in some cases there has been an indication . . . if you read some of the information that is in this book, there is a suggestion that you might have one type of tax and . . . let us just say you are talking about the tax on terms of land tax, that is a tax on your property. But the other tax, which is the tax on your rental incomes . . . I heard people sort of saying that is double taxation.

Well, anything that you have as a tax, it does not matter. A tax is a tax. And if you start to say reducing one and increasing another . . . the bottom line in the end is that you are supposed to be revenue generating and some taxes, when we start talking about consumption and some taxes when you start talking about income, they potentially can go after the same item. But they are a different direction in which you are trying to look at it. You are trying to look at something that says that on the one hand it is a consump-

tion and on the other hand it is income. I think that we have to understand that.

The other concern that has been raised, and I say that because I know that from the Commission's point of view, and I also know from the perspective of the Fiscal Responsibility Panel, it does not make any sense for us to start to make suggestions about collecting tax or raising revenue if we are not able to make sure that the taxes are collected. And you see in the Commission booklet a lot of information has been put out in terms of the office of the Tax Commissioner. How is it going to be structured? How is it going to be able to make sure that they can collect these taxes? Because I have something that I say, and I say often because it is coming from my auditing days, that you have a single point of failure. And what that means is if there is something that, regardless of what you do, when it gets to that point, it fails. Then we always look around and see people making changes to systems and the point where it fails is still there in the middle. And, therefore, you have gone all around thinking you have done something really great, but the single point of failure is still in the middle, which means that you have made all sorts of changes and nothing, nothing good is going to come out of it because the failure is there. And that is why, I think, that it is important for us to understand that the office of the Tax Commissioner is very important.

Now, the suggestions are here being made effective to consolidate—consolidate departments that are collecting tax—because the bottom line is in most cases the individual, it is an individual who is there that is being taxed in many, many ways, whether it be the tax that you pay because you are having a car, or whether it is the tax that you pay with respect with being able to get a licence to have property, or the tax that you pay to be able to have an Airbnb. All of these things are forms of taxation. And when I look at it from this perspective, I do not differentiate between the types. All I say is that it is the Government of the day figuring out a way to collect money from its citizens to generate the revenues to pay for all of the expenses, all of the services that they have to offer.

And so, if you start looking at the fact that if we start focusing on individuals, then you will see that if someone keeps track of an individual and everything that they have to pay, whether it be a social insurance, your payroll tax, they keep track of all of these things they will be able to see how when people get behind, when people start to owe money to Government, and then you will start to see that it is important for us not to put in new taxes, which are either overly complex or they have difficulty with collections. Because if you generate all this money and you do not have it, then Government cannot use these monies to turn around and pay their bills or pay their staff.

So, when you started to look at the Fiscal Responsibility Panel, which I think it was fortuitous that the report was tabled just at the time when this report,

our report, was being discussed. I think we have to recognise that some of the things here we will be able to compare to what is happening in other jurisdictions, and the Finance Minister will have to make his decision on whether he believes it is appropriate or not. But I think that the bottom line that we all have to keep working towards is the fact that the amount of tax that any Finance Minister will have to raise will be directly related to the expenditure that he is having to cover. And the more efficient a Finance Minister could be, then it means the better . . . the less tax that he will have to raise and therefore by, by . . . as an automatic by-product of that then it means his citizens will have to pay less tax and be happier people.

I think that we all want to make sure that there is fairness here. And when you started to look at some of the exemptions that have been put in place, one based on information which talks about people at the lower end of the scale and making sure that if they are not able, if they are already struggling to make ends meet, then why should we add the burden. Why should we burden them? And therefore, that is why some of the exemptions have been put forward.

Also, I think there is a belief that when you start looking at fairness, you know, there are some people who sort of talk about a person's ability to pay versus a person's ability to be able to . . . pay more. And I know that we have had discussions from the point of view of health care, where it has been suggested should everybody pay the same for health care. I will put my former Health Minister hat on. I have had some people come and say, *Well, I do not want to have a government subsidy because I can pay for it. I would much prefer to have people who cannot pay it have the money.* And I think over time I actually do believe that most people in Bermuda want fairness. I think most people in Bermuda feel that they are not their brother's keeper, but they understand that if someone is genuinely working and trying to make ends meet and they are not able to, they should be able to be given some sort of benefit so that their family can be able to live properly on the Island.

We want everybody on this Island who is making a contribution to be able to say, *Well, the system works for me and at least I can feel that as long I am a contributor, then I am being treated fairly.*

So, I think, Mr. Speaker, what I want to say is the fact that I will be intrigued to see how the Finance Minister makes some decisions. And as I said going back from when I started from the beginning, the implication of this is something that is important. It is important for him and for us to understand that, as I say, all of these things are options. They are options for the Finance Minister to decide whether he is going to actually implement all or none, some of this, part of it, in greater numbers or lesser numbers, but it does come down to the fact that if you look at what the Fiscal Responsibility Panel said . . . and if you allow me, Mr. Speaker, just to say two things.

The panel said, “We would be cautious in assuming that the time frames envisioned by the TRC—essentially 18-24 months for most of the policy reforms—are realistic.” And they also made the suggestion that, and as we said before, that the office of the Tax Commissioner would need so many more staff. And the last thing, I think, which I think I have recognised and most of us probably will have to do, “[Most] of the proposals are perhaps best seen as steps towards an eventual move to a more conventional system of in-come and sales taxation.”

Now, I do not know, I mean, that is something Bermuda, as I say, we have always said that we would never have income tax. But I remember when my Leader was talking about sales taxation as being a fairer way of having people pay, paying for the tax at the time of sale. You know, as I say, if you look at these, if you look at this last statement, it just raises something very interesting from the perspective of a step towards an eventual move to a more conventional system of income and sales taxation.

So, I think, Mr. Speaker, the report is there. The contents are there, and it is the implications of this report [which are] going to be something that the Finance Minister will have to look at. And I think that Bermuda and all of us will be looking for him to come back and tell us over time which pieces he will start to use and why. But I think the bottom line is that we really do need more jobs and we need an efficient Government.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable—

[No audio: 06:46:45 – 06:46:49]

The Speaker: Honourable Member Richards, you have the floor.

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

Mr. Speaker, I am going to try and keep my comments at a 40,000 foot level because there is a lot of information in this Tax Reform Commission book, which has been passed out today. And I am sure that the members of the public who are listening and even those who are not listening tonight will be able to go through it and absorb it at their leisure.

With your indulgence, Mr. Speaker, I would like to just lay out for the listening public the nine existing taxes to be reformed and the five new taxes that are proposed so that folks can get an idea of exactly what the Tax Reform Commission came up with. And before I do that, I do want to commend the effort that has been put into this exercise. I personally know some of the individuals involved. I have had conversations with them over the last few months about their activities, the consultation process. So, I know that the folks who were involved in this, including my parlia-

mentary colleague, had the best interests of Bermuda at heart. And I just want to acknowledge their hard work and dedication because they dedicated a lot of time and effort into this.

So, there are nine existing taxes that the Commission has recommended be reformed. Those are:

1. Payroll Tax, which will eliminate the rate for person’s earning \$48,000 and under.
2. There will be a tax on owner-manager declared dividends.
3. Custom Duty. The aim will be to reduce the cost of staple food items and children’s clothing.
4. Excise Tax. The goal will be to increase the tax on wine and beer.
5. Land Tax. There would be a restructuring of the land tax.
6. Financial Services, Banks and Insurers. The goal would be to increase the tax for banks and insurance fees.
7. Foreign Currency Purchase Tax. The goal would be to increase the rate to 1.75 per cent for individuals and companies.
8. International Company Fees. The goal would be to align the fees with a company’s assessed capital.
9. Immigration Fees. The goal would be to increase fees to generate more revenue.

Now, there are five new taxes being proposed.

1. Commercial Rental Tax. This tax will be based on the annual rental value of the commercial property.
2. Residential Rental Tax. There would be a charge for that.
3. The General Services Tax would be a flat tax based on value of local services.
4. Withholding Tax for Managed Services. This would be a flat tax based on overseas services provided locally.
5. Withholding Tax for Dividend and Interest. This would be a flat tax on the value of dividends and interest.

This last one, I am going to jump ahead a bit, number five, the withholding tax for dividend and interest. Interestingly enough, it only applies to local businesses. It does not apply to exempt company business, or what is commonly known as international business. This one is problematic for me. Okay? And . . . I am just trying to find my notes, because I have written all over this booklet. But basically, because international business is exempt, local business is being treated differently from international business.

And when you have this difference, it is basically saying that Bermuda is a tax haven because you are giving a break to international business, but you are charging local businesses the tax. This is very, very problematic. And I am actually surprised that this

has not been highlighted in the Tax Reform Commission. But it is something that has been picked up on.

I am going to dive into the book. So, let us start with the premise. What are taxes for? Governments tax to fund government operations and programmes. It is a necessary function of government. Government has bills, they have payroll to pay, so people are taxed. And people pay taxes to the extent that government operations and programmes require. Governments are not in business for profit. They are there to make just enough money to fund their expenses.

My fear is that with the \$147 million that is being targeted that this money if there is—

Hon. Curtis L. Dickinson: Mr. Speaker, point of order, please.

Mr. Sylvan D. Richards, Jr.: Sure, go ahead.

The Speaker: Yield for a point of order.
Yes, Minister?

POINT OF ORDER

Curtis L. Dickinson: The \$147 million represents the aggregate on the taxes that are being proposed by the Tax Reform Commission. It does not represent the amount of new taxes that the Government may or may not decide to implement.

The Speaker: Thank you.
Member?

Mr. Sylvan D. Richards, Jr.: Point is taken.

The Speaker: Okay. Continue on then.

Mr. Sylvan D. Richards, Jr.: But the argument that I am making is that governments, regardless of what the surpluses are, have a tendency to spend the surplus. Okay? When we budget . . . departments get financing and, coming down to the end of the year, if that money has not been spent, they will find a way to spend it. That is just the way governments work. And my concern is that if these taxes are implemented and there is a surplus, will it be used to pay down the deficit? Who knows. I think that government will grow to spend that money.

Then you have to think of the effect that taxes have on the overall economy. It is a simple equation, Mr. Speaker. When you raise taxes, there is a decrease in economic activity. When you lower taxes, there is an increase in economic activity. Put another way, tax hikes dampen GDP growth. Tax cuts stimulate GDP growth.

So, we have an economy right now in Bermuda, and I have spoken on this in the House previously, that our economy appears to be slowing down for a

number of different reasons. There is no real stimulus going on in the economy right now. We have had shrinking retail sales for consecutive quarters. So my fear is that implementing tax hikes when your economy is shrinking . . . it is going to accelerate that.

Taxes are effective when they are implemented in times of growth—when the economy is strong, when jobs are being created, when there is an ability to pay. Also, it states in the book, on page 11, section 1.2.3, and I will quote, it states: “For the avoidance of doubt, the Commission has not addressed Government spending directly. This was not part of the Commission’s remit. However, due to overlap of cross-cutting issues, some of the recommendations submitted by the Commission have touched on Government expenditures.”

As far as I am concerned, this is a major flaw with the Tax Reform Commission report. And I have to assume that they were instructed to not consider government spending directly. But when I look at this report and I see that government spending is not addressed at all, it gives me concern.

Hon. Curtis L. Dickinson: Mr. Speaker, point of order.

The Speaker: I will take your point of order.

POINT OF ORDER

Hon. Curtis L. Dickinson: Page 66 of the Tax Reform Commission’s report sets out the terms of reference. There is no need to make any assumptions. Just read page 69—

The Speaker: Thank you.

Hon. Curtis L. Dickinson: —[page] 66, I am sorry.

[Inaudible interjections]

Mr. Sylvan D. Richards, Jr.: Mr. Speaker—

The Speaker: Continue on, continue on, Member.

Mr. Sylvan D. Richards, Jr.: The Tax Reform Committee recommendations, as I stated, will negatively impact GDP growth. I will reiterate. Bermuda’s economy has stalled, and I believe is in a downward trajectory. And raising taxes in the midst of a faltering economy is bad economic policy.

The Tax Reform Committee completely ignores the effects of taxes on the overall economy. The fragile state of our current economy has not been factored into the taxes that the Government will consider implementing.

Also, on page 13 of the report, section 1.2.24. It is an interesting paragraph and is very topical. And I will quote, it states, “The reasons for the exodus of

Bermudians and expatriate workers remain contentious. The central points of debate include, *inter alia*, the perception that there is a lack of suitable employment opportunities for Bermudians with qualifications and relevant skill sets, the difficulties that highly-skilled expatriate workers often experience when dealing with the Department of Immigration, mainly with respect to the work permit process and related matters, and the belief that such difficulties inhibit the free flow of 'job creators' into Bermuda."

Mr. Speaker, we have a situation where our population is shrinking. We have a low birth rate and an ageing population. I believe that until we deal with our shrinking population, having a discussion about implementing more taxation on the public is going to be a difficult one. It is kind of like putting the cart before the horse.

If Bermuda's economy was improving, I would feel more comfortable having this discussion. And I wonder, and I ask myself, are there Members on the other side who share the same concerns I have. Because, as far as I am concerned, this is not political; this is our economy and the country. And the Government would be wise to carefully, carefully consider which of these recommendations they are going to implement.

Mr. Speaker, with that being said, I will take my seat.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak? No other Honourable Member . . . Premier?

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

Mr. Speaker, it would be remiss of me, as at one time I did serve as the Minister of Finance of this country, to not speak on a report which I was responsible for piloting legislation through this House to make sure it became a reality. And as is often said in this House, Mr. Speaker, what the Progressive Labour Party promises on election platforms it delivers insofar as legislation and action inside of this House. We promised that we would create a Tax Reform Commission and we did create a Tax Reform Commission. The Tax Reform Commission was a bipartisan commission, represented by Members of both sides of the political divide to come up with and examine our system of taxation and to recommend changes to taxes.

What I find interesting, Mr. Speaker, is that the contribution which has come from that side of the aisle, as typical, are political and not looking at the actual recommendations, without recognising that there are recommendations to cut some taxes and to also increase others . . . this is about making our tax system more fair and more balanced. And the question we have to ask is whether or not there is support on both sides of the aisle for making our tax system more fair and more balanced.

What I hear, Mr. Speaker, is that there is one side, which is protecting the status quo, and there is another side which wants to change things to make sure that we lower taxes for workers, lower taxes for the low-income people, and possibly tax those persons who may be a little bit more wealthy whose income has never been subject to taxation.

An Hon. Member: Exactly.

Hon. E. David Burt: It is a very simple premise, Mr. Speaker. It is about fairness. It is about equality. And it is about recognising that we have the most regressive tax system on the planet. We are the only country where after you make a certain amount of money you stop paying taxes.

An Hon. Member: There you go.

Hon. E. David Burt: Now, I know that there are Members on that side who may make \$900,000 a year, and who may be subject to this. I understand that there are Members on this side who may have sizeable dividends coming into their pockets which heretofore have never been taxed, while the workers in their companies pay taxes on every single dime they get out of a company, Mr. Speaker. That is the unfairness we are here to address, Mr. Speaker.

Now, again, this Tax Reform Commission report has recommendations. It was a bipartisan committee. And if you look, Mr. Speaker, at the number of meetings they held, those commissioners should be thanked. They did a thorough job. They examined all of the taxes which exist. And they made recommendations only for taxes to be introduced, that existing taxes be reformed, and [they made] recommendations to enhance the system of revenue collection inside of the country, Mr. Speaker.

The purpose of bringing this motion was hopefully to hear from the House as to what they thought was a good idea, and what they thought was a bad idea. I heard contributions from some people talking about the fact that we never touched spending. Well guess what? The SAGE Commission never touched revenue either.

[Desk thumping]

Hon. E. David Burt: It was not meant to address spending.

We came to this House and we passed a Bill which set up a Tax Reform Commission, and it had a very specific mandate. We debated that mandate and now we have this particular report. And it would have been my hope that we would have heard a little bit more about what we like and what we do not like. However, we will go ahead, the Minister of Finance when he is putting together the Budget will consult, I am assuming, through the pre-budget process, and

there will be a signalling as to which recommendations will be accepted and which will not.

Now, here is what I will say, Mr. Speaker. And this is just me, because I am like everyone else and I will express my opinion on the report, as this is the debate on the report. The premise of the report is sound, to make our system of taxation more fair. Whether or not I think we need to go from 17 per cent revenue collection up to 20 per cent revenue collection of GDP, is debatable. I believe that there may be some more revenue that is needed. But I also believe that there are spaces for reduction in taxes that can happen. And so, when we have a report which basically says that we are going to eliminate taxes on the first \$48,000 of income from labour, I think that is a good idea. And I would have hoped that this would have had support from both sides of the aisle.

At the same point in time when we are looking at making sure that those who own more and have additional revenue have the opportunity to pay more, then I think that is also something we should also look at.

Now, I know that there are certain things which may be controversial, Mr. Speaker. But let me tell you a story and it rather surprised me. It was about a year ago, I was at KPMG, I believe it was. And there was actually a discussion about taxes. And I think this was before the last Budget when I was the Minister of Finance and there was this entire debate over the professional services tax, and what the professional services tax would look like. And we have to remember that the new form of taxes on local drawings from owner-managed companies, which the Honourable Member for constituency 22 is always talking about, is something that came out of the discussions with the local law firms . . . sorry, with the local accounting firms. And at that meeting, one of the things which they said, which I thought was interesting, was it is very interesting that in Bermuda, as in other countries, there is not a tax on rental income. And they said that this was something that was common in many other places.

Now, Mr. Speaker, I recognise entirely that this is controversial. And I recognise entirely that the last thing I want to be doing is taxing the people of constituency 18 who have an apartment or two behind their house and are now going to say they don't want to be taxed. But guess what? This recommendation does not contain that. This recommendation contains a recommendation for a tax that is over \$90,000 ARV . So, if you have a collective ARV that is over that amount, that means that you have a property, or a collection of properties, that is over \$2 million. Now, most people in this country do not have properties that are over \$2 million, Mr. Speaker.

[Inaudible interjection]

Hon. E. David Burt: I am just saying, most people do not.

But this is a question of what is right and what is fair. Because when we hear the conversations from Honourable Members talking about the things which need to be done, talking about the facts of the investments which need to be made, we have to balance the need to freeze spending at current levels, which the Government pledged to do, and which we are on track to do, and also make sure that we can make our taxation system more fair to encourage additional employment in Bermuda.

Now, as the Junior Minister of Finance said, one of the things that this Government has always stated is that payroll taxes are an inhibitor to job growth. And, therefore, this is recommending an overall reduction in the yield from payroll taxes. That is something that is positive, Mr. Speaker. That is something that will return money to many people's pockets. And I hope that it is something that can be supported across the board. In addition, certain reductions to things such as custom duties and others are things which I think would be supported across the board. At the same time, some types of new taxes or revisions of taxes, which could mean that those persons who can afford to pay more actually are paying more, are also things that we would hope would be accepted by both sides of the aisle.

But the reason I got up today, Mr. Speaker, was not to talk to specifics. The reason I got up today was to thank the seven commissioners who spent an awful amount of time carrying out their mandate. This report is a quality report. It has a lot of food for thought. It has a lot of items that should be digested by both sides of the House. And I look forward to February, understanding what the Minister of Finance will put forward for the changes which are necessary. Yes, we need to make our tax system more fair; yes, we need to reduce taxes in certain places. And if you reduce taxes in some places you need to make up for that shortfall in others.

There are some persons who are saying, and seemingly forget, that the One Bermuda Alliance doubled taxes on energy.

Some Hon. Members: Aah!

Hon. E. David Burt: Some people forget.

Energy taxes doubled. So now we talk about high energy costs. So, if we reduce the amount of taxes paid on energy, then you have to make up that revenue somewhere else. And the question is, where? And if you are unable to stand up and at least say one of the proposals you support on that side, and just go with a simple political pabulum of saying, *Oh, well, you know increase in taxes and this, that and all the rest, economy here, there and there*, you are not contributing to the debate, Mr. Speaker. The fact is that our tax system must be reformed, this Parliament

passed an Act to reform the tax system to set up a commission to examine it. They came back with a detailed report on a number of options that can be considered. And the very expectation I would have is that at least something will come . . . maybe the former Leader of the Opposition, who was a member of the commission will actually speak on it, and tell us her thoughts so we can hear—

[Inaudible interjection]

Hon. E. David Burt: Oh, she did. Okay. That means I was missing.

An Hon. Member: She did a great job.

Hon. E. David Burt: Oh, she did?

Some Hon. Members: Yes.

An Hon. Member: She was conciliatory.

[Inaudible interjections]

Hon. E. David Burt: Oh, she was conciliatory.

[Inaudible interjection]

Hon. E. David Burt: I hope the other Members on her side that I heard were just as conciliatory.

[Inaudible interjections]

Some Hon. Members: We were.

The Speaker: Premier, direct your comments this way. You may get yourself out of trouble. How's that?

[Inaudible interjections]

The Speaker: Direct them this way. Come this way.

Hon. E. David Burt: Mr. Speaker, the Opposition Leader says he does not know what I am talking about. I will remind him.

I will remind him of the comments that I heard from numerous Members on that side talking about the fact that taxes are too high, how the economy is in bad shape, how X, Y, and Z and all the rest, and talking about spending and different things, as opposed to focusing on exactly what was exactly inside of this particular report. And if we want to talk about spending, Mr. Speaker, I shall remind the Members opposite that we inherited additional spending that was unbudgeted from that side, and we beat their budget targets. That is what happened last year.

[Desk thumping]

Hon. E. David Burt: So, our record is clear. We understand precisely what it is that we have to do. There is a reason why the Minister of Finance and I can go to Wall Street and get a tighter spread than the former Government got on raising money. And that is because there is a reason why we can have independent assessments that will upgrade our economic outlook for the first time in 12 years, Mr. Speaker. Because they understand, with our commitment to economic diversification, with our commitment to reducing taxes on employment, and on our commitment to making sure that our economy is more fair, that we are on the right track, Mr. Speaker.

So, with that, I want to thank the members of the commission. The seven of them took an incredible amount of time. It was not volunteer work, of course, but it was an incredible amount of time and energy which they put into this report, and I am thankful for their contribution. I am happy that they took the task on with fervour and made sure they came up with a very meaty set of recommendations of which we can consider in order to make our taxes more fair.

We promised a fairer and better Bermuda, Mr. Speaker. And there are a lot of recommendations inside of this particular report which can lead us to the fairer and better Bermuda. And for that I am grateful. Thank you, Mr. Speaker.

[Desk thumping]

The Speaker: Thank you, Mr. Premier.

Does any other Honourable Member wish to speak? No, Honourable Member wishes to speak? That brings this matter to a close.

[The House took note of the Report of the Tax Reform Commission 2018.]

The Speaker: We now move . . . no, no, it's a take note.

[Inaudible interjections]

The Speaker: It's a take note.

We now move on. I understand that the other three matters on the Order Paper are being carried over. So, we are now down to the third readings.

Ministers, would you like to do your third readings?

Hon. Curtis L. Dickinson: Mr. Speaker, I have three items, shall I do them consecutively?

The Speaker: Yes.

SUSPENSION OF STANDING ORDER 21

Hon. Curtis L. Dickinson: I move that Standing Order 21 be suspended to enable me to move the Bill

entitled Investment Funds Amendment Act 2018 to be now read a third time by its title only.

The Speaker: Any objections?
No objections. Continue.

[Motion carried: Standing Order 21 suspended.]

BILL

THIRD READING

INVESTMENT FUNDS AMENDMENT ACT 2018

Hon. Curtis L. Dickinson: I move that the Bill be now read a third time by its title only and passed.

The Speaker: Any objections?
No objections. Passed.

[Motion carried: The Investment Funds Amendment Act 2018 was read a third time and passed.]

The Speaker: Continue to the next one.

SUSPENSION OF STANDING ORDER 21

Hon. Curtis L. Dickinson: Mr. Speaker, I move that Standing Order 21 be suspended to enable me to move the Bill entitled Bermuda Monetary Authority Amendment (No. 3) Act 2018 to be now read a third time by its title only.

The Speaker: Any objections?
No objections. Continue.

[Motion carried: Standing Order 21 suspended.]

BILL

THIRD READING

BERMUDA MONETARY AUTHORITY AMENDMENT (NO. 3) ACT 2018

Hon. Curtis L. Dickinson: I move that the Bill be now read a third time by its title only and passed.

The Speaker: Any objections?
No objections. So passed.

[Motion carried: The Bermuda Monetary Authority Amendment (No. 3) Act 2018 was read a third time and passed.]

The Speaker: Continue with your next one.

SUSPENSION OF STANDING ORDER 21

Hon. Curtis L. Dickinson: Mr. Speaker, I move that Standing Order 21 be suspended to enable me to move the Bill entitled Insurance Amendment Act 2018 to be now read a third time by its title only.

The Speaker: Any objections?
No objections. Continue.

[Motion carried: Standing Order 21 suspended.]

BILL

THIRD READING

INSURANCE AMENDMENT ACT 2018

Hon. Curtis L. Dickinson: I move that the Bill be now read a third time by its title only and passed.

The Speaker: Are there any objections?
No objections. Said matter has passed.

[Motion carried: The Insurance Amendment Act 2018 was read a third time and passed.]

The Speaker: Minister of Health.

Hon. Walter H. Roban: Mr. Speaker, on behalf of the Minister of Health—

The Speaker: Yes.

SUSPENSION OF STANDING ORDER 21

Hon. Walter H. Roban: I move that Standing Order 21 be suspended to enable me to move that the Bill entitled the Chief Medical Officer (Transfer of Functions and Validation) Act 2018 be now read a third time by its title only.

The Speaker: Any objections?
No objections. Continue.

[Motion carried: Standing Order 21 suspended.]

BILL

THIRD READING

CHIEF MEDICAL OFFICER (TRANSFER OF FUNCTIONS AND VALIDATION) ACT 2018

Hon. Walter H. Roban: I move that the Bill be now read a third time by its title only and passed.

The Speaker: Any objections?

No objections. It is now passed.

[Motion carried: The Chief Medical Officer (Transfer of Functions and Validation) Act 2018 was read a third time and passed.]

SUSPENSION OF STANDING ORDER 21

Hon. Walter H. Roban: I move that Standing Order 21 be suspended to enable me to move that the Bill entitled the Allied Health Professions Act 2018 be now read a third time by its title only.

The Speaker: Any objections?
No objections. Continue, Minister.

[Motion carried: Standing Order 21 suspended.]

BILL

THIRD READING

ALLIED HEALTH PROFESSIONS ACT 2018

Hon. Walter H. Roban: I move that the Bill be now read a third time by its title only and passed.

The Speaker: Any objections?
No objections. The Bill is now passed.

[Motion carried: The Allied Health Professions Act 2018 was read a third time and passed.]

The Speaker: Mr. Premier.

ADJOURNMENT

Hon. E. David Burt: Good evening, Mr. Speaker.
I move that the House do now adjourn until Friday, December 14th.

The Speaker: December 14th.
Does any Honourable Member wish to speak to that?
Deputy, would you . . . Deputy, I thought you were backing out to leave that time.

Hon. Derrick V. Burgess, Sr.: Well I—

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

Hon. Derrick V. Burgess, Sr.: I would think after I speak everybody would want to go home.

[Laughter]

DOCKYARD PREFAB HOUSES—REBUTTAL BY MP MONIZ TO MINISTERIAL STATEMENT

Hon. Derrick V. Burgess, Sr.: Mr. Speaker, this morning we had a [Personal] Explanation based on a Statement the Minister of Public Works and Engineering made two weeks ago. In the [Personal Explanation] it says that the former Government saved the public \$11 million by not building the 100 houses that we had contracted to build for \$36 million, and, consequently, only 20 houses were built for \$25 million. Mr. Speaker, that is \$1.25 million per unit for apartments that are roughly around 1,200 square feet.

Mr. Speaker, what really surprises me is that the Auditor General made no comment (and I have made this statement already) on this. And, you know, they come under the authority of Government House. And based on these are facts that they spent \$25 million on 20 units. But Government House can order an investigation into a former Premier of this country based on an allegation, an investigation that has been [going on for] over eight years, and has cost the taxpayers millions of dollars, but [no investigation on the] 20 units—that were originally priced to cost \$360,000—that ended up costing \$1.25 million per unit.

An Hon. Member: Unbelievable.

Hon. Derrick V. Burgess, Sr.: In the Statement that the former Minister of the OBA made at the time for the OBA Government, it said nothing about the cost, what it actually cost to build those 20 units, Mr. Speaker. And that is what I find quite amazing, that the former Minister at that time from the OBA Government wanted us to accept that it is okay to build 20 units for \$25 million and then make a statement that he saved the taxpayers \$11 million. It makes no sense.

If we were going to build 100 for \$36 million and we end up building 20 for \$25 million, . . . that is not a savings. Anybody that can count from one to ten will understand that, Mr. Speaker.

So, Mr. Speaker, the [Personal Explanation] this morning even called for the Honourable Minister Burch to apologise—apologise for giving facts to the people of this country. How can you apologise when you are giving the facts, that you built 20 for this amount of money? There is no apology necessary here, Mr. Speaker.

The apology really should have come from the [Personal Explanation] that was delivered this morning, because we have not been told . . . he has not said . . . nothing has been addressed in this [explanation] why the Government of the day spent \$25 million to build 20 units, Mr. Speaker. But I guess that is what we see in Bermuda. The Two Bermudas.

The Two Bermudas which is endorsed by Government House, that one segment of the country

can do what they like, and this is fine. And when it is the PLP we would do special audits and investigations and everything we can. It makes no sense. That is consistent with Government House, Mr. Speaker.

If you look at the history—

Hon. Michael H. Dunkley: Point of order, Mr. Speaker.

The Speaker: What is your point of order?

POINT OF ORDER

[Standing Order 19(11)(g) and (h)]

Hon. Michael H. Dunkley: Mr. Speaker, as it was last week and again this week, I believe the Honourable Member is contravening Standing Order 19[(11)](g) and (h), in regard to referring to another place.

Hon. Derrick V. Burgess, Sr.: Mr. Speaker, I am not contravening the . . . if you read it you will see that—

The Speaker: One second, one second.

Hon. Derrick V. Burgess, Sr.: I'm sorry.

The Speaker: We have to be guided, and not refer to the individual as in case . . . walking a close line by referring to the house, but not the individual. So I am guided. I am watching it real closely.

Hon. Derrick V. Burgess, Sr.: I know that rule very well, Mr. Dunkley. And I have not called any names. If you want me to say the occupant of the largest house on Langton Hill I can say that too.

The Speaker: Don't refer to the individual.

Hon. Derrick V. Burgess, Sr.: Right. I will not refer to the individual, because the individual there now is not the only culprit.

So, Mr. Speaker, I would . . . I am still wondering why no statement has been made by the Auditor General on this here. It's acceptable for this type of money to be spent, and they say nothing? I mean, these are facts; these are not allegations. This is \$25 million to build 20 houses, precast. Really, I thought \$360[,000] per unit was very high for precast concrete. You just put them together, it's pretty quick. Concrete roofs. That's a lot of heat; a lot of heat, Mr. Speaker. But anyhow, that is what was agreed to, so I cannot criticise that. I will not. But it is my personal opinion that it was too expensive from the start.

Obviously, \$1.25 million is expensive, but certainly acceptable by the Auditor General and the boss of the Auditor General. It is acceptable by them. So, Mr. Speaker, I find that to be something that we should not accept. And I hope that we will get to the

bottom of this and find out how did they spend this \$25 million. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak? No other Honourable Member?

I will take the Honourable Member from constituency 11.

Mr. Christopher Famous: Good evening, Mr. Speaker.

The Speaker: Good evening.

OBA —TAX AND SPEND GOVERNMENT

Mr. Christopher Famous: Good evening colleagues, and good evening Bermuda.

Mr. Speaker, it is kind of fortuitous *[sic]* . . . is that a word, "fortuitous"?

[Inaudible interjections]

Some Hon. Members: "Fortuitous" . . . for-tuit-ous.

[Laughter]

Mr. Christopher Famous: Fortuitous—

The Speaker: Speak to the Chair.

Mr. Christopher Famous: Fortuitous, that tonight's biggest discussion was about tax, because my talk tonight is about tax.

Mr. Speaker—

The Speaker: Now, you do not want to go back over a debate that has been concluded, you know.

Mr. Christopher Famous: No, no, no—

The Speaker: You could have participated then, so just watch which line you take.

Mr. Christopher Famous: Oh no, let's be clear. I am not talking about that. I am talking about some other tax.

The Speaker: Okay.

Mr. Christopher Famous: Mr. Speaker, have you ever heard of robbing Peter to pay Paul? Well, let's talk about people who have robbed Peter and they have robbed Paul.

An Hon. Member: Double robbery.

Mr. Christopher Famous: Exactly. Double robbery. Triple, even.

In July 2013, the OBA began a programme called . . . in conjunction with the BTUC [Bermuda Trade Union Congress], began a programme called “furlough days” where they cut 4.6 per cent of all public sector workers’ pay. That equated to \$1.75 million per month. That equated to \$21 million per year. That lasted from July 2013 until May 2015. So, in totality it was 20 months at \$1.75 million. That will be \$35 million, approximately, that they took from the public sector workers.

They got kind of addicted to that money, because they were like, *Oh, all this extra money coming in*. Was it not? A penny saved is a penny earned, right? They got so addicted, Mr. Speaker, that in January 2015 the then Finance Minister said, *Hey, you’re going to keep giving us money*.

And the workers said, *No, we ain’t*.

And he said, *Yes, you are*.

Do you know what the workers did? Five thousand government public sector workers marched on the OBA for three days.

[Inaudible interjection]

Mr. Christopher Famous: Oh, you remember now?

You forgot which protest? Let me help you out. January 2015.

[Inaudible interjections]

The Speaker: Speak to the Chair.

[Inaudible interjections]

Mr. Christopher Famous: You want to take a point of order?

The Speaker: Speak to the Chair, speak to the Chair. Member, Member, speak to the Chair.

[General uproar]

Mr. Christopher Famous: Do you want to take a point of order?

The Speaker: Speak to the Chair; don’t get caught up in side conversations.

Mr. Christopher Famous: Anyway, Mr. Speaker, there were—

[Inaudible interjection]

Mr. Christopher Famous: There were—

[Inaudible interjections]

The Speaker: Members! Members!

Mr. Famous, if you would you like to keep your status on your feet, talk to me. If you don’t you can sit down.

Mr. Christopher Famous: Mr. Speaker, I am speaking to you.

The Speaker: Well, let me hear you.

Mr. Christopher Famous: There were 5,000 government workers surrounding Cabinet office for three days, until the OBA had to back off, they had to back down from saying, *We’re going to take your money*.

So—

Hon. Michael H. Dunkley: Point of order, Mr. Speaker.

The Speaker: May I have the point of order?

POINT OF ORDER

[Misleading]

Hon. Michael H. Dunkley: Mr. Speaker, the Honourable Member is misleading the House. The facts of the matter are that agreement was between the Government and the unions. Once it expired it could not be moved forward unless both parties agreed. Those are the facts.

The Speaker: Thank you.

Mr. Christopher Famous: Mr. Speaker, so why was there a protest?

[Inaudible interjection]

Mr. Christopher Famous: Okay. Okay.

So, they had to say, *Where are we going to get this money from? Hmm, who can we tax now?* And do you know what they did? In the Budget of 2015 they decided to tax BELCO.

Yes, BELCO, where I work. So I know.

So, they increased the taxes on every drop of fuel that came into this Island that powered up this Island. Every drop. In 2015, BELCO paid \$15 million in government taxes. Correct?

Then, they increased it to . . . in 2016, BELCO paid \$23 million in taxes. That was not enough for them. In the time when sales were going down, because of less consumption, they taxed BELCO more. So in 2017, BELCO was forced to pay \$31 million in taxes. Doubled!

And you know what happened, Mr. Speaker? Every house in this Island had to pay more. Every house, every store in this Island had to pay more. Every wholesaler had to pay more. Every grocer had to pay more. So you know what that meant? Every

citizen in this country had to pay more because the OBA doubled the tax on BELCO.

It did not stop there, Mr. Speaker. It did not stop there. You see, Mr. Speaker, I work at BELCO. I have been there for 25 years. And when their taxes started doubling, BELCO started saying, *How can we cut our costs?*

So, you know what they did?

[Inaudible interjections]

Mr. Christopher Famous: But you doubled the taxes.

The Speaker: Speak to the Chair!

Mr. Christopher Famous: They looked at the workforce.

The Speaker: Speak to the Chair.

Mr. Christopher Famous: For the first time ever, BELCO workers were faced with redundancies.

The Speaker: Yes.

Mr. Christopher Famous: Forced redundancies!

An Hon. Member: Hmmm.

[Inaudible interjections]

Mr. Christopher Famous: Mr. Speaker, the same people who claimed that they were going to create jobs cost people jobs at BELCO! People who had been there for 20 years lost their jobs! People who had their careers lined up at BELCO. There is no other BELCO around here for people to say, *Well, I am a power engineer, so let me go work there.* No! But they are going to say, *We save jobs.*

Mr. Speaker, let me go a little further. In the 2018 OBA Throne Speech Reply, they wrote, and I quote, "It was the OBA that tackled rising energy costs." How could you write something like that when you doubled energy costs? How could you? Totally false. Totally untrue. In parliamentary language, *totally misleading.* And, in unparliamentary language, lies, lies, lies!

The Speaker: Let's keep it parliamentary.

Mr. Christopher Famous: Do you know how this has been proven to be true? Last week, Friday, there was an interview right outside of this Chamber by ZBM's Gary Moreno. He asked the then Premier, the Honourable Michael Dunkley from constituency 10, *So why did you increase these costs?*

And I quote Mr. Speaker, *It [the taxes] was put up on BELCO. It will have an effect on every consumer.*

Cold and callously, like people do not matter. People's jobs being lost did not matter. How could you write in one thing saying you tackled energy costs, and two weeks later say on television, *Well, we put up the taxes.* They contradict each other. It goes back to what I said a few weeks ago. Remember that word? The word is called . . . do you remember, Honourable Member?

The Speaker: Speak to the Chair. Speak to the Chair.

Mr. Christopher Famous: Okay.

The Speaker: Your conversation is supposed to flow this way.

[Inaudible interjection]

Mr. Christopher Famous: That is it. Situational ethics.

[Inaudible interjections]

The Speaker: Let the conversation flow this way.

Mr. Christopher Famous: No, the word I was looking for is "credibility," Mr. Speaker. No credibility. You cannot write that you lowered energy costs, and in truth, you raised the taxes on energy costs. No credibility. So, you know what, Mr. Speaker? We have a pattern here. Robbing Peter, robbing Paul, tax and spend Government.

Let me reiterate, Mr. Speaker. The OBA got in conjunction with the unions, \$35 million dollars from furlough days, \$35—I want you all to write this down—\$35 million from furlough days. They got an increase of \$22 million from BELCO—\$22 million! In totality, that is roughly about \$57 million. So, we ask ourselves, we hear all day about, *Well, you should not tax the people, that slows the economy. Oh, it does this. Oh, it does that.* But you all did it yourselves.

Some Hon. Members: Hmmm.

Mr. Christopher Famous: You all did it yourselves.

[Inaudible interjections]

Mr. Christopher Famous: So, all of this hyperbole during the day, Mr. Speaker, all of that has low credibility.

[Inaudible interjections]

Mr. Christopher Famous: All of that amounts to nothing. Because when you tax people, when you cause groceries to go up, when you cause seniors not to be able to buy Paw Paws—

[Laughter]

Mr. Christopher Famous: —that is because of your taxes. All that tax you collected, not one dollar went to the seniors. [Except at] the end of your term when you were desperate for votes. Correct me if I am wrong. Zero, zero, zero, zero, given to seniors. Took it all! And where did the money go, Mr. Speaker?

Some Hon. Members: Where did the money go?

Mr. Christopher Famous: Where did the money go? Follow the money, Mr. Speaker! Fifty-seven million dollars in taxes from the workers, the Government public service workers, and \$22 million from BELCO. Where did that money go? It did not go to seniors. It did not go to the schools—

An Hon. Member: No.

Mr. Christopher Famous: —that you are all now suddenly concerned about. None of that went to the schools. Where did that money go?

[Inaudible interjections]

Mr. Christopher Famous: It did not go to those houses up at Dockyard.

Some Hon. Members: No.

Mr. Christopher Famous: Where did the money go? The money went up Dockyard, but not to the houses. I want somebody to point of order me and say, *That is not where the money went.*

An Hon. Member: That is not where the money went.

Mr. Christopher Famous: I am waiting for the point of order.

The Speaker: Talk to the Chair.

[Inaudible interjections]

Mr. Christopher Famous: Mr. Speaker, I am going to close with this Exhibit A. This is where we were before the OBA decided to rob BELCO. This is where we are afterward. Double the taxes on BELCO.

An Hon. Member: And I assume you have dropped.

Mr. Christopher Famous: I put it in red just for you, Honourable Member.

So, Mr. Speaker, the \$57 million that they taxed went one place—America's Cup.

I am finished, Mr. Speaker.

The Speaker: Thank you. Does any other Honourable Member wish to speak?

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

OBA SUPPORT FOR TAX REFORM

Hon. L. Craig Cannonier: Thank you, Mr. Speaker. Now, I am going to start off by saying this here: You know, I have been trying to be a good boy, Mr. Speaker.

The Speaker: Continue trying.

Hon. L. Craig Cannonier: I have been trying *real* hard, Mr. Speaker.

The Speaker: Continue trying. Do not let anyone break you off that.

Hon. L. Craig Cannonier: Christmas is coming, I have been trying to be a good boy, you know. And we keep hearing, you know, *Well don't throw stones if you live in a glass house.* And, you know, *I want to just be a little political here,* as we start out in some of our debates. And then I hear the Member who just sat down in his seat talking about taxes and his concern with BELCO.

Well, I can recall many conversations, Mr. Speaker, with Ascendant Group. And the biggest issue with Ascendant Group was that it was taking its profits from BELCO and putting them into other businesses. And the conversation was, *You need to be putting it back into BELCO. That is where you need to be putting the profits.*

So, if he has an issue with BELCO, he needs to go to the Ascendant Group, go to that board and ask them exactly what they were doing. Because those profits were going into other businesses that BELCO was making.

An Hon. Member: Your lights are going to go off.

[Laughter]

Hon. L. Craig Cannonier: That BELCO was making. Yes, I have got a generator.

[Laughter]

Hon. L. Craig Cannonier: I have got a generator.

[Laughter and desk thumping]

An Hon. Member: Whoa!

Hon. L. Craig Cannonier: Because if the Honourable Member is looking at my house, and knowing where it is, I know that switch will get switched real quick!

[Laughter]

Hon. L. Craig Cannonier: But what he needs to do is turn out the lights on Ascendant Group—

Some Hon. Members: Uh-oh. Uh-oh.

An Hon. Member: Yes.

Hon. L. Craig Cannonier: —because of the profits that they have been making, and squandering them somewhere else, rather than putting it back into that man right there!

[Desk thumping]

Hon. L. Craig Cannonier: So, when he gets up, [he should] do his homework!

And the fact that taxes had to go up when we became Government . . . let me remind Bermuda what we inherited in 2012! DEBT! DEBT! DEBT! And we could not even pay civil servants. So, when this Honourable Member gets up he needs to think about what he is saying, just like we have heard about education—act before you start talking!

An Hon. Member: Ouch!

Hon. L. Craig Cannonier: Act! Do something about it! No one wants to hear about yesterday. People are concerned about here and right now. That is why I supported this reform thing, because if we can get somewhere, let's do it!

But how many times do I have to remind this Honourable House of the debt that we inherited?

I am glad to see the Honourable Premier coming in here to hear this here. The debt that we inherited—

[Inaudible interjections]

An Hon. Member: Half of what we inherited.

Hon. L. Craig Cannonier: —and in four . . . Listen, they inherited . . . they inherited a Government, Mr. Speaker, of \$160 million in debt and put it over \$1.5 billion over! Okay? And so, when we became Government, it would have been easy to try and handle that, but it takes billions to take care of billions. Oh, yes!

[Inaudible interjections]

Hon. L. Craig Cannonier: Oh, yes! This is no excuse. But when you cannot pay civil servants, something has got to happen! That is what they have inherited. An economy that was turning around.

An Hon. Member: Hmmm.

Hon. L. Craig Cannonier: That is what they have inherited. So, I glory in the spirit at the opportunities that they do have.

DOCKYARD PREFAB HOUSES—REBUTTAL BY MP MONIZ TO MINISTERIAL STATEMENT

Hon. L. Craig Cannonier: So, let us switch off from that and let us talk about why the Honourable Member . . . he is not here in his seat right now—

An Hon. Member: He never is.

[Laughter]

Hon. L. Craig Cannonier: —Moniz.

That is all right. But I am glad that *you* are in your seat right now.

An Hon. Member: Oh, don't you worry. I am going to—

Hon. L. Craig Cannonier: I am glad you are in your seat.

The Speaker: Members! Members! Only one person talking!

Hon. L. Craig Cannonier: So, you know, we—

The Speaker: Just one Member talking!

Hon. L. Craig Cannonier: —want to go on about these hundred units—

The Speaker: Speak to me.

Hon. L. Craig Cannonier: —and the Honourable Member—

The Speaker: Speak to me.

Hon. L. Craig Cannonier: —was asking for an apology, because it was said that not even a whimper was said or a statement made about those units—which is untrue. That is why the apology was being asked for.

And so, we heard the Honourable Minister get up and say that he wants to know what was going on. Well, I am encouraging this Minister . . . after he made his statement, by now he should know what was going on up there. I, too, want to know what was going on. Why in the world . . . and who negotiated that price? I have got a feeling who it was; but I want him to find out who negotiated that price. Because it was negotiated.

They flew away, they negotiated . . . and I want to know, Mr. Speaker. The contractor who had that project subcontracted a Bermudian to build those units. He also was given, without even a contract be-

ing signed, a multimillion-dollar project to fill that land-fill up there. Nothing was signed! But guess what happened Mr. Speaker?

An Hon. Member: Hmmm.

Hon. L. Craig Cannonier: Because the then Government went ahead and allowed this man to start working on Cross Island without a contract—no contract—he sued the OBA Government. Because when PLP was Government they went ahead and started paying him to get work done without a contract.

So, I am saying, investigate it. I want you to go and look at why and what was spent. Because I know that the same contractor, Mr. Speaker—

Hon. Derrick V. Burgess, Sr.: Point of order, Mr. Speaker. Point of order, Mr. Speaker.

The Speaker: I will take your point of order.

POINT OF ORDER

[Misleading]

Hon. Derrick V. Burgess, Sr.: I think the Honourable Member is misleading the House. Cross Island or whatever you call it, land reclamation, did not start under the PLP Government.

[Inaudible interjections]

The Speaker: Speak to the Chair.

Hon. L. Craig Cannonier: Mr. Speaker—

The Speaker: Continue.

Hon. L. Craig Cannonier: —what I said was they contracted the gentleman who was doing the apartments, those hundred units. They also took him on to do Cross Island development. They took him on.

An Hon. Member: Who is “they”?

Hon. L. Craig Cannonier: So, I do not know what he is talking about. All he has to do is go . . . I am not naming the name of the company. . .

Hon. Derrick V. Burgess, Sr.: Point of order, Mr. Speaker.

[Inaudible interjections and laughter]

POINT OF ORDER

Hon. Derrick V. Burgess, Sr.: Two things: You cannot refer to Members like that, *He doesn't know what he is talking about*. You cannot refer to Members like

that up here. And number two, the project did not start under the Progressive Labour Party Government.

Hon. L. Craig Cannonier: Cross Island?

Hon. Derrick V. Burgess, Sr.: No, it didn't.

Hon. L. Craig Cannonier: We are not talking about who it started under; we are talking about who gave the contracts, and under which Government the contracts were given.

An Hon. Member: Exactly.

Hon. L. Craig Cannonier: Under which Government the contracts were given.

So, all I am saying is . . . you are saying, *What are we talking about?* Why don't you find out? Your Minister is supposed to find out. Find out. I am saying have a full investigation on what took place up there, and I guarantee you this, Mr. Speaker, eyes will open.

An Hon. Member: Why didn't you order it?

[Inaudible interjections and laughter]

Hon. L. Craig Cannonier: Eyes will open. Okay?

The Speaker: Members. Members. Members! I need to hear one voice!

Hon. L. Craig Cannonier: Eyes will open!

The Speaker: One voice!

Hon. L. Craig Cannonier: Eyes will open, Mr. Speaker.

[Inaudible interjections]

Hon. L. Craig Cannonier: Because, I . . . you know, we understand it did not cost that much to build them. That is what we are hearing. That is why I am saying it is important to have an investigation, because we are hearing that they did not cost that much, so I would like to know where that money went as well.

[Inaudible interjections and laughter]

Hon. L. Craig Cannonier: I would like to know where that money went as well I, Mr. Speaker.

So, you know, we can get exercise, or we are going back and forth, you know. And the Honourable Member is calling for . . . he wants to understand and know what was going on. Yes . . . well, we all want to know what is going on. I can go back to many projects, Mr. Speaker, that we all want to know what was going on about. Certainly, Mr. Speaker!

And we are talking about dollar values—we have a Grand Atlantic that is still empty today. How much interest are we paying on that? Still today completely empty! I understand it was hundreds of people who applied!

[Inaudible interjections]

Hon. L. Craig Cannonier: Hundreds of people who applied! And wonderful, thanks to us!

Hey, you know what? This is amazing. You build a unit, and you cannot sell it, and you blame someone else because you cannot sell it.

[Laughter]

Hon. L. Craig Cannonier: You blame someone else because you cannot sell it.

[Inaudible interjections and laughter]

The Speaker: All right, Members! Members!

Hon. L. Craig Cannonier: You took on the responsibility to have a concert and because—

The Speaker: Members!

Hon. L. Craig Cannonier: —no one showed up, you blame everyone else!

What is wrong with your campaign? What is wrong with your campaign team?

An Hon. Member: Wow!

Hon. L. Craig Cannonier: Come on, now!

An Hon. Member: You are blaming it on PR.

[Inaudible interjections]

Hon. L. Craig Cannonier: And units that cost over \$400-and-some dollars a square foot, if I take a look at the numbers. Back then, 12 years ago or whenever it was done, construction costs per square foot were way below that. Concessions were given, and this was low-cost housing. And to this day we do not have anyone in those units. I would venture to think that when they went for financing it did not pan out. It just did not pan out.

So, sure, we should take a look at these things. But I do know that the interests of this country have always been to heart, when we were Opposition and when we were Government.

An Hon. Member: And when you were on a private jet plane.

Hon. L. Craig Cannonier: And so, absolutely—

Mr. W. Lawrence Scott: Point of order, Mr. Speaker.

Hon. L. Craig Cannonier: Interesting that he brings up . . . interesting that he brings up a private jet.—

Mr. W. Lawrence Scott: Point of order, Mr. Speaker.

Hon. L. Craig Cannonier: We are going to get to that.

The Speaker: Point of order.

POINT OF ORDER

[Misleading]

Mr. W. Lawrence Scott: Yes. The Honourable Member is misleading the House when he is talking about Grand Atlantic, because under the PLP they had numerous Members and numerous families that were lined up ready to buy those units, because the PLP had organised 100 per cent financing. I do know this because it is in my constituency.

Hon. Michael H. Dunkley: So, what happened?

Mr. W. Lawrence Scott: *And what happened?* The Honourable Member Michael Dunkley asked what happened. The OBA, the Member from WEDCO was saying that it was going to fall into the ocean.

Hon. L. Craig Cannonier: Oh, yes.

Mr. W. Lawrence Scott: And then what happened is that after that the OBA took over in 2012 and cut the funding, and made it unattractive for anyone to live in there until—

[Inaudible interjections]

Mr. W. Lawrence Scott: —until, until America's Cup came. And then they used it for America's Cup.

[Inaudible interjections]

The Speaker: Member! All right. Thank you. Come on.

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

You know what? I heard a saying the other day from a PLP member who said, *Stay woke. Bermuda—stay woke.* Okay? Okay? We heard that here, in this House being said. I want to make sure that Bermuda is awake on every issue that is going down. I am not afraid to stand behind where we are.

[Inaudible interjections]

Hon. L. Craig Cannonier: Yes, I heard the Honourable Member, and this is the one, this is the Honourable Member interpolating that built the units that we

cannot still to this day fix! So, I hope on the second time around that he fixes it. I hope he fixes it. That is what he is there for. Fix the problem that you created in the first place, you know, and then we are going to . . . and . . . and . . . yes, we are talking about building more. When people are trying to rent the places right now. Mr. and Mrs. Bermuda are trying to fill the place up and rent it out. And we are going to still build more units.

An Hon. Member: You will see them fall into the sea, too.

Hon. L. Craig Cannonier: Yes, and this is—

[Laughter]

Hon. L. Craig Cannonier: This is . . . this is their stimulus. Amazing that you can be the architect of something and you cannot sit down with Bermudians who will listen. Reasonable Bermudians, I am sure, applied for those places, and you could not convince them that those places were okay. Could not convince them that those places were okay.

[Laughter and inaudible interjections]

Hon. L. Craig Cannonier: Absolutely, Mr. Speaker.

The Speaker: Members! Members!

Hon. L. Craig Cannonier: We can go on and on and on and on, and talk about the many projects that cost the taxpayer, so that by 2012 we were in a hole where we could not even pay people. And that was not done by this Government. But—

[Inaudible interjections]

Hon. L. Craig Cannonier: And America's Cup . . . I love the fact, Mr. Speaker, that America's Cup keeps coming up. America's Cup, America's Cup, America's Cup.

Well, the last time that I went to America's Cup it was a whole lot of Mr. and Mrs. Bermuda working up there getting publicity for the work that they were doing. And to this day, Mr. and Mrs. Bermuda are benefitting from it. All you have to do is read the newspaper and see young people who are benefitting from that.

An Hon. Member: Amen!

Hon. L. Craig Cannonier: [It was] \$300-plus million back into the economy. Black Bermudians who are benefitting!

[Inaudible interjections]

Hon. L. Craig Cannonier: Black Bermudians! If you cannot read a newspaper, then something is wrong with you as an MP!

The Speaker: Turn this way. Turn this way. Talk this way.

Hon. L. Craig Cannonier: Because they are in the paper! All right?

So, Mr. Speaker, we need to get beyond this stuff. But if the Honourable Minister is going to get up and start scrutinising without doing his homework . . . go do your homework! Act before you start, you know, running your mouth! Act! Act! Act!

[Inaudible interjections and laughter]

Hon. L. Craig Cannonier: And you know, the Honourable Minister when he went to talk about plane rides . . . well, I can tell you, Mr. Speaker, the number of plane rides.

Just yesterday I had a meeting with one of the exempt companies, and they said categorically out front the number of times that their Premier and former Premier asked for their plane to go take a ride! Several times! In fact, Mr. Speaker, I will bring it to you and present it to you. I have a picture sent to me of a plane ride, and the Honourable Minister who I have been talking about, knows about this plane ride, where they went away on this plane.

[Inaudible interjections]

Hon. L. Craig Cannonier: Okay? Not him; but he was there to pick up the goods. He was there to pick up the goods that came off the plane.

Some Hon. Members: Whoa! Whoa!

[Desk thumping]

Hon. L. Craig Cannonier: Oh, yes! With the Regiment truck!

[Laughter and desk thumping]

An Hon. Member: With the Regiment truck!

Hon. L. Craig Cannonier: So, be careful what you pray for and get up here and start running your mouth!

[Inaudible interjections]

An Hon. Member: Point of order!

Hon. L. Craig Cannonier: And tons of rides, Mr. Speaker, and they did not even pay for it! Did not even pay for it!

An Hon. Member: Point of order.

Hon. L. Craig Cannonier: Did not even pay for it. Okay?

Oh, but guess what? Taxpayers here paid for it! Taxpayers on this Island paid for it. I just told you one of the exempt companies who talked about PLP and the number of plane rides. So, we are going to get to that, and we are going to get Four Seasons coming real soon.

An Hon. Member: Oh, yes!

Hon. L. Craig Cannonier: It is coming, but we are going to save that for the New Year, Premier. We are going to save that, and the contents of that, for the New Year.

[Inaudible interjections and laughter]

Hon. L. Craig Cannonier: So, put on your seatbelt. Because Christmas is going to be long. Okay?

So, Mr. Speaker, this is what I am looking for. I have always been a fair and equitable guy when it comes to the House, wanting fair debate. But what I continue to see is (not initiated from here) personal attacks from over there. And when we respond, Mr. Speaker, *Oh, woe is me! Woe is me! Woe is me! The bogeyman has come out!* Well, let me tell you something.

An Hon. Member: No, no. Stop that.

Hon. L. Craig Cannonier: The negativity that I continue to hear, you are creating your own bogeyman. And the more that we continue to talk about wealthy white people who have . . . guess what? The frame of mind is that we will never have. Okay?

Oh, yes. We are always inferring certain things. I am black just like them. I know the inferences. So, do not sit in this House and infer things and think that some of us over here ain't as Back o' Town as you! And you keep on that.

And you want to know, Mr. Speaker, what has been interesting? The Premier is over there laughing. And the Premier is making misleading statements, telling Bermuda, *Oh, well, we got 10 ministries.* But he forgot to say, *But we are paying for 12!*

An Hon. Member: Yes!

Hon. L. Craig Cannonier: That is misleading the public! Misleading!

[Desk thumping and general uproar]

Hon. L. Craig Cannonier: So, I hope, Mr. Speaker—

Hon. E. David Burt: Point of order, Mr. Speaker.

Hon. L. Craig Cannonier: I hope, Mr. Speaker—

Hon. E. David Burt: Point of order, Mr. Speaker.

The Speaker: We'll take the point of order.

POINT OF ORDER

Hon. E. David Burt: I am going to give the Honourable Member a little bit of time before he, you know, pops a blood vessel in his brain, because he was going on a little bit too much.

Hon. L. Craig Cannonier: Oh, I am just following your suit.

Hon. E. David Burt: Hold a second.

The Speaker: Just talk to the Speaker.

[Laughter]

The Speaker: Talk to the Speaker.

Hon. E. David Burt: It is just very simple. There are 10 ministries in Government, Mr. Speaker. There are 12 Ministers, but there are 10 ministries in Government. Those are the facts.

[Inaudible interjections]

Hon. E. David Burt: There is nothing misleading about saying that there are 10 ministries in Government, a number that no one on that side ever got to.

[Inaudible interjections]

Hon. L. Craig Cannonier: Bermuda, Bermuda, just as you read in the newspaper how things are escalating, how issues are escalating, Bermuda is not stupid.

An Hon. Member: No.

Hon. L. Craig Cannonier: They are not!

[Inaudible interjections and laughter]

Hon. L. Craig Cannonier: Bermuda is not!

[Inaudible interjections]

The Speaker: Members!

Hon. L. Craig Cannonier: And so . . . and so—

[Gavel]

Hon. L. Craig Cannonier: And so, Mr. Speaker—

[Gavel]

The Speaker: Members!

Hon. L. Craig Cannonier: Listen! Mr. Speaker, I am grateful to hear the interpolation. You want to know why, Mr. Speaker? I know they know what it means to go down to at least seven. Okay? I know they know. They know! Oh, yes, seven Members! Oh, yes. PLP has been there before. Yes, right?

So, you never, you never count out the Opposition. Continue on. I have seen it before! Continue on! But the people of Bermuda are already starting to respond. They are concerned. And they are concerned about the here and now. And that ain't no joke. And I glory in the spirit. Okay? You know, *we have got 25 seats*. I glory in the spirit. But do not for a minute underestimate Mr. and Mrs. Bermuda. It has happened many times before by this Government.

[Inaudible interjections]

Hon. L. Craig Cannonier: Many times! Once with the OBA, but many times with this Government they have underestimated. Okay? That pendulum, I can assure you, if we do not get it right—and I said “we,” because we are all up here—it is going to swing. And when it comes back, be careful.

So, yes, we can talk about situational ethics and you know, I would hope, Mr. Speaker, that when people want to get up and use references like “situational ethics” that they really, really understand those kinds of terms. Because there is a whole lot of situational stuff going on. There is enough of it going on, you know. And immediately when I say something that is you know, middle line, all we hear . . . and just the other day on the motion to adjourn, we said, *Everyone was cool, you know*. What did we have to put up with? More attacks? And personal attacks at that. What for?

You are not stimulating the economy by attacking someone. You are not getting jobs back on the table by having to refer to this person and have interpolations in the hallway calling people racists and the like. What are you fixing? You certainly are not fixing what the people of this country are looking for you to fix! They could care less what you personally think about someone over here. What they want is their situation fixed. And in the spirit of working together, we support what is good.

But I can assure you that maybe Santa Claus will not be so nice to me, because I am being a little bit bad right now. But, you know what? I am up here working just like everyone else here in the interests of this Island. Some Members just do not like that, because we in the so-called “Westminster System” sit on different sides. I can assure you, I will be more than happy to sit in just about every single one of their homes and have an egg nog with them.

But the minute you get personal—and I am saying this to the Premier. The minute that it gets personal . . . when he said to me, *Look*. You know, he did

not say my name, he said, *The Opposition, get your people in line. Get your people in line*. Because I can assure you . . . you look at this team here. They've have got plenty to complain about. It ain't no shortage of talking over here. Ain't no shortage of talking over here at all.

[Inaudible interjections]

An Hon. Member: They are complaining about you.

Hon. L. Craig Cannonier: Complain, complain. You see? You see? They still do not get it. Still sifting through the dark cloud of whatever is in their head. They need to clean it.

[Inaudible interjections]

An Hon. Member: Mm-hmm.

Hon. L. Craig Cannonier: Okay? Talking about getting personal. Like I said, the shot was over my bow. If you think you are going to shoot over my bow, and at some point in time it is not going to come back . . . you might shoot a bullet. But a bigger one is coming back. And if you shoot a bigger one, then a missile is coming back.

[Laughter]

Hon. L. Craig Cannonier: This makes no sense.

[Timer beeps]

Hon. L. Craig Cannonier: It makes no sense with what they are going through.

[Inaudible interjections]

The Speaker: Thank you for your contribution, Member.

Does any other Honourable Member wish to contribute or are we closing?

[Inaudible interjections and laughter]

Lt. Col. Hon. David A. Burch: Mr. Speaker, having been invited to speak, I shall.

An Hon. Member: Where are you going?

[Laughter and inaudible interjections]

Lt. Col. Hon. David A. Burch: All right. No, he would have to leave.

An Hon. Member: Run away. That's right. Run, run, run.

Lt. Col. Hon. David A. Burch: Mr. Speaker—

The Speaker: You rose to speak to the Chair. So, speak to the Chair. It does not matter who is there or not.

Lt. Col. Hon. David A. Burch: I am speaking just to you, Mr. Speaker.

The Speaker: Thank you.

DOCKYARD PREFAB HOUSES—REBUTTAL BY MP MONIZ TO MINISTERIAL STATEMENT

Lt. Col. Hon. David A. Burch: I sat quietly this morning, and I was curious [because] the statement that was issued in June 2013 actually revealed more information than I had on November 23rd, Mr. Speaker.

Actually, what is more astounding to me, Mr. Speaker, is that we have been in office just over 18 months, or 568 days. So, we own all the problems that this country now faces. I get that. We own all the problems that we inherited. They belong to us.

The Speaker: Hmmm.

Lt. Col. Hon. David A. Burch: Governments actually get to enjoy the successes of their predecessors and the blame of the mistakes that they made. That is the nature of the beast, Mr. Speaker.

What I cannot accept is the unmitigated gall of many of the Members of the former administration who carp at every turn. And now, all of a sudden, they have the answer to fix every problem that we face. In the case of the houses at Dockyard, Mr. Speaker, yes, they were started on under the PLP. I was not a Member of the Government, so I do not know what he is talking about in terms of who contracted anyone. So, I have no clue what he is talking about.

[Inaudible interjections]

The Speaker: Talk to the Chair. Talk to the Chair. Talk to the Chair.

Lt. Col. Hon. David A. Burch: Mr. Speaker, as the Minister who I replaced in Public Works, why did he not order the investigation if he has got all this information? They had five years to figure this out. Do not be asking me. I am digging up and cleaning up enough of their mess, Mr. Speaker.

What I want to know, Mr. Speaker, is, yes, we agreed to build 100 houses for \$36 million. They changed it to 20 houses for \$25 million. Stevie Wonder could see, Mr. Speaker, that this makes no sense to anyone. And we have yet to have an explanation as to why that is the case.

Now, Mr. Speaker, in this House, you know, one of the best inventions is something called “Hansard.”

Some Hon. Members: Yes.

Lt. Col. Hon. David A. Burch: And, Mr. Speaker, you may, in fact, recall the occasion on the 7th of June 2013, because you, in fact, asked some questions on this very statement, Mr. Speaker, the very question that I am asking today. And you were promised by that Minister then, Mr. Speaker, that you would get an answer, the House would get an answer. I can quote, if you like, Mr. Speaker.

An Hon. Member: Who is the Minister?

Lt. Col. Hon. David A. Burch: The Minister is the Minister who I referred to and who answered today.

An Hon. Member: Ah!

Lt. Col. Hon. David A. Burch: He is the same Minister. The one who is never in the House! That is why he had to make a personal explanation.

And he said, Mr. Speaker, on page 1274, dated the 7th of June 2013, and I will not read the beginning of it, because it will take up too much of my time. But what I quote, “But I can undertake to release a statement with respect to how it breaks down.” (That is the \$25 million.) “But all I can say, Mr. Speaker, is that, you know, when you are given lemons, you just try to make lemonade. And we are trying to make lemonade here.”

Well, that is a pretty expensive lemonade, Mr. Speaker.

So today we got a statement, Mr. Speaker, and tonight we got a reinforcement of it that the Grand Atlantic was an abject failure housing project. And they had a clear indication that there was sufficient housing stock after a major exodus of thousands of Bermudians under the PLP Government. Only two units were ever sold at the Grand Atlantic.

Be honest, Mr. Speaker. All you have to do is google it. That was no fault of the PLP Government that we only sold two units. Their organisation, one of the . . . one of the [originations], I would say, of their entity the Bermuda Environmental Sustainability Task Force. And I really want to know what task force is? Can you call three people a task force, Mr. Speaker? I don’t know. But they harp . . . and all of those environmentalists . . . these places were going to fall into South Shore. Nobody remembers that?

Some Hon. Members: Yes.

Lt. Col. Hon. David A. Burch: And nobody would invest in such, because they believed what those people said.

But even if that were not the case, Mr. Speaker, the indictment does inure to them. I have a memory, Mr. Speaker. I don't even need Hansard most of the time because I remember on December 13, 2012 . . . was that the day after the election? My date might be a little off. In 2012 was the election. It was the 18th of December. That same task force said, *Oh no! All is well. The houses are not going to fall into South Shore now. Everything is fine.*

So they had five years to do something with those houses. And the only thing they did with those houses, Mr. Speaker, was to put their beloved sailors from America's Cup up there for two months. That is the only thing they did. So, Mr. Speaker, you know what we are doing now? Which actually astounds me, because I gave them credit for it when we announced more than a year ago what was happening with Grand Atlantic. It was the proposal that was made to the former Government. They could not bring it to fruition. We are. And I don't know if all of those people on that side live east of Hamilton and so they never travel west, and if they do, they only travel Middle Road. Because if they travelled on Harbour Road, Mr. Speaker, . . . on South Road, Mr. Speaker, you will recall that on August 10 this year, we were criticised up and down by almost every Member on that side for railroading through subsidiaries for the Bermuda Housing Corporation so that they could start that project.

An Hon. Member: Correct.

Lt. Col. Hon. David A. Burch: And we were criticised up and down the land for it. And I stood on the floor of this House and I said that it would impede the progress and the employment of Bermudians if we did not pass it. And so we used—

Hon. L. Craig Cannonier: Point of order, Mr. Speaker.

Lt. Col. Hon. David A. Burch: —our majority and railroaded it through.

The Speaker: State your point of order.

POINT OF ORDER

[Misleading]

Hon. L. Craig Cannonier: The cries of that particular debate and Bill were the fact that we had one day to debate it. It was presented to us in one day. That is unacceptable. It should never have been allowed. But we went ahead with it. The protest was over receiving a Bill in one day. What kind of consultation is that? And we just heard today how consultation is primary to them.

Lt. Col. Hon. David A. Burch: What is the question? What's the point?

The Speaker: Thank you.

Hon. L. Craig Cannonier: Misleading the public.

The Speaker: Thank you.
Continue on.

Lt. Col. Hon. David A. Burch: Mr. Speaker, yes, they got one day's notice; I got two. And what I explained to them . . . and I do not understand what the great mystery is, Mr. Speaker. It was fully explained to the Opposition the reason why we were doing it late, the reason why the advice had come late. They served in Government for five years. They know the challenges people have with getting things out of the Attorney General's Chambers, and lawyers in particular, Mr. Speaker. So we were aware of these too.

Go to South Shore if you want to know what is happening up there. There are all sorts of activities, Mr. Speaker. There is all sorts of work going on. And you will find that next week we are going to pass another piece of legislation to provide concessions for the hotel that is going to be developed there, Mr. Speaker. And the reason for that is so that the equipment that is on its way to Bermuda now can be landed and installed so that the show units are ready to go early next year. We are not going to be deterred, Mr. Speaker, by making progress in this country.

Mr. Speaker, they talked about the fact that, you know, we need to be careful about the people of this country, because they are listening and they are not stupid. I can guarantee they are not stupid.

Some Hon. Members: Absolutely!

Lt. Col. Hon. David A. Burch: I can guarantee they are not stupid. I can also guarantee, Mr. Speaker, that their memory is crystal clear.

An Hon. Member: Yes.

Lt. Col. Hon. David A. Burch: Crystal clear.

And they, in fact, remember, because they lived it the five years under that administration, Mr. Speaker. And trust me, Mr. Speaker. Just as we won . . . do you know why we won 25 seats, Mr. Speaker? It has never been a big secret; it is something that we have always done better than them. We actually knock on peoples' doors. We actually engage people on a regular ongoing basis. And so we don't need them to tell us what is going on in our community, they tell us directly, Mr. Speaker.

You want to know why you all retired Wayne Scott in [constituency] 27, and why the current Member won two-thirds of the vote, Mr. Speaker? I will tell them a little secret.

An Hon. Member: Your crystal ball.

Lt. Col. Hon. David A. Burch: It's no crystal ball. We started canvassing in January 2013. That's why.

So, in July 2014, when the former Minister and Member saw me, she said, *Colonel, are you running up in 27 again?*

I said, *You know, I can't answer that.*

Our party picks its own candidates. But what that demonstrated to me was that in a year in a half they had never been back into the district, Mr. Speaker. And that is why they had to ask me if I was running, because, had they been, they would have said, *That crazy bye has been up here on a regular basis.* And that is why. So we do not need any instructions from them about how it is to interact with the people of this country.

Mr. Speaker, how much time do I have left?

The Speaker: Nine minutes.

Lt. Col. Hon. David A. Burch: All right. That is plenty more time than I need.

Two other things I would like to address, Mr. Speaker. This whole business about the fact that you saved \$11 million by going from 100 units for \$36 million to 20 units for \$25 million, so, therefore, Bermuda, accept that we saved \$11 million of your money.

Mr. Speaker, I thought that voodoo economics was buried in Simi Valley 14 years ago with the architect of it.

[Inaudible interjection]

Lt. Col. Hon. David A. Burch: No, it wasn't. No, it wasn't, Mr. Speaker. Clearly it has been resurrected by the former Government.

[Laughter]

Lt. Col. Hon. David A. Burch: I cannot understand, Mr. Speaker, why . . . I thought . . . when I made the statement not one question, Mr. Speaker.

An Hon. Member: Not one!

Lt. Col. Hon. David A. Burch: Not a whisper, Mr. Speaker. They always have to go back to the people who write all their stuff and give them something to ask me. And so when you . . . Mr. Speaker, so . . . it astounds me how you could even say with a straight face that you saved the country \$11 million. Who knows that? Who knows that?

Mr. Speaker, then there is the suggestion that there is a glut of housing in the country and so that is why they reduced down to 20 units and why Grand Atlantic is vacant and why they would not build any new units. Mr. Speaker, I do not know who in that Government had responsibility for the Bermuda Housing

Corporation during their five years, whether it resided with the Ministry of Public Works. But that is where it resides now. And I can tell you as of today, Mr. Speaker, the Housing Corporation is currently carrying 407 families on their list for housing in this country.

And now, Mr. Speaker, in the interests of full disclosure, not all those [407] people do not have anywhere to live. Let's be clear. But this Government has a policy of *adequately* housing Bermudians. And what I mean by that, Mr. Speaker, is that if you are a family of four, with two children of both sexes, they cannot sleep in the same room. So, under this Government we are looking to accommodate people with that type of family in three bedrooms, Mr. Speaker. So what I am hearing is absolute rubbish. That is what I am hearing, Mr. Speaker, because when you stand and say that we should not build, and I have the advantage of having had the responsibility a decade ago, and it is very much *déjà vu*. They changed their name, but they have the same policy as the UBP, because in 2006 when I took on this responsibility, we had the same problem, Mr. Speaker. No inventory—no inventory to sell, no inventory to rent. And we built during the first term of a PLP Government.

And I invite them. They can say whatever they like. I know that part of it, Mr. Speaker, is to protect their real estate cartel, who carp and complain. Okay?

[Desk thumping]

Lt. Col. Hon. David A. Burch: I know that.

And so, when you say to me that you know Bermudians who have vacant units, and they cannot rent them . . . they cannot rent them in the main, Mr. Speaker, because they try to gouge people. That is the reason, Mr. Speaker. That is the reason, Mr. Speaker, because the Housing Corporation has had, before that time, during that time, and after that time, a programme where they will be the tenant. They are not going to get the gouging rents, but you will be guaranteed a rent, you will be guaranteed a tenant if you are interested in participating in that programme to house your fellow Bermudians who you claim to say you have some care and concern for.

If you did have some care and concern for Bermudians for five years, you would not be sitting on that side of the House! You would not be able to . . . you would not be going into districts on election day in July 2018 and be told by people who you thought were your supporters, *Don't come near me, because I haven't seen you in five years, and you haven't done anything to help me.*

Mr. Speaker, my last point, and I carp on this too, not a whisper from the Auditor General of these Islands. Not a whisper! And with an indictment like this, you say to me that you built 20 houses at \$1.25 million a house? Those people should be living in Tucker's Town.

Some Hon. Members: Yes.

Lt. Col. Hon. David A. Burch: They should not be living in . . . there are four units in one building, you know, Mr. Speaker. I know you know that. There are four units in one building—and no yard! For \$1.25 million!

What I want them to do is answer that. We did not make that decision, Mr. Speaker. They did. And, Mr. Speaker, I can tell you that we are headed to build more houses around here. Oh yes, we are, because there is not a day that goes by that people bypass the Housing Corporation and figure that the Minister has a secret supply of houses under his desk, and that if they actually get to him they will get those houses. That is not the case, Mr. Speaker. But what it does do for me is it causes me to push as hard as I possibly can to ensure that we are going to be in a position to be able to help the people of this country in terms of housing.

I do not need a lecture from anybody to do that. That is my mandate! That is my remit, Mr. Speaker. I have been in this movie before and had some success. Normally, they say . . . what they have not said, Mr. Speaker, because I have had this too. You can build, but you can only build in certain places. You cannot build in Paget, Mr. Speaker. Because I very well remember, clear as a pipe stack the Loughlands complex, Mr. Speaker. I remember the announcement.

An Hon. Member: *Can't do it.*

Lt. Col. Hon. David A. Burch: I remember the campaign. Even after the first phase was built, they still talked about it.

And I shall give them an education in politics. When it's built you need to shut the hell up. Because when you send your person up here to try and get some of those votes, they are going to tell them what the people told Grant Gibbons.

Some Hon. Members: Yes.

Lt. Col. Hon. David A. Burch: *The only thing I remember coming out of your mouth, Mr. Gibbons, is that you did not want me to live there. And so why are you coming to us for my vote?*

So, Mr. Speaker, you know there is a multitude of things. They want to know what happened, I suspect in the case of whatever the Opposition Leader says tonight, I am surprised that he does not know what it is, because I know that in 2012 when they won the election and appointed a chairman of WEDCO, do you know what he spent his whole first year doing? Sitting in WEDCO looking at every file that went through that organisation, looking for what the media had said had gone on, and could not find a thing.

I do not know what Ministers of Public Works did under the OBA in that office, Mr. Speaker. And I suspect that the one who has the biggest mouth is going to speak after me and try to explain it away. But I do know this, Mr. Speaker—

[General uproar and inaudible interjections]

Lt. Col. Hon. David A. Burch: I do know this, Mr. Speaker.

The Speaker: One minute.

Lt. Col. Hon. David A. Burch: One minute? I do know this, Mr. Speaker—

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: Civil servants talk, Mr. Speaker. Oh, do they talk. And they will let you know exactly what went on. I am afflicted with the obsession of wandering around that Ministry talking to people. So I get to understand what it was like. I get to understand what it was not like, Mr. Speaker. And I can assure you, Mr. Speaker, that whatever the assertions are in relation to . . . to divert, I did take one private plane ride and the Government of Bermuda paid for it.

Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

Any other Member?

I recognise the Minister of National Security.

PLP GOVERNMENT REPRESENTS THE WORKING MAN AND WOMAN

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

Mr. Speaker, I heard the Leader of the Opposition. He was very animated. He spoke very passionately. He said a number of things. I was able to focus on that which he said, and get right to the crux of it. There were a few things that he said which he clearly does not understand the context of which he was saying it.

He made reference two weeks ago to the Progressive Labour Party having a view of the bogeyman. And he said it again tonight, about the view that there is a bogeyman. He took umbrage to what the MP Famous, for constituency 11, was saying. If you do not understand the context, or the history, of this country, then you will see the protestation, the highlighting of injustice in this country, as being the work of the bogeyman.

An Hon. Member: Correct.

Hon. Wayne Caines: We represent a party that speaks for the voiceless, the working men and women of this country that were disposed of their land down

in Tucker's Town, that had their land taken from them, and it was re-built on.

We speak for the people in this party who live in the central Pembroke parishes that do not have yards. And their homes, their yards . . . they were not allowed to buy homes with yards because was a part of a master plan to keep them from having the ability to vote.

An Hon. Member: Right!

Hon. Wayne Caines: So when we speak of the people that we represent, this is a historic representation of injustice in this country. We represent the working man, the struggling people of this country. That is the voice which the Member for constituency 11 speaks. He speaks for the working men and women of this country. And we can never forget that.

So something that you call "the bogeyman" are the things that we see as injustice, as white privilege, the inability for us to have specific things, have neighbourhood schools . . . do not have opportunities that our colleagues have. The very reason we are here is to [level] the playing field, but you call it "the bogeyman."

[Inaudible interjection]

Hon. Wayne Caines: Sometimes, sometimes—

The Speaker: Talk to the Chair. Minister! Minister!

Hon. Wayne Caines: —sometimes—

[Inaudible interjection]

The Speaker: Minister!

Hon. Wayne Caines: Sometimes you have to highlight wrongdoing. Sometimes you have to highlight wrongdoing, injustice, unfairness, to change it!

An Hon. Member: Yes!

Hon. Wayne Caines: And if we don't bring it and keep it in the forefront, we forget that many people that we represent are not living in gated communities, have the ability to be at Coral Beach playing tennis, that they are struggling every day to make ends meet. Those are the people that we represent.

So, when we speak of . . . when you speak of the bogeyman, we are disassembling white privilege. And that is not necessarily a bad thing. We are talking about a party that has to be focused on where we are going for our people. You spoke about arrogant, and a pendulum swing, and telling us to be careful about what we are doing, and not to be haughty. Look at the work we are doing. It speaks voluminously. If we allow the *Royal Gazette* to paint the narrative, that will be,

and that is what is creating the bogeyman of the PLP leadership.

[Inaudible interjection]

Hon. Wayne Caines: Because you would love this country to think that we are irresponsible, taking money and stealing money and not taking care of the finances of this country. But that is not the case. We are seeing prudent leadership. And it is shown by what we are doing with NAMLC [National Anti-Money Laundering Committee] and how we have put a number of Bills which have gone through this House and our assessments are coming back and we are in good order. Those are the things that we are doing to change this country, when we are working on things like the issues with economic substance, when we are doing things like working with the Bermuda Regiment, not only to end conscription, but to give the young men and women in the Bermuda Regiment other alternatives.

So when you speak of the bogeyman, when we are taking this country that, for years, has dispossessed people of colour, has taken away their opportunities, it is our responsibility to bring an equal playing field so that everyone gets a balanced opportunity in Bermuda.

Now, I know that we are on both sides and on different sides of the aisle. But we must bring it back to why these Members are here. We sacrifice.

An Hon. Member: And Boundary Lane.

Hon. Wayne Caines: And Boundary Lane.

We work hard. We sacrifice. We give our all for this country. And sometimes, in the cut and thrust of this House we oftentimes forget, all of us, why we are here. We have seen this week a number of things highlighted in our community. But let me tell you this: We stand on our post every day with legislation that has to be passed in this House. We now see roadside sobriety testing.

Some Hon. Members: Yes.

Hon. Wayne Caines: And it is not popular in all segments of this community. But guess what we are going to see? We are going to see less people dying on our roads. We are going to see paying closer attention to their speed and to changing of their responsibility on the roads. That is what we are going to do, in the absence of all the noise, in the absence of everybody pointing fingers and getting up.

And, of course, we are going to vociferous on some points. But let's look at what we are doing in the FinTech space. Forty-four companies have set up in Bermuda. This coming week we will make announcements of more companies coming and setting up and creating jobs in Bermuda. So, after all the hype is

gone, everything that we are doing is to continue to make this country a better place.

When we look at the sugar tax, a number of people have decried the sugar tax. But what is the basis of it? We have some of the highest instances of diabetes in this country—

An Hon. Member: In the world.

Hon. Wayne Caines: In the world.

The epicentre of this legislation was to change behaviour and to spend less money and to make sure that our people live longer and healthier and fruitful lives.

Guess what? That is not coming from anywhere else. That is coming from this party. So when you tell the story we have to make sure the whole story is told, Mr. Speaker. Because they would like for us to be labelled as people that mismanaged projects, people that do illegal and nefarious things, and people who just come to this House and scream about racism. But that is not the case.

The agenda is clear. We are working to change the life of each and every Bermudian. And we know, and we are clear of the responsibility. So we are not going to wait on the *Royal Gazette* to tell everybody in this country what is going on; they won't do it!

An Hon. Member: That's right!

Hon. Wayne Caines: Because they represent elements that want to demonise and villainise. And, yes, that is not the bogeyman. That is fact. Because you can look at historically what has happened in this country.

An Hon. Member: Yes!

Hon. Wayne Caines: But the reality of it is . . . it is not just the words that you know. We are looking at the actions of how this country is changing through this party's leadership.

An Hon. Member: Yes. Exactly.

Hon. Wayne Caines: We have seen an increase in gang violence in Bermuda. And this Government is working to change it. We have seen more G.R.E.A.T. [Gang Resistance Education And Training] graduations, police officers, community support workers, going into this community, rolling up their sleeves. Three graduations this week, two next week.

Middle schoolers are now being trained how to deal with violence, how to deal with conflict. We have created two circles, restorative circles at Cedar-Bridge and at Berkeley where our young men are coming in and, when there is discord, when there is disquiet, no, they are not being taught how to fight;

they are being taught how to change it, because we understand with certain things that are happening in our community, there have been years of things that have happened to us that this party is working to reverse. So the psyche and the psychology of our people . . . they are being taught how to deal effectively with conflict.

That is not being done by anybody else. That is being done by this party.

So, when people talk about the bogeyman . . . People, do not be misguided by that. Look at the action, look at the development, look at the movement. And I will not reflect on an earlier debate, but we have seen the tax reform. So we have had to go up into the echelon of business, come down to the social stratosphere and balance this country. How could we not have the opportunity to do so? We see all the things that are happening; we see what is happening and working in education. But we continue to have to do so.

What we have learned from the Opposition is that they focus so heavily on specific segments that they neglected the people of Bermuda, the everyday men and women. Those are not my words; they sit in the very seat that bears an effigy to their failings. And now they challenge us as we right the wrongs of their leadership and underserved civil service, and understaffed civil service, and under-funded civil service. And now we are trying to make heads and tails of the mess that they have created. And they challenge us to create a bogeyman?

We are balancing this country. Our children go to these schools. This is our country, and we will continue . . . look at the legislation that we have passed. Look at the opportunities that we have given to young Bermudians. When you go to the Bermuda College, the majority of the children there ran to us at our last meeting thanking us for giving them the opportunity to be able to afford to go to school. Do you know who cut the funding? The OBA Government cut the funding for education!

An Hon. Member: Aah!

Hon. Wayne Caines: Where do all the increases go? Show me the increases. The increases went to the America's Cup! And they are now held to account for their mismanagement of the social element of this country. They laud that they changed this country economically. At what expense? To the very expense of the people, now that we are left to try and pull the pieces together.

And then when we challenge them on it, when we challenge their bad record of social justice, their bad record of social justice, they throw in our face, when we highlight the injustice of years in this country, they throw in our faces that we are imagining a bogeyman. Do they understand the very effigy of what we have to go through in this country every day as

Bermudians struggling to make it while they represent an oligarchy that oppressed the working majority in this country for years? And they say that they speak on our behalf?

For generations they represent an oligarchy that oppressed the people of this country. And we now struggle to keep it together, to balance it. And they now have the audacity to say when we reference their bad deeds that we are speaking of the bogeyman?

We will continue to work for the people of Bermuda. And sometimes when we come to the House we have to remind each other through strong words of our past. We have to stand for justice. And sometimes it is uncomfortable to hear what the oligarchy has done, how they have benefitted, how they have gilded their homes, how they have gilded their lives off the blood, sweat and tears of black Bermudians. Sometimes we have to highlight that and it's uncomfortable for all. But we will continue to work through it.

But guess what? The disadvantage that every one of the Opposition has is that we will do it for all of Bermuda—white, black, everybody in this country.

[Desk thumping]

Hon. Wayne Caines: We will work to see their benefit. And that is the difference.

We believe in a good Bermuda for all, that high tide raises all boats. Thank you, Mr. Speaker.

[Desk thumping]

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member . . . we recognise the Honourable Minister of Education. You have the floor.

PUBLIC EDUCATION—INDUSTRIAL ACTION BY BERMUDA'S UNION OF TEACHERS

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

I see tonight we are a bit fired up. I was hoping we would actually hear . . . I was hoping that we might get out of here a little bit early. But tonight, Mr. Speaker, I find myself having to stand to speak about education and what has been going on. I want to update the people of Bermuda about how hard this Government has been working to achieve our election mandate. And that is to reform education.

Mr. Speaker, I stand tonight before my colleagues and before Bermuda not only as the Minister of Education, but as a parent with a child within the public school system. I stand as a citizen of this country who is very concerned about the action we have seen within our public school system as of late. And I know I am joined by other colleagues who stand on this side of the House who entrust their children to public school education.

When I look at MP Ming, when I look at the Premier, when I look at MP Furbert, when I look at MP Famous, we all trust our children to the public school system. That is something that we can say about this side of the House, Mr. Speaker, because we are serious about what is happening in education.

Like all, I am saddened by . . . yes. The Member interpolates, did I go to public school education. I attended the Elliot Primary, Mr. Speaker. The same school my daughter attends.

Mr. Speaker, I am saddened by the recent events. And I do not want to see our educators engaged in any sort of industrial action. That is detrimental to the studies of our students. Our students show up for school faithfully and expect to learn. And they expect their teachers to be there as well. But, Mr. Speaker, right now we have a problem. We have a problem, Mr. Speaker, that is not unsolvable. We have a problem that requires the will, we have a problem that requires the fortitude to do the things necessary to take education to the height it needs to be taken to, Mr. Speaker.

We have been here for 18 months. And every day is spent working hard to get our education system up to the point where it is supposed to be, Mr. Speaker. When we first took office, Mr. Speaker, one of the first things that I, as Education Minister, had to do was bring a Cabinet paper to refurbish Dellwood Middle School, a school that stood closed since May of 2017 under the former administration. And they had not even begun to start the work needed to get it ready for September. The very first thing we had to do was spend money to get that school ready, Mr. Speaker. Those are the types of challenges we had to deal with when coming in. We had failing infrastructure from years of neglect where the former Government took money from our schools to spend on other things.

Mr. Speaker, we have a Shadow Minister releasing statement after statement of hollow things every week talking about what is wrong in education. Mr. Speaker, let's talk about what is wrong in education right now which is getting fixed.

Mr. Speaker, the Shadow Minister of Education had the audacity to release a statement yesterday that talked about the need for more collaboration, the need for paraeducators, the need for learning support teachers, the need for professional development. Well, let me tell the Bermuda public what happened between 2012 and 2017, Mr. Speaker.

Mr. Speaker, in 2012 there was \$1 million for professional development. In 2017, it was zero.

Some Hon. Members: Aah!

[Inaudible interjections]

Hon. Diallo V. S. Rabain: Mr. Speaker, in 2012, paraeducators had a budget of \$5.6 million. In 2017, it was \$4 million.

Mr. Speaker, in 2012 to 2017 the budget for learning support stayed the exact same. Why is this an issue, Mr. Speaker? It is because we recognise that this young man at Dellwood who is having problems did not turn 13. He wasn't born on Sunday and turn 13 on Tuesday. It took years for him to get to that point. But we knew that he was like that. We knew some of the students coming through the system needed additional support. But did the Government put things in place to support that? No, they did not. In five years they did nothing, Mr. Speaker.

[Inaudible interjections]

The Speaker: Members! Members!

Hon. Diallo V. S. Rabain: Mr. Speaker, the budget for education in 2012 was \$120 million. When this group was voted out, that budget had dropped to \$109 [million].

Some Hon. Members: Aah!

Hon. Diallo V. S. Rabain: We could not do what needed to be done with the budget they left in place. They neglected our students, they neglected our buildings, they neglected our educators, and now this Government has the fortitude to do the things which need to be done to put the things in place to ensure that education is where it needs to be.

We were elected to do that, Mr. Speaker—

The Speaker: Members, Members.

Hon. Diallo V. S. Rabain: We were elected to do that, and we will do that.

Change is difficult. But change is coming, Mr. Speaker. We spent the first 18 months making sure that our buildings were safe for our students. We spent the first 18 months looking at the system and making sure that we had things in place. We spent the first 18 months increasing scholarships for our students so they can go to Bermuda College. We spent the first 18 months increasing monies to make sure that we have the programmes in place to restore our infrastructure, upgrading our technology.

We are not there just yet, Mr. Speaker. But we are intent that this is what will happen, despite the hollow attempt by an asleep-at-the-wheel Shadow Minister who had no idea what was going on in this Ministry—

The Speaker: Let's keep the comments . . . you've been on a good line, keep the comments up high.

Hon. Diallo V. S. Rabain: —has no idea what was going on in this Ministry, but now has all of the answers, Mr. Speaker. I find it disingenuous that this Opposition, who spent their time in Government doing

nothing to increase the numbers in these critical areas I spoke about, such as paraeducators and learning support teachers, did nothing to increase those numbers but now they have all the answers.

This Government is now spending all of its time to right the wrongs of yesteryear. If I have anything to say, Mr. Speaker, I would say that they just went back to the days of the UBP when they did not care about school. School was just something that they put in place so the people would have something to do. They had no intention of educating our children, Mr. Speaker. And it is obvious from what we see today. No indication, Mr. Speaker.

So, when you look at the BUT's list of grievances, I empathise with them. When I talk to the teachers, I empathise with them. I understand what they are going through. But I want them to know that this Government has their back. And this Government will do what needs to be done to ensure that our schools have the resources that they need to do the things for our children that need to be done, Mr. Speaker.

We are making progress. We are a long way away from where we want to be. We are a long way away from where we should have been. But if this Government did not have to take a break and sit back and see what we need to do better in order to win back Government. It is unfortunate that our children had to suffer through the years of an OBA Government, Mr. Speaker. But they will not suffer through the years of a PLP Government.

Thank you, Mr. Speaker.

[Desk thumping]

The Speaker: Thank you, Honourable Member.

Does anyone else wish to speak? Any Honourable Member before the Premier closes out? Does any other Member wish to speak? The Premier will close it out. I hear comments from the other side.

[Inaudible interjections]

The Speaker: Premier?

Premier, take the floor.

JETGATE

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

Mr. Speaker, I will not talk long. But it has been a very interesting night. It was a night which started on a good wicket and then got very excited by an Opposition Leader that exhorts everyone to tell the truth, but refuses to tell the truth about why he went on a jet ride, Mr. Speaker.

So, the only thing I have to say is . . . and I have said it on numerous occasions. If the first thing you say when you are sworn into office as the Leader of the Opposition is that you are going to come clean

on what actually took place in Jetgate, and you actually refuse to come clean about what took place in Jetgate, then I do not believe the people of this country should deserve to believe anything that it is that you are saying until you actually talk about the one thing of which you promised to say. Because no matter what you want to talk—

Hon. L. Craig Cannonier: Point of order, Mr. Speaker.

The Speaker: We will take your point of order.

POINT OF ORDER

[Misleading]

Hon. L. Craig Cannonier: Clearly the Honourable Member is misleading the House and the general public. He certainly does not know what he is talking about, about coming clean. All the information is already out there. That is the ironic thing about it.

The Speaker: Premier.

Hon. E. David Burt: See, Mr. Speaker? When people . . . there is a sign in West Pembroke that says something along the lines of, you know, if you tell the truth you don't have to remember what you said. And it is very interesting that if you came into office and, in swearing in, you say you are going to disclose all of the information, and then you put out no additional information . . . and then tell the people that it is in the public domain—

Hon. L. Craig Cannonier: Point of order, Mr. Speaker—

Hon. E. David Burt: —why would you have to say that you are going to disclose information?

Hon. L. Craig Cannonier: Point of order, Mr. Speaker.

Maybe if—

The Speaker: Premier, we will take his point of order.

POINT OF ORDER

[Misleading]

Hon. L. Craig Cannonier: Both of those things aside, there was an interview that I did immediately . . . not immediately, but pretty soon after which—

An Hon. Member: What's your point of order, man?

Hon. L. Craig Cannonier: He is misleading the House. More information was given.

POINT OF ORDER

[Misleading]

The Speaker: Continue.

Hon. E. David Burt: So, Mr. Speaker, you do realise that in the last minute the story changed twice. The information first of all, it was already all in the public domain, and then it was, *Well, I put additional information in the public domain.* While at the same point in time, the former Leader of his party is still telling him that he needs to come clean over the information of what happened with Jetgate.

But that's okay, Mr. Speaker, because there is one thing that I will agree with the Opposition Leader on. And that is talking about Jetgate is not going to get anyone a job. That is a fact. However, when the people on that side want to go back through history, or talk about openness and transparency, but refuse to be open and transparent about their own activities, Mr. Speaker, that means that the people of this country, just like when they were in Government, do not trust them, they still will not trust them now, Mr. Speaker. It is that simple.

So, Mr. Speaker, there is a whole lot of mumbling. You can point-of-order me, Mr. Opposition Leader, if you want, but you will have your time to speak.

The Speaker: Talk to me.

Hon. E. David Burt: Because here is the thing, Mr. Speaker.

The Speaker: Talk to me.

PLP EXECUTING ITS PLATFORM

Hon. E. David Burt: No problem.

Here is the thing, Mr. Speaker. Look at the progress that is being made. Look at the progress that is being made, whether or not it is overseas, whether or not it is in a meeting that I held here earlier today with a company that is setting up operations that will be setting up office space and moving people to Bermuda to start jobs, whether or not it is the Economic Substance Act which we tabled today after months and months of negotiations with the European Union and our private sector partners to make sure whether or not those are the exit reports which we got on our draft mutual evaluation report on our Anti-Money Laundering Assessment, that they did not do any work on getting done, Mr. Speaker!

[Inaudible interjections]

Hon. E. David Burt: This is the progress that is being made. So while we hear the endless cries about retail sales, at the same point in time that the chairman of

their favourite mouthpiece, the *Royal Gazette*, is on TV every night telling people to shop online, we will not take our eyes off of the goal.

And do you know why, Mr. Speaker? Because we were elected to make life better for people. We were elected to make Bermuda fairer for people. We were elected to advance our agenda for people. And today we took another step in that direction. So, while Opposition Members will talk about the fact that the increase for pensioners in this country is not that big, guess what? They are getting an increase in line with inflation.

Those are the facts. We understand what we were elected to do. We have a platform that we were elected to execute. We are executing on that platform week by week by week, Mr. Speaker. And we will continue that march. And it does not matter how animated the Opposition Leader gets on a weekly basis, because until he comes clean on (and I quote from what he said inside of that fall of Clinton that, *I, over time, was not completely honest.*

Well, you have plenty of time to be completely honest now, Mr. Opposition Leader. But until that point in time, until that point in time, until that point in time, Mr. Speaker, quite frankly, the people of this country should not listen to anything he has to say, because the only question they need to know, the only question that they need to understand is, why can't that side not be trusted to be clear and honest with the people of this country.

So, here is what I will say in closing, Mr. Speaker: We have had a good debate. I want to commend the Minister of Health for her Bills. I want to commend the Minister of Finance for a very busy day—

[Desk thumping]

Hon. E. David Burt: —at the office, making sure that we continue to pass legislation that is going to improve the environment that we have here in Bermuda and make things better. And I want to thank the people who contributed to the debate on the Tax Reform Commission. We will come back next week, Mr. Speaker, for some very important debates. And we will continue the work of which we are doing for the people of this country. We will execute our mission, and we will build that better and fairer Bermuda and no amount of gesticulation from that side is going to deter us from our mission.

Thank you, Mr. Speaker.

[Desk thumping]

The Speaker: Thank you, Honourable Members.

We stand adjourned until Friday next at 10:00 am.

[Gavel]

[At 10:44 pm, the House stood adjourned until 10:00 am Friday, 14 December 2018.]

BERMUDA HOUSE OF ASSEMBLY**OFFICIAL HANSARD REPORT****14 DECEMBER 2018****10:04 AM***Sitting Number 6 of the 2018/19 Session**[Hon. Dennis P. Lister, Jr., Speaker, in the Chair]***PRAYERS***[Prayers read by Mrs. Shernette Wolffe, Clerk]***The Speaker:** Good morning, Members.*[Gavel]***CONFIRMATION OF MINUTES***[Minutes of 7 December 2018]***The Speaker:** Good morning, Members.

The Minutes from the 7th of December have been circulated. Are there any omissions or corrections required?

There are none. The Minutes are confirmed as printed.

*[Minutes of 7 December 2018 confirmed]***MESSAGES FROM THE GOVERNOR****The Speaker:** There are none.**ANNOUNCEMENTS BY THE SPEAKER OR MEMBER PRESIDING****The Speaker:** Members, I have three announcements this morning.**MOMENT OF SILENCE***[In memory of Honourable Clarence R. Terceira]*

The Speaker: The first is that I am going to ask you all to join with me as we stand for a moment of silence for the passing of one of our former Members, the Honourable Clarence "Tess" Terceira.

If you will join me at this moment as we stand for a moment of condolences.

*[The House rose and observed a moment of silence.]***The Speaker:** Thank you, Members.**APOLOGIES**

The Speaker: The other announcement is that we have been informed of Members who will be absent today. Included in this are the Honourable Michael Scott, the Honourable Ben Smith, the Honourable Jamahl Simmons and the Honourable Member Renee Ming (who is actually absent due to the passing of her uncle, who will be funeralised today).

And so, we would like to extend our condolences to her on the passing of her uncle, Mr. Phillip Anderson.

ANNUAL REPORT OF THE AUDITOR GENERAL ON THE WORK OF THE OFFICE OF THE AUDITOR GENERAL FOR THE YEARS ENDED MARCH 31, 2011 TO MARCH 31, 2017

The Speaker: The next announcement this morning from the Speaker is that I have received the Annual Report of the Auditor General on the Work of the Office of the Auditor General for the years ended March 31, 2011 to March 31, 2017. The report is tabled for the House.

GIFTS

The Speaker: Members and Ministers, you may find that, yes, it is Christmas season. So, you will find a little red package on your desk there. It is a book entitled *How to be a Minister*. There was supposed to be one for everyone. And the other was for Backbenchers, *How to be a Backbencher*. But, somehow, Santa Claus got a little delayed in the delivery of the others.

[Laughter]

The Speaker: So, for those that arrived, they are on the desks for the Ministers. And the Backbenchers will get theirs at a later date when they do arrive.

Have fun reading, Ministers!

Some Hon. Members: Thank you! Thank you, Mr. Speaker.

The Speaker: Yes.

MESSAGES FROM THE SENATE

The Speaker: There are none.

PAPERS AND OTHER COMMUNICATIONS TO THE HOUSE

The Speaker: There are some five papers to be tabled this morning. And the first is in the name of the Minister of Finance.
Minister.

FINANCIAL STATEMENT OF THE CONSOLIDATED FUND FOR MARCH 31, 2018

Hon. Curtis L. Dickinson: Good morning, Mr. Speaker.

I have the honour to attach and submit for the information of the Honourable House of Assembly the Financial Statement of the Consolidated Fund for March 31, 2018.

The Speaker: Thank you. Thank you, Minister.
The next is in the name of the Minister of Health.
Minister.

FINANCIAL INTELLIGENCE AGENCY AUDITED FINANCIAL STATEMENTS FOR THE YEARS ENDING MARCH 31, 2016, AND MARCH 31, 2017

Hon. Kim N. Wilson: I have the honour to attach and submit for the information of the Honourable House of Assembly the Financial Intelligence Agency Audited Financial Statements for the Years Ending March 31, 2016 and March 31, 2017.

The Speaker: Thank you, Minister.
The next is in the name of the Minister of Works. I believe, Minister of Works, you have three.

KINGS WHARF: CRUISE FACILITY IMPROVEMENTS REPORT

WEST END DEVELOPMENT CORPORATION ANNUAL REPORT 2016 AND 2017

BERMUDA LAND DEVELOPMENT COMPANY LIMITED AUDITED FINANCIAL STATEMENTS 2010, 2011 AND 2012

BERMUDA LAND DEVELOPMENT COMPANY LIMITED REPORT ON OPERATIONS FOR 2010 AND 2011, AND 2012 TO 2017

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

I have the honour to attach and submit for the information of the Honourable House of Assembly the following:

- Kings Wharf: Cruise Facility Improvements, a report dated 2014 (I think it is coming in electronically);
 - West End Development Corporation Annual Report 2016 and 2017; and
 - Bermuda Land Development Company Limited Audited Financial Statements 2010, 2011 and 2012; and
 - Bermuda Land Development Company Limited Report on Operations for 2010 and 2011, and 2012 to 2017.
- Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.
There are no further papers or communications.

PETITIONS

The Speaker: There are none.

STATEMENTS BY MINISTERS AND JUNIOR MINISTERS

The Speaker: I believe we have some six Statements this morning. And the first two this morning are in the name of the Minister of Finance.

Minister, would you like to present your Statements at this point?

Hon. Curtis L. Dickinson: Yes, sir. Thank you.

CONSOLIDATED FUND FINANCIAL STATEMENTS 2018

Hon. Curtis L. Dickinson: Mr. Speaker, my first Statement relates to the [Consolidated Fund Financial Statements for 2018](#).

Mr. Speaker, I rise today to advise Honourable Members of the completion of the audit of the Consolidated Fund [the Fund] Financial Statements for the year ended March 31, 2018, which were tabled in this Honourable House today.

As Honourable Members are aware, the Consolidated Fund is the general operating fund of the Bermuda Government and is the Fund through which Government conducts the majority of its transactions. The Consolidated Fund's financial statements report the financial position, operations, change in net debt and cash flows resulting from the activities of the Government. This includes the accounts of the Senate, the House of Assembly, all Government departments and offices, and all courts.

Mr. Speaker, I am disappointed to report that the Auditor General gave a 'qualified' audit opinion on

the 2017/18 annual accounts of the Consolidated Fund of the Government. The Consolidated Fund has previously received an “unqualified” opinion each year since March 31, 2013. The two bases for the qualified audit opinion are as follows: (1) Sufficient and appropriate audit evidence was not provided to support the accuracy and completeness of \$10.3 million of capital development expenditures incurred during the year; and (2) A validation process for the payroll tax returns, which is used to provide assurance on the reasonableness of payroll taxes received, was not completed prior to the completion of the audit fieldwork.

Mr. Speaker, regarding the Auditor General’s capital expenditures qualification, Honourable Members are advised that the concerns specifically relate to amounts reported for Assets Under Construction on the Statement of Financial Position and capital expenditures. The approximately \$10 million, in the view of the Ministry of Finance, does not cause the audited financial statements to be misleading to users. The inability of the Auditor General to obtain sufficient evidence to support this amount is not indicative of a lack of existence of the support, but the inability by Government to provide it in a manner timely enough to meet the Government’s reporting deadline.

In relation to the Auditor General’s payroll tax and related accounts receivable qualification, Honourable Members are advised that these line items are reported on the Statement of Operations and Accumulated Deficit, and the Statement of Financial Position, respectively. It is noted that, as [payroll taxes are] the largest individual contributor to Government’s revenues, at \$457 million (of \$1.1 billion total revenue for the year), the auditor was unable to gain comfort with only a portion of the fourth quarter payroll taxes being verified due to the ongoing returns validation process by the Office of the Tax Commissioner.

Mr. Speaker, Honourable Members are aware that in the 2017/18 Budget, the former Government reformed the payroll tax system to provide progressivity in the employee portion of the payroll tax. The implementation of this reform was delayed from April to July 2017, to allow employers to gain a better understanding of the reform and to undertake and complete the various tasks needed for proper implementation. Despite this delay, some employers still submitted payroll tax returns with various errors. Due to the aforementioned and the manual nature of the validation process, this work was not able to be completed in time to meet the Government’s reporting deadline.

Honourable Members are advised that the full year’s validations were completed subsequent to the Government’s reporting deadline, and the results indicate that the reported payroll taxes are in line with numbers reported in the Consolidated Fund Financial Statements. Again, it is the view of the Ministry of Finance that the payroll tax revenue and corresponding accounts receivable reported do not cause the audited financial statements to be misleading to users.

Mr. Speaker, certain private debt placements made by the Government contain a reporting covenant requiring delivery of the audited financial statements within 240 days of the fiscal year end [November 26, 2018], and I can report that this reporting covenant was met. Mr. Speaker, the Government could have avoided the above-mentioned qualification by delaying the audit and allowing the Auditor General to gain comfort with the items leading to the qualified audit opinion. However, this would have caused the Government to be in breach with our reporting covenant in our private placement agreements.

Honourable Members are advised that the total penalty fees paid to Bermuda’s private placement noteholders as a result of the Bermuda Government’s financials being submitted late for the years 2015 and 2016 are as follows: For 2015, \$410,000; for 2016, \$640,000. After carefully considering this matter, I, as Minister of Finance, decided that it was prudent to accept the qualification rather than to unnecessarily spend taxpayer funds to our private placement noteholders.

Mr. Speaker, the Government will work with the Auditor General and take the required steps to ensure that these qualifications are removed in the future.

Mr. Speaker, under the Audit Act 1990, section 6(1)(b), the Auditor General is able to include in her report any other comments she considers appropriate. Accordingly, the Auditor General, for the eighth consecutive year, has included explanatory paragraphs as “other matters” which she deems appropriate. These other matters relate to the following: (1) the increased level of the net debt and the need for the Government of Bermuda to take concerted action to address it; and (2) the preparation of [Summary] Financial Statements for the Bermuda Government.

It is important to note that these explanatory paragraphs do not alter the Auditor General’s opinion, but are highlighted matters. However, the Government shares the Auditor’s concerns in these areas and has already started to tackle these matters. For instance, Mr. Speaker, the Ministry of Finance has already put in place a plan to eliminate the deficit and, ultimately, reduce the debt.

Mr. Speaker, liabilities related to pension and other employee future benefits are also included in the net debt amount disclosed in the Financial Statements, and the Government has already started the review of these benefits to ensure their sustainability.

Mr. Speaker, with regard to the preparation of Summary Financial Statements for the Bermuda Government, the Ministry agrees that there are benefits to issuing consolidated financial statements. However, Honourable Members are advised that there are other associated issues that need first to be addressed before proper consolidation can take place, and the Ministry notes that it would be prudent to have all of the audits of public authorities current to ensure that the

Summary Financial Statements are not misrepresented to users.

The audit report date is November 19, 2018. Mr. Speaker, financial highlights of the 2018 Consolidated Fund Financial Statements show that revenues exceeded budget projections, and spending was below original budget estimates, resulting in the fiscal outcome, on all measures, better than forecast.

Mr. Speaker, the Ministry will be providing full commentary on the actual fiscal performance for 2017/18 in the Pre-Budget Report in Advance of Fiscal 2019/20 numbers; therefore, I do not propose to go into detailed highlights at this time. Meanwhile, Mr. Speaker, the Statements of the Consolidated Fund provide valuable information on the financial position of the Government, and I would encourage the public to examine these Statements. Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

Would you like to continue with your second Statement?

Hon. Curtis L. Dickinson: Yes, please.

The Speaker: Go right ahead.

INTERNATIONAL LAW FIRMS IN BERMUDA— LICENCE CONDITIONS

Hon. Curtis L. Dickinson: Mr. Speaker, I am pleased to give this Statement today to update this Honourable House and the listening public on the Government's intention to allow [international law firms](#) to have a presence in Bermuda. Honourable Members may recall that, in the 2018/19 National Budget, Government announced that we had already begun the process of making Bermuda's economy more competitive and of stimulating additional investment in Bermuda.

It was also noted that, in support of this initiative, this Government would be welcoming global law firms to Bermuda. It is the Government's view that the presence of international law firms in Bermuda will generally benefit the economy and employment prospects of Bermudians, as well as enhance the national brand exposed through global channels.

Mr. Speaker, to progress this proposal, the Registrar of Companies [ROC] commenced consultation with the legal sector on allowing global law firms to have a presence in Bermuda. This consultation resulted in the ROC, on behalf of the Ministry of Finance, releasing an industry notice to key stakeholders.

The stakeholders were invited to give their feedback on any concerns they may have about opening the legal market to international law firms, as well as any conditions they believe should be imposed in section 114B licences in order to preserve the interests of Bermudians.

Accordingly, the following key stakeholders were invited to give feedback:

- the Bermuda Bar Council;
- each law firm listed on the Bermuda Bar Association's website;
- the Bermuda Business Development Agency [Bermuda];
- the Business Development Unit, formerly a section of the Ministry of Economic Development and Tourism and now under the Cabinet Office, and
- the Department of Immigration.

A summary of responses from stakeholders is as follows. In total, 28 submissions were received in response to the industry notice. Eighteen were from various law firms and individual lawyers. The Bermuda Bar Council declined to put forward a formal response, but forwarded a compilation of 10 letters, dating back to 2015, from various law firms and individual lawyers to the then Minister of Home Affairs, regarding overseas firms setting up in Bermuda.

Nine [respondents] were positively in favour of allowing international law firms to enter the Bermuda legal market, citing competition, increased global exposure and investment as benefiting the economy, as well as better professional development and career opportunities for Bermudian lawyers.

Six [stakeholders] expressly disapproved of allowing international law firms to enter the Bermuda legal market. The grounds of objection were that international law firms would be damaging to existing law firms and that they may simply open a "front" in Bermuda by engaging the services of a figurehead Bermudian.

Concerns had also been expressed that the development of international business in Bermuda has been spearheaded by the Bermudian-owned legal sector. Those expressing these concerns said that the legal services sector is a major contributor to the off-shore services economy, the result of 50 years of continuous investment in and development of Bermuda, mostly by the private investment of law firms, who have provided first-class services to support the international business.

The BDA is strongly in favour of relaxing the law firm market and opening it up to greater competition, on the grounds that it will open more channels to push out positive Bermuda messaging and increased opportunities for business flow, particularly in and from Asia.

Mr. Speaker, there have been several broad policy discussions, over the past eight years or so, about the formulation of a policy regarding the presence of international law firms in Bermuda. Under the current circumstances, it is prudent for the Ministry to establish clear policies with respect to local law firms wishing to obtain a licence under section 114B of the Act in order to partner with international law firms.

Mr. Speaker, the ROC and the Ministry of Finance have carefully considered all feedback from industry. Additionally, the ROC has conducted research on how other, similar jurisdictions contend with the presence of international law firms. Following due diligence, the Ministry proposes to prudently liberalise the law firm market and open it up to international firms. Accordingly, each section 114B licence application in relation to an international law firm will be decided on the basis of its own merit and in addition to the standard conditions imposed. Each licence application will be decided on the following provisional conditions, which are intended to preserve the interests of Bermudians:

1. The law firm will be required to have physical presence in Bermuda, i.e., that is, it must operate from Bermuda with staff and management in Bermuda.

2. Legal work involving matters of Bermuda law, originated in Bermuda, must be undertaken in Bermuda by lawyers with a current practising certificate, and cannot be outsourced to lawyers and paralegals in another jurisdiction and merely rubberstamped in the Bermuda office.

3. The law firm will be required to provide scholarships to Bermudian law students, recruit, train (i.e., pupillage and post-pupillage professional development) and employ Bermudians at all levels, as well as provide them with experience in the firm's overseas offices.

4. As part of the section 114B application, the law firm will be required to produce a five-year business plan that includes (a) how it plans to increase revenue from offshore work, and (b) a diversity and inclusion progression policy designed to identify and prepare candidates for partner and high-level management positions that are based on ability, but also that mirror the multicultural composition of the Bermuda community.

5. The law firm will be required to submit an annual report to the Minister to demonstrate adherence to the business plan.

Mr. Speaker, the Government is confident that this policy to relax the law firm market and open it up to international firms, along with the aforementioned licence conditions, strikes the correct balance between stimulating additional investment in Bermuda, providing opportunities for Bermudian lawyers, and preserving the interests of Bermudians.

Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

The next Statement this morning is in the name of Minister Burch.

Minister, would you like to present your Statement?

ANNUAL REPORT AND AUDITED FINANCIALS OF THE WEST END DEVELOPMENT CORPORATION AND THE BERMUDA LAND DEVELOPMENT COMPANY

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

I rise today to comment on the [West End Development Corporation \(WEDCO\) and the Bermuda Land Development Company Reports](#) for various periods. Let me begin with the West End Development Corporation [WEDCO] Annual Reports for the operating years 2016 and 2017.

Mr. Speaker, for the years under review, the WEDCO team has continued its efforts to establish the West End as Bermuda's premier destination port, as well as the place in Bermuda to work, live and play. Additionally, WEDCO continues to work diligently to develop strategic partnerships within both the private and public sectors to ensure the sustainability of the corporation as it moves forward with its development initiatives.

The year 2015/16 was an extremely busy one for the corporation, with major investment and restoration projects undertaken following Hurricanes Fay and Gonzalo. The corporation was further challenged with delivering the Cross Island venue, which, when completed, would serve as the location for the 35th America's Cup. These works were completed while WEDCO maintained its support and services to their existing tenants and businesses. Mr. Speaker, the major restoration obligations were not the sole focus that year, as the corporation also enhanced the residential housing and grew commercial opportunities.

Mr. Speaker, with regard to the financial highlights for 2016, the corporation's assets amounted to \$137 million, while liabilities totalled \$100 million. Revenues continued to grow to almost \$12.5 million when compared with expenses for that same period of \$16.3 million, thereby resulting in a net loss of \$3.8 million. There was a cash surplus for this period of \$500,000.

Mr. Speaker, accomplishments include the following:

- 1) a 6 per cent increase in revenue;
- 2) a 2 per cent retail growth, despite the economic downturn;
- 3) expansion of new retail shops;
- 4) renovations to the Prince Alfred Terrace residences;
- 5) completion of hurricane damage repair works; and
- 6) extensive programme to involve small contractors to complete many of the hurricane repairs and restoration projects.

Mr. Speaker, some of the activities which took place during this period were the return of Destination Dockyard, a weekly event during the summer months; the Annual End to End charity walk; Bermuda Regi-

ment Tattoo; Go Kart Grand Prix; and local live entertainment at Snorkel Park, Frog and Onion, and Bonefish.

Mr. Speaker, I will now move on to the annual report for the following year, 2016/17, which continued in high gear with preparations for hosting the America's Cup, extensive capital investment for the restoration, and upgrades to critical infrastructure and many historic buildings. The financial report for 2017 reveals WEDCO assets of \$111.3 million and liabilities of \$70.6 million. Total revenues continued to grow to \$15.5 million, while expenses increased to \$16.5 million, with the resultant net loss of \$1 million and a cash surplus of \$2.7 million.

Mr. Speaker, the highlighted accomplishments include the following:

1. meeting preparation responsibilities for hosting the 35th America's Cup;
2. investing and completing projects which totalled more than \$10 million in the renovating of historical structures;
3. winning a National Trust award for restoration efforts;
4. remaining focused on the continued development and growth of core businesses; and
5. increasing commercial revenue by 5 per cent during difficult economic times.

Mr. Speaker, I would now like to move to the reports of the Bermuda Land Development Company Limited (the BLDC). The BLDC was established under the Base Lands Development Act 1996, with a mandate to manage or oversee the management of the land entrusted to it, generally for the purpose of integration of that land into the economic and social fabric of Bermuda, and in particular to the creation of opportunities for increased employment now and in the future, in furtherance of the well-being of present and future generations of Bermudians.

Mr. Speaker, in accordance with section 16 of the Act, the company shall complete the following actions: (1) The Company shall prepare in respect of each financial year financial statements in proper form, which shall be audited by the Auditor.

(2) The Company shall as soon as may be [practical] after the end of each financial year prepare a report on its operations during that year, and on its policy and programme for future years.

(3) Every report . . . in respect of a financial year shall include the text of every direction given by the Minister to the Company under section 12 during that financial year.

(4) The Company shall send to the Minister, within six months after the end of each financial year, a copy of the set of financial statements . . . and of the report prepared . . . in respect of that financial year.

(5) The Minister shall cause a copy of every set of financial statements, and of every report, sent to him . . . to be laid before each House of the Legislature.

Mr. Speaker, since assuming my current role as Minister responsible for the company, I enquired about the status of the company's financial reporting, as only one of the [aforementioned] requirements have been met. I was advised that the last set of Audited Financial Statements and related Report on Operations, incredulously, were for the year ended March 31, 2009. I will speak more on the delay in a moment.

Mr. Speaker, today I present the Audited Financial Statements and Reports on Operations for the years ended March 31, 2010; March 31, 2011; and March 31, 2012. I note, for the information of the House, that the company received a clean audit opinion for each of those years. The auditor did, however, comment on weaknesses in internal controls related to the company's procurement processes, which were addressed in 2011 with the addition of more staff. It is noteworthy that the BLDC has not requested nor received government funding for any of the years being presented today.

Mr. Speaker, I will now return to comment about the delayed tabling of reports for the company. I am advised that there are several reasons for the delay, but you can imagine that none rise to the level of satisfaction for me, given that we are now in 2018, with the most recent accounts relating to March 31, 2012.

The underlying explanation for the delay is that the Auditor General was concerned about the procurement processes at the company in 2010. The Auditor General completed a special report that year and determined that a more detailed examination of the accounts was required, which necessitated more time-intensive processes to complete the audit. The delay was compounded by a recommendation to write down the carrying value of the company's assets by \$6.7 million (which had been audited since 2004), based on a review by the new finance team. The 2010 audit was finalised on February 2, 2015. The 2011 audit was impacted by changes in accounting rules related to public entities, and the 2012 audit was completed in January 2018.

Mr. Speaker, it is important to know how we will get this situation rectified. To that end, the company completed a significant software upgrade this year to evolve beyond its legacy 2012 accounting systems. In addition, the shareholders, at the company's AGM [annual general meeting] in July, approved a timetable and resources for all financial statements to be prepared and presented to the Auditor General by year end. An indication of the success of management's efforts is that the 2013 accounts are presently with the Auditor General for review, with the remaining years anticipated to be submitted by year end. The company also agreed to cover the additional costs to outsource the audits, at the direction of the Auditor General, if it is deemed practical to do so. The refusal of the Auditor General to allow outsourcing of this work is the

source of ongoing frustration at all levels of the company and contributes to the delay.

Mr. Speaker, the irony of this measured and sensible approach to the BLDC accounts that are presently six years out of date is not replicated in the qualified report tabled earlier in regard to the Consolidated Fund—specifically, with regard to the \$10.3 million of capital development works, which comprise, primarily, road works that can easily be verified, even without the documents, by simply driving on those very roads. I can confirm that those documents were in the office of the Auditor General, albeit delivered late, before the report was made. So, one is left to ask the question of why the double standards.

Mr. Speaker, to add context to my remarks today, I note that the company is doing commendable work in accordance with its mandate. [This work includes the following:]

- Request for Qualifications for a new Cargo Port and Energy Plant at Ships Wharf in St. David's was issued in March this year;
- Significant improvements have been made to the potable water supply and treatment of wastewater at Southside;
- The annual National Heroes Parade has been hosted there since 2016;
- Bathrooms at Clearwater Beach have been completely renovated;
- New parking has been constructed at Turtle Bay;
- Daniels Head was re-opened to concessionaires and the general public in 2017, whilst seeking a long-term developer for the site. (Of note, Mr. Speaker, the shareholders decided earlier this year to withdraw Daniels Head from further development consideration at this time);
- An Expression for Interest for Tudor Hill has been issued; and
- Substantial renovations have been made to existing commercial and residential buildings.

Mr. Speaker, in addition to improving the financial management of the company, the board has been focused on significant improvements in governance. In that regard, they have consistently approved an annual operating and capital budget, business plan and strategy, as required by the Act. It was recently announced that certain of the operational roles at BLDC and BHC [Bermuda Housing Corporation] would be combined, as originally recommended in the 2003 Report on Untangling Bermuda's Quangos, and further endorsed by the SAGE Commission. Following this announcement, we anticipate further efficiencies.

Mr. Speaker, I would like to thank the board, management and staffs at both WEDCO and BLDC for all of their hard work over the reporting periods.

Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

The next Statement on the Order Paper this morning is in the name of the Minister of Health.
Minister.

Hon. Kim N. Wilson: Thank you, and good morning, Mr. Speaker.

The Speaker: Good morning.

MENTAL HEALTH AMENDMENT (NO. 2) ACT 2018

Hon. Kim N. Wilson: Mr Speaker, as the Minister of Health, I am especially pleased to rise today to speak about the amendments to the Mental Health Act that will be tabled shortly.

I have spoken on various occasions about this upcoming work, and it gives me great pleasure to be able to bring the [Mental Health Amendment \(No. 2\) Act 2018](#) to this House. Mr. Speaker, the amendments proposed in the Bill were developed by a committed and expertly qualified steering committee and project team. The proposals were subsequently consulted on via the Mental Health Act Review Consultation Paper, on which we gathered feedback in February of this year. Broadly, the feedback was supportive. It acknowledged that more changes are needed in our mental health infrastructure, as well. This is the beginning of longer-term reforms.

Mr. Speaker, I want to acknowledge that this excellent work was commenced under the previous administration, and I am committed to advancing good work that aligns with this Government's priorities. Indeed, raising the awareness of mental health and the issues surrounding those persons within our community affected by mental health challenges is something that I am personally very passionate about.

Mr. Speaker, I would like to provide a brief overview of the Bill's intent. Overall, the goal is to bring Bermuda's mental health legislation in line with contemporary methods of care, whilst balancing the need to protect the rights of the individual patients and the need to ensure public safety. While more work will be needed on the broader mental health legislation and services, in this phase we have focused on addressing major gaps that exist in Bermuda's Mental Health Act. As such, Mr. Speaker, the Bill aims to establish requirements to define "mental capacity," ensure that consent to treatment is obtained, and establish community treatment orders. I will explain each policy a little further on.

Mr. Speaker, first, the Bill establishes requirements to determine a person's ability to make decisions. This will be achieved primarily through a mental capacity framework established in the Code of Practice. The rationale for this amendment is that a patient cannot consent to or refuse treatment unless they have the mental capacity to do so, and this is currently not present in law. The mental capacity framework will establish principles and criteria to determine whether a

person is able to make a decision, and, if they are deemed unable, to ensure that the decision is made in their best interests.

Mr. Speaker, secondly, the Bill seeks to provide a framework for consent to treatment to be sought in specific cases. The Mental Health Act currently does not provide legal safeguards for patients who either cannot consent or refuse to consent to treatment. The Bill establishes safeguards for patients regarding consent to treatment, which will apply to all detained patients whether in hospital for treatment or living in the community under a community treatment order, which, Mr. Speaker, is the final change introduced by the Bill.

The Bill introduces provisions under the Mental Health Act for “supervised community treatment” in the form of Community Treatment Orders (CTOs). CTOs enable mental health professionals to treat patients granted leave from the hospital for extended periods of time. This enables conditions to be set for patients to live in the community (such as the continuation of medication), while also improving legal safeguards to protect the rights of the patient.

Mr. Speaker, this is a high-level overview of the Bill and of our intended improvements to mental health provisions in Bermuda. We appreciate that more is needed, and we will continue to make improvements. But, for the time being, we are absolutely confident that these provisions will bring improved safeguards and treatment for mental health patients in Bermuda. Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

The next Minister who has a Statement on the Order Paper this morning is the Minister of Transport and Tourism.

Minister, would you like to present your Statement?

IMPLEMENTATION OF THE INTERNATIONAL MARITIME ORGANIZATION (IMO) INSTRUMENT IMPLEMENTATION CODE (III CODE)

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

Mr. Speaker, I am pleased to provide this Honourable House with an update on the progress that is being made on the [implementation of the International Maritime Organization \(IMO\) Instrument Implementation Code](#), which is commonly referred to as the III Code.

Mr. Speaker, the III Code is concerned with providing a unified international standard for the operation of maritime functions by IMO Member States, in accordance with the provisions of the IMO Instruments. It also forms the basis of audit standards for the mandatory IMO Member State Audit Scheme (IMSAS Audits). The audit schedule has been approved by the Council of the IMO and, according to the schedule, the UK audit will take place in September 2020. This audit

includes the Overseas Territories (OTs). In preparation, the UK Maritime and Coastguard Agency (MCA) will conduct assurance audits in 2019 of all OTs to gauge and measure compliance and readiness for the IMO Audit.

Mr. Speaker, the IMO Instruments set out the rights and obligations of a state with regard to maritime functions conducted by its government authorities, under the provisions of the relevant conventions to which it is a party. Bermuda is a party to all major International Maritime Conventions through the United Kingdom (UK), which is the IMO Member State and the signatory to such conventions on behalf of itself and its OTs. These IMO Conventions have been extended to Bermuda by the UK Government. For the purpose of statewide implementation of IMO Conventions, the state is divided into three separate and distinct sub-states: the Coastal State, Port State and Flag State. While each of these state parties is responsible for undertaking the maritime functions delegated to it by the government (state), the government remains responsible for giving full and complete effect to the IMO Conventions.

There are eight main International Conventions conferring rights and obligations upon Bermuda, as follows: There is one United Nations convention, the United Nations Convention on Law of the Sea, 1984 (UNCLOS 1984). There are six International Maritime Organization Conventions, as follows: (1) International Load Lines Convention; (2) International Convention on Measurement of Tonnage of Ships; (3) International Regulations for Prevention of Collisions at Sea; (4) International Convention on Prevention of Pollution from Ships [MARPOL]; (5) International Convention on Safety of Life at Sea [SOLAS]; and (6) Standards of Training, Certification and Watchkeeping, [STCW]. And, there is one International Labour Organization [ILO] convention, the Maritime Labour Convention, 2006 [MLC 2006].

Mr. Speaker, to properly implement and enforce Bermuda’s rights, obligations and responsibilities with respect to the relevant IMO Instruments, current legislation, policies and procedures must be reviewed, gaps identified, responsibilities clarified, and remedies put in place. The actions required with respect to code compliance involve and span a considerable number of agencies. In this regard, the Bermuda Shipping and Maritime Authority [BSMA], as the flag state, has been given the overall responsibility for preparing for and providing direction and support to the coastal and port state entities, to ensure compliance with the code in advance of the audit.

Some of the key tasks include completion of the Gap Analysis, acting on findings of the Maritime and Coastguard Agency report, and assessing and executing the legislative and procedural changes needed to meet the code requirements. The cooperation and collaboration of the various ministries, departments and quangos is necessary to ensure suc-

cess, and I am pleased to report that we are making significant progress.

Mr. Speaker, to ensure the appropriate guidance and oversight of the Ill Code implementation process, the Bermuda Maritime Steering Committee has been created. This executive committee composition includes representatives of Flag, Coastal and Port departments and agencies with responsibilities impacting on the national maritime obligations and requirements. The chairperson of the steering committee is the local coordinator, and other members include a representative from the BSMA, Department of Environment and Natural Resources, Department of Health, Department of Marine and Ports, and a Port Operator representative. Sub-working committees have also been created, and they include Search and Rescue, Marine Pollution, Ports, Health and Navigation.

Mr. Speaker, other activities directly related to ensuring our readiness, which have been completed, include the visit of the United States Coast Guard Strike Team during the week of 17 September 2018. The purpose of the visit was to discuss our oil-pollution response readiness and to review the existing Memorandum of Understanding [MOU] with the United States Coast Guard for Major Oil Spill Response. This visit was organised and coordinated by the Department of Environment and Natural Resources.

This was followed by a visit, on the 29th and 30th of November 2018, of representatives from the UK Maritime and Coastguard Agency, as part of their review work on each Overseas Territory's pollution response capability. Their visit largely focused upon site visits and gaining an understanding of the individual port risks and marine pollution response capabilities and needs.

Mr. Speaker, it is a requirement for all of the OT administrations to develop a Ill Code strategy document with the aim to have each administration's strategy in place prior to the conduct of each Territory's assurance audit in 2019. In support of the strategy, it is recommended that each OT administration has a supporting manual. The purpose of this manual is to contain and provide a central place for supporting documents which will assist in demonstrating implementation of the strategy. The development of our strategy document and supporting manual is completed.

Mr. Speaker, substantial progress has also been made on the completion of the legislation gap analysis, and we await a final report from the UK to verify our analysis. The total number of regulations that were identified as being required, from the Gap Analysis, between the UK's and Bermuda's existing merchant shipping regulations, is 69. Twenty-nine specifically pertain to the Ill Code.

The BSMA has an ongoing legislation programme with the Attorney General's Chambers to assist in advancing this necessary legislation, and we are very pleased with the progress made thus far. Honourable Members will recall the two pieces of maritime

legislation that we debated just recently, which will facilitate the implementation of various regulations as required by the Code.

Mr. Speaker, the implementation of the Ill Code is of significant importance and is mandatory for Bermuda to maintain its very good reputation as a compliant and leading maritime jurisdiction. With the progress that we have made thus far, and with the continued Government support and cooperation of the stakeholder departments, I am confident that we will be compliant prior to the imposed deadline. And I will endeavour to keep the Honourable House updated on our progress.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Minister.

The last Statement on the Orders this morning is in the name of the Minister of National Security.

Minister.

DISASTER RISK REDUCTION AND MITIGATION TEAM END OF YEAR REPORT

Hon. Wayne Caines: If it pleases you, Mr. Speaker.

Mr. Speaker, this morning I wish to provide this Honourable House with a report on the activities of the [Disaster Risk Reduction and Mitigation \[DRRM\] Team](#), for this current year. Honourable Members will recall that this team was introduced to the public in October, after becoming operational this past summer.

Mr. Speaker, the DRRM Team is tasked with strengthening and developing disaster and emergency contingency plans for natural and manmade hazards that threaten Bermuda, and coordinating the activities of the Emergency Measures Organisation [EMO]. The team also has responsibility for coordinating the planning for national events and their associated contingency plans. Based within the Ministry of National Security Headquarters, the team currently consists of five staff seconded from our uniform services that each brings experience and expertise crucial for carrying out the responsibilities of the Disaster Risk Reduction and Mitigation Team's remit.

Mr. Speaker, the DRRM Team is led by senior police officer, Steve Cosham. Mr. Cosham has [37] years of experience, which includes being the Commander of the Marine Unit and ComOps. He is also trained in bomb disposal and was a firearms commander for pre-planned operations.

Working with Mr. Cosham are the following staff: Kelly Trott is a Principal Customs Officer with 31 years of experience. She has worked in all areas of Customs and is trained as a Diagnostic Facilitator for the World Customs Organization and a Certified Trainer for the Caribbean Customs Law Enforcement Council. Mr. Troy Furbert is a Divisional Fire Officer with 30 years of experience. He brings with him vast experience in fire operations and training, and is a

certified National Fire Protection Association Instructor. Dean Rubaine is a Regimental Quartermaster Sergeant from the Royal Bermuda Regiment, with 30 years of experience.

He has previously been deployed overseas to assist with disaster operations in various Caribbean islands, and was appointed to the International Military Advisor Training Team, in Sierra Leone. Lyndon Raynor is a Police Sergeant with 33 years of experience in operational and support roles in policing. He is a qualified Firearms Commander and a trained Hostage Negotiator.

Mr. Speaker, this year, the team has been involved in several crisis planning exercises and activities. In January, the team brought together 27 agencies for the airport emergency plan exercise. The exercise simulated a large fuel spill whilst a plane was full of passengers. This exercise gave the agencies an opportunity to work through the emergency plan in real time in order to make necessary changes and enhancements. Mr. Speaker, from June through October, the team was central in holding a tabletop exercise on board the cruise ship *Norwegian Escape* to develop a cruise ship evacuation plan for Bermuda. This culminated in October with a live, partial cruise-ship evacuation taking place at Heritage Wharf. These planning exercises will help prepare the 23 agencies involved in cruise ship contingency plans for greater engagement for the start of the 2019 cruise ship season.

Mr. Speaker, hurricane season, which runs from 1 June until 30 November, saw the second year in a row that Bermuda did not receive a visit from a hurricane, for which we are definitely blessed. Although there was no storm activity, the DRRM Team worked through all related plans in order to keep up its preparation and risk reduction work, and are ready for the 2019 season. Since October, Mr. Speaker, the team has been engaged with Sol and RUBiS in developing contingency plans for the fuel farm and nearby residents and businesses at Ferry Reach. SOL and RUBiS remain the responsible fuel providers; however, the DRRM Team is working to further mitigate potential risks generated by the nature of fuel storage operations. A town hall meeting for residents to become involved in the contingency planning process and voice any concerns is being planned for January 2019.

Mr. Speaker, in November, training was held for 25 staff from 10 EMO agencies in the Incident Command System. The aim of this training was to encourage collaboration between agencies and assist participating staff in commanding any incident, whether small or large. To increase our resilience at the ports of entry, December saw training of 23 staff from eight agencies that support the airport and seaports in bomb searching.

Mr. Speaker, looking ahead, the DRRM Team is working with stakeholders on various training

[packages and] exercises to test contingency plans for 2019. Over the course of the year, the team will work toward upgrading the necessary Emergency Broadcast Facility at 100.1 FM and changing it from analogue to digital. The team will also facilitate a locally held incident command course for EMO agencies before the hurricane season begins.

Mr. Speaker, although many of the disasters for which the DRRM Team are ensuring preparedness seem unlikely for Bermuda, the consequences of not being prepared in the event of an occurrence could be cataclysmic. It is important to include all of the community in developing disaster and emergency contingency plans. Once developed, if they are to work, these plans need to be trained for and then exercised in order to test them. If this is completed with wide stakeholder engagement, we will maximise the plans' effectiveness and will place Bermuda in a position to respond to, and recover from, any national disaster as efficiently as possible. Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

That brings us to a close of the Ministerial Statements this morning.

REPORTS OF COMMITTEES

The Speaker: There are none.

PREMIER'S QUESTION TIME

[Standing Order 17(11)(i)]

The Speaker: Members, today is the second sitting in the month, which means we have the Premier's Questions. And, just particularly for our listening audience, during the Premier's Question Time, questions may be put to the Premier relative to current matters of national importance, and/or general performance of Government Ministries and Government agencies, including routine questions about the Premier's engagements.

The Leader of the Opposition will have the opportunity to ask three questions if he desires. Other Members may put one question only. And supplementary questions can be asked only by the Member who put the question.

Premier, the first Member who has indicated that he has a question for you this morning is the Leader of the Opposition. And, as you know, there is a 30-minute timeline for this section in our agenda.

Opposition Leader.

Hon. L. Craig Cannonier: Thank you very much, Mr. Speaker. Good morning also to everyone.

The Speaker: Good morning.

QUESTION 1: DEPARTMENT OF CHILD AND FAMILY SERVICES REPORT

Hon. L. Craig Cannonier: Yes. Question for the Premier: Where are we concerning the DCFS (Department of Child and Family Services) with the report which was due on October the 31st gone, on allegations of abuse within Child and Family Services?

The Speaker: Thank you, Member.
Premier.

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

Mr. Speaker, in response to the Leader of the Opposition, at the request of the department and Ministry, the Head of the Public Service placed officers on administrative leave. In other cases, the acting department head relieved certain officers of their particular duties.

There are three officers being investigated. And the investigations are at various stages. All complaints related to all matters at the Department of Child and Family Services are being investigated. Procedures for the handling of cases of alleged gross misconduct are set out in the Second Schedule of the Public Service Commission Regulations. And, upon the completion of the investigation, wherein offences against the conditions of employment and Code of Conduct are alleged, the matters will be referred to the Head of the Public Service, who shall conduct a hearing.

It should be noted that investigations into various matters at DCFS are ongoing, and, as it has been in the public domain, there are two separate lines—one with the Department of Internal Audit and one with the Ministry itself—handling items which may be considered against the conditions of employment and Code of Conduct.

The Speaker: Thank you.
Supplementary or second question?

Hon. L. Craig Cannonier: No; supplementary.

The Speaker: Supplementary?

Hon. L. Craig Cannonier: Yes.

The Speaker: Continue.

SUPPLEMENTARIES

Hon. L. Craig Cannonier: And I want to thank the Premier for that, since we had not heard anything since October 31st.

What I wanted to find out a little more about is if he could expound on some of the other tangible measures outside those suspensions that may have been made by the department, since it had moved

under the Attorney General Chambers, whereby it has given some assurances to families that kids are safe and secure, outside of these suspensions. Have there been any other kinds of fundamental changes within how they do things?

The Speaker: Thank you.
Premier.

Hon. E. David Burt: I thank the Opposition Leader for his question, Mr. Speaker. And what I can say is that this Government puts the safety of our children [first] and regards it as the highest priority.

The fact is that the Minister who is responsible for this responsibility sits in another place. The Minister who is responsible for this has made statements of what is going on in Child and Family Services and has [answered] numerous questions and [provided] responses to the Members of the Opposition who sit in the other place.

What I would say is that the Minister who is responsible, just like the Minister who was responsible previously, is on the case. We are making sure that we are going to upgrade the facilities. There are various facility upgrades which are going on right now to make sure that there is capacity to care for our children. And this Government will make the investments which are necessary and required to ensure that our children come first and that the safety of those who are the most vulnerable in our population have the services of which they need.

The Speaker: Thank you.
Supplementary or new question?

Hon. L. Craig Cannonier: Yes, supplementary.

The Speaker: Second supplementary, your last supplementary on that question.

Hon. L. Craig Cannonier: Yes. Yes.

Taking that into consideration, there has been a lot of attention to this particular department, as we can see played out in the public. And so, I guess what I was trying to understand, as far as there has been talk about efficiencies, making it more efficient, knowing that the Attorney General's Chambers has been under stress already . . . by moving it into this area, does the Premier believe that, with the attention thus far, it may have been a mistake moving it, disbanding the former Ministry and moving this particular department to the Attorney General's Chambers, when we know that the former Minister was doing such a good job?

The Speaker: Thank you.
Premier.

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

Mr. Speaker, the organisation of Government under the Constitution lies with me. And I am responsible for the organisation of Government. After 16 months of examining the way in which things stood, I decided to make a change, in the interest of efficiency and better service. The changes which I have made, Mr. Speaker, in my belief will better serve the people of this country, our children, our seniors, those on financial assistance, those in sports and those within labour. And so, for that particular instance, Mr. Speaker, I support, clearly, the decision which we have made. And not only do I support the decisions of which have been made, but it is my belief that they will yield to better results for our students.

So, to answer the question, no; I am not second-guessing my decision, Opposition Leader. It was the correct decision, and it will yield better results for our children.

The Speaker: Thank you, Premier.

Now, you used the supplementaries on your first one. Would you like to put a second question?

Hon. L. Craig Cannonier: Second question, yes.

The Speaker: Second question.

QUESTION 2: INSURANCE REGULATORY SANDBOX LICENCES

Hon. L. Craig Cannonier: Thank you, Mr. Speaker, for obliging me.

Certainly, since the process of setting up the Sandbox, which introduces the regulatory testing environment that we are now calling the Sandbox, I wanted to find out if the Premier can let us know, since July, I believe it was first, how many temporary Sandbox licences have been approved?

The Speaker: Thank you.
Premier.

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

Mr. Speaker, if he is speaking about the Insurance Regulatory Sandbox—

Hon. L. Craig Cannonier: Yes.

Hon. E. David Burt: —that is a matter that will fall underneath the Bermuda Monetary Authority. I do believe that they publish all licences which are issued, on their website. And those particular matters will be in the public domain.

However, I will ask my colleague, the Minister of Finance, to follow up and provide an answer to the Honourable Opposition Leader on that particular point.

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

Hon. L. Craig Cannonier: Supplementary.

The Speaker: Supplementary.

SUPPLEMENTARY

Hon. L. Craig Cannonier: Yes, I appreciate that. Yes, we were looking for it, and I could not find it. So, that is why we were asking the question.

As a supplementary to that, is the Premier aware of any job creation for Bermudians that may have resulted from these temporary licences that may have been given?

The Speaker: Thank you.
Premier.

Hon. E. David Burt: Mr. Speaker, I just want to ask the Opposition Leader to clarify.

Are you talking about licences from under the Insurance Act for provisional licences for insurance companies?

Hon. L. Craig Cannonier: Yes.

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

Mr. Speaker, I cannot necessarily speak to the specifics of any jobs which may or may not have been created. As the Opposition Leader would know, those are not statistics which are kept specifically by the Government in any way, shape or form. What I can tell the Opposition Leader, and I think that many people have seen this, is that jobs are being created inside of the FinTech industry, broadly, and this Government will continue to support that.

The Speaker: Thank you.
Supplementary or third question?

Hon. L. Craig Cannonier: Third question.

The Speaker: Third question.

QUESTION 3: FINTECH DEVELOPMENT FUND DONATIONS

Hon. L. Craig Cannonier: Yes. Thank you again.
Since the establishment of the FinTech Fund, have any donations come in yet for the FinTech Fund?

The Speaker: Premier.

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

Mr. Speaker, I can confirm that, to date, there have been no donations made to the FinTech Development Fund.

The Speaker: Thank you.
Supplementary?

Hon. L. Craig Cannonier: Supplementary, supplementary.

The Speaker: Yes.

[Inaudible interjection]

The Speaker: This is his first supplementary on the third question.

SUPPLEMENTARY

Hon. L. Craig Cannonier: My third question, yes, yes, yes, yes, yes, yes. I will be done in a minute.

Supplementary. Taking that into consideration, is there any particular reason why that has not happened thus far? We know that you have been very attentive to the FinTech industry and moving it along. Has there been a complication as to why we have not seen any funds thus far, especially knowing that there have been 44 FinTech-type companies that have been licensed in Bermuda thus far?

The Speaker: Thank you.
Premier.

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

Mr. Speaker, the Honourable Opposition Leader said 44 companies. I would like to correct him and just state that the latest figures state that there are 52 companies now, FinTech companies, which are now registered in Bermuda.

[Desk thumping and cheering]

The Speaker: Members!

Hon. E. David Burt: In addition to that, Mr. Speaker, I think that it is a very, very important point that the Honourable Member raises. And I want to take this opportunity to make sure that I speak to the people of Bermuda on this, because it is very, very important to know.

Here is what I will tell you. The first thing is, Mr. Speaker, Rome was not built in a day, and neither will Bermuda's FinTech industry be built in a day. But what I can tell you, Mr. Speaker, is yes, there are complications. And the complications that we are having have been explained numerous times from this floor. And those are the complications of banking within this particular sector, Mr. Speaker. So, the Government, the Minister of Finance, the Bermuda Mone-

tary Authority and [we] ourselves, who are responsible for ITT innovation and policy, are pushing forward in trying to get banking solutions for persons who will bank FinTech companies.

Once there are banking solutions for FinTech companies here we will see even more growth. And at that point in time I will be happy to, hopefully, report on donations to the FinTech Fund.

The truth of the matter, Mr. Speaker, is that this industry will not be able to flourish as the others have, because of the fact of the lack of banking services. And Bermuda in this case is at a disadvantage. Historically, Mr. Speaker, Bermuda was never a banking jurisdiction. Therefore, other jurisdictions which were involved in FinTech have many types of banks. Some are willing to have FinTech appetites.

I had a conversation this week when I was at MIT (Massachusetts Institute of Technology), when I was meeting with FinTech leaders. And one of the things that happened earlier this week, Mr. Speaker, which I think is very important, is that there was a FinTech company that has set up here. And the company that has set up here, Mr. Speaker—a very, very key point—the company that set up here took six months and was not able to open a bank account in Bermuda and had to open up a bank account in the Bahamas.

That is the challenge that we are facing. I am happy that the Opposition Leader asked for the challenge. That is a challenge that we have, and we are working to resolve that. It is my hope, Mr. Speaker, that this particular challenge will be resolved shortly.

The Speaker: Thank you, Premier.
What are you rising for, sir?

[Inaudible interjection]

The Speaker: Wait, wait, wait, wait. No supplementary. You cannot ask—

An Hon. Member: No. I have a question.

The Speaker: No, no, no. I have a list. A list was submitted. I am going by the order of the list that Members submitted to me.

The next Member who submitted her interest in asking a question is the Member from constituency 19.

Member, would you like to put your question?

QUESTION 1: JUNIOR MINISTER OF FINANCE

Hon. Jeanne J. Atherden: Mr. Speaker, through you to the Premier: Mr. Premier, would you please advise whether you intend to continue having the Honourable Wayne Furbert act as a Junior Finance Minister in the House, now that Minister Dickinson has taken up his

portfolio as Minister of Finance duties? Or will he stand down, as a cost-cutting measure?

The Speaker: Thank you, Member.
Premier.

Hon. E. David Burt: I thank the Honourable [former] Opposition Leader for her question. The last time I checked, the appointments to Ministers and Junior Ministers were in the specific purview of myself, underneath the Constitution, Mr. Speaker. The Honourable Wayne Furbert will continue to serve in the Ministry of Finance, as I stated in Government House, to assist in the preparation of this year's budget. We do know that there is a lot of work that has to happen in that. And the continuity that will be provided in the Ministry of Finance by the Junior Minister, I am sure, will be welcomed not only by the Minister of Finance, but by all Members of this House.

The Speaker: Thank you, Premier.
You are allowed a supplementary. Would you like a supplementary?

SUPPLEMENTARY

Hon. Jeanne J. Atherden: Yes, please, Mr. Speaker.
Mr. Speaker, my supplementary to the Premier is that I understand that he has all of this discretion available to him. I was just curious, because I believe that, you know, Junior Minister Furbert had demonstrated some successful completion of tasks. And I wondered whether that might have elevated him to be considered to be the—

[Inaudible interjections]

The Speaker: Members, Members!

Hon. Jeanne J. Atherden: —to be the Minister responsible for Education. And I just want to recognise that there is some concern about education. And the public needs some assurance that this important Ministry is going to have the promises that it made to the people taken care of.

The Speaker: That should have been a question.

Hon. Jeanne J. Atherden: I had a question.

The Speaker: Oh, oh.

Hon. Jeanne J. Atherden: My question was whether the Premier has considered that the Junior Minister, by virtue of what he has done with the Tax Reform Sub-committee, et cetera—

[Inaudible interjections]

Hon. Jeanne J. Atherden: Excuse me, Mr. Speaker.

[Inaudible interjections]

The Speaker: Members. Members. I am trying to hear the question.

An Hon. Member: So are we.

Hon. Jeanne J. Atherden: Has the Premier considered whether Junior Minister Wayne Furbert's next task would be taking over the portfolio of Education, recognising that this is a portfolio that the people of Bermuda want to see—

[Inaudible interjections]

The Speaker: I have got the gist. I have got the gist.

Hon. Jeanne J. Atherden: That the people—they want it handled.

The Speaker: Premier. Premier. Premier.

[Inaudible interjections]

The Speaker: Let the Premier respond. Let the Premier respond, please.

Hon. E. David Burt: Mr. Speaker.

The Speaker: Yes.

Hon. E. David Burt: I appreciate the support that Honourable Members on that side have for the Members on this side, and the willing kudos which they will give them.

And so, I want to appreciate that, because I think that is wonderful, coming from the former Opposition Leader, recognising the strength and depth and talent on this side of the House, Mr. Speaker.

What I will say, Mr. Speaker, is that the Honourable Minister responsible for Education has my full and unequivocal support to deliver for the people of this country the reforms which are required for education.

[Desk thumping]

Hon. E. David Burt: And what I will say, Mr. Speaker, is that, if at any point in time there would be any type of change in that, this Honourable House will know.

The Speaker: Thank you.

Those were your questions.

The next Member on the Order Paper who has indicated that she would like to put a question is the Member from constituency 23.

Honourable Member, would you like to put your question?

QUESTION 1: SEPARATION OF CEO FROM BERMUDA HEALTH COUNCIL

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

Is the Premier able to share with this Honourable House the circumstances behind the sudden separation of the CEO from the Bermuda Health Council?

The Speaker: Mr. Premier.

Hon. E. David Burt: Can the Honourable Member please repeat her question?

The Speaker: Member, would you repeat your question?

Hon. Patricia J. Gordon-Pamplin: Yes, Mr. Speaker.

Is the Premier able to share with this Honourable House the circumstances behind the sudden separation of the CEO from the Bermuda Health Council?

Hon. E. David Burt: Thank you for the question, Mr. Speaker.

Mr. Speaker, there are no further details of which I can share at this point in time. If there is a specific question that wants to be asked, I am happy to answer. It is my understanding that the separation took place by the Bermuda Health Council, and their board sought approval from the Minister, and such approval was granted for such.

The Speaker: Thank you.
Second question or supplementary?

Hon. Patricia J. Gordon-Pamplin: Supplementary. I only had one question. I have the first supplementary.

The Speaker: I meant supplementary. No second question. Supplementary, yes.

SUPPLEMENTARIES

Hon. Patricia J. Gordon-Pamplin: And that is, can the Premier undertake to advise this Honourable House the conditions, the terms of the separation package that may have been offered under the separation agreement?

The Speaker: Thank you.
Premier.

Hon. E. David Burt: Mr. Speaker, the undertaking that I can give this Honourable House is that, as much

as can be disclosed, publicly and/or privately, I will undertake to do so. And I think that if the Honourable Member who may speak for Health in this matter wants to have a private conversation with the Minister of Health on this matter, I would invite her to certainly do so.

The Speaker: Thank you.
Second supplementary?

Hon. Patricia J. Gordon-Pamplin: Second supplementary.

Is there a contingent liability for any legal fees in respect of any possible challenge as a result of the separation?

The Speaker: Premier.

Hon. E. David Burt: Mr. Speaker, I do believe that there is something regarding Standing Orders regarding the answer to hypothetical questions. And so, I am going to decline to answer that question.

The Speaker: Thank you.
Those are your questions asked.
The next Member on the Order [Paper] who put in a request is the Deputy Speaker.
Deputy Speaker, would you like to put your question now?

QUESTION 1: DOMESTIC PARTNERSHIP ACT, COST OF APPEAL

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

Mr. Premier, I am pleased to hear the news that the Government has sought leave to appeal to the Privy Council the decision by the Bermuda courts to strike down this Parliament's will in passing the Domestic Partnership Act. Can the Premier please advise this Honourable House the cost to date for this appeal?

The Speaker: Thank you.
Premier.

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

And I appreciate the question from the Honourable Deputy Speaker, because it gives me an opportunity to clarify information/misinformation which may be inside of the public domain, where there have been persons who have been quoting very large figures for the Government regarding the expenses in this particular instance, in this particular case.

What I can confirm for the House is that for the original appeal to the Court of Appeal, the cost borne to the public purse was £41,750, which equates to about \$52,000 or \$53,000, depending on the ex-

change rate, and which, of course, depends on British politics daily. And then with regard to the appeal, the drafting of the grounds of appeal and provisional advice to the Privy Council, that stands, to date, Mr. Speaker, at £11,250.

The Speaker: Thank you.

Supplementary? No? Okay.

The next Member on the list is the Member from constituency 10.

Would you like to put your question?

Hon. Michael H. Dunkley: Good morning, Mr. Speaker. Good morning, colleagues.

The Speaker: Good morning.

QUESTION 1: SALE OF VICTORIA HOUSE TO ARBITRADE

Hon. Michael H. Dunkley: Mr. Speaker, just for the record, the questions asked to the Honourable Premier in the July 13th session still have not been answered.

The question for the Honourable Premier in this session and Question Period is, as the Minister of Finance, Premier Burt, you issued a licence under section 4AA of the Companies Act, which allows land held by Bermudians, the building known as Victoria Hall at 11 Victoria Street, to be sold to Arbitrade.

Question to the Honourable Premier: In the application, what was the proposed use of the building? What were the proposed business operations to be housed in the building? And what due diligence, meaning as referenced in your Statement of October 31st, passing all financial and background checks, was done prior to approving the licence and sale?

The Speaker: Premier.

Hon. E. David Burt: I thank the Honourable Member for his question. I am uncertain as to whether or not the particular items of which he is asking for are disclosable, specifically the use of the building, the intended use of the building. What I can state is that I cannot recall, without notice, what those specific measures were inside of that document. But I will ask the Minister of Finance to forward that, if it is able to be disclosed.

What I can tell the Honourable Member is in a broader context of the question of which he asked, about the purchase of the building and the request for the purchase of the building; I will just explain to him that the process is as follows: Applications are made. There are requests. The applications are vetted by the Registrar of Companies. In addition to the vetting by the Registrar of Companies, the Registrar of Companies seeks the opinion of the Chamber of Commerce,

and also the Bermuda Business Development Agency in this particular case.

What I can say is that the Chamber of Commerce, as I said publicly, was supportive of this purchase. The Business Development Agency said that they were generally supportive of it, but they had some questions. Based upon the questions, Mr. Speaker, there was enhanced due diligence that was done, which was requested by myself, at the highest levels, which is what is allowed internally, that those questions went to the Assistant Financial Secretary.

The Assistant Financial Secretary went to the Financial Intelligence Agency to make sure that they completed background checks at the international Interpol system for all of the various directors. Those background checks came back with no objection. And, given that there was no objection from the Registrar of Companies, and there was support by the Chamber of Commerce, the registration was approved by myself as the Minister of Finance.

The Speaker: Thank you.

Supplementary.

Hon. Michael H. Dunkley: Yes, Mr. Speaker, but just a quick comment. If Bermudian land is sold to a non-Bermuda business—

The Speaker: Well, well, let us keep it to questions.

Hon. Michael H. Dunkley: —I do not think there should be anything that is kept from the public.

The Speaker: Let us keep it to the question. Keep it to the question.

SUPPLEMENTARIES

Hon. Michael H. Dunkley: Mr. Speaker, supplementary question.

The Honourable Premier said in his statement that financial and background checks were done. He just answered the question by saying they were done by individuals involved. Who were the individuals involved when financial and background checks were done?

The Speaker: Premier.

Hon. E. David Burt: Mr. Speaker, I think that there is one thing that the Honourable Member should know. And that is that the ultimate beneficial owners of companies are not something that is publicly disclosable. And I think that is something that is supported from that side of the House and this side of the House.

What I can tell . . . and so I am certainly not going to use the privilege of Parliament to disclose information that comes to me in confidence out of a public nature. Because I think if we start going down

that road, then I am quite certain that there is a whole lot of business inside of this country that will be challenged.

But allow me to speak, again, for the particular record. There was an application, Mr. Speaker, to purchase property. That application goes through the exact same checks that any other application goes through. It is reviewed by the Registrar of Companies. The Registrar of Companies seeks the advice of the Chamber of Commerce and the Bermuda Business Development Agency. Those reports came back to me. I analysed those reports. I held the file, after it came from the Registrar of Companies, for about a month, to make sure that additional due diligence was carried out so that we could be completely satisfied.

Especially in light of the comments and attacks which would come from that particular Honourable Member, I wanted to be absolutely sure that the Government could stand up and say that we have done the checks which were required. We did those checks. We went to enhanced checks. And those enhanced checks came back clear, from that level. And, therefore, I was satisfied that the approval to purchase the property could be approved.

The Speaker: Thank you.

Hon. Michael H. Dunkley: Mr. Speaker.

The Speaker: This is your second supplementary.

Hon. Michael H. Dunkley: Yes, Mr. Speaker.

If asking questions is an attack, then we live in a different world nowadays.

The Speaker: Just—

Hon. Michael H. Dunkley: Second supplementary.

The Speaker: Wait, wait, wait, wait, wait, wait, wait, wait, wait, wait. Take your seat. Take your seat.

Let me caution all Members. It is simply a time for you to get up and ask questions, not a comment. Save that for the motion to adjourn if you want to add to your comments. But when you rise to your feet, put a simple question.

Continue.

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

Referring back to the Act, under the section of the Act 4AA(2), if the application is in accordance with the policy approved by the Cabinet, he, being the Minister responsible, if he consents to the application . . . and then in [section] 4AA(3), it may be subject to certain conditions that the Minister considers appropriate to impose. Has the Honourable Premier in this case imposed any restrictions or conditions in this case, as is allowed under the Act?

The Speaker: Premier.

Hon. E. David Burt: Mr. Speaker, as I do believe that the actual licence itself is a public document, I will undertake to ask the Minister of Finance to share it so that he can see the conditions. The conditions are the standard conditions which are attached to all [such licences], which I think is for a period of five years, and it has to make sure that it is renewed after every five years. But I do not think that there are any additional conditions out of the ordinary, which are given to any other approval by non-Bermudian companies that are not fully beneficially owned by Bermudians, to own property.

The Speaker: Thank you, Mr. Premier.

The next Member on the list who would like to put a question to you, Premier, is the Government Whip from constituency 24.

Member, would you like to put your question?

QUESTION 1: FINTECH COMPANY—BITCARBON

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

The Premier would have seen in today's headline where it states that FinTech company Bitcarbon is looking to fill 16 jobs in Bermuda. Does the Honourable Premier agree with me that, despite the naysayers in the Opposition, which we have heard earlier today, this Government's commitment to—

The Speaker: Just put your question. Nope. No side-lines, just the question.

[Inaudible interjections]

Mr. W. Lawrence Scott: Does the Honourable Premier agree with me that, despite the naysayers in the Opposition, this Government's commitment to diversifying our economy and creating jobs is bearing fruit?

The Speaker: Premier.

Hon. E. David Burt: Mr. Speaker, I thank the Honourable Member for his question. And I do agree with him that the efforts that this Government has been making into diversifying our economy are certainly bearing fruit.

What I can say, Mr. Speaker, is that I know that there are those who are sceptics. I know that there are those who will use statements in this House to ask, *Where are the jobs? Where are the jobs? Where are the jobs?* The fact of the matter is, Mr. Speaker, as I said earlier today, Rome was not built in a day, and neither will this FinTech industry be built in a day. I can assure you that Bermuda's insurance industry was not built in a year, and neither will the FinTech industry be built in a year. But what I can say

is that this Government is on the right track, that we are heading in the right direction, and the proof is in the pudding.

So, Mr. Speaker, for Honourable Members on that side who may be curious, they can, like other members of the public, go on careers.bitcarbon.com, and they can see a listing for possible openings—I will see—for which they are able to apply, for 29 jobs that are going to be located in Hamilton, Bermuda, Mr. Speaker.

[Desk thumping]

Hon. E. David Burt: And I had the opportunity to speak to the CEO yesterday after I saw this advertisement in the newspaper. I had asked for my office to go ahead and set up a call. I had a conversation with him at 4:00 pm yesterday. He indicated that the first tranche of jobs which were advertised in the newspaper, 16 of them, are to be filled in the first quarter. The company is supported by very big Wall Street firms that are backing them. And he will be travelling to Bermuda on Monday to meet with me. And I will be happy to welcome him to the Island, Mr. Speaker.

[Desk thumping]

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

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

The Speaker: Supplementary.

SUPPLEMENTARY

Mr. W. Lawrence Scott: Is the Premier able to share with this Honourable House and the country, how many FinTech companies have been incorporated here in Bermuda?

The Speaker: I think we heard an answer to that just a few minutes ago.
Premier.

Hon. E. David Burt: Mr. Speaker, I am happy that the Government Whip has asked me to clarify, because the Honourable Opposition Leader said earlier, and I counted up the number when I received the message from the Registrar of Companies earlier today. And the number is, as it currently stands right now, 52 incorporated FinTech companies in Bermuda, Mr. Speaker.

[Desk thumping]

The Speaker: Thank you.

The next Member who is on the list who has indicated he would like to put a question this morning is the Member from constituency 11.

Would you like to put your question?

QUESTION 1: BUS SCHEDULE, AMOUNT PAID TO CONSULTANTS

Mr. Christopher Famous: Good morning, Mr. Speaker. Good morning, Bermuda.

Honourable Premier, there is some speculation about the amounts paid for consultants for this new bus schedule. Can you clear that up for us, please, sir?

The Speaker: Okay. Yes.

Hon. E. David Burt: Thank you very much, Mr. Speaker. I thank the Honourable Member for his question.

And I think that the question is valid. And I think that the Honourable Minister of Transport and the former Minister, the Deputy Premier, should be commended, after how many years and how much effort . . . there have been 17 years of effort. We finally have modifications to Bermuda's bus schedule. And they should be commended. These modifications are to modernise—

[Desk thumping]

Hon. E. David Burt: Thank you.

These changes to the bus schedule to modernise our bus schedule are just step one in making sure that we provide a more reliable and responsive bus service. What I can indicate to the Honourable Member is that, in 2017 and 2018, payments to consultants for the bus schedule (and I think the company is called Schedule Master)—

The Speaker: Premier, there is one minute left of this section of questions before we move on to the next Question Period.

Hon. E. David Burt: No problem. Got you.
—totalled \$25,156.

An Hon. Member: Wow. Wow.

The Speaker: Supplementary? You have got less than a minute. Forty seconds.

No Honourable Member wants to put a further question in 40 seconds?

Okay. That brings us to a close of the Premier's question period. But we will go on to the remaining 30 minutes for the Question Period, of the written questions and to Statements.

An Hon. Member: We have a minute.

The Speaker: Do you want to use your minute? We have got 25 seconds left.

Mr. Scott Pearman: I am grateful.

The Speaker: Okay. We will take the Honourable Member from constituency 22 in the 20 seconds that are left.

QUESTION 1: INVESTIGATIONS INTO ABUSE AT DEPARTMENT OF CHILD AND FAMILY SERVICES

Mr. Scott Pearman: Question for the Premier about the first of the two investigations into abuse allegations at the Department of Child and Family Services.

Has the first investigation been merged into the second, or is the first investigation now completed?

The Speaker: Premier, you have got three seconds.

Hon. E. David Burt: Mr. Speaker, I will undertake to get back to the—

The Speaker: Time is up. The alarm has gone off here. The question got put.

[Laughter]

QUESTION PERIOD

The Speaker: We now move on to the questions [answered in writing]. And I believe the written [answers] do not require an oral response. It is just an indication that the Member who asked the question . . . have you got your [response in writing](#)?

Yes.

QUESTION: 100 JOBS INITIATIVE UPDATES

Hon. Michael H. Dunkley: 1. Will the Honourable Minister please provide to this Honourable House a list of all jobs created by commencement date, job title and the employer pertaining to the 100 Jobs Initiative announced in March 2018?

Hon. Michael H. Dunkley: 2. Will the Honourable Minister please provide to this Honourable House a list of what jobs remain filled as of 30th November 2018 and with what employer?

Hon. Michael H. Dunkley: 3. Will the Honourable Minister please provide to this Honourable House an update on what procedure is in place to continue this program, and to ensure the effective monitoring of it going forward?

The Speaker: So we will now move on to the questions that come as a result of the Statements this morning. And there—

Hon. L. Craig Cannonier: Mr. Speaker. Mr. Speaker. Just as a reminder, last week . . . I still have not received answers to my questions from the Premier.

The Speaker: Okay.

Hon. Michael H. Dunkley: Mr. Speaker, the same regarding . . . I think the Honourable Premier deferred questions to myself. I am still waiting for answers.

The Speaker: Okay. All right. We will deal with the questions right now, and we will come back to following up on those.

[Inaudible interjection]

QUESTION: GOVERNMENT TRAVEL EXPENSES

[Answer deferred 7 December 2018]

Hon. Michael H. Dunkley: Will the Honourable Premier please provide to this Honourable House a complete list of any trip paid out of the consolidated fund that has been taken by any Government Member of Parliament or Government Senator from July 18th 2017 through November 23rd 2018 inclusive of purpose of trip, travel destination and all costs associated with the trip in itemised fashion?

The Speaker: We will give you a brief response.

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

Mr. Speaker, pursuant to Standing Order 18(4), regarding the Minister may, with leave of the House, defer answering a question, I look to seek leave to defer answering that question until the next time the House sits.

The Speaker: That requires the consent of the House.

Is the House giving consent for the Premier to seek the leave of the House?

Some Hon. Members: Yes.

Hon. Michael H. Dunkley: It is Monday, sir.

Some Hon. Members: Monday. Yes, Monday.

The Speaker: Okay, Premier.

[Motion carried: Consent given to further defer answer to the next sitting of the House of Assembly.]

The Speaker: Now we will move on. The first Statement that has questions this morning is the Statement by the Minister of Finance in reference to the Consolidated Fund. You have a question that the Member from constituency 23 would like to put.
Member.

QUESTION 1: CONSOLIDATED FUND FINANCIAL STATEMENTS 2018

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

Mr. Speaker, according to the Minister's Statement on page 2, this is the first qualified audit since 2013. Can the Minister explain to us, in the absence of the information that was required by the auditor to complete, how do we know that the financial statements represent fairly this condition, if the auditor does not have the necessary information?

The Speaker: Thank you.
Minister.

Hon. Curtis L. Dickinson: Mr. Speaker, I believe I mentioned in my Statement that, subsequent to the deadline put in place by the auditor having the material, we provided information with respect to the items that were outstanding. So, before her opinion was written, the information that she had requested from the Accountant General was in her possession.

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

Hon. Patricia J. Gordon-Pamplin: A supplementary.

The Speaker: Supplementary. Yes.

SUPPLEMENTARIES

Hon. Patricia J. Gordon-Pamplin: And that is in respect to the first part, and that is in respect to the \$10 million. Why was there a delay?

The Speaker: Minister.

Hon. Curtis L. Dickinson: I cannot speak to the specifics of why there was a delay, other than to say that I have challenged the team to do better, going forward. We are looking at processes with a view towards potentially changing the entry process and the validation process with respect to capital expenditures.

The Speaker: Thank you.
Supplementary or new question?

Hon. Patricia J. Gordon-Pamplin: Supplementary.

The Speaker: Continue.

Hon. Patricia J. Gordon-Pamplin: Could the Minister explain what the capital development expenditures primarily comprise?

The Speaker: Minister.

Hon. Curtis L. Dickinson: Mr. Speaker, I will have to come back to the Member with the information specifically related to the \$10.3 million. I was briefed over two weeks ago. It [has] moved out of my mind. I will come back to her with an answer to that.

The Speaker: Thank you.
New question?

QUESTION 2: CONSOLIDATED FUND FINANCIAL STATEMENTS 2018

Hon. Patricia J. Gordon-Pamplin: Yes, new question.

On page 5 of the Minister's Statement, second paragraph, the Minister indicated that the Government shares the Auditor's concerns and has started to tackle the matters. And he further says, "The Ministry of Finance has already put in place a plan to eliminate the deficit and, ultimately, reduce the debt." Can the Minister share the highlights of the plan?

The Speaker: Thank you.
Minister.

Hon. Curtis L. Dickinson: Mr. Speaker, I think I have said publicly before that the plan is to take a hard look at revenue and a hard look at expenses, with a view towards increasing the surplus, that the operating account align with the current account surplus. There has been a \$2.5 billion debt ceiling which has not been raised. We are looking at implementing fiscal discipline around how we spend our money, doing a better job of collections and, ostensibly, growing the economy strategy.

The Speaker: Thank you.
Supplementary or a new question?

Hon. Patricia J. Gordon-Pamplin: A supplementary.

The Speaker: Yes.

SUPPLEMENTARIES

Hon. Patricia J. Gordon-Pamplin: The Minister said that he will take a hard look at revenue and expenses. Was not a hard look at revenue and expenses conducted at the point of the budgeting process in respect of this current fiscal year?

The Speaker: Minister.

Hon. Curtis L. Dickinson: Mr. Speaker, the Member will be aware that I was elected on June the 7th of 2018. I was not a party to the process that was conducted for the last year's budget development. So, I cannot speak to that.

The Speaker: Thank you.
Supplementary or new question?

Hon. Patricia J. Gordon-Pamplin: Supplementary.

The Speaker: Yes.

Hon. Patricia J. Gordon-Pamplin: Does the Minister acknowledge that his responsibility as Minister is to find out what is on the table and what is coming through the pipeline, irrespective of the fact of whether he was in charge?

The Speaker: Minister.

Hon. Curtis L. Dickinson: Mr. Speaker, I am focused on developing a budget for 2019/20 and beyond in my tenure as Minister of Finance.

The Speaker: Thank you.
Well, you have used your two supplementaries. Is this your third question?

Hon. Patricia J. Gordon-Pamplin: Yes. I will make it a third question.

The Speaker: Okay.

QUESTION 3: CONSOLIDATED FUND FINANCIAL STATEMENTS 2018

Hon. Patricia J. Gordon-Pamplin: Is the Minister satisfied that the period that he does not know about, that he has just explained, will be able to be satisfactorily accounted for, going forward, when we do the next budget for 2019/20?

The Speaker: Minister.

Hon. Curtis L. Dickinson: Mr. Speaker, I believe I referenced in my Statement earlier that I have challenged the Ministry of Finance team, in particular the Accountant General's department, to take a hard look at the areas where we have identified potential issues, with a view towards not getting repeat qualifications on the audits for next year.

I would say that, in the financial statements that the Government has produced every year, for the last several years there have been no qualifications at all. And so, on the basis of that history, I am confident that we have the ability to kind of get the statements done on time. But, as Members will know, there is always opportunity for improvement, to make improve-

ments in the processes. And we are looking at opportunities to make changes in our processes with a view towards getting a better outcome.

The Speaker: Thank you.

Hon. Patricia J. Gordon-Pamplin: Supplementary.

The Speaker: Supplementary?

SUPPLEMENTARIES

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

Could the Premier . . . sorry, that might be a Freudian slip. Could the Minister of Finance explain, what are the impediments which need to be improved upon in order that we do not have further qualifications of opinion?

[Inaudible interjections]

Hon. Curtis L. Dickinson: Mr. Speaker, the Government of Bermuda has computer systems that are probably not the most current. In order to update those systems, it is going to require substantial investment. While we are looking at kind of being prudent about how we spend our money, at the same time we are trying to be prudent about how we prioritise the things that we think we need in order to do our jobs better.

I would inform this Honourable House that the process around payroll tax last year was one that required a fundamental change in how taxes were collected, how taxes were computed. And there was a manual process that went about in terms of figuring out how to validate numbers that did come in.

And so, I think, with experience, with the introduction of a new system, which is currently in process, I am confident that we will improve the processes and be better positioned to meet deadlines.

The Speaker: Thank you.
Second supplementary?

Hon. Patricia J. Gordon-Pamplin: Yes, second supplementary.

With respect to the payroll tax collection, the new payroll tax structure had come into effect in April. But it was delayed until the July quarter, which means that, by September, the payroll under the new regime, as it were, would have been in effect.

Is the Minister satisfied that there is sufficient staff appointed by the Payroll Tax Office to ensure that the vetting and verification processes to which he spoke have now been addressed and that there are no further difficulties expected, given that there has also been another change in the lower bands of the taxation structure, the payroll tax structure?

The Speaker: Thank you.
Minister.

Hon. Curtis L. Dickinson: Mr. Speaker, I would like to be able to kind of say with 100 per cent confidence that tomorrow it is going to be a sunny day.

[Laughter]

Hon. Curtis L. Dickinson: The team is a good team. They work really hard. There are a number of manual processes. I think that we are learning as we go along. I am confident that they are going to give it their best effort.

Can I guarantee that we will be able to get everything done on time next quarter, and the next subsequent quarters? I cannot. But we are focused on doing the best that we can to make sure that we do not get another “qualified” opinion.

The Speaker: Thank you.
That brings us to an end . . . oh, supplementary?

Hon. Wayne L. Furbert: Yes.

The Speaker: Okay. Yes, supplementary from the Junior Minister.

SUPPLEMENTARY

Hon. Wayne L. Furbert: Yes. Thank you, Mr. Speaker.

Would the Minister agree that, if we had not filed the financial statements in time, possibly we could have paid \$1 million like the OBA paid in the years before?

The Speaker: Minister.

Hon. Curtis L. Dickinson: Mr. Speaker, in the spirit of my previous comments, I cannot with any certainty predict how much the penalty would have been. But had the statements been late, there would have been a penalty.

The Speaker: Thank you.
No further supplementaries? That brings us to a close to the questions regarding your first Statement.

However, Minister, you have questions put in regard to your second Statement. There are two Members who wish to ask questions.

The Member from constituency 8, Member Simons, would you like to put your question?

QUESTION 1: INTERNATIONAL LAW FIRMS IN BERMUDA—LICENCE CONDITIONS

Mr. N. H. Cole Simons: Thank you, Mr. Speaker.
In regard to the international law firms in Bermuda, the Statement indicated that the Bermuda Bar Council declined to put forward a formal response. Have they given you any reasoning as to why they have declined to make contribution, given the important role they play in regulating the legal fraternity in Bermuda?

The Speaker: Minister.

Hon. Curtis L. Dickinson: I have been advised, Mr. Speaker, that the Bermuda Bar Council submitted a number of letters to the Registrar of Companies, dating back five to six years ago. That was their submission at that point in time.

The Speaker: Thank you.
Supplementary? Second question?

Mr. N. H. Cole Simons: Second question.

The Speaker: Yes. Continue.

Mr. N. H. Cole Simons: The Statement also . . .

The Speaker: Is your microphone on?

[Crosstalk]

The Speaker: There you go.

QUESTION 2: INTERNATIONAL LAW FIRMS IN BERMUDA—LICENCE CONDITIONS

Mr. N. H. Cole Simons: On page 4, the Statement says, “Each licence application will be decided on the following provisional conditions, which are intended to preserve the interests of Bermudians” My question is this: In the application process, when you guys were crafting the parameters, did you consider insisting that their business plan have some area that speaks to bringing new business to Bermuda and not cannibalising existing business that is already in Bermuda?

The Speaker: Thank you.
Minister.

Hon. Curtis L. Dickinson: Mr. Speaker, I will say that, as a capitalist, I believe in competition. And, inasmuch as new firms are allowed to enter into this marketplace, and they are allowed to fight for business, I think the benefit of that accrues to the client. So, no, I did not.

The Speaker: Supplementary?

SUPPLEMENTARY

Mr. N. H. Cole Simons: Mr. Speaker, the follow-up is, so these business plans that are reviewed, we do not insist that the applicants show some avenue whereby they would bring new business to this country? They can come here, set up and cannibalise what is here, and not bring anything to the country?

The Speaker: Minister.

Hon. Curtis L. Dickinson: Mr. Speaker, for the benefit of the Honourable House, that phenomenon exists today, and those companies are not here.

The Speaker: Supplementary? Supplementary. Okay. Minister, the next Member who has a question for you is the Member from constituency 23. Member, would you like to put your question?

QUESTION 1: INTERNATIONAL LAW FIRMS IN BERMUDA—LICENCE CONDITIONS

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

Mr. Speaker, on page 5 of the Statement, under item 3, with respect to the pre-conditions for law firms to be set up, the provision of scholarships for Bermudian law students . . .

Let me first of all, just quickly, say that the pre-conditions are wonderful and we support them—*wonderful*.

Hon. Curtis L. Dickinson: Thank you.

Hon. Patricia J. Gordon-Pamplin: But the question is, if a new firm is being established in its first year, will its cash flows be considered, in respect of their requirement, to ensure that scholarships are provided to Bermuda law students? In other words, will they be required from year one, or will there be a building-up period before they are required to provide scholarship funds for Bermudian students?

The Speaker: Minister.

Hon. Curtis L. Dickinson: Mr. Speaker, the purpose of the Statement is to speak to international law firms potentially entering Bermuda. Inasmuch as they are international firms, these are recognised firms that have existing businesses. And I would be hard pressed to grant approval for any firm that could not commit initially, fully out of the box, to providing scholarships for Bermudian students or Bermudians in general. So, I will look at each application with some level of scrutiny and make a determination on whether

the business plan is appropriate and in keeping with the spirit of the pre-conditions.

The Speaker: Thank you.
Supplementary or new question?

Hon. Patricia J. Gordon-Pamplin: No, a supplementary.

The Speaker: Yes.

SUPPLEMENTARY

Hon. Patricia J. Gordon-Pamplin: And I wonder if the Minister could just, for clarity, explain whether he is not accepting that a local company being established is a separate corporate person, and therefore stands on its own for the purposes of setting up in Bermuda? So, therefore, is he only going to consider the consolidated group capabilities financially in determining whether a company is in the position to provide scholarships?

So, maybe, to clarify the question, is he relying on the international entity to establish the scholarship fund, as opposed to the local entity that is newly to be established, to be able to support itself in establishing the fund? However the money comes in, I am happy with it. But I just want to know.

The Speaker: Minister.

Hon. Curtis L. Dickinson: Mr. Speaker, in my mind, part of the construct is that the international law firm is deciding to make an investment in Bermuda through its affiliation or an arrangement with a local law firm. And I would expect that the investment will come with some form of capital contribution. So, I accept the Member's point; but, with the opportunity and the ability to operate in this market, you have got to dig into your wallet to kind of help to capitalise the company that you are going to be supporting.

The Speaker: Thank you.
Supplementary? No question?
Okay, Member. That brings us to a close of the questions that were put for you today.

We will now move on. The next Statement for which Members have questions is for Minister De Silva in regard to your Statement on maritime operations. And the question is from the Honourable Member from constituency 23.

Honourable Member, would you like to put your question?

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

[Inaudible interjections and laughter]

The Speaker: Members, Members. You can discuss your favourites at another time.

**QUESTION 1: IMPLEMENTATION OF THE
INTERNATIONAL MARITIME ORGANIZATION
(IMO) INSTRUMENT IMPLEMENTATION
CODE (III CODE)**

Hon. Patricia J. Gordon-Pamplin: Mr. Speaker, on page 4 of the Minister's Statement, he indicated that there had been a visit to have a look at our existing MOU with the Coast Guard with respect to major oil spill response, the purpose of the visit with the Guard Strike Team in September was to discuss oil pollution response readiness and to review the existing MOU. The question is, Were there any weaknesses identified in respect of our oil spill response, as a result of that visit which was made by the Guard Strike Team?

The Speaker: Minister.

Hon. Zane J. S. De Silva: Thank you. Thank you, Mr. Speaker. And that Honourable Opposition Member is one of my favourites, too.

The Speaker: Now. Let us not take up your time in talking about favourites.

[Inaudible interjections and laughter]

Hon. Zane J. S. De Silva: Look. I just did not want Minister Caines . . . I just want to be transparent with Minister Caines, who thought he was number one.

The Speaker: Well, let us stick to your response. Let us stick to your having a response.

Hon. Zane J. S. De Silva: Okay. Mr. Speaker, what I can do is seek that information and get it back to the Honourable Member.

The Speaker: Thank you.
Member, any supplementary?

Hon. Patricia J. Gordon-Pamplin: No, I have a second question. Since the Minister does not know the answer to one, it is difficult to ask a supplementary.

The Speaker: Second question. Go ahead.

**QUESTION 2: IMPLEMENTATION OF THE
INTERNATIONAL MARITIME ORGANIZATION
(IMO) INSTRUMENT IMPLEMENTATION
CODE (III CODE)**

Hon. Patricia J. Gordon-Pamplin: But, number two is, Is there a date certain for the implementation of the new legislation that is required, as the Minister has referred to in his Statement, in advance of the Sep-

tember 20 audit? Is there a date certain by which we must implement the legislation by which we are now deficient in order to ensure that the September 20 audit is satisfied, the conditions are satisfied?

The Speaker: Minister.

Hon. Zane J. S. De Silva: Yes. It is in the Statement, Mr. Speaker. In fact, I think I highlighted it. It is September next year, I believe.

The Speaker: Thank you.
Supplementary?

Hon. Patricia J. Gordon-Pamplin: I could clarify my question. It is not a supplementary. I would just to clarify.

The Speaker: You did not get the answer you were seeking, or it was misinterpreted?

Hon. Patricia J. Gordon-Pamplin: No, because I think he misunderstood my question.

The Speaker: Okay. Clarify your question.

Hon. Patricia J. Gordon-Pamplin: Okay. The question is . . . the Statement indicates that the audit will be conducted in September of 2020. The Minister also indicated that, in advance, there are several [pieces of] legislation that are required to be advanced in order to ensure that the 2020 conditions are met. My question is, Is there a date certain in advance of 2020 by which the necessary legislation must be put in place in order to satisfy what is needed for the 2020 investigation?

The Speaker: Okay.
Minister.

Hon. Zane J. S. De Silva: Yes. Thank you, Mr. Speaker. And I will refer to my Statement. And I will quote: *Mr. Speaker, the development is scheduled to take place in two phases. The commencement of phase 1 is subject to the process of satisfying regulatory requirements and permission. Completion is targeted for May 2019.*

The Speaker: So, to sum it up, the legislation will be done in the early part of 2019.

Hon. Patricia J. Gordon-Pamplin: Right. That is my question. Is there a defined date? If I can just maybe explain a little.

With the CFATF [Caribbean Financial Action Task Force], we knew that we had to have stuff in place by September 30. With what we are going to do next, we know that we have to have things in place by December 31. So, in order to have things in place, is

there a specific date to say that it is going to be completed by May? Is May the time? Or is there any slippage between May and later on? So, in other words, is there a date certain that must be satisfied?

The Speaker: But I take it that it has to be done by May, based on the Minister's Statement.
Minister.

Hon. Zane J. S. De Silva: Mr. Speaker, I do not know what part of that the Honourable Member does not understand. Completion is targeted for May 2019. So, today is December [14]. Okay? It will be completed by May 2019. I do not know why the Honourable Member does not understand that.

The Speaker: Thank you.

Hon. Patricia J. Gordon-Pamplin: Supplementary.

The Speaker: Supplementary?

SUPPLEMENTARY

Hon. Patricia J. Gordon-Pamplin: Yes.

The Minister indicated that completion is *targeted*. He did not say completion *will be effected* by that date—the target date. So, my question is, if it is not done by May of 2019, is there any slippage that is allowed? Or is it that the target date is the drop-dead definitive date certain?

The Speaker: Minister.

Hon. Zane J. S. De Silva: Mr. Speaker, I just have to go back to that Statement. We are going to set that date as the target date, and that is the date it will be done. I can assure the Honourable Member that, unless the Lord above has other plans, that target date will be met.

The Speaker: Thank you, Minister.

Minister, there were no further supplementaries. That brings us to an end of questions for you, Minister. That actually brings us to an end of the Question Period. There were no other Members who wanted to put questions to any of the remaining Statements. So, we can now move on.

CONGRATULATORY AND/OR OBITUARY SPEECHES

The Speaker: Does any Member wish to speak to that?

We recognise the Honourable Minister Caines. Minister Caines, you have the floor.

Hon. Wayne Caines: Mr. Speaker, I rise to offer condolences to the family of Commissioner Frederick "Penny" Bean.

The Speaker: Yes.

Hon. Wayne Caines: And I have been asked to associate the whole House with my comments.

The Speaker: Yes, that would be fitting.

Hon. Wayne Caines: Mr. Speaker, this is a giant. Mr. Bean was a giant in our community. Mr. Bean joined the Police Service at 19 years old, in 1956. He attended courses at the Scotland Yard. He rose through the ranks at a very rapid clip, Mr. Speaker. He led the Narcotics Department. He was a chief inspector. He became a superintendent in 1973, after just being appointed a chief inspector in 1971. And in 1973, he rose to the ranks as a superintendent. In 1981, he became the firstborn Bermudian to achieve the rank of Police Commissioner.

When I have been hearing all of the accolades and all of the words that have been spoken about what he has done, acknowledgments of his 35 years of service, his receiving the Order of the British Empire in 1991, something that resonated very clearly to me was that which he brought to the Bermuda Police Service. Some of the police officers, ex-police officers, men who have now risen through the ranks—Socky Adams and Cal Smith—many men who have retired and gone on, have said that he did one thing to the service. He fostered a sense of pride, a sense of discipline, a sense of camaraderie.

And he connected the young men through leadership to their community. Oftentimes, we see the young constables, and we acknowledge the fruit. But he represented the root of a Bermudian police officer. He rose through the ranks and then was able to take his knowledge and pass it down to young men and young women in the Bermuda Police Service.

A number of young police officers whom I have spoken to have given their lineage in the Bermuda Police Service. And at the top of the pyramid of leadership, of dedication, of discipline, of honour is Frederick Penny Bean. He has given our community yeoman's service. His family have supported him. We acknowledge his family member, Mr. Cole Simons, in the House. I sure he will rise to make his personal and family comments.

But, on behalf of the Ministry of National Security and the people of Bermuda, I would like to share that this country is grateful for his service. Our Ministry is indeed grateful for his sacrifice.

Thank you very much, Mr. Speaker.

The Speaker: Thank you, Minister.

Does any other Member wish to speak?

We recognise the Minister De Silva. Minister, you have the floor.

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

Mr. Speaker, I would like the House to send congratulations to a bus driver by the name of Malachi Smith. And the reason I say that, Mr. Speaker, is that I received an email from a frequent user of the bus service this week. And she said that this particular bus driver goes over and beyond the call of duty. It seems that every time she is on the bus, she witnesses a good act of some kind. And I just thought it was appropriate for me to pass it on, Mr. Speaker, because, you know, we are quick to highlight when something is not quite right or when things go wrong or when someone is not quite doing their job in the correct manner. So, I thought that it would be good for us to highlight this, and I think that the House should send congratulations.

Whilst we are talking about bus drivers, Mr. Speaker, I would certainly like to congratulate all of the bus operators in Bermuda, because what many people may not know is that, on one of my recent visits, I went into the staff room. And they have a pool table. And, of course, outside of challenging anybody to pool, because you know I did play a little bit of snooker—I still do, Mr. Speaker.

But the thing is that they told me something that really touched my heart. And I think that all of Bermuda should know. During the last 15 to 20 years, they have donated . . . this is the staff now, just playing pool and paying to play the pool. You know, it is not like it costs \$20 per game. They have donated over \$22,000 to various charities in the country, Mr. Speaker. And I thought that this, again, should be something that should be highlighted and recognised [about] all of the bus operators in the country.

Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

I recognise the Honourable Member from constituency 9.

Honourable Member Moniz, you have the floor.

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

I just want to rise to my feet today and give the condolences to the family of Dr. Clarence “Tessi” Terceira. He was in his 91st year, I think. I was surprised he had such an advanced age. I had the pleasure of serving with Tessi in Parliament during 1993 and 1997, but I also knew him before that. When I was a child, he was my dentist. He was always a very upbeat individual. He was always a happy person, very energetic, and he got on with the job at hand. I was lucky enough to also serve under him when he was Minister of Education. I served as Chairman of the Board of Education before I became a Member of

this House. I think he served in ministerial positions as Minister of Health, Minister of Education and Minister of Public Works. And I remember that, as Minister of Public Works, he was involved with the building of the incinerator, as well as the Broadway/Tessi’s Highway that people talk about.

I know his children. Joy is a constituent of mine. Paul, I knew from school. Tim, of course, works in hotels and managed the Tucker’s Point for a period of time. And his daughter, Lesley, his present wife, Joan—I know that his first wife predeceased him. I would like to send our best wishes from the whole House on Dr. Terceira’s passing. He made a great contribution of public service to Bermuda.

Thank you, Mr. Speaker.

The Speaker: Thank you.

Does any other Member wish to speak?

I recognise the Government Whip.
Honourable Member.

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

I would just like to ask this House to send a letter of congratulations to Mr. Akil Darrell. He was highlighted in the newspaper this week for helping to raise \$9,000 for the Foster Parents’ Association. The way he did it is what makes it a bit outstanding. During his birthday, instead of asking for gifts, he asked the community to donate to the Foster Parents’ Association. And I will associate the whole House with that. And it is kind of him because he actually puts the literal meaning into the saying, *It takes a village to raise a child*. So, he gave up his gifts and asked everybody to provide donations to this charity.

In the newspaper article, it shows that the charity says that they are not one of the big charities. They are not a charity that normally gets donations or gets people looking out for them or actively seeking them. So, they were grateful, as well. And the thing is that his reach, his popularity and his friends allowed for funds to come in from all over the world, from the United States, from Canada, from the UK. So, I think that more actions like these should be highlighted. More members of the community should take this on. And I think it is an amazing, amazing event that he did and an amazing outreach, and it shows the compassion that he has. So, I would just like to thank Mr. Akil Darrell, known by some as Saeed. My interest is that he grew up in God’s country, in Warwick, Jones Village, Khyber Pass. So—

[Inaudible interjections and laughter]

Mr. W. Lawrence Scott: So, I just want to let him know that he is very much appreciated, and to keep up the good work.

The Speaker: Thank you, Honourable Member.

We now recognise the Honourable Member from constituency 11.

Honourable Member, you have the floor.

Mr. Christopher Famous: Good morning again, Mr. Speaker.

The Speaker: Good morning.

Mr. Christopher Famous: I rise today to give condolences to the whole of St. George's on the loss of—

The Speaker: For the loss of Cup Match?

[Laughter]

The Speaker: We have been waiting all year for you to do that one. Yes?

Mr. Christopher Famous: Okay. You got me there. You got me there.

[Laughter]

Mr. Christopher Famous: I need an extra minute on my time now.

On the loss of Mr. Phillip "Phoopa" Anderson.

The Speaker: Yes.

Mr. Christopher Famous: Mr. Anderson, as we all know, was a proud St. Georgian. He was a Councillor in the Corporation of St. George's. But, more importantly, he was the consummate concierge in St. George's Square for all visitors. My last conversation with him was an avid argument on Facebook about not enough being done for St. George's.

And I told him, *Hey, I can't speak for St. George's. They have got two people in the House.*

He said, *Still, more needs to be done!*

An Hon. Member: Nice job. Nice job.

Mr. Christopher Famous: Yes, yes.

Anyway, another minute now. He was also a proud sailor. He had sailed in various Caribbean islands. He was a proud tennis player. And for our side, he was a proud PLP lifelong member. And it is safe to say, Mr. Speaker, that we would not have the two seats that we have in St. George's without the footwork of people like Mr. Phoopa Anderson. So, I would again like the House to send condolences to the entire [Town] of St. George's for the loss of one of their stalwarts. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member. Does any other Honourable Member— We recognise the Minister of Finance. Minister.

Hon. Curtis L. Dickinson: Mr. Speaker, I rise this morning to ask the House to send birthday wishes to Mrs. Izola Maria Harvey, Scour Hill, Somerset, constituency 33, Sandys South. And I am sure that you, Minister Wilson, Mr. Simmons, Honourable Member Simons, and MP Scott will also associate themselves with these remarks. Mrs. Harvey was born on December the 14th in 1925 to Edward and Louise Cholmondeley. She was the youngest of eight children. All of her siblings have predeceased her. And she has taken on the role of matriarch to her many nephews and nieces.

Mrs. Harvey left Bermuda as a young woman to go overseas to live in Boston with her uncle, to attend school. She returned to Bermuda and worked at the Lefroy House back when it was a children's hospital. In her late 20s, she married the love of her life, Mr. Gerald Harvey. Together, the two of them, along with some other folks, made history in the 1959 Theatre Boycott, as Members of the Progressive Group.

The Speaker: Yes.

Hon. Curtis L. Dickinson: Their involvement in this historic event remained a secret for over 50 years.

Mr. Speaker, Mrs. Harvey is the proud mother of two daughters, Donna Harvey-Maybury, a good friend of mine, and Lisa Harvey-Swan; and the grandmother to Gregory Maybury, Jr. Her good friends are typically younger people, probably because she has a very youthful spirit. She has been very quick to encourage and support young people. When she is your supporter, she is loyal to a fault.

On a personal note, I can recall having a particularly bad day in the bank and needing to go outside to take a walk. I was walking through the lobby, and I looked up and I saw Mrs. Harvey walking into the bank. And she said, *Hi, Curtis. How are you?*

And I said, *Hi, Mrs. Harvey.*

And she said, *Hi, Curtis. How are you? You're such a fine-looking young man.*

An Hon. Member: Aww!

[Laughter]

Hon. Curtis L. Dickinson: And I can tell you that those words—

The Speaker: Made your day, right?

Hon. Curtis L. Dickinson: —lifted my spirits.

The Speaker: There you go.

Hon. Curtis L. Dickinson: And I had a grin from ear to ear. And I lamented to Donna later that her 80-year-old mother was flirting with me.

[Laughter]

Hon. Curtis L. Dickinson: And she elicited such a smile from me. And I want to wish her a happy birthday.

The Speaker: Thank you.
Any other Member?
We recognise the Minister of Education.
Minister.

Hon. Diallo V. S. Rabain: Thank you, Mr. Speaker. And good morning, Bermuda.

Mr. Speaker, I would like to have condolences sent to the family of Mr. Albert Santucci. I had never personally met Mr. Santucci. But I do know his son. And his son is one of my constituents. And you know how you can always tell the character of a man by how he raised his children? And, Mr. Speaker, his son is a stalwart in the party. And I am sure that all of my colleagues who know Al and his wife, Andrea . . . And so, I just want to send condolences to that family, Mr. Speaker, as they grieve their loss of this wonderful man.

Mr. Speaker, I would also like to send congratulations to all of the participants in the Bermuda School Sports Federation Knockout Tournament that was held this weekend. What was hailed in this tournament as a success was the many girls' teams that played. We had teams entered from primary, middle and high school. Mr. Speaker, the winners of the primary division for females was Harrington Sound. Whitney won the middle school tournament, and Sal-tus won the high school tournament.

Mr. Speaker, on the boys' side, of course, they had more games. We had a Division 1 final in the primary, which was won by Warwick Academy; Division 1 in the primary was won by St. George's Prep. In the middle school, Mr. Speaker, Under-13s was won by Warwick Academy, and Over-13s was won by Dellwood. The Dellwood game was versus Sandys Secondary Middle School, which went to a penalty shoot-out. So, it was a very exciting match there.

Mr. Speaker, I am not sure who is going to groan and who is going to say *Yay!* to this, but the seniors Under-16 was won by the Berkeley's green team that beat the Berkeley's gold team.

The Speaker: Yes! Of course. Of course. Yes, we agree to that one.

An Hon. Member: Nooo!

The Speaker: The Member from [constituency] 11 supports that.

[Laughter]

Hon. Diallo V. S. Rabain: And the Over-16 was won by the Berkeley Institute, as well, Mr. Speaker. So, congratulations to all of those participants.

An Hon. Member: Mr. Speaker, I did not hear that?

The Speaker: Green team again! I know you are gold house, but you will have to suffer a little bit more.
Mr. Simons, you have the floor.

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

Mr. Speaker, a lot has been said and recorded in the media about my father-in-law, Commissioner Bean.

The Speaker: Yes.

Mr. N. H. Cole Simons: But I would like to take this opportunity to thank the Bermuda Police Service for the work that they have done in arranging the funeral for our family member. I would like to also thank the Minister of [National] Security, who has also helped in making a template that provided leadership in that space.

Mr. Speaker, Commissioner Bean always said to all of us, whenever we were around the table, *It is not where you come from. It is how you live your life, and it is what you make of your life.*

The Speaker: Mm-hmm.

Mr. N. H. Cole Simons: He said, *I came from very humble beginnings, a difficult beginning. But I learned from that. That was my foundation of strength.* And he said that, through that, he was carried to where he was and ended up at the top of his professional career. Mr. Speaker, he was proud to be a policeman. He was proud to be an inspector. He was proud to be Commissioner of Police. He taught discipline, respect to the organisation. And, because of that, he is respected by everyone throughout the community.

One other thing that I learned that was very, very interesting . . . you know, as we all know, he came up during tough times. And he said to us that there was racism in the police force. And what always remained with me was that he said, up until the 1980s, black policemen were not allowed to drive police cars. Only white people were allowed to. I find that very, very telling at the time. But things are progressing. We are getting closer in that issue, Mr. Speaker. And we are moving forward.

The other great thing that he did for our Police Service, that I think should be recognised, is the fact that policing is a very difficult job. It is a stressful job and a tenuous job. And so, he was the first commissioner to appoint a police chaplain. And this chaplain provides spiritual guidance and support to all of our policemen. And again, he is applauded for that.

As a family man, the Commissioner of Police loved his wife, his children, his grandchildren and, eventually, his sons-in-law.

[Laughter]

The Speaker: It took a little time. It took a little time, eh? But I understand. All right.

[Inaudible interjections]

Mr. N. H. Cole Simons: We had fun together. I will share with you, we did a number of boys' trips together, Mr. Speaker.

The Speaker: Good. Good.

Mr. N. H. Cole Simons: And I would say I had him and my father, the three of us, we went on a men's trip to Africa.

An Hon. Member: What stays in the trip?

Mr. N. H. Cole Simons: Yes. What stays in the trip remains in the trip, yes.

But we went to an African safari park, Mr. Speaker, and he talked about that for the rest of his life. It was a pleasure to have him as my father-in-law and a leader of this country and a leader of our family.

Thank you, Mr. Speaker.

[Desk thumping]

The Speaker: Thank you.

We recognise the Member from constituency 19.

You have the floor.

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

Mr. Speaker, I would like to be associated with the remarks with respect to Mr. Albert Santucci. I was fortunate that Mr. Santucci worked at Port Royal. And, if you were a golfer at that point in time, he was one of those individuals whom you saw often. And he was known for being a hard-working employee. And I was so saddened to hear of his passing. So, I would like to be associated with the condolences to his family.

I would like to be associated with the condolences to the family of Frederick Penny Bean. When I first met Commissioner Bean, this was when I was doing a task for my father, in the sense that my father had built one of the barracks at the police, the police barracks. And they were giving him the shovel that had been used for the first breaking of the ground. So, that is how I got to meet Commissioner Bean, to go up and accept the shovel, because my father was not on the Island.

But I did get to meet him later on because, ultimately, I decided to play some golf. And Penny became one of my golfing partners. And I was so saddened to hear of his death. And I must admit that he was one of those individuals who played golf, but he was also very serious about what he did, but very friendly. And my heart is saddened.

With respect to the other condolences that I would like to be associated with, there is Dr. Tessi Terceira. I got to know Dr. Terceira inadvertently, from the point of view not so much from politics, but from the point of view. . . he was involved in politics, but he was really serious about Bermuda and what could be done. So, we would have chats about health, because, of course, ultimately, I was at the hospital and I did things as Director of Finance. And he was keen to talk about what things could happen to Bermuda and what changes could be made. So, he is another individual who . . .

I look and I say all of these things that we, as a country, have to recognise that we are losing a lot of what I call our senior capital. And I just wish all of us, anybody who is still alive and we know them, please make sure that we reach out to them. Because they are gone and gone too soon. So, Mr. Speaker, I would like to have the associations with these condolences. Thank you.

The Speaker: Thank you, Honourable Member.

Does any other . . .

We recognise the Honourable Member from constituency 23.

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

Mr. Speaker, I too would like to be associated with the condolences. I realise that the whole House has been associated. But I think it is important for me to give just one or two anecdotal situations with respect to "the Commish," as we used to call him.

I do not believe that there is one police officer who served under his guidance and direction who did not have a profound respect for "the Commish." He was one who not only held his position of authority, but he also mixed and mingled with his men. I had quite a few friends who served in the Police Service. And I knew "the Commish" because of his attendance at most of the police functions—they used to have lots of dances and the like—at the Police Club in Prospect, as well as the Police Club, at the time in St. George's. And he would attend all of those functions to show that he actually was the regular kind of guy.

But, he had an air of discipline that, once the line was crossed between the socialisation and the business aspect, it was very readily recognised and respected.

So, I wish his family comfort as they grieve the loss of this giant of a man. And I certainly join in thanking him for the service that has provided to this

country during his tenure as the Commissioner of Police, as well as what he has given to us as a member of our community. Thank you, Mr. Speaker.

The Speaker: Thank you.

Does any other Member?

We recognise the Honourable Minister.

You have the floor.

Lt. Col. Hon. David A. Burch: Mr. Speaker, thank you very much.

I would like to be associated with the condolences to [the family of] Commissioner Frederick Penny Bean, [the congratulations to] Mrs. Izola Harvey and [condolences for the family of] Albert Santucci, a constituent of mine.

Mr. Speaker, this week seems to be the week, and I guess it is the end of the year, when you celebrate long service. And certainly, in the Ministry of Public Works, we got a significant number of people who have dedicated a number of years of service in government service. In the case of the BLDC, there are three members of staff who are celebrating 41 years. In the case of the Department of Parks, there are 19 staff celebrating an incredible 355 years of service. In the case of the Bermuda Housing Corporation, there are nine staff celebrating an incredible 135 years. I will not name them, because that would use up all of my time, Mr. Speaker. But I would like to extend congratulations to them, and I will have an opportunity personally to do that to them during the celebrations that are taking place in that regard.

I would like congratulations, Mr. Speaker, to also be sent to the Bermuda Hockey Academy Islanders field hockey team. Mr. Speaker, this is a hockey team that is made up of young Bermudians, mostly from Middletown, in fact, who are playing a New York league every weekend. And part of the remit of doing this is that they have to have their grades up to par in order to be able to participate. They participated last weekend in an exchange for the team from New York. They lost the first game on Friday night when we were here, but they won the second game on Saturday morning.

I would also like congratulations to be sent to United Dance Productions, who had their Christmas performance last weekend at the Ruth Seaton James Centre—again, another outstanding occasion.

Mr. Speaker, this week I had the honour of attending the PACE [Professional and Career Education] Awards at the Fairmont Hamilton Princess, where a number of students, adult students primarily, graduated. I went in my capacity as the Minister, where we had 13 members of the Ministry of Public Works from various areas pass the Leadership and Management course.

And finally, Mr. Speaker, I would like to send congratulations to Purvis Primary School, who had their Christmas play, *Tis the Season*, last evening at

Purvis. It is always a special occasion, Mr. Speaker. But they did something different this year that everybody talked about at the end of the event. And that was, they played a Christmas carol from the Temptations. And they had five young men lip-sync this song. And, Mr. Speaker, I wish I had recorded it. Because it was absolutely amazing and it brought the house down. So, I would really like to send congratulations to Purvis Primary School. Thank you.

The Speaker: Thank you.

Does any other Member?

We recognise the Premier.

Premier.

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

Mr. Speaker, I apologise that I was not in the Chamber for the beginning parts of congrats and obits. I would assume that condolences have already been expressed by Members on the passing of the St. George's Councillor, Mr. Phillip Phoopa Anderson. I would like to be associated with those remarks. Mr. Anderson, of course, St. George's Councillor, a manager of the St. George's Visitors Centre, leaves to mourn his mother, Ismay Steede; children, Phillip and Cyniqua; siblings; grandchildren; nieces and nephews; and, especially, his niece who is our Honourable Member here in this House; and numerous extended family and friends in the St. George's community.

Everyone who knew Mr. Anderson knew how much of a force he was. You knew where he stood, and he was always forceful in his opinion. He was a life member of the Progressive Labour Party. The last time I had a chance to interact with him was at the most recent delegates conference at the Devonshire Recreation Club. And so, [I'm thankful] for that. I had a chance to visit with the family last evening, and I want to express the sincere condolences on behalf of all of my colleagues and associate myself, and I would say, on behalf of all Members of this Honourable House.

Of course, Mr. Speaker, we did have a moment of silence earlier for the passing of the late Minister, Mr. Clarence Terceira, an active politician in his day and a founding member of the former United Bermuda Party, a man committed to seeing reform of Bermuda's political and social structure. And with that, I wish to send heartfelt condolences to his wife, Joan, his children, and his numerous family and friends whom he leaves to mourn. And I hope that he may rest in peace. Thank you, Mr. Speaker.

The Speaker: Thank you.

Does any other Member wish to speak?

We recognise the Honourable Member from constituency 10.

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

Mr. Speaker, I would like to be associated with the condolences previously sent by honourable colleagues, first to late Commissioner Penny Bean. I had the opportunity to know Commissioner Bean for many years. And I called the family over the weekend when I heard of his passing. I always saw the late Commissioner as a very honourable and humble man, a man of impeccable character and a very compassionate man, who was always well grounded in what he did.

I was blessed to have played golf with him on a number of occasions. And, unlike me, when things are not going my way on the golf course, he managed to stay calm and think about the next hole. And it is with great sadness that we have learned of his passing, recently. He contributed greatly to our community through a time, a significant period of change, over many years. And we should never overlook that, and we should thank the Commissioner for the work he has done.

Also, I would like to be associated with the condolences sent to the family of late Clarence Tessi Terceira. I knew the former Member of this House not only in this House, because when I first got elected in 1997, I sat right behind the former Minister. And I was astonished at the first Budget Debate because, Mr. Speaker, you are well aware of the interpolations that will go back and forth. Well, Minister Terceira would just plough on right through. And it was not until a couple of years later that I learned that he was a little bit hard of hearing.

The Speaker: He did not hear any of that heckling!

Hon. Michael H. Dunkley: He could not hear what you were saying anyway!

[Laughter]

The Speaker: He did not hear it.

Hon. Michael H. Dunkley: And he was bent over his lectern, and he would just go on ahead.

The Speaker: Yes. Yes.

Hon. Michael H. Dunkley: I also knew him as my dentist when I was younger. And I will forgive him now, but he pulled six teeth when I was quite young and I had to have braces. But I will forgive him because he did great work then. And so, condolences to his family, whom I spoke to over the weekend.

On a brighter note, Mr. Speaker, I would like to extend [congratulations] to Second-in-Command Major Ben Beasley on being promoted to his position. I am sure colleagues in the House want to be associated with that. And while I do that, I would like to thank Major Furbert for a great job in the position that he held when he was Second-in-Command. Major

Furbert still is with the Regiment for a period of time, but he served there since 1984. And so, congratulations and thank yous are appropriate to those two fine people.

Thank you, sir.

The Speaker: Thank you.

Does any other Member wish to contribute this morning?

Before we move on, I would just like to add my comments in regard to the passing of Commissioner Bean. As a Somerset boy, I have known Mr. Bean all of my life. In fact, the Lister and the Bean families have had close relationships over the years, and I have always found Mr. Bean to be one who is very serious but fair, one who demanded respect and got respect. I think his place in history in becoming the first Bermudian to head the Police Service was well earned and will be well respected for time. But, again, my condolences. And I have spoken to the family, as many of you have done already. But I think it was noted that my comments should be added to yours today.

MATTERS OF PRIVILEGE

The Speaker: There are none.

PERSONAL EXPLANATIONS

The Speaker: There are none.

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

The Speaker: There are none.

INTRODUCTION OF BILLS

GOVERNMENT BILLS

The Speaker: There is one Government Bill to be introduced this morning.

Minister of Health, would you like to introduce that Bill?

MENTAL HEALTH AMENDMENT (NO. 2) ACT 2018

Hon. Kim N. Wilson: Mr. Speaker, I am introducing the following Bill for its first reading so that it may be placed on the Order Paper for the next day of meeting, namely, the Mental Health Amendment (No. 2) Act 2018.

The Speaker: Thank you, Minister.

OPPOSITION BILLS

The Speaker: There are none.

PRIVATE MEMBERS' BILLS

The Speaker: There are none.

NOTICES OF MOTIONS

The Speaker: There are none.

ORDERS OF THE DAY

The Speaker: We have now come to the Orders of the Day, and the understanding is that the first Order on the [Order] Paper will be taken up at this point. And that is the second reading of the Criminal Code (Sex Offender Management) Amendment Act 2018, in the name of the Minister of Health.

Minister, would you like to begin?

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

The Speaker: Continue, Minister.

Hon. Kim N. Wilson: Mr. Speaker, I move that the Bill entitled the Criminal Code (Sex Offender Management) Amendment Act 2018 be now read the second time.

The Speaker: Any objections?
No objections. Continue.

BILL

SECOND READING

CRIMINAL CODE (SEX OFFENDER MANAGEMENT) AMENDMENT ACT 2018

Hon. Kim N. Wilson: Mr. Speaker, I am delighted to present the Bill entitled the Criminal Code (Sex Offender Management) Amendment Act 2018 to this Honourable House.

The policy resulting in this enactment aims at addressing one of the most emotional crimes and harmful social problems facing our society. Sexual crimes often target the most vulnerable members of our society, including our children. They are often perpetrated by persons in positions of trust, resulting in lifelong emotional and psychological trauma for victims.

Mr. Speaker, available data collected from the Judicial Department reveal that the number of sexual offences, or instances of offending, for which persons have been prosecuted in Bermuda during the past 17.5 years is more than 440. Offenders during this

period amount to approximately 260 individuals. This averages out to approximately 25 offences per year. I must highlight that this number includes offences such as indecent exposure, voyeurism and unlawful carnal knowledge related to youthful offenders, usually 16- to 18-year-old men.

Although the figures are alarming, this will put the subject matter into better perspective. At present, there are 12 sex offenders under active community-based supervision within the Department of Court Services, all of whom, Mr. Speaker, are or have been involved in sex offender programmes and/or treatment, based on their risk of reoffending as per the assessments utilised in the department. Those who have completed the programmes and who remain under active supervision can be involved in more extensive maintenance work, as deemed necessary, to minimise their reoffending risk. Six are actively enrolled in programmes at present, inclusive of one voluntary client. Four are fitted with electronic monitoring devices.

Mr. Speaker, this Bill comprehensively reforms the way that sex offenders are re-integrated and monitored in society upon their release. Appropriate measures are implemented to ensure that offenders recognise and understand the harm that they have inflicted. Studies show that this is vital to ending the cycle of reoffending. Programming to this end will begin when offenders are incarcerated and continue with an extensive supervisory regime in the community. These measures are aimed at minimising the opportunity to reoffend.

Mr. Speaker, of major concern in the current sex offender management process is when offenders refuse to complete sex offender programmes or treatment whilst in custody. This increases the risk of reoffending, raising concerns about offenders' eventual reintegration into society. Amendments to the Bill will prevent offenders who fail to complete court-ordered programmes or programmes included in their case plan during their period of incarceration from being released on licence or released on their earliest release date.

[Pause]

Hon. Kim N. Wilson: Sorry, Mr. Speaker.

The Speaker: Continue on, Minister.

Hon. Kim N. Wilson: Mr. Speaker, additional provisions are made in the Bill for disciplinary offences for sex offenders whereby a sex offender may lose remission time if they do not complete mandated programmes during their period of incarceration. Mr. Speaker, to prevent identification of the victim, the Bill increases the penalty for an offence of publishing or broadcasting the identity of the complainant, or before

conviction, the accused in a trial relating to a sexual offence.

Mr. Speaker, the current notification and registration requirement for sex offenders resulted in ad hoc sex offender registration by the Bermuda Police Service. The compiled data were for law enforcement purposes only. Therefore, the Bill establishes a formal sex offender register to be maintained within the Ministry of Legal Affairs. The register will serve to provide more comprehensive and current data on sex offenders to facilitate targeted public notification and any other notification deemed necessary by the Minister.

Mr. Speaker, a proposal in the Bill gives the court power to order the Commissioner of Police to enter a sex offender's name in the register if they are sentenced to a period of imprisonment. The court will inform the offender that his or her name has been entered on the registry, as per the Bill.

Mr. Speaker, the Bill further optimises effective offender treatment, supervision and collaborative management with the appointment of an Offender Risk Management Team. This team will be specifically tasked with management of the supervision and oversight of the sex offenders release into the community post incarceration. The team will ensure sufficient oversight to monitor compliance and to proactively prevent reoffending with the ability to have the sex offenders assessed by professionals, should their risk appear to be elevated.

Mr. Speaker, in outlining some of the particulars of the register, the period of registration will be for 10 years or more, as determined by the Offender Risk Management Team, as per the Bill, and in accordance with the guidance in the Codes of Practice to be issued by the Minister. Additional provisions are made for any person whose name appears on the register to have to submit to an assessment and reporting requirements as outlined by the team. It is important to note that the period of registration is suspended during any time in which the offender is imprisoned.

Mr. Speaker, sex offenders on the register will be subjected to specified conditions and must also notify the Offender Risk Management Team of any additional changes to their circumstances. In particular, Mr. Speaker, the offender must inform the team, in advance, of their plans to travel, and shall comply with such conditions as may be imposed by the team for the purposes of facilitating their successful reintegration into the community.

These include notifying the team in writing in advance of any intended change of address. An offender who fails to do so without reasonable excuse or provides false information to the team is guilty of an offence and is liable to a fine of \$3,000, or imprisonment for six months, and/or both.

Mr. Speaker, according to the Bill, a sex offender may apply to the court to reduce or terminate their time on the register on the grounds that he or

she does not present a risk of reoffending. Consequently, the onus of convincing the court to do so is on the offender providing proof to the court of their reduced risk.

Mr. Speaker, might that be a convenient point for me to pause? Or would you like me to continue? I am getting ready to go into a different area of the Bill.

The Speaker: It is now that time.

Hon. Kim N. Wilson: Mr. Speaker, I would like to adjourn to lunch until two o'clock, please.

The Speaker: Yes.

Any objections from the House?

No objections.

We now stand adjourned until 2:00 pm.

[Gavel]

Proceedings suspended at 12:32 pm

Proceedings resumed at 2:02 pm

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

The Speaker: Good afternoon, Members.

We are resuming the debate on the Criminal Code (Sex Offender Management) Amendment Act 2018 and the Minister of Health has the floor and will continue her presentation.

Minister?

BILL

SECOND READING

CRIMINAL CODE (SEX OFFENDER MANAGEMENT) AMENDMENT ACT 2018

[Debate continuing]

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

Mr. Speaker, right before we rose for lunch I was indicating that according to this Bill a sex offender may apply to the court to reduce or terminate their time on the register on the grounds that he or she does not present risk of reoffending. Consequently, the onus of convincing the court to do so is on the offender, providing proof to the court of their reduced risk potential.

Mr. Speaker, as the register is not a public register, there are penalties for individuals who release information on the register without lawful authority as the Bill creates a new offence.

In addition, Mr. Speaker, the Public Access to Information (PATI) requests are not applicable to the register.

Mr. Speaker, the matter of sex offending—particularly against children—is a universal concern. This Bill also takes into consideration sexual offending outside of this jurisdiction for Bermuda residents. Therefore, any resident who offends overseas or any person becoming a resident in Bermuda must also register on the sex offender register as outlined in the Bill. The Bermuda Police Service has partnerships as well as MOUs with numerous policing authorities, such as the National Crime Agency, Interpol, [the] Royal Canadian Mounted Police (RCMP) and the FBI, just to name a few, to share information under lawful authority to protect our citizens. Bermuda is also considering become a signatory to international conventions, which may tighten information sharing protocols.

Mr. Speaker, concerns have been expressed about cases, usually involving younger offenders. Judicial discretion is usually exercised in these circumstances to not impose a sentence of incarceration upon conviction. In such circumstances it is befitting to follow the court's lead to impose further penalty. As included in the Bill, registration and supervision is, therefore, reserved for sex offenders whose crimes warrant a custodial sentence.

The codes of practice will be a guide for judges, magistrates and criminal justice partners for sentencing purposes as well as outlining periods that an offender should be on the register. For example, Mr. Speaker, a first-time offender for a minor offence, therefore, will not receive the same period of registration as a repeat offender for more serious offences. Conversely, a repeat offender should have more stringent conditions and longer periods of registration.

At this juncture I would like to elaborate on the role and function of the Offender Risk Management Team [ORMT] outlined in the Bill.

Mr. Speaker, the Minister appoints the team comprising: senior representatives from the Bermuda Police Service, the Department of Court Services, and the Department of Corrections. The team manages the supervision of offenders in the community according to its policies and procedures. The team is also actively in consultation with other governmental agencies and departments as outlined in their policies to: mitigate risk to further offending; require the offender to submit an updated risk assessment; and guide their management in the community. Training and certification will remain a requirement for certain members of the team and all members will engage in ongoing training to optimise its effectiveness.

Once an offender is in the community under supervision, Mr. Speaker, they are supervised by probation officers as subjects of probation, parole, or supervision orders. Supervision can also include the offender wearing electronic monitoring devices if deemed necessary. All other orders require the assessment for programmes, group work and treatment. The Department of Court Services delivers such programmes and services. In the absence of significant

numbers of sex offenders at any given time to constitute a running group, interventions are conducted by individual therapy and treatment regimes in conjunction with the department's psychologist.

It is valuable to share, Mr. Speaker, that maintenance work is delivered once an offender completes the required programmes and/or groups and offenders can always be reassessed by the psychologist if needed. In addition, referrals are made for psychiatric services as deemed necessary.

The partnership established with the consultant forensic psychiatrist from Mid-Atlantic Wellness Institute [MWI] allows for input from the consultant forensic psychiatrist for appropriate departmental clients. Further services may require additional referrals to MWI for those needs.

Mr. Speaker, persons who may no longer be subject to supervision by a probation officer will be managed by the Offender Risk Management Team as required. There were no previous provisions for monitoring, management and supervision of sex offenders post statutory orders. This new framework will allow for such oversight for sex offenders sentenced to a period of imprisonment for offences committed on or after commencement in accordance with section 6.4 of the Constitution. Whilst this may be seen by some to be an oversight, it is within the confines of the Constitution and legislative context.

Mr. Speaker, the Bill necessitates revisions of the 2008 protocol on the disclosure of information identifying sex offenders, and also imposes a mandatory requirement on the Minister to issue the protocol. The revised protocol, in turn, contains a more synchronised operational framework to coordinate stakeholders. It outlines the particulars of the more targeted sex offender management process to minimise or prevent reoffending. It also complements the more formalised system for sex offender registration mandated in its provisions.

These measures have been mentioned previously, and from the commencement date of this Bill the level of management, supervision, treatment and registration of sex offenders will optimise the protection of the community from further offending risk posed by these sex offenders. The level and extent of supervision is based on the risk posed to the community by the offender as well as the offender's needs for rehabilitation and intervention.

Mr. Speaker, we have conducted extensive research on the subject of a public sex offender register and we acknowledge the work of the Joint Select Committee as well as numerous views advanced by community stakeholders and members of the public. Our research has determined that, outside of the United States and South Korea, most other countries which have sex offender registers only make them available to limited sources, such as government officers. In fact, the United States is reviewing their practices as most states have had great challenges in

managing their offenders as a result of the public registers, which appear to have driven offenders underground. This has made their management and the ability [of authorities] to protect vulnerable persons from sex offenders far more difficult, Mr. Speaker.

It is significant to note that countries such as Canada, Australia, France, England, Germany, South Africa, Jamaica, Trinidad, the Cayman Islands and other British Overseas Territories employ this practice, whereby information on their registers is generally only available to police services, prisons, and probation personnel or any combination of the agencies listed, as well as government child protection departments.

Bermuda's position is similar and governmental agencies involved in child safeguarding play integral roles in conjunction with the team.

Mr. Speaker, a public sex offender register is not employed due to vigilante justice and other factors which limit the opportunities for offenders to reintegrate into society. There is significant empirical evidence and research that shows that a publicly accessible sex offender register does not help to reduce the recidivism rates nor does it, Mr. Speaker, assist offenders to successfully reintegrate into society or make communities safer.

In further contextualising this, Mr. Speaker, Bermuda is approximately 22 square miles in size. Our population is approximately 63,000 residents. Unlike larger jurisdictions, individuals tend to know each other and cannot move into an area where they are completely isolated and unknown. We are challenged with a NIMBY (Not in My Backyard) syndrome whereby no one wants sex offenders in or near their residences. They cannot be isolated. It is important to note that all offenders must be considered for release into the community at some point. With this in mind, the necessary monitoring and supervision measures are being put in place by this Bill.

Mr. Speaker, the Bill does acknowledge that there are instances when it will be appropriate to make blanket disclosures to the entire public about an offender. However, these will be exceptional cases where the offender's risk to reoffend are properly assessed to be very high and there is every indication that such disclosure is in the public interest.

Mr. Speaker, special disclosure arrangements with schools, day care centres, and other organisations working directly with children may be made as warranted with respect to particular sex offenders. Accordingly, special care provisions are made to ensure that victims are sufficiently armed with available information to optimise their safety.

As a general policy, Mr. Speaker, all victims will now be notified of the release of the sex offenders. In the case of minors, their parents, guardians or caretakers are notified of a sex offender's pending release from incarceration.

Additionally, Mr. Speaker, the Bill makes provisions for the Commissioner of Prisons to notify the Minister of a sex offender's pending release at least two months prior to the release date. This allows for adequate consideration of notifications to individuals, groups, or the public as per the revised protocol and for release planning. It also specifies whether the offender has completed the mandated programme.

The Bill, Mr. Speaker, demands close and effective coordination between stakeholders. These include the Bermuda Police Service, the Department of Corrections, the Department of Public Prosecutions, the Department of Court Services and the Judiciary. The stakeholders were consulted during the process of formulating the Bill and are aware of the provisions.

Whilst these partners are considered the major players in implementing, regulating, and overseeing this fortified structure, there will also be close partnering with other stake-holding agencies within this enhanced framework. Governmental agencies with roles in protecting children are key partners for the Offender Risk Management Team, and sub-groups will extend consultation with other service providers in the community moving forward as this is a foundation for more extensive legislative and operational changes.

Mr. Speaker, the management of sex offenders is not an easy task. However, protecting our children and the public at large is a priority and a duty this Government takes seriously. Therefore, Mr. Speaker, as captured by the provisions of this Bill, the effective oversight, management, targeted programmes, ongoing assessment, and registration of sex offenders will allow for more protections to the public. The established collaboration, research, programme evaluation, public relations regime, and information sharing will be maintained as we continue to further develop and expand the overall framework.

Mr. Speaker, no entity on its own can be effective in addressing the accountability framework for managing sex offenders. Similarly, no framework will satisfy all segments of the community, especially those affected by such crimes directly or indirectly. The framework contained in this Bill is a foundation for future policy and will help to provide a baseline for evaluation purposes in the future. We note that the provisions outlined in this Bill cannot be retroactive for constitutional reasons, which will surely disappoint certain individuals and groups. The Offender Risk Management Team, in mitigation of this, will aid in management responsibilities as well as offer services and support for offenders willing to receive such assistance who have already been sentenced.

Mr. Speaker, in the past year, during this administration, we have made at least one public notification and disclosed information to victims in at least six cases when sex offenders were released from incarceration. In addition to the data presented at the beginning of this brief, at least two sex offenders have

been recalled to prison for infractions of their orders. We have utilised all resources at our disposal to monitor sex offenders including: electronic monitoring devices; case conferences and case reviews—both at court and before the parole board; curfew checks; regular home and site visits; referral to treatments; as well as contacts and collaborations with significant others to verify information.

Mr. Speaker, these all have tightened the accountability framework for working with and monitoring sex offenders. As previously mentioned, there is also one sex offender who is voluntarily in a sex offender programme at the Department of Court Services.

Mr. Speaker, this Bill as tabled is a first step in ongoing work and policy development which involves collaboration, information sharing, management strategies, as well as further reviews to the legislation. We can assure Members of this Honourable House, as well as the wider community, that this Government will continue its innovative, research-based, and balanced approaches to address matters of significant concern in the community, inclusive of managing sex offenders and more thoroughly protecting the public from such crimes.

And with that, Mr. Speaker, I am pleased to be able to lead on this brief entitled the Criminal Code (Sex Offenders Management) Amendment Act 2018 presented by myself on behalf of the Honourable and Learned Attorney General who sits in these Chambers right now.

Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

ANNOUNCEMENT BY THE SPEAKER

HOUSE VISITOR

The Speaker: And I was just about to acknowledge the fact that we do have the Attorney General in our Chambers this afternoon.

Welcome.

[Criminal Code (Sex Offenders Management) Amendment Act 2018, Second Reading debate, continuing.]

The Speaker: Does any other Member wish to speak?

We recognise the Honourable Member from constituency 22.

Honourable Member Pearman, you have the floor.

Mr. Scott Pearman: Thank you, Mr. Speaker. And I thank the Minister for her commendable presentation.

As done in the past, I would like to offer commendation as well as constructive criticism. So, by way of commendation let me say that the Opposition

agrees with the Government that the creation of a register is a very positive step and one which, I think, all in the House should welcome for Bermuda.

I have, Mr. Speaker, a number of points on the legislation itself that I will save to the Committee stage, but let me look a little further about how it was this Bill came to be.

Mr. Speaker, we are all aware that there was an extensive Joint Select Committee report that was produced by Members of Parliament. And just to remind ourselves, this was chaired by the Honourable Member Renee Ming; the Opposition Leader Craig Cannonier; Honourable Member Zane De Silva; Honourable Member Christopher Famous; Honourable Member Susan Jackson; Senator Crystal Caesar; and Senator Michelle Simmons.

So a wide group of those in the House who put their heads together and spent considerable time wrestling with this issue over a number of meetings and with a divergence of views that struggled to come together to propose a series of recommendations.

And when the report was tabled in the House, the Honourable Member Renee Ming said “¹we looked at a set of recommendations that could be put forth.” So that is why the Joint Select Committee spent so much time looking into this, so that recommendations could be developed and, it was hoped, deployed.

And when the Bill itself . . . excuse me, when the report itself came to be debated on the floor of the House, the Chairman of the Committee said this: “²I am pretty sure that there is something in here for just about everyone, and there are recommendations that I am confident that we, as parliamentarians, will adopt.”

Going on she said: “We had a total of ten meetings.” And it was “to decide what recommendations we wanted to put forth, what did we think was in the best interest of Bermuda and her children. We used that time to, I would say ‘share,’ but we truly did ‘brainstorm.’ We went back and forth, we decided what we thought would be the best way to proceed.”

And the report itself, as tabled and debated, came up with 14 substantive recommendations. I will come to those in a moment, Mr. Speaker, but the reason that I am mentioning all of this is that the Attorney General then publicly stated that the Bill itself that we are debating today was drafted before the Joint Select Committee Report. And that is a very odd state of circumstances because this Bill does not contain many of the recommendations that are made by the Joint Select Committee.

And of the 14 recommendations, only two appear to have been expressly taken up in the legislation. These are at page 14 of the commissioned Report, which I commend to those listening to the debate. But only two—number two and number five—

¹ [Official Hansard Report](#), 27 July 2018, p. 2934

² [Official Hansard Report](#), 10 August 2018, p. 3142

were expressly taken up. Numbers 1, 3, 4, 8, 9, 10 and 14 were not taken up at all, and it is debatable, and no doubt we may hear further when we get into Committee as to whether or not 6, 7, 11, 12 or 13 properly feature in the Bill, giving effect to the recommendations that were so carefully prepared.

Now I am not going to belabour all 14 points, but I will take three. One of the recommendations was that this register should be public, and it is not. A second of three big ones was that offenders would be placed in tiers—we would have high level, mid level and low level. And that makes sense because, for the reasons the Minister explained in her opening, there are people who will be deemed sex offenders by the law who may not have done what we think of when we think of sex offenders.

And I will just go back to what the Minister said. She gave some examples, which are still offensive crimes, but they are less offensive, perhaps—indecent exposure, voyeurism, and unlawful carnal knowledge with a minor. So we can suppose a situation where a youth, who is an adult, has sex with someone who is also a youth, but is not an adult technically because of the age of consent, but they may be boyfriend and girlfriend. They may be a year apart. And so, with respect, I think it is unfortunate that the Bill did not take the opportunity, as recommended by the Joint Select Committee, to look at the tiering system.

Thirdly, the biggest recommendation in this Report—in this Joint Select Committee Report—was recommendation one. And I will just read that, with your leave, Mr. Speaker.

The Speaker: Yes, continue.

Mr. Scott Pearman: This is recommendation 1 at page 14 of the Report:

“All convicted sexual offenders should be required to participate in a” (and this is now in bold caps) “MANDATORY treatment programme prior to their release from the correctional facility. Treatment should not be optional.”

And so I would invite the Minister, when she is back on her feet, to explain why it was that that core recommendation of the Joint Select Committee is not being progressed, because it is not. If one looks at clause 2 of the Bill, it only prohibits release on licence, which (for those who are not criminal lawyers or lawyers) is just release on a temporary basis to be returned, or to be released on an early release date. So it does seem from the Bill as presently presented that someone could be in prison, could simply refuse treatment, and when the end of his, or possibly her, sentence comes to the end, walk out without having had it, and nothing can be done.

Two other points. The first is penalties. It strikes me as odd, Mr. Speaker, that we have a sex offender register, it will now be private and protected,

and at page 5 of the Bill we see that if “any person who discloses information in contravention of this section commits an offence and is liable on summary conviction to a fine of \$10,000.” So if someone lets slip a name from the sex offender register, that is a \$10,000 fine. However, the convicted criminal—the sex offender—if he or she (but likely he) fails to keep the team informed when he moves from one place to another on the Island or fails to notify them when he travels abroad or fails to do any of the other things that are prevented by this Bill, all that happens to him—and it is [clause] 6—is a fine of \$3,000.

So some government official might accidentally leave a piece of paper on a photocopy machine and that person is in line for a fine of \$10,000, but the convicted—

[Inaudible interjection]

Mr. Scott Pearman: No, it is not “up to” (but thank you). Someone is correcting me saying it is “up to.” It is not. It should say “up to” and that is a point for Committee. It says “a fine of \$10,000.”

And the sex offender is merely there for a fine of \$3,000. So, respectfully, that does not . . . that just does not seem right . . . it does not seem very common-sensical, and I do not know how it is that penalties are analysed by those preparing these documents.

And lastly, again, a positive comment. The Minister made clear that this Bill was not to be retroactive. It was not to have retrospective, retroactive effect. It was to go forward. And I just make a point, because there were some Bills earlier in the year that were retroactive, and it is a good thing when we pass legislation not to make it retroactive. It is unfair to those who are subjected to legislation.

So I will save the rest of my substantive comments, Mr. Speaker, for the Committee stage. I know there are some others on this side that do wish to speak. But at a very high level we are pleased to see that a sex offender register is being created. We are slightly confused [as to] why there are not so many other recommendations made by the Joint Select Committee appearing in this Bill. We would have thought that there might be. And, perhaps, it should have been reconsidered and revised in light of the recommendations of those hard-working individuals who, in the words of the Chairman of the [Committee], spent some 10 meetings over many months to try to achieve this. And I just remind the House of her closing words in the debate, if I may, Mr. Speaker. This is the Honourable Member Renee Ming, the Chairman:

“³So, for anyone who doubts the seriousness of what it is that we are dealing with, then I encourage you to do your own research. You may not want to believe what Renee Ming has to say. But I can tell you

³ [Official Hansard Report](#), 10 August 2018, p. 3149

this here, everything that we have spoken about in this report and the recommendations that can come out of our report are very much topical, and also just timely for the era that we are living in at this time.”

And I simply say it would have been, perhaps, more sensible for the commission’s recommendations to precede the Bill and not the other way around.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

No other Honourable Member?

We recognise the Leader of the Opposition. Honourable Member, you have the floor.

Hon. L. Craig Cannonier: Yes, thank you, Mr. Speaker, on such an important topic. I thought that . . . We’ve had several people getting up to . . . to . . .

[Inaudible interjection]

The Speaker: That is all right. You have got the floor, so feel free to make your comments, do not use your time up speaking about others.

Hon. L. Craig Cannonier: Yes, I guess they must be waiting for me . . .

An Hon. Member: Yes.

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

I am appreciative of the fact that we are at this point and I am hoping that as we move through this next . . . next session, as we close this, and move through the next session and throughout the year that . . . I am hoping that this is not the last of the recommendations or changes that we are going to see.

The Speaker: Mm-hmm.

Hon. L. Craig Cannonier: And the reason I say that is certainly we were looking forward to this day. For some of us . . . [there is] a bit of disappointment in that there are not more substantive, as has already been said, recommendations that came from the Joint Select Committee on this. Because I do know that one of the agendas we had was to ensure that we moved with completeness, but also moved with swiftness, in getting the recommendations from the Joint Select Committee to the table so that the Attorney General’s Chambers could weigh in on these recommendations so that we would have, again, as I said, a more substantive Bill in front of us. That, apparently, as we all see, is not the case.

And the reason I am starting out with this here is because many of the conversations that we had in the room . . . we were privileged to great conversa-

tions with interested groups which allowed the police, the Attorney General’s Chambers, other interest groups, non-governmental organisations, charities and the likes to also come to speak to some of the concerns that were had concerning an offender list . . . a sex offender, as we state here, management.

And our history has been that we, through process, have not managed this well as a people. And that should be concerning to all of us. There is no direct blame on anyone in particular, no organisation, per se, but the fact that we were privileged in this committee to conversations that, quite frankly, were . . . they showed that the process of information was not moving through the relevant departments and categories and organisations, [which] was quite frightening.

In fact, while we were discussing some of these things it was apparent that we had a situation even going on within our schools, and the teachers and the principals were not aware of it. And that was how stark the reality was that there was a so-called process that we had heard back some time ago, but that the process was either not understood, that the process was not even made aware of to the relevant and most important vulnerable places, like schools and the like.

And we saw massive holes, gaps, whereby when offenders were being released, information was not being transferred back and forth well enough, even when they were publicised in the paper . . . relevant notifications, at some times, were not getting to where they needed to get.

And, again, I say that this should be concerning to all of us and I am hoping that as we move through this Bill that the Attorney General’s Chambers will look at the process—which I believe they are—that we start tightening up in on where these grave challenges are, where these opportunities are for the likes of sex offenders who are preying on our young people.

Also, as we went through this here, it was evident that we needed to clean up the Act itself . . . the Bill itself. Right now we know that if you were to potentially go and you have to urinate in the trees or something, people could be put on a list, and we are hoping that we can clean that up. There were many areas that needed to be cleaned up concerning this particular area where people would find themselves on the list. And so I am hoping that we get to the point whereby many of these things are omitted, taken off, so that they are not on there and potentially a threat to someone who innocently may commit an offence that should not be committed.

Now we are hoping that those in the correction facilities and the police will use their common sense here. But the fact that it still exists means that we still do have plenty more work to do, plenty more room to clean up what is existing.

But I then go back, again, as I said, to the issue of process. And one of the challenges that we do have is ensuring that everyone is aware of the vulnerabilities that we do have. One of the recommendations that came out of SCARS was that everyone in the Honourable House should take that training. And, in taking that training, it was quite an eye-opener for many of us to recognise some of the atrocities that have taken place as far as sexual offences against our young people, against young men and young women, kids, the likes.

And we have heard through this that sex offenders will get (while they are incarcerated) either rehabilitation or the likes will take place. And one of the things that we learned through the SCARS training [was] that there was one particular category of sexual offender that there is no cure for, and that is the paedophiles. And I am not sure where we are going to sit with this particular area—this category of individual—knowing that there . . . right now we are not aware of, amongst the health professions, that there is a cure for a paedophile. And so I believe it is incumbent upon us as a Government, it is incumbent upon us as a people, to be vigilant about what that process is to ensure . . . knowing that once a paedophile does his term, whether he takes the courses or not, he may—for sure—not be rehabilitated from the challenge that he or she has.

And it is important that we tighten up just about every loophole that we can find and ensure that the relevant stakeholders, whether they be sports clubs, whether they (as I said already) be schools, whether they be nursery schools, whether they be afterschool programmes—you name it—where you have many young people residing, that we tighten up these areas and ensure that the window of opportunity is lessened as much as possible.

Again, as has already been said, many of the recommendations from the Joint Select Committee have not been assumed or brought into this piece of legislation. And I can recall many of the conversations that we did have. I mean, you have seen it played out in the newspapers and the likes, where many of our members on the committee have very strong feelings about a list and making that list, for that matter, public. This does not in any way reflect what the Joint Select Committee has put forward as far as making the list public, and so I am very much interested to see how we proceed through this here, understanding that the recommendations were made and hoping that at some point in time we will hear from folks speaking to that, as well as to their feelings, because there were many of us who were pretty vociferous about the fact that this list should be made public.

I do understand the arguments, the concerns that are in place. I am looking over at my honourable friend, Mr. Zane De Silva, who, quite frankly, was very vociferous, very loud about his intent and his feelings towards it. I see him smiling at me. That is why I am

bringing it up. If he had not smiled, I might not have brought up his name, but he was very much concerned that we did not have a public register. And that is why the Joint Select Committee moved forward with its recommendations, recognising all stakeholders, having listened very intently to the stakeholders and also having listened to Bermuda as it was responding to this particular concern of a public offender list.

I also noted this in a statement that was made, if I can find it very quickly here, that we have not established a public register because that is . . . of course, we follow much of the UK (I am paraphrasing here) as far as law is concerned. [And this] has weighed in on this matter. But I want to encourage Members to understand that the reason that we are here is to create legislation and so that, if it does not exist, that is why we are here—to make recommendations, even if it does not exist somewhere else. Certainly, we will take recommendations from other jurisdictions; but we here act on behalf of Bermuda and not another jurisdiction.

And so I would encourage Members to ensure that although we have gotten to this point, I personally believe that there is so much more room that we need to go in improving how we monitor this here. This is a very, very, emotive issue. A lot has already been said in the opening message to us about the offender, but not much has really been said about the victim and what the victim actually is going through. And in a small community like Bermuda, as all of us, especially here in this House are aware of, you know, we run into people every single day, on a daily basis, and just about everywhere we go we are running into one another and we have got to find a way to manage the fact that we are going to have living amongst us those who are sexual offenders who have done their time, but also run the risk of reoffending.

And I do not believe that maybe this Bill has gone far enough in ensuring that we look out for those who have committed some of these offences to ensure that our young people are safe, our women are safe, our young men are safe.

I go back to, again, basically saying the process that is being established, that we are being told about, must be adhered to without fault. It has to be held to with the highest of scrutiny to ensure that we protect our most vulnerable. We have, basically, a population that is not growing because we are not having enough of that precious resource of young people being born in Bermuda, and we must do everything that we possibly can to ensure that we protect them from the very beginning right on through to their adulthood, Mr. Speaker.

So I look forward to hearing a little more as we go into Committee and we ask a few questions about how some of these things will be enacted. And I also would like to hear, and I am hoping that we hear, that amendments will be coming forthwith that will take into consideration the hard work that the Honour-

able Zane De Silva put into this thing, that some of those recommendations from the Joint Select Committee are taken on.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

We recognise the Honourable Member from constituency 4.

Honourable Member Furbert, you have the floor.

Mrs. Tinee Furbert: Good afternoon and thank you, Mr. Speaker.

We have a duty as parliamentarians, Mr. Speaker, and that duty is to represent our constituents and the people of Bermuda, to make laws, and to provide oversight. And the PLP has constantly mentioned that we will *create a fairer and better Bermuda for all Bermudians*. And we did not say “perfect” because sometimes there is not perfection because we live in this world and there is human error. But we can focus and drive forward with a fairer and better Bermuda. And this Act does represent that aim of making Bermuda a fairer and better place to live in.

But today I also stand as a representative for my constituents and for people of Bermuda, and represent all those persons who have been a victim of a sexual assault. And as a mother I have to trust every day that I send my children out to be with educators, I send them out to be with friends and family members, and I send them out to be with camp counsellors, sports programmes . . . [to be with] members in sports programmes [and] members in dance programmes—both local and overseas. And I send them out to be with other youth organisations. And, as parents, we have a duty to trust those people who we send our children to be around.

There is a saying: *It takes a village to raise a child*. Well, this village must be safe, Mr. Speaker. And as lawmakers we have a duty to enact laws that reduce risk, whether that risk is low, medium or high. And we also have a duty to better manage the sex offenders in our community. And I believe we have made an attempt to do this with this Act. This Act is about reducing risk—risk to our vulnerable children and adults from sexual offenders.

I was listening to a news report. It was actually . . . I do not know if anyone else heard it, it was a news report on ABC. And in this news report it actually reported that there has been a spike or increase in the Caribbean islands which have been covering up for sexual offences [to] the guests who actually visit them. And so what was being reported in the news is that these resorts are paying off people to cover up for these sexual offences. There was a particular couple who were out on their honeymoon and their butler was accused of a sexual offence.

And so when we speak of sexual assault, we think of protecting people. Children grow up to be adults, so we think of protecting people in general, people who will grow up to be adults. And so what we do not want to continue to do as a country is continue to cover up such sexual offences that harm our community. It leads to people . . . and we spoke about this before when we talked about the recommendations in the Joint Select Committee and how it leads to people who have anxiety, depression, they experience chronic illness, and obesity. All these things impact our community and cost, actually, our community a lot more money.

And so this area is still, still, very important. And while this is not a public registry, Mr. Speaker, and I think that, you know, we have had a registry for a while, I believe (and the Minister can correct me) from 2008, 2009 . . . sorry, 2001, I think, we have had a registry. What this legislation does is improve the registry and the protocols around it. And funny enough there are actually people in our community (with social media being so prevalent) . . . and I was reading an article where it talked about a father who created his own website and they actually listed sexual offenders in our community. Information that has been made public, I guess, through some other source of media. So these sorts of things are occurring in the public domain anyway, whether we have a public registry or not.

What this Act highlighted for me was that so much more needs to happen, Mr. Speaker. And I found actually a . . . the Ministry of Legal Affairs put out a fact sheet regarding the Sex Offenders Management Act. And it was actually published online so if anyone wants access to that fact sheet so that they can get clarity in regards to what this amendment Act is doing, it is available in the public domain. And it does speak to the operational framework, if you will allow me to read from it, Mr. Speaker.

The Speaker: Go ahead.

Mrs. Tinee Furbert: “⁴The Government has revised its Protocol on the Disclosure of Information on Sex Offenders, and” (the Bill) “has been tabled before the legislature.”

“All sex offenders must complete mandatory programmes before they can apply for release on license, probation, supervision, or on their earliest release date from the Department of Corrections.”

And I heard my colleague speak about how some of the . . . and he can correct me if I am wrong, in regard to one of the recommendations not being followed as far as mandating treatment. And I am hoping that the Minister can clear that up later in her comments in regard to the mandated treatment for sex offenders in our prison system.

⁴ <https://www.gov.bm/sex-offender-fact-sheet>

But I do want to speak to mandated treatment programmes. Being a therapist myself and understanding models when it comes to rehabilitation, sometimes you may have heard people say it takes three months to break a habit. Well, we are not talking about a habit here; we are talking about a lifestyle and lifestyle behaviours. And so it takes more than three months to break a lifestyle and behaviours such as those.

And in the prison system, in some cases some of the programmes are not mandatory. But I do appreciate the fact that we are now mandating programmes for sexual offenders because there is . . . in the rehab model there is a willingness to participate. So you have someone who is just willing and they will go out and they will participate in a programme. And then there are people who actually have to be motivated to actually participate in a treatment programme.

Those people who are more willing to participate do get better outcomes because there you have something called “intrinsic motivation” which allows them to be a little bit more successful. But then there are some people who totally refuse treatment and they do not want to participate. So by mandating this, you know, someone who refuses treatment is not going to get as . . . they are not going to get a better outcome if they do not participate. But by mandating it, even for someone who refuses, they still have to be made to do it, and so there are benefits in being made to do something, okay?

And so I am grateful that this Sex Offender Amendment Act does address mandating treatment going forward.

The Sex Offender Fact Sheet also speaks to protocol considerations and it does speak to: “Public Notification is for [the] highest risk offenders.” And I think that we have already seen that demonstrated in our community where our actual community has been notified of these high-risk offenders. And this is a commitment that I am hoping that our Attorney General and our Government will continue to hold tight to in keeping our children safe in our community.

I spoke earlier to our duty as legislators for oversight and so what is important is that the Joint Select Committee, they have met, they have given their report, but they still have a duty to provide oversight and they still have a duty to follow up and monitor this actual legislation to make sure that it is doing what it was aimed to do, and that is to reduce risk and to better manage the sex offender in our community.

But we as a community have something further to do. And that is to make sure that those youth serving organisations that are out there are putting policies into place where we are protecting our children. And so they are participating in prevention training, they have a code of conduct, that they have travel and reporting policies. But we, as a Government, can

go even further. We can mandate this to happen for the protection of our children as well.

There is something out there already; there is a vulnerable persons’ policy that is done through the charity organisations. So charities do have protections when it comes to prevention training and all of that, but there are many organisations or camps or businesses which work with children who are not mandated to provide this sort of training or have this sort of conduct for protecting our children.

We also, as parents, have to continue the conversation with our children as it relates to safe and good and bad touching. Interestingly enough, I was able to get my hands on a SCARS survey result, Mr. Speaker, if you will allow me to just reference something out of this.

And one of the questions in the SCARS survey was, *How old was the person who sexually abused you?* They received 240 responses in this area and what they found was that: 45 per cent of those persons were less than the age of 18 years old; 15 per cent were between the ages of 18 and 25 years old; 22 per cent were between the ages of 26 and 40; 14 per cent were between the ages of 41 and 65; and 4 per cent were between the ages of 66 and 80.

And I bring that to highlight because there is obviously something going on where there is child-on-child sexual offences and abuse. And these child-on-child sexual offences are probably going . . . I am assuming they are definitely going unreported and they are not being criminalised because they are actual children. And so this just goes on to show how we, as parents, have a duty to discuss with our children good and bad touching and what safe touching is. And it is just important that we continue that conversation.

The other area that needs to be addressed continually is the bullying behaviours that occur within our community. And it starts from very young where people are exerting power over others. A sex offender, you know, may say, *I’m gonna do something. I’m gonna do something sexual to you even if you like it or not, or even if you tell me to stop.* So parents must continue the conversation with their children about their bodies and about sex.

Children cannot speak for themselves, Mr. Speaker, and this issue is what this law is about. That is why this law has been enhanced, to protect our children. And that is why this law needs to be enacted.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

I recognise the Deputy Leader of the Opposition.

Honourable Member, you have the floor.

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

Mr. Speaker, I guess my concern . . . well, I have several concerns about the legislation, but the

main one is that it is not just children who are sexually assaulted. And I keep hearing references to children. But sexual assault occurs in marriages, it occurs on dates, it occurs in bars. You know, you have got the whole “Me Too” movement. So it is not just about the children. And I appreciate the fact that, while paedophilia is one of the components, there are other things that we actually need to take into consideration.

So, I am actually ambivalent about a register for multiple reasons. And part of it is just it is my general nature to be a bleeding heart and believe that people can be recuperated. So I think that there should be a balance between the rights of the children and the adults to not be assaulted, but in some way we have to give consideration to the people who are committing an offence. There are people who commit an offence and they never do another, they never commit another one. And then there are serial offenders.

But we do not have registers for murderers; we do not have registers for shoplifters. And I am not saying that . . . I am not minimising sexual offences, but I think that it is something that we actually have to really, really, carefully consider. You know, we think that by putting somebody on a register, we then ostracise them from society, we prevent them from getting a job. Is that going to help them not to go back to being a sexual offender or not to commit another offence? So it is a very, very, difficult balance that we have to achieve.

You know, you look in the . . . and I know that we cannot have a US-style sexual register here in Bermuda, and I do not know if people will remember when Megan’s Law was incorporated in California. And this was a child whose family lived across the street from a sexual offender and he raped her and murdered her. And so Megan’s Law requires that sex offenders register and that people be notified that there is a sex offender in the neighbourhood. And, you know, I understand that. But I also think that, you know, there is a balance that has to be achieved. And so, how do you do that? I do not know what the answer is to that.

You know, I commend the Government for bringing this legislation forward. I am sure that with every piece of legislation that we bring forward there are always things that we can change, there are always ways that we can do it better, but it is a first start. And I hope that with additional education and knowledge and research that we can actually craft a piece of legislation which achieves the goal on both sides, because in addition to having a register for an offender, there should also be strict probation.

I know in the United States they have to wear an ankle monitor and sometimes they have to take polygraph tests. I also do not think that in terms of the . . . if we had a tiered system, I do not think it is for the Government to determine what the risk is for a sex offender—that is for the people in, I believe, society,

because what you might consider to be . . . what the Government might consider to be an offence, might not be an offence to somebody else.

I am also concerned about the true definition of what a sexual offender is. As my Leader alluded to, if someone urinates in the trees, is that an offence? You know, there has to be, I think, a better definition of a sexual offender. And I think that, you know, hopefully in time we will get to the place where we need to be, particularly with tough pieces of legislation like this.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other . . . we recognise the Minister for Health.

Honourable Member, you have the floor.

Hon. Kim N. Wilson: What?

The Speaker: Minister De Silva, I am sorry. I meant to say Minister of Tourism.

[Inaudible interjections]

The Speaker: Yes.

Hon. Zane J. S. De Silva: All right. Now that we have got that cleared up.

The Speaker: I knew it was a Minister jumping up that time, see. Go ahead, Minister.

[Inaudible interjections and laughter]

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

The Speaker: You are both the same height, see.

Hon. Zane J. S. De Silva: Yes, we are.

[Laughter and crosstalk]

Hon. Zane J. S. De Silva: Now, you see, all I did was agree with you, Mr. Speaker. They are laughing over there, you know.

[Laughter]

Hon. Zane J. S. De Silva: Mr. Speaker, I am always one that is happy to see progress, and I think most people in this House know how I feel about this particular subject. Whilst I, too, like many, have some challenges with all of the recommendations not being included in this Bill, I am very, very happy to support what is here. And I thank the Minister who had a very tough job in bringing this, because there was much discussion inside our room. And as some of the Members who were on the committee know, there were

many, many discussions. Some of them were a little [more] heated than others. But it was a very passionate committee.

Before I forget, Mr. Speaker, I would like to thank everyone on that committee because I think that everyone who was on the committee was quite dedicated and really committed to it and put a lot of effort into digesting all the information that was given to us over a period of a couple of years. I think that at the end of the day we are here and progress is made. Progress is made.

So I am happy that we are heading in the right direction. And as you know, Mr. Speaker, you have been here long enough—

The Speaker: A little while.

Hon. Zane J. S. De Silva: For a while.

Legislation comes to this House for the very first time. We pass it. And in my short time, compared to you, Mr. Speaker, I have seen legislation come. I have seen amendments come thereafter.

The Speaker: Yes.

Hon. Zane J. S. De Silva: I have seen amendments come after the amendments. And so my hope is that this is . . . what do they call it? The thin edge of the wedge. So, you know, I am hoping that over time . . . in fact, I am not hoping. I know that over time we will make amendments and we will make improvements. So I am just . . . it gives me great pleasure knowing that we are in this space.

But whilst we are debating, Mr. Speaker, I think it is important that I do talk about a few of the things and, in particular, some of the things that Minister Wilson mentioned in her brief, in that, I do not know if people really . . . when a Minister is reading their brief, some people pay attention, some people do not. But some things deserve highlighting. I will quote a few, with your permission, Mr. Speaker, from her brief.

The Speaker: Continue on.

Hon. Zane J. S. De Silva: One of things she said was ⁵“The register will serve to provide more comprehensive and current data on sex offenders to facilitate targeted public notification and any other notification deemed necessary by the Minister.”

Now, the words I liked are “more comprehensive and current data on sex offenders.” Because I think the more information that we have on these individuals, the better off the public will be in terms of information received on these particular individuals. And, Mr. Speaker, I also have to highlight the fact that

this team that is going to be formed, the team that is going to help make decisions on these sex offenders when they are released, or before they are released, is going to ensure sufficient oversight to monitor compliance and to be proactive in preventing reoffending.

Now, the Honourable Deputy Leader of the Opposition just spoke. She said that she believes that people can be rehabilitated, and she talked about sex offenders and paedophiles. Now, I think that they are two separate . . . and everyone knows how I feel. They are very separate cases to me. And whilst I think a sex offender can be rehabilitated, I do not know of any paedophile that has been rehabilitated, yet. Not one. And that is why I was so adamant with some of the comments and some of the suggestions that I had when I sat on that committee. Because you know what? It is okay to talk about rehabilitation, and I have no problem with rehabilitation. But paedophiles do not get any sympathy from me. None! Because, Mr. Speaker, I have seen victims. And victims are penalised for the rest of their life!

An Hon. Member: Absolutely.

Hon. Zane J. S. De Silva: I do not care what happens, what sort of treatment that they may receive, they are affected for life.

Ms. Leah K. Scott: Point of clarification, Mr. Speaker.

The Speaker: Point of clarification. Yes.

POINT OF CLARIFICATION

Ms. Leah K. Scott: Thank you.

I was not alluding to paedophiles, and I think I did state that. I guess my comment is that, you know, we should not have a piece of legislation that is crafted simply around paedophiles.

The Speaker: Thank you.
Continue on.

Hon. Zane J. S. De Silva: Oh, no, let me assure my colleague across the way, Ms. Scott, that in no way was I inferring that you did not share that with me. So, I got you on the sex offender. I think you feel the same way about paedophiles as I do.

But my thing is this, Mr. Speaker. I cannot, I do not think any of us can emphasise enough—whether it is in this House, [or] whether it is out in the public with our family and friends—is that paedophiles, in my book, and we talked about, you know, the electronic monitoring of some of these individuals. If I had my way, every paedophile would have one for life . . . if I had my way, Mr. Speaker. Because the children who are affected in this way, and I do not mean to minimise [adult] people who have been sexually offended because they are scarred for life too.

⁵ Senate *Official Hansard Report*, 28 November 2018, p. 51

The Speaker: Mm-hmm.

Hon. Zane J. S. De Silva: But I do believe that our children are most important because, you know, I know people who have been affected by this and continue to be affected, and I do not know anyone who has totally recovered from it yet.

Mr. Speaker, I am happy to see also that the Minister will be giving special disclosure arrangements with schools and day care centres, and any other organisations working directly with children.

[Crosstalk]

The Speaker: Members.

Hon. Zane J. S. De Silva: And I think that is a good thing, because we know where these predators get most of their victims from. And the more we can do that the better. So outside of that public register, I see that these are the kind of steps that I am hoping that will certainly fill the little gap that it may leave with us not having a public register.

But what I would also like to do, Mr. Speaker, while I have the opportunity, is to encourage every one of our organisations, churches, schools, day care centres, anyone who has children involved in any programmes, I would like to encourage them to remember that old saying from SCARS, which is, *The power of three*. Now, some people have issues with that power of three. I do too at times, because I have grandchildren. I have nieces and nephews, who I cherish dearly. We know what we must do, and that is not over-emphasise that power of three goal.

But the fact of the matter is, power of three, I think, is very important. If a child is at a football training practice with a coach, and they have a good relationship with the parents, to me it still does not mean that this coach is allowed to have time with that child alone for any extended period of time. There are little things like that. And we could give you a hundred . . . a litany of examples of people who had the opportunity to spend time with children alone, that we should try our best that it does not happen.

I think my colleague from across the way, the Honourable Deputy Opposition Leader, said something very important, which was, *a balance must be achieved*. We talked about that a lot during committee. I understand that. I think the balance for that . . . I do not know if she was talking about the balance that I am talking about. The balance that must be achieved to me is a balance between . . . when you are talking about the victim, as opposed to the perpetrator, that balance I think needs to be heavily weighted towards the victim, especially our children.

So, Mr. Speaker, I will just end on one note. I hope that this legislation . . . and I know amendments will be coming, because that is the way that I know certain people on this side, and I know there are cer-

tain people on the other side too, who will support it. But I am sure that further changes will be coming. But I would just like to take this opportunity to send a note—a loud, singing, ringing, thumping note—to the paedophiles in this country that this Government and the Opposition are not going to stand for it. It is rampant in this country. And we as legislators are going to put the tools in place to deal with you, if you want to go after and abuse our children.

I want to let the paedophiles know in this country that we will do everything in our power to punish you for punishing our children. Thank you.

The Speaker: Thank you, Minister.

I now recognise the Opposition Whip. Honourable Member, you have the floor.

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

I am only going to take a few minutes. One, I want to declare that I did join, very late in the game, the Joint Select Committee to discuss sex offenders. So I was only was exposed to one meeting, but the one meeting that I did attend, fortunately, was the meeting that included as our guest, the Attorney General. I was also able to get a real feel for the genuine emotional concern of the Members for this particular topic.

So, I guess, really, for me, I am a little surprised that there is not a little more substance to the Bill that is being presented today. I certainly understand completely what the Attorney General said to us and presented in committee, and I understand that rationale. I really commend, almost, the control of the Minister who just took his seat, because he is clearly giving an awful lot of faith in the Attorney General that there will be more substance to this Act moving forward. And hopefully he will see some of his goals achieved over time.

Maybe it is necessary . . . and I am going to put out there, that it would be good to have the many amendments so that we are keeping this conversation alive in this Chamber. And if it were up to me and we had an opportunity to make amendments to this particular Bill on a session basis, then it would be fine with me because every session, maybe, we need to have this conversation.

I guess a part for me, reading through the legislation, was the fact that we are looking so much on how to protect a perpetrator. And I would love to have the conversation more around how we are protecting our victims, and that conversation we have not yet had. Whether it is the victim of rape, or whether it is the victim of a paedophile, we in this very small community are more than likely to run into or be in some way reminded of the crime time and time again. What are we doing, really, to support and give the coping skills to the victims so that they have some quality of life moving forward?

Of course, it is understood [as] we look at laws internationally that many of the amendments or the laws that are being brought to the floor here around the register or whether there are going to be ankle bracelets or notification to people about where perpetrators are going to live, whatever those notifications, are understood. But it does not necessarily give a whole lot of comfort to the victims. So, I guess, my challenge today is to see whether the Government is going to be able to put an awareness and an education piece into their programme, their journey down this road of protecting people from sexual offences, to make sure that we are able to alter and raise our culture to another standard so that victims become fewer and further in between and that the victim is given the support that is required.

I am not going to speak to this for too long, but I do want to just reflect on something that really stuck with me when the Attorney General came to visit the committee. She was speaking about how important it is as parents to make sure that we are educating our young people, and that we as parents are mindful of the behaviours and the activities that are going on within our homes; that we are mindful of where we are sending our children and how our children are able to communicate back to us what has happened. And I get it. I am a parent. I know what it is like to have a child when you ask them, *How was Sunday School?*

[And they say,] *It was fine.*

Versus how to have a conversation with a child where they will give you verbatim, every single thing that happened. *Well, first we sat in a circle, and then we had our prayers, and then we coloured.* And to get our relationships to a point with our children so that there is a level of comfort and transparency, that our children can have conversations, and if something does not feel right, they know that they have the confidence and the ear of their parents or their caregivers to share their discomfort. And that the parent will then believe that child and at least make the movements toward asking the questions or doing the research or making the observation to further protect and to support what a child may feel or verbalise as being an uncomfortable situation.

So, again, [I will] not be long, I just hope that this is the first of many amendments to this Bill and that we continue to work to strengthen and protect the laws around sex offences in Bermuda. Thank you.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

I recognise the Honourable Member from constituency 11. Honourable Member, you have the floor.

Mr. Christopher Famous: Good afternoon, Mr. Speaker.

The Speaker: Good afternoon.

Mr. Christopher Famous: Good afternoon.

Mr. Speaker, firstly, I want to thank the Attorney General and her staff for the work they have done and the work that they will be doing on this.

Mr. Speaker, this is one of the topics that both sides of the House are united on. I sat on the Joint Select Committee headed by MP Renee Ming, who cannot be here because of a family funeral, and I can tell you that, besides one or two times, there were unanimous decisions made.

Mr. Speaker, I do not like to talk in theory. I like to talk in reality. This morning I brought my granddaughter up here so she can see where laws are made, so she can see where we put things in place to protect Bermudians, where we put things in place to protect Bermudian children. You see, Mr. Speaker, a couple months ago when we talked about the report, I mentioned then that there was a gentleman in my community who had admitted to being a child molester, some 40-something years ago. Subsequent to that, he went to jail for that act.

Mr. Speaker, you know I pride myself on canvassing. So last week I could not canvass but I asked somebody to go check on people in the neighbourhood, and they came back and gave me a list of people who have concerns. And it had this a person's name on the list saying that this gentleman was concerned about certain things.

And I'm saying, *Well, it can't be him because that guy is locked up.*

And then the person who I asked to do the calls went on to say, *Yes, he mentioned he just came out of prison.*

I am saying to myself . . . I am not going to use unparliamentary terms, but you can imagine what I am saying to myself. *How is this guy out of jail? How? He just went to jail for child molestation. How is he out? But that is, obviously, not in our remit. So my second question was, How is he out of jail in a neighbourhood where my granddaughter lives, a neighbourhood where there are plenty of children, a neighbourhood where he lives which is a two-minute walk from a school, and we do not know?*

So I say that, Mr. Speaker, because it hurt me to know that I have a child molester in my community. It hurt me further to know this guy is out of jail already. Then it hurt me even further to know, I, as the person who represents that community, did not know that this gentleman was back on the streets.

And there is no reforming a child molester. It could have been 40 years ago, 50 years ago—he has those tendencies. So I say to the staff at the Attorney General's Chamber, as most people have said speaking on this, amendments must be made. There is not going to be a partisanship about what needs to be done because, as I said, we are united in this. Unfor-

tunately, this is one of the few things we are united about, although it is a first step.

Why do I say it is a first step, Mr. Speaker? Because a few weeks ago we saw the people from SCARS compliment the Government in the Attorney General's Chamber for now mandating that sex offenders have to get treatment while in jail. Because on that same committee that we sat on, we heard that sex offenders did not have to take treatment. They can do it the first month they are there, be there for 10 years, and never do it again. But now it is mandated. Or, as they said, *Monitored*. So I say if this legislation were in place last year, this gentleman may have got some mandated treatment [because of his] sexual [offences]. But I do not think he got it. I want to err on the side of caution, but I am saying something is telling me that he did not get it.

So I say this legislation that we are bringing, one of the most important pieces is mandating that sex offenders get treatment while they are incarcerated.

So I say in closing to both sides of the House, we have a lot of work to do. Even though it is not in the legislation, I implore my fellow MPs and Senators to go and get SCARS training. It may be the most difficult three hours of your life, but it is the most necessary SCARS training. We can balance the budget. We can grow the economy. St. George's might win the Cup.

[Inaudible interjections]

The Speaker: That's a long stretch. You had me until you got to that point. That was a long stretch.

[Inaudible interjections]

The Speaker: That was a long stretch.

Mr. Christopher Famous: But if we do not, and I repeat, for the whole of Bermuda, if we do not learn to mitigate child sex offenders, or any form of sex offender, and treatment for their victims, we have failed as a Government, we have failed as an Opposition, and we have failed as a people.

So I say again, with the greatest of respect to the Attorney General's Chamber, we have amendments to make because there is no way I am not supposed to know that this man is back out on the streets. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Member wish to speak?

I recognise the Honourable Member from constituency 23. Honourable Member, you have the floor.

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

Mr. Speaker, I thoroughly concur with the sentiment that has been expressed by the Honourable Member who just took his seat. Because, clearly, there are things that are left wanting in the legislation as it has been crafted.

A significant number of today's contributions have actually focused on paedophiles and the impact that paedophiles have on our community. I think it is important to understand, and we cannot state it clearly and strongly enough, that molested children grow up to be broken adults—broken, suicidal, pained human beings. And very often the manifestation of that pain results in that child [growing up] to impose the same degrees of hurt that they experienced on somebody else. I am not saying that this happens all the time and in 100 per cent of the cases, but predominantly many offenders who offend children will, once you track what has happened with them, be able to say that they themselves had been molested as children.

So I am not . . . I think enough has been said. This is something that is so distressing for us to have to recognise as a community. I do not like to hear that we are not perfect, or as a Government we are not perfect, but we are trying. And even looking at the thin edge of the wedge, it would seem to me that the focal point needs to be at the broader segment of the wedge, to be able to embrace and to be able to envelop in the legislation the harshest things that we know that we have experienced.

I do not wish the experience on anybody to have to go through this type of situation, either personally or for their children or members of their family. But sometimes when personal experiences give rise to the horrors that are perpetrated by sex offenders, I think it is then and only then that we can really effect the seriousness in the legislation that we have. I think at times we have a bleeding-heart attitude and approach. And we believe that there can be certain rehabilitation. I think we have already heard that statistics and clinical studies will show that paedophiles cannot be rehabilitated. I think that is a given that we have to understand; it is not going to help.

But I am concerned that historically within the prison system the requirement for the resources for training and for courses has not been as well done as they ought to. So my concern would be, while we are mandating courses for sex offenders, let us also at the same time when we do the budget allocations, make sure that the prisons are sufficiently staffed with the professionals to be able to conduct that mandatory training.

Also, Mr. Speaker, I wish to point out that within the legislation there are some things, and we will get into further detail, in terms of travel, and that this new ORMT [Offender Risk Management Team] will be . . . well, if a molester has to travel, then they must first advise ORMT that they are planning on traveling. The question is, and there is nothing to state it, but what steps will the ORMT take so that some-

body who is one of these molesters, who is under the auspices and the jurisdiction and the control of the ORMT . . . what steps will the ORMT take to ensure that the jurisdiction to which that person is traveling is made aware?

We do not always know in our circumstances, when people come to our shores, who may have committed some of the most heinous of crimes. But if we are saying that this person has to advise the ORMT that they are traveling, then what do you do with the information? There is nothing that says, What happens next? You know, I am an offender. I tell the ORMT that I am traveling. I hop on the plane and I go to wherever I am going and I ensconce myself in the midst of somebody else's community and society and effect some of the heinous crimes that I have already been convicted of in my jurisdiction.

The Speaker: Mm-hmm.

Hon. Patricia J. Gordon-Pamplin: Where are the protections?

Now, I know that everybody who gets off the plane here . . . we do not know from whence they have come. We do not know what their history is. We do not know and there is no way of necessarily knowing. But if we are saying that we are going to have a schedule, have a register of people and that they have to tell us that they are going to go, then, clearly, there has to be a next step. Or, are we just collecting information?

I think that one of the good things in the legislation is that the commissioner is required—he *shall* ensure that notification of the impending release of a sex offender is made to the appropriate authorities. And I think that is very positive. Because you will know that it was not so long ago that this requirement for the Commissioner of Prisons to make the public aware, or make the Minister aware that there was an impending release, that step was missed and we ended up with somebody in the community who had significant charges and was a dangerous individual who now again is floating about.

So, hence, I understand what the Honourable Member who just took his seat is indicating about his fear and concern for his daughter, or for his granddaughter, or for his community—for *our* community! And if we have no way of knowing that an offender is on the loose, has been returned to society having spent his time, then how do we take extra precautions to protect our children? How do we do that? It is okay to say, *Have the great conversations with your children. Let them know the difference between good touch and bad touch.* And, yes, that is necessary. I think every good parent does that. But there are times when, notwithstanding the conversations you might have, you also have a situation in which these children can still be victimised in a most unsuspecting

way. And if we do not have any way of at least minimising those dangers, I still think we are failing.

I think the legislation did not really capture the essence of the depth of concern that was expressed. And the Honourable Member indicated that for the most part the decisions which were made were unanimous decisions. So, I have to question whether this committee was just performing some kind of perfunctory exercise, or whether there was a real expectation that the deliberations and the output was going to engender a sympathy for reflective legislation? Because I think that the members of that committee . . . they had people coming in, they interviewed all manner of people in the community, along every spectrum of the sex offender continuum. And I think that their conclusions should perhaps have been reflected even more stringently and more deeply in the legislation that we are looking at today.

I have heard Honourable Members say, *Well, this is just the beginning.* And I understand that this is just the beginning, because I think that we are unanimous in hoping that there are more stringent . . . that there are more restrictions and more legislation that surrounds how we encompass the entire challenge of sex offenders in our community. I think that it is unfortunate that we do not have the ability to have a public register. That would be my preference. But when we start looking at, How do we list? What is deemed to be a high offender? Is that determined by the severity, the gravity of the offence that they did? Or, is it determined by the frequency?

You might have one person who has offended once, but it was so heinous and so grave that you think that this person needs to be known. And I think this legislation provides for that kind of individual, once having served their time and being released back into the community, that at least we will know.

But the frequency of lesser egregious offences . . . well, I should not even say "lesser egregious" because that is really not the word. But less physical offences . . . so you have not raped or murdered somebody, but you have still molested somebody—but you may have done it 20 times over. And how do we capture that [fact] when that person is being released into the community? Do we as a community have the right to know what is happening with the guy next door?

And while it is a real easy way out, in my estimation, to say that the UK does not do this, and we cannot adopt a system that they do in the United States in terms of notifying people, we are Bermuda and we are autonomous in our jurisdiction, in terms of the legislation that is appropriate for us. So while it may not be done in the UK, and while the system that exists in the United States may be able to be funded in a different way, why is it that we have to take the line of least resistance to say that they do not do it in the UK, therefore, we cannot do it here? I do not think

that this is a good enough excuse, when somebody is being victimised by a sex offender.

And there is something in the legislation that effectively says that the . . . let me just see the point that I wanted to say . . . that a sex offender may make an application for reduction in the time that they are on the register, and there was nothing there that said what has to come [attached] with that application. I think that it should be enshrined in the legislation, in my estimation, that along with that application should be something like a report from the psychologist, from the psychiatrist, from the professional that says that the terms and conditions have been met, as opposed to the individual and the way it is worded in the legislation having the opportunity to assert that he does not present a further risk of reoffending.

And it does say even on the balance of probabilities. But I think I would like to see some kind of specification and some certification that this application should be accompanied by a professional report. And it does not include it in the legislation. It might be in the code of conduct or the like, but I would like to at least have comfort to know that this is going to be looked at and that this is going to be considered.

I think that any of us who have done the SCARS training will have seen that the impact of sexual offence does not necessarily always apply to young people, there are adults, and there are many people in our community. My honourable colleague from constituency [12], the Honourable Opposition Leader indicated that there are . . . this is really stressful for me. Let me . . . I am going to pass by that comment.

The Speaker: Continue on, Member.

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

I will just move to a different point, because what I was going to say is just a little bit too painful.

Let me just say that one of the requirements is that there is an inability from the legislation to disclose information that is contained in the sex offender register. But I think it is important that, with a community, a society our size, information can be made available just because of the closeness of our society, the close-knit of our society. [This information] does not necessarily emanate from the register itself, but because facts are facts, what is then made public could replicate exactly what is on the register. So the question begs, How do we know that when information is disseminated whether it actually came from the register or whether it was independently obtained and disseminated?

There are a couple of other things that appear in the legislation that obviously we can speak to when we get into Committee, but when we have a light-weight approach toward the perpetrator in protecting their rights, I think we are abdicating our responsibility

of protection of the victims to ensure that they are able to continue to live a fulsome and decent life, notwithstanding the trauma of the offence that they have been subjected to. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

I now recognise the Minister of Education. Minister, you have the floor.

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

I actually did not have the intention to speak to this Bill, but I do want to go on record as stating that I am very excited that we have brought this Bill. It is something that has been talked about quite a bit. And as you can tell from the debate that we have had, there are some concrete opinions on what we are doing, Mr. Speaker.

The one thing that I have not heard, and the one thing that in my remit as the Minister of Education, we have come into this . . . we have been thrust, I should say, into what we are talking about today because some of these persons, or offenders, that we are speaking of, happen to be parents. They happen to be parents of children who attend our schools. And it is something that we have been carefully wading through and developing a policy. And we have been waiting for this to come along as well so we can have a more formal policy on how we treat these offenders when they are parents.

Because if they are saying that if you have committed a crime, you have done your sentence, you must then live that sentence over and over and over, every single day of your life after you have done whatever it is that the courts have ordered you to do, I find something incredibly dishonest with that. Because if we are to be a caring community, a community that trusts rehabilitation, or wants to rehabilitate, or reintegrate criminals back into our society, we cannot have a bunch of criminals that . . . or a bunch of convicted persons who we say, *We are going to throw them away, but we want to work with these ones over here.* We need to work with everyone as much as we can.

I think that we have to be a bit more sensitive in this area. Obviously, it is a very sensitive area. It is an area which evokes a lot of emotion. But it is an area, no less, which we have to figure out a way to address. We have to figure out a way to address it in a way that it is honest, and it takes into account everyone's feelings on this matter. Not just the convicted person, but the victim as well. I do understand that we have to look out for the victim, probably some people would think way more than we have to look out for the perpetrator.

But what prompted me to stand up was that the previous speaker spoke about how Bermuda is autonomous, and we should not take the least line of resistance. I believe those were the words that were spoken, the least line of resistance.

An Hon. Member: The line of least resistance.

Hon. Diallo V. S. Rabain: The line of least resistance, when looking at this matter. But also, Mr. Speaker, what I have not heard is anyone talk of any studies that have gone on that compare public register versus non-public register, whether one is a better fit or one is not a better fit.

Now, I am not here to make judgment over that because I have read studies on this and most of the studies are starting to point toward that public registers tend to have . . . do not tend to cut down on reoffending. Whereas, non-public ones are showing that reoffending does not seem to occur as much. Now, there are not as many studies as I would like, from my research on that topic. But those are where the studies are going.

So when we talk about this, we also have to kind of divorce ourselves from the emotional. Because when we talk about paedophilia, when we talk about someone injuring a child in that way, it is going to evoke emotions that are going to make you feel so disgusted at the person who would want to do that.

The Speaker: Mm-hmm.

Hon. Diallo V. S. Rabain: Now, Mr. Speaker, we have also heard about SCARS training. I am SCARS trained. I believe several Members within the House are SCARS trained. But I know of a SCARS trained individual who has been convicted of sexual offences against a minor. So that is not the ultimate protection.

We as a community have to come together and protect our children. We as a community have to educate, let our children know what to look out for. We as a community have to be able to want to report things that we see. When we talk about being completely honest and open, so many times some of these things continue on and continue on because they are just not reported. People know they are happening and they are not reported. So if we want to talk about protecting our children and protecting adults as well, because this also affects adults, we also have to have to have that conversation, as well, Mr. Speaker, and not just concentrate on the people who manage to get caught. Talk about the people who allow people to not get caught and continue to do what it is that they are doing.

So when we are having this holistic conversation, Mr. Speaker, I support what we are doing here. I understand what we are doing and how we are doing it. And I think this is a great opportunity for us to do what should have been done years ago, Mr. Speaker. I hear everyone talking about *there has to be amendments coming, there has to be amendments*, I am quite happy where the Bill sits as it is right now, perfectly happy. I will be the first one to stand up and say I do not support a public register of sex offenders be-

cause of the research that I have read which said that it does not make a difference.

What I do support is mandatory treatment for offenders while they are in jail, while they are in prison, and if they do not want to do that mandatory treatment, then we can start having talks about whether their name has been shamed when they are released, and all of that type of stuff, Mr. Speaker. But if a person has committed to rehabilitating themselves, we as a society owe it to help them to rehabilitate themselves and become a better person as they reintegrate into society. Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

I now recognise the Honourable Member Richards. Honourable Member, you have the floor.

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

Mr. Speaker, as the speakers before have said, this is a very serious Bill that we are dealing with. I sat on the committee for a time. I had to come off because I was appointed as a Minister. And we did have very robust discussions about the prevalence of this type of conduct in Bermuda, and what could be done to safeguard, not just our young people, but also adults, because there are situations where adults are acted upon.

I am not going to spend a whole lot of time talking about that, but [there is] one thing that I do want to bring up, and maybe when we go into Committee we can look at this a little further. The current Criminal Code defines a sex offender as a person convicted of a number of offences. And some of them include . . . and I am not going to read the whole list because it is a pretty extensive list, but carnal knowledge of a girl under 14; sexual exploitation of a young person; incest by a male person; incest by a woman.

But there is one act that is giving me some concern and it is indecent acts in public or with intent. *Indecent acts*. Mr. Speaker, my concern is, you know, we live in Bermuda. There are young people during the summer time, they might be on the beach; they have a few drinks; they decide to go skinny-dipping. I am not saying that anyone here in the Honourable House has done that.

The Speaker: I thought you were speaking from experience.

[Laughter]

Mr. Sylvan D. Richards, Jr.: I am not saying that anyone in this Honourable House has done that, Mr. Speaker, but it does—

The Speaker: I'm glad you clarified.

Mr. Sylvan D. Richards, Jr.: Yes.

So my concern with the Bill that is currently drafted is the potential stigmatisation of someone convicted of indecent exposure while skinny-dipping on the beach at night.

Or, there are instances where someone might be driving and there is no bathroom readily available. They might pull over to the side of the road and relieve themselves in the bushes. This happens. My concern is that if someone is caught doing that . . . there is no mal-intent. They are not doing it in a place where there were children or anyone else around. But if they are seen by a police officer, it appears to me that there is the potential that they could be convicted of committing an indecent act in public.

There are many other similar offences that are technically sexual offences, and my concern is that these . . . I think this Bill, and when we go into Committee we can discuss this, but this is my overarching concern. I know when I sat on the Joint Select Committee we had discussions around this. That the intent is not to criminalise or stigmatise people who are doing things that technically are indecent acts in public, even though there is no mal-intent. There is no intent to harm or injure anyone else.

So that is my concern, Mr. Speaker, so I just wanted to bring that up. Other than that, you know, I have friends, I have family who have been victims of sexual abuse. I have seen first-hand the damage that it inflicts upon individuals, male and female. I think we are all not shocked or surprised by the prevalence of this in our community. I believe that a lot of the antisocial behaviour that we see with our young people and with our adults, I think that some of it can be traced back to crimes that were committed upon them when they were vulnerable children and they have not gotten the counselling, or maybe they feel they do not need the counselling, so they end up self-medicating, and it is a vicious cycle, Mr. Speaker.

So, I support the legislation, but I think that more work needs to be done so that it does not catch individuals when they are not doing anything that is going to harm anyone else. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Member wish to speak?

No other Member? Minister.

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

Mr. Speaker, I think we can say that today's deliberations have . . . we have certainly earned our keep.

Oftentimes we pass legislation here that may be a finance Bill or, you know, related to some works or something, but it is not something that elicits such high-emotive sensitivities as the legislation to which we are speaking about now. And I would like to thank Honourable Members for all of their contributions that have been heard throughout this afternoon concerning

this Bill. It is a very, very emotive topic, as we have all heard, a highly sensitive and emotive topic and it elicits fear, contempt, anguish . . . a wide range of emotions. And so, again, I would like to thank Honourable Members for their support, by and large, of this Bill, as well as their submissions.

Mr. Speaker, we have been grappling with these issues for quite some time. I mean, some people might say that the legislation does not go far enough. Some people may say it goes too far. These are issues that have been discussed and talked about for quite some time. As the Honourable Member who just took his seat before me, I, too, served on that 2015 Joint Select Committee that was looking at issues as it relates to safeguarding our children. The report was not completed prior to the dissolution of Parliament; however, many of the issues that you see that were presented in this Joint Select Committee's report now, are the same issues that the Honourable Member who just sat, and myself [heard], and it was chaired by the then Honourable and Learned Member, Mr. Mark Pettingill.

We were grappling with these very same issues. And if I move backwards in time, Mr. Speaker, in 2008, when I sat in the same chair as the Honourable and Learned Attorney General sits in now, these are the same issues we were grappling with then—whether or not we should have public registries, whether or not we should commence a draft protocol, whether or not we should have mandatory treatment whilst persons are incarcerated. And my Permanent Secretary at the time was the Honourable Attorney General now. So these are issues that she has grappled with either when I was the Attorney General and she was the Permanent Secretary, or now in her current role as the Learned and Honourable Attorney General. So, these are issues that have been discussed heavily in very public [forums] as well as private [forums].

And I think that, if I can make just a quick point, Mr. Speaker, real quick, with respect to the SCARS training, and I know most of us have also attended SCARS training, and they do a remarkable service to the community. And we have heard other Members today speak about the important role that we as parents play to help train up our children and teach them about what is appropriate behaviour and touches and the like. So all of that combined goes straight to the point to what we are trying to address today.

Maybe we are not going far enough in some quarters. But at the end of the day we are much further away, when we pass this Bill today, then we would have been previously. We are going to be looking at legislation that is going to make it mandatory for persons to undergo treatment whilst they are incarcerated. No questions asked. They *must* undergo that treatment or face the penalty of not having early re-

lease and/or parole. So we are having mandatory treatment.

We are also going to see situations here, Mr. Speaker, where the services that are encapsulating around these persons, the perpetrators of these horrific crimes, are going to have to continue. So therefore, if it is in circumstances as such where their risk of reoffending is high, then the treatment and the services that are wrapped around that individual [to] ensure that their chances of reoffending are negated will continue.

Everything is based on risk. We spoke for the last eight months about risks for money laundering. This too has an element of risk. If the person who has been charged and convicted of an offence is released and they feel that the risk is still high, then there are programmes that the person will be required to take to ensure that they do not reoffend. Likewise, if the circumstances where it seems that there is a likelihood that they will never reoffend, then their risk rating will obviously be reduced and programmes accordingly will be reduced. But my point being is that the services that will be applied to these individuals are individual in nature. It is based entirely on the nature of the offences and the risk this person poses to the public. I think that is a really, really important element and a distinction that we need to concern ourselves with.

Mr. Speaker, there were a number of other issues that were raised concerning the policies and the Joint Select Committee's recommendations. Granted, there were 14 recommendations that came from the Joint Select Committee. However, notwithstanding the enormous amount of work that this committee did produce, we also have to recognise that this was in its advanced policy development, this piece of legislation, prior to the Joint Select Committee ever actually submitting their report.

So, we have to look at it in perspective. This report was submitted, but the policy development by the Honourable and Learned Attorney General and her Chambers started way before the actual Joint Select Committee submitted their report.

It is also important, I think, to note that, again, all convicted persons . . . so there has been some talk about, How will we decide who has to take programmes and who doesn't? If you are convicted of a sexual offence, you will be required to take mandatory treatment programmes.

Mr. Speaker, there was also a question concerning the issue with respect to the definition of "sex offender," but actually, again, my honourable colleague who just took his seat actually spelled it out, because it is raised in the Criminal Code, section 329D(1) of the Criminal Code, actually.

There was another question, Mr. Speaker, which related to the fines. If I can refer that Honourable and Learned Member to the Interpretation Act, section 40, which provides the definition of the fine for not exceeding the amount specified. So that can be

located in the Interpretation Act. I appreciate that this might come up in the clause-by-clause, so thank you for allowing me to provide that information right now so that this information can be . . . that the answer could be provided to the Honourable Member.

Mr. Speaker, if I can just end where I began. Again, this is a topic that is highly sensitive and highly emotive. Again, I thank colleagues for their contribution to this Bill.

I commend the Honourable and Learned Attorney General for bringing this Bill. It takes us one step further insofar as ensuring that (a) the public is best protected, which is, of course, of paramount consideration; and (b) persons who are convicted of such offences are required, they must, they are mandated to take requisite treatment courses. So we are looking at both sides of it. We are doing our best to try to protect the public and we are also doing our best to try and minimise the impact or the effect insofar as a convicted person perhaps reoffending.

So in that regard I think we are striking a right balance and I, again, commend the Honourable Attorney General for bringing this legislation. I think that we are protecting the public whilst at the same time ensuring that mandated required intervention is provided for those persons who are the perpetrators of these offences.

And with that, Mr. Speaker, I would like to move that this Bill be committed.

The Speaker: Thank you, Minister.
Deputy.

House in Committee at 3:59 pm

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

COMMITTEE ON BILL

CRIMINAL CODE (SEX OFFENDER MANAGEMENT) AMENDMENT ACT 2018

The Chairman: Members, we are now in Committee of the whole [House] for further consideration of the Bill entitled the [Criminal Code \(Sex Offender Management\) Amendment Act 2018](#).

Minister, you have the floor.

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

With your leave, I would like to move all eight clauses.

The Chairman: Continue.

Hon. Kim N. Wilson: Thank you.

Mr. Chairman, clause 1 is the citation.

Clause 2 inserts a new section 70QA into the principal Act. [Section] 70QA(1) provides that, notwithstanding sections 70N, 70O, 70P and 70Q, a sex

offender shall not be entitled to apply for release on licence or be released on his earliest release date, until completion of any mandated programmes contained in his case plan, as defined in subsection (2).

In consequence, clause 2(2) amends rule 32 of the Prison Rules 1980 by inserting new paragraph (c.1A) which provides that failure by a sex offender to complete programmes mandated pursuant to the new section 70QA is a disciplinary offence. This follows paragraph ([c.]1) which contains the disciplinary offence of refusing to participate in a specified training, educational or rehabilitation programme when required to do so by the Commissioner. Penalties for disciplinary offences under the Prison Rules include forfeiture of remission.

Clause 3 amends section 329C of the principal Act to increase the penalty from \$5,000 to \$10,000 for the offence of publishing or broadcasting information as to the identity of the complainant or, before conviction, the accused in a trial relating to a sexual offence.

Clause 4 amends section 329E of the principal Act. The new subsection (4A) provides that the specified period of supervision for a sex offender who is sentenced to at least three years in prison, and if the court considers that there is a substantial risk of reoffending, shall be for a period of at least 10 years (it remains a period not exceeding 10 years for other offences subject to supervision).

Clause 5, Mr. Chairman, amends section 329F of the principal Act, by inserting subsection (1A). Mr. Chairman, subsection (1A) provides that a sex offender who is required to be supervised by an order pursuant to section 329E(4)(d) shall be supervised by a probation officer, and that the level of supervision shall be determined by the probation officer, according to the gravity of the offence committed and in accordance with the policies and procedures outlined in the offender's case plan (as defined in section 70QA(2), inserted by clause 2), and guided by the risk posed by the offender as well as the need for the protection of the community.

Mr. Chairman, clause 6 inserts new sections 329FA and 329FB into the principal Act. Section 329FA(1) establishes the sex offender register to be administered by the Minister. Subsection (2) requires the court sentencing a person to a period of imprisonment following conviction of a sexual offence to order the Commissioner of Police to enter the person's name in the register. Subsection (3) requires the court to inform the offender accordingly. Subsections (4) and (5) provide that the period of registration shall be a period of 10 years or more as determined by the Offender Risk Management Team [ORMT] in accordance with guidance issued by the Minister in a code of practice. Subsection (6) sets out the obligations of being on the register: to report to the team; to be assessed by the team; to notify the team regarding change of address, to notify the team before any

change of employment or occupation; to notify the team regarding travel plans and not to leave Bermuda without written permission of the team; to comply with other conditions that may be imposed by the team for the purposes of facilitating the successful reintegration of the person into the community. Subsection (7) creates an offence (similar to the offence in section 329G(6)), Mr. Chairman, for failure to comply with any obligations imposed by or under subsection (6). Subsections (8) to (10), Mr. Chairman, provide for an offender to apply to the court to reduce or terminate the period of registration on the ground that he does not present a risk of reoffending. Subsection (11) sets out definitions, including the offender's risk management team, and subsection (12) sets out the functions of the team. Section 329FB creates an offence of disclosing information in the sex offender register, subject to a penalty on summary conviction of \$10,000. Subsection (3) provides that the Public Access to Information Act 2010 does not apply in relation to the register.

Clause 7, Mr. Chairman, amends section 329H of the principal Act, changing the word "may" to "shall" in subsections (1) and (2), thus imposing a duty on the Minister to establish a sex offender protocol. New subsection (3A) requires the Commissioner of Prisons to inform the Minister at least two months before the pending release date of a sex offender and indicate whether the offender has completed the programmes which are mandated, as I mentioned previously, Mr. Chairman, pursuant to section 70QA.

Clause 8[(1)] provides, for the avoidance of doubt, that the amendments made by clauses 2, 4 and 6 of this Bill apply to persons convicted of a sexual offence committed on or after the commencement day. Clause 8(2) clarifies that the new registration regime in section 329FA of the principal Act will replace section 329G's notification requirements in relation to a sex offender sentenced to a term of imprisonment following conviction for a sexual offence committed on or after the commencement day.

And, Mr. Chairman, finally clause 9 provides for the commencement by notice.

The Chairman: Thank you, Minister.

Any further speakers? The Chair recognises the Honourable Member, Mr. Scott Pearman.

Mr. Scott Pearman: Thank you, Mr. Chairman.

Mr. Chairman, I would be grateful if we just take it through numerically, [clause] 2 in the Bill, clause 2 . . . I just want to try and see if the Minister can assist us, because there was some confusion in the debate about whether or not there will be mandatory courses taken while someone is in prison, and what will happen if someone refuses to do that, and there was some confusion. Indeed, the Honourable Member behind me, I think, seemed to think this Bill was making it mandatory for all.

As I read clause 2, and I will be corrected by the Minister, what I think this Bill is doing is it is providing a sanction to those who refuse in that they are not allowed to apply for release on licence, which is temporary release, or at (b), they are not allowed to be released on the earliest release date. What this Bill is not doing, as I understand it (again, and I look for correction, Mr. Chairman), is saying that if someone refuses mandatory treatment, that this person will be detained longer in prison.

Someone could go to prison, could refuse (as I understand it) and nothing would happen, but they come to the end of the term served and that is that. Have I understood the position correctly?

The Chairman: Minister?

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

Yes, my honourable and learned friend is correct. If the individual refuses to take the mandatory treatment programmes, then they will lose their remittance time.

Mr. Scott Pearman: Thank you.

And, Mr. Chairman, a number of speakers also said that this is a first step and they would like to see some amendments. And it may well be that this is a very sensible and reasonable amendment to consider going forward—whether if someone refuses mandatory treatment, it really is not then *mandatory*—whether a sanction should be applied to someone who refuses perhaps by extending the term of incarceration.

My next point, Mr. Chairman, is moving down to [clause] 5, and I am just wondering here . . . this is one of the other big three points from the recommendations of the committee. And given that some of the speakers have pointed out the difference in what people think about as a sex offender . . . someone who stops to relieve himself or herself from a car by a bush was an example given. There were other examples given.

Given the recommendation by the Joint Select Committee to have tiering of sex offenders, I believe the Joint Select Committee recommended three tiers. Why not take that up? It does seem like a very sensible way, either in the context of this Bill or in the context in the definition of sex offenders in the 1907 Criminal Code Act where we do tier it, because there is a big difference between two youths, one is over the age of majority engaging in sex which would be contrary to the law, but are they really sex offenders?

Is someone who relieves himself or herself by the side of the road really a sex offender? So, there are examples there where it would probably benefit, given we are all focusing on this particular aspect, whether the Minister might consider introducing the tiering.

The Chairman: Minister? Minister?

Hon. Kim N. Wilson: Yes, thank you, Mr. Chairman.

I do not want to speak for the Honourable and Learned Attorney General. However, I do note that she has taken considerable time and weighting of the recommendations of the Joint Select Committee. You would have heard from one of the Members that she actually appeared in front of the Joint Select Committee. So, any other suggestions or recommendations, I am sure she will take under advisement.

The Chairman: Okay, any further . . . the Chair recognises the Honourable Member Pat Gordon-Pamplin.

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

Mr. Chairman, I also am just going to do this in bite-size pieces, so I am going to go back to clause 2 with the refusal of an inmate to take the mandatory courses. He will at some point in time reach the end of his sentence. Once he comes back out into the community, he is not rehabilitated, because he has refused. We cannot detain him any longer because his sentence has expired. Is that likely . . . is that something that could give cause to his name being placed on the register because he is now coming out as an unrehabilitated offender?

The Chairman: Minister, you want to respond to that?

[Crosstalk]

The Chairman: Go ahead, Mrs. Gordon-Pamplin.

Hon. Patricia J. Gordon-Pamplin: Oh. Sorry, I just had one other question, and this is under clause 5, subsection (1A)(a), where we were talking about supervision by a probation officer. And I am just concerned about the requirement of the resources. If you have got three or four offenders coming out and now you have got to have three or four probation officers being able to supervise these individuals to ensure that they are not a [danger] unto themselves or to the community, is that a realistic provision given the resources that it is likely to require?

The Chairman: Minister?

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

Mr. Chairman, with respect to the first question concerning the register, everyone that is convicted of a sexual offence will be placed on the register. So, the individual case that you spoke about will automatically go on the register anyway, notwithstanding whether or not they participated in the mandatory treatment.

And, also, Mr. Chairman, with respect to the second question that was asked by the Honourable Member, there are adequate probation officers. And the team will have the requisite support that they require to ensure that they are able to carry out their functions properly under this legislation.

The Chairman: Mrs. Gordon-Pamplin?

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

Mr. Chairman, I guess my question was, not so much that everybody was going to go on the register. That, I understand. But if somebody is refusing, they have come back as an unrehabilitated individual, should their name be part of the public register, the public disclosure? So, people need to know. I mean, if you have got serious offenders, and they can be publicly revealed, then you have got somebody who has refused . . . so we do not know how dangerous that person still is because there is no evaluation if he has refused the mandatory treatments. So, should they not be considered for public disclosure at the same level as some of those who will be publicly disclosed?

The Chairman: Minister?

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

Mr. Chairman, as I spoke about in the brief, there will be circumstances where the Honourable Attorney General (in her discretion) will exercise that discretion accordingly to notify the public of any particular individuals. Certainly, if that was a circumstance that came to her attention, in her ultimate discretion, that may be a consideration that she would use to exercise that discretion to put that person on the public register.

The Chairman: Any further speakers? The Chair recognises—

Hon. Kim N. Wilson: Can I just add something before my Honourable Member—

The Chairman: Continue.

Hon. Kim N. Wilson: Thank you. Thank you.

I can also add to that, Mr. Chairman (thank you for your indulgence), that you would have recalled that I did speak previously about the risk assessment. So, a risk assessment will be conducted on all individuals. And that would obviously heighten that individual's risk scoring, if that person was released from prison following no mandatory treatment.

The Chairman: Thank you. The Chair recognises the Honourable Member Pearman.

Mr. Scott Pearman: Thank you, Mr. Chairman.

I have two or three questions that can be conveniently clustered together, and then I will [take] an answer if that suits you, Mr. Chairman.

Just a few questions about the Offender Risk Management Team which is dealt with—

The Chairman: Just point to the clause.

Mr. Scott Pearman: Clause 6, subsection (4) on page 3. [Clause] 6, [new section 329FA] subsection (4), and also over the page on page 4, at [clause] 6, [new section 329FA] subsection (11) in the definition sections where we see just above the bottom "Offender Risk Management Team."

Is it envisaged that there would be one team that would deal with all sex offender cases, and that this would be a panel of three who are empanelled and would continue to be empanelled and have consistency? Or is this going to be an ad hoc group of three people from the police, the department of court services, the department of corrections, as and when? What qualifications would apply to these individuals? How long would they be appointed for? And would there be a psychiatrist or a psychologist on the panel as it would seem to be suggested in the debate?

Thank you, Mr. Chairman.

The Chairman: Minister, you . . .

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

I thank that Honourable Member for that question. There would be one team which will have several representatives and the representatives are indicated [at clause 6] in [new section 329FA](11), members of the Bermuda Police Service; the Department of Court Services; as well as the Department of Corrections.

Again, Mr. Chairman, there will be one team, comprised of those members that I just indicated in subsection (11), and it will certainly include a member that has a psychiatric background.

The Chairman: Any further speakers?

The Chair recognises Pat Pamplin—Gordon-Pamplin.

Hon. Patricia J. Gordon-Pamplin: Thank you, Mr. Chairman. Still on clause 6, [new section 329FA](8)—

The Chairman: Mm-hmm.

Hon. Patricia J. Gordon-Pamplin: Let me just flip to subsection (8), which says that "a person whose name is listed in the sex offender register may apply to the court for an order reducing the period of registration, or terminating it, on the ground that he does not present a risk of reoffending."

The question that I asked while we were in debate of the whole [House], should that application, or will the conditions of the application be set out in

the code of conduct or some set of rules so that this application must have with it the provision of a professional's opinion? Or will the risk assessment be adequate if he is going to make an application? Because the onus of the application is on the offender. So, the person whose name is listed as the offender may apply to the court. So, with that application, will there have to be a . . . or what will have to come with the application for it to be favourable or effectively considered?

That was question one. And under subsection (9)—

The Chairman: Mm-hmm.

Hon. Patricia J. Gordon-Pamplin: It indicates "The onus of proving that ground is on the person making the application and the standard of proof is that of the balance of probabilities."

So, I guess my question is in terms of the balance of probabilities, it would support that this application should have a professional report and support appended to it.

And the other question that I have was with respect to the mandatory treatment while they are in prison. The Minister responded that we do have sufficient probation officers once they are released. But the question also begs, are there sufficient resources within the prison to ensure that we have adequate staff there that is trained to provide the mandatory training, in terms of psychologists and psychiatrists, within the prison system?

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

Mr. Chairman, with respect to the second question, I will have to get that information from the Minister who sits directly to my left so that I can provide that. However, insofar as clause 6, [subsections] (8) and (9) which the Honourable Member just spoke about, the issues as it relates to the nature of the application to reduce the period of registration, all of the provisions which will relate to that will be set out in the code. And the code will also speak to any type of guidelines, any requirements with respect to reports that have to supplement the application, the timing and the like.

So, the code will speak to all of the requirements that a person needs to make the application for their period to be either reduced or terminated. And when we speak to the balance of probabilities, it is a civil standard. The proof will be, the burden of the proof will be on the applicant to convince the court, based on his application and the supporting documents, why the period should be terminated or reduced.

The Chairman: Any further speakers? The Chair recognises Mr. Pearman.

Mr. Scott Pearman: Thank you, Mr. Chairman.

This is page 3 of the Bill, clause 6, and then we take [subsection] (6) over the page, to page 4, [subsection] (7) and there we see the fine of \$3,000. And turning over the page to page 5, at the bottom of [subsection] (12), we saw the fine of \$10,000. Now, I take my Honourable and Learned Minister's point about section 40 of the Interpretation Act, which is the up-to penalty point. But the point made in the debate, and the point I welcome clarity on, is what sort of message it sends if the person who is the convicted criminal does not to do what he or she is supposed to do and we are in the range of a fine of \$3,000, but an innocent person who may be a government administrator who accidentally releases the person's name, we are going to fine them \$10,000. Will the Minister, respectfully, consider sending a better message and perhaps increasing the \$3,000 up to \$10,000 so at least we have equity between the two parties?

The Chairman: Minister?

[Pause]

Hon. Kim N. Wilson: Thank you for your indulgence, Mr. Chairman.

The Chairman: Mm-hmm.

Hon. Kim N. Wilson: Mr. Chairman, perhaps if we continue the debate I will see if I can get further information from the technical team with respect to that. I am certain that, given the point that has just been raised concerning the fines, it is something that the Attorney General will consider. And if she decides in her infinite wisdom that she wishes to change it, then she will do that. She will bring an amendment if need be.

The Chairman: Mr. Pearman?

Mr. Scott Pearman: Grateful, Mr. Chairman.

[Inaudible interjection]

Mr. Scott Pearman: Oh, I am sorry.

The Chairman: Mr. Pearman?

[Inaudible interjections]

The Chairman: Mr. Pearman?

Mr. Scott Pearman: Grateful, Mr. Chairman.

My last question, and this is page 5, clause 7, it is down at "(3A)" here, and it is dealing . . . no, I am sorry, it is at [clause] 7(a) and it is dealing with a bit about "may" and "shall" and the substitution to the principal Act at [section] 329H. And if you look at the

principal Act, what that is doing is making mandatory the production of the protocol provisions. And my question is this: Can the Minister confirm that the protocol . . . once it is mandatorily mandated and produced, will it be made a public document for public benefit?

The Chairman: Pat Gordon-Pamplin—

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

Mr. Chairman, I also have a question with respect to clause 6, [329FA] subsection (6)(f). It is towards the top of page 4, and it is with respect . . . the [paragraph] (f) is that the applicant must comply with other conditions as may be imposed by the offending . . . sorry, it is the one about the travel. Sorry, let me just make sure I have the right reference . . . this is, oh, sorry, it is [clause] 6(6)(e), not (f), “notify the offender risk management team in advance of any plans to travel overseas, and shall not leave Bermuda without the written permission of the team.”

The question is, What is going to happen with that information? So, they have collected it, they know that it is there, and this heinous offender has now hopped on a plane and gone to be a nightmare to some other community. Just what happens with that information that the team is collecting?

The Chairman: Minister.

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

Mr. Chairman, I think . . . I am not sure how to answer that question, because if the information . . . if that person hops on a plane, as is being alluded to, without informing the risk management team, there may not be any idea of how to find out where that individual has travelled.

The Chairman: Let me ask the Honourable Member to clarify.

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

Hon. Patricia J. Gordon-Pamplin: My question is . . . not *without* letting the team know. They tell the team, *I am going to be going to New York tomorrow or on such-and-such a date*, and so now, the team is in possession of the information. What will they do with that information? They know that he is going to be going, and then what?

The Chairman: Now you may, Minister.

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

Mr. Chairman, as I indicated previously, Mr. Chairman, there are . . . oh dear, okay . . . with respect to the question concerning the protocol, [clause] 7(a), I am advised by the Honourable Attorney Gen-

eral that that protocol will be made public. So, that will be released to the public. And with respect to the question as it relates to travel overseas, I will need to collect that information, actually, Mr. Chairman.

The Chairman: Any further speakers? There appear to be none.

[Crosstalk]

Hon. Kim N. Wilson: Again, Mr. Chairman, thank you for your indulgence.

As I indicated, there are relationships between the Bermuda Police Service as well as our overseas law enforcement partners FBI, the Canadian Mounted . . .

The Chairman: Police.

Hon. Kim N. Wilson: Thank you . . . and other sources with those other jurisdictions, so that that information will be provided accordingly to those persons that we have these, liaison relationships with. And as the brief also spoke to, the Minister of Legal Affairs is also looking into establishing MOUs with other jurisdictions.

The Chairman: Mrs. Gordon-Pamplin.

Hon. Patricia J. Gordon-Pamplin: And just one other question, and this is on page 5 under clause 7, section 329H of the principal Act, (3A), in which “the Commissioner of Prisons shall notify the Minister of a sex offender’s pending release at least two months prior to the release date.”

The question is, If that person is going to come out and then they are going to go on the register because they have been accused of a sex offence, if they are not going to be publicised, what really is the purpose of this exercise? They are coming out, they may or may not have been rehabilitated, they may or may not have participated in the plans, in the training course or the rehabilitation course. So, the Commissioner tells the Minister, and the Minister tells the committee, and then what? We do not know what this man, this person, is going to do.

The Chairman: Minister.

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

You would have note that I did indicate in the brief that in circumstances when a person is going to be released, then the Attorney General can provide notice to the victim. So, the provision of getting this information prior to the release will allow the Attorney General to notify the victims accordingly.

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

The Chairman: Any further speakers?
Minister, you have the floor.

Hon. Kim N. Wilson: Mr. Chairman, thank you.
I would like to move that clauses 1 through 8 be approved.

The Chairman: One second. You need something else, Mrs. Gordon-Pamplin?

Hon. Patricia J. Gordon-Pamplin: Yes, I am sorry, Mr. Chairman. I did have one more question, and that was with the release of someone who has been deemed to be a paedophile, somebody . . . and this is the application and the transitional provisions.

This person is coming out into the community as a paedophile, yes, the victim needs to know. Yes, the family of the victim needs to know. But the offence of paedophilia goes further than the victim or the family of the victim. The offence goes to the proposed victim, the next person down the chain that they may not yet have offended. So, the question is, how are we ensuring that the released paedophile is sufficiently guarded so that he does not have the . . . well, his proclivities are there, that he does not have the ability to offend somebody else's child, in the case of a paedophile?

The Chairman: Minister.

Hon. Kim N. Wilson: Thank you, Mr. Chairman.
Madam Chairman, the brief also indicated that they will continue the use of electronic monitoring devices as well as continue to collaborate with other agencies to provide assistance with that individual, if they wish to partake in it. But there will be electronic monitoring devices installed, there is the power for the Attorney General to utilise that.

The Chairman: Any further speakers?
Minister, you have the floor.

Hon. Kim N. Wilson: Thank you, Mr. Chairman.
I would like to move clauses 1 through 8 [*sic*] be approved and stand as part of the Bill.

The Chairman: [Clause] 1 through 9.

Hon. Kim N. Wilson: Sorry, [clauses] 1 through 9.

The Chairman: It has been moved that clauses 1 through 9 be approved.
Any objections to that?
There appear to be none.
Approved.

[*Motion carried: Clauses 1 through 9 passed.*]

Hon. Kim N. Wilson: Thank you very much, Mr. Chairman. I move that the preamble be approved.

The Chairman: It has been moved that the preamble be approved.

Are there any objections to that?
There appear to be none.
Approved.

Hon. Kim N. Wilson: Mr. Chairman, I move that the Bill be reported to the House as printed.

The Chairman: It has been moved that the Bill be reported to the House as printed.

Any objections to that?
There appear to be none.
Approved.
The Bill will be reported to the House.

[*Motion carried: The Criminal Code (Sex Offender Management) Amendment Act 2018 was considered by a Committee of the whole House and passed without amendment.*]

House resumed at 4:29 pm

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

REPORT OF COMMITTEE

CRIMINAL CODE (SEX OFFENDER MANAGEMENT) AMENDMENT ACT 2018

The Speaker: Good afternoon, Members.

Are there any objections to the Criminal Code (Sex Offender Management) Amendment Act 2018 being reported to the House as printed?

Hon. Zane J. S. De Silva: Yes. I am not ready.

[*Laughter*]

The Speaker: No objections. So, it is so done, and it is now reported.

That now brings us to the close of that matter and leads us on to the second matter to be taken up this afternoon on the Orders of the Day, which actually is [Order] No. 3 on the Order Paper. It is the consideration of the Tourism Investment (Bermudiana Beach Resort) Order 2018 in the name of the Minister of Tourism and Transportation. Minister, are you comfortable enough now?

Hon. Zane J. S. De Silva: Yes, yes.

[*Laughter*]

The Speaker: Minister, you have the floor.

ORDER

TOURISM INVESTMENT (BERMUDIANA BEACH RESORT) ORDER 2018

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

Mr. Speaker, I move that consideration be given to the draft Order entitled [Tourism Investment \(Bermudiana Beach Resort\) Order 2018](#).

The Speaker: Are there any objections to that?

No objections.

Minister.

Hon. Zane J. S. De Silva: Okay. All right.

Okay, Mr. Speaker, the Tourism Investment (Bermudiana Beach [Resort]) Order 2018 seeks to encourage and support developers of the Bermudiana Beach Resort with their investment in Bermuda by providing relief from customs duty in respect of furniture, fixtures and equipment, operating systems and equipment, exemption from Hotel Occupancy Tax, exemption from Land Tax, exemption of the employer's share of the Payroll Tax, and a deferral of landholding charges payable under section 96(2) of the Bermuda Immigration and Protection Act 1956. Mr. Speaker, the relief exemptions and deferral are all subject to certain conditions and/or apply for fixed periods only.

Mr. Speaker, the Tourism Investment (Bermudiana Beach [Resort]) Order 2018 is created in accordance with the Tourism Investment Act 2017 and is for the redevelopment of the Grand Atlantic property in Warwick as a new mid-market boutique resort renamed the Bermudiana Beach Resort.

Mr. Speaker, Honourable Members will be aware that the Grand Atlantic was built in 2011 as affordable housing for local families featuring 78 apartments. This property is now wholly owned by the Bermuda Housing Corporation [BHC] whose mandate is to provide affordable and quality housing and to promote home ownership to all Bermudians.

Earlier this year, Members will recall the amendment made to the Bermuda Housing Act 1980 to enable the Tourism Investment Act 2017 to be extended to this BHC project. The specific purpose of the amendment Act was to provide for the statutory exemptions to Stamp Duty and Land Tax and to apply the Tourism Investment Act to the development project that will convert the Grand Atlantic to the Bermudiana Beach Resort.

In November of this year, the Bermuda Housing Corporation submitted an application for a tourism investment order on behalf of the Bermudiana Development Company, which was incorporated on October 31, 2018, in respect of the Bermudiana Beach Resort Development.

Mr. Speaker, the Bermudiana Beach Resort will be a mid-market condo/hotel consisting of nine buildings with additional leisure facilities, which will be operated as a resort under a major international hotel branded franchise. The Bermuda Housing Corporation has engaged a specialist development team including MacLellan & Associates, Bermuda Realty Company, Limited and [OBMI] Limited Bermuda to execute the conversion of the Grand Atlantic into the Bermudiana, a condo/hotel providing 105 rooms and suites with full resort facilities.

Mr. Speaker, the nine buildings which currently contain the 78 aforementioned apartments, will be converted into 71 units for sale providing 105 hotel keys. Each of the nine existing buildings will be refitted with new and improved fixtures consistent with a four-star hotel. Additional kitchenette and bath facilities will be added to a portion of the rooms to create the 105 keys.

Mr. Speaker, Honourable Members will also be interested to note that outdoor amenities will include two recreational pools, one with an infinity pool design, walking and patio areas and a funicular lift to the beach below. External elevators will be added to the buildings as part of the hotel operator requirements. Seven of the existing units will be converted into the communal facilities to include a reception area, restaurant, spa, gym, back of the house support, and food and beverage areas.

Mr. Speaker, the development is scheduled to take place in two phases. The commencement of phase one is subject to the process of satisfying regulatory requirements and permissions. Completion is targeted for May 2019. Phase two is expected to commence in June 2019 and be completed in May of 2020.

Mr. Speaker, as required by section 5(2) of the Tourism Investment Act 2017, the Minister responsible for Tourism, in consultation with the Bermuda Tourism Authority, must consider all relevant circumstances in determining whether a proposed tourism project is in the national economic interest of the Island and, in particular, whether the proposed tourism product is likely to benefit the tourism industry and the economy generally and whether it is likely to encourage local investment.

Mr. Speaker, I am satisfied that these particulars have been met and therefore, as Minister, propose to make the Tourism Investment (Bermudiana Beach Resort) Order 2018 as follows:

- full relief from Customs Duty in respect of furniture, fixtures and equipment, as well as operating systems and associated equipment, for a period not exceeding 10 years from the hotel's opening date;
- full exemption from Hotel Occupancy Tax for a period not exceeding 10 years from the hotel's opening date;

- full exemption from Land Tax, commencing six years after the hotel's opening date and ending on the 10th anniversary of that date;
- full exemption of the employer's share of payroll tax for a period not exceeding 10 years after the hotel's opening date; and
- furlough of the Land Holding Charges payable under section 96(2) of the Bermuda Immigration and Protection Act 1956 for a period not exceeding 10 years after the hotel's opening date.

Mr. Speaker, in order to qualify for the exemption of Land Tax, the hotel developer, for the relevant period, must confirm in writing to the Minister in years 6 through 10, after the hotel's opening date, that 70 per cent of the hotel's staff are Bermudian.

Mr. Speaker, in order to qualify for the exemption from the employer's share of the payroll tax, the Minister responsible for Workforce Development shall, for the relevant period, confirm in writing to the Minister annually that a management training programme for Bermudians is in operation at this property.

Mr. Speaker, I would like to highlight section 4(3) of the Order which states, "Where construction of the hotel development is not complete by the third anniversary of the date of this Order, the relief granted . . . shall cease to have effect." Mr. Speaker, this provision ensures that this Order, like the ones to follow it and unlike the concession orders which preceded it, will have a start date and an end date.

As alluded earlier in my statement, the Tourism Investment Act 2017 and this Tourism Investment (Bermudiana Beach Resort) Order 2018 are meant to encourage local investment, in particular, facilitate investment in our tourism sector which will ultimately prove beneficial to the economy generally.

Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

We now recognise the Deputy Opposition Leader. Honourable Member, you have the floor.

Ms. Leah K. Scott: Mr. Speaker, we on this side have no opposition to the Order. I know that for some years they have been trying to get some development going up in that area and I am for anything that is going to allow for investment in Bermuda, create jobs and enhance our tourism product. So, there is no opposition on this side, Minister.

The Speaker: Does any other Member wish to speak?

We recognise the Honourable Member from constituency 24.

Mr. W. Lawrence Scott: Yes, sir.

The Speaker: Honourable Member Scott, I believe it is your little parish proper now, eh?

Mr. W. Lawrence Scott: It is in my constituency, which is why I feel as though I must get up and speak about this. And I also have to declare my interest, as I do sit on the board of the Bermuda Housing Corporation, which has helped pilot this [project] this far.

But what I wanted to do was just sort of give a little bit of history, spanning back just a few hundred years on the topic at hand, because I think that this . . . although this is one Bill, or one Order, I should say, it represents so much of what Bermuda is about and has been about and where we are going in the future. And that is where I go back to the 1700s where Bermuda was basically focused on just basically the, what we would call in today's society, the blue economy, and that was ocean and sailing and we even tried pearl diving for a little bit.

But then we moved into the 1800s and went to agriculture, tobacco, and the salt trades. And then we went to the 1900s. And the 1900s is where Princess Victoria and Mark Twain actually put us on the map for tourism. And I see my colleague over there from constituency 32 looking very amused and intrigued. And he looks a little bewildered, because he is not quite sure where I am going with it. But I am providing him with new information that he has not heard before.

So, therefore, what I am trying to do is I am showing you how serious and how big tourism is for Bermuda and Bermudians and how this is a . . . it is a throwback to the future. But you will see where I am going with that one. But after Princess Victoria and Mark Twain put Bermuda on the map for tourism, it was the ending of the World War II, which had the airport being built, which had the US Navy being here and them selling [Bermuda] to other . . . to their families, and bringing their families back and reliving their heydays.

But, Mr. Speaker, I am going to now fast-forward to a time and era where you would be more familiar with which would be the 1960s and 1970s—

The Speaker: Good times.

[Laughter]

Mr. W. Lawrence Scott: —where the—

The Speaker: Very good times. Good times. That is right.

[Laughter]

Mr. W. Lawrence Scott: And that is where . . . I mean, I understand that in the 1960s and 1970s the Deputy Speaker was probably 60 and 70. But back then, the main pillar of our economy was tourism. And I was not around for that, but I hear that that was when you had the large hotels and the guest houses were originating. And guest houses were very popular

because they actually . . . because that was at a time when we had the segregated society and blacks were not allowed in the hotels themselves. So, the guest houses housed the blacks and the Jewish visitors while the hotels housed the whites.

But now, Mr. Speaker, this is where my god-mother, Georgine Hill's husband, comes into play. Mr. Hilton Hill was a travel agent back in the day and he actually sat in this House, not as an MP but as an MCP—a member of the Colonial Parliament. And he was also a proud member of the Alpha Phi Alpha Fraternity, Incorporated. But, I digress. Mr. Hilton Hill also actually helped attract black Bermudians to the Island and put them up in these guest houses which, in today's society would say it was probably like Airbnb-style accommodations.

So, I hope you are starting to see the trend here, Mr. Speaker.

The Speaker: Well, well . . . we are getting there, we are getting there.

[Laughter]

The Speaker: We are getting there.

Mr. W. Lawrence Scott: Yes, I am getting there. But the thing is that—

[Inaudible interjections]

Mr. W. Lawrence Scott: Is that Bermudians—

[Inaudible interjections]

The Speaker: [He's] stuck in the 1970s still.

Mr. W. Lawrence Scott: Bermudians have always been and have always excelled at hospitality, Mr. Speaker. Right?

[Inaudible interjections]

Mr. W. Lawrence Scott: The thing is that we were so good at what we did, and what we do, that people actually mimicked us. They took our playbook. [But] the bad news about us being so good and having people actually taking our playbook is that they started to do it better than us. Right?

And as I heard the former Finance Minister Bob Richards say, *Somebody else will eat your lunch*. That is what our neighbours to the south have done since the 1960s and 1970s. They have become . . . so now the question is, How does that happen? How do you go from being the best in the business—the best at what you are good at—to struggling to be competitive, struggling to be relevant? And that is something that I fight with as an Arsenal fan.

But we found the answer to that and we are relevant once again. But in this case—

[Inaudible interjections]

Mr. W. Lawrence Scott: And the Opposition Leader is also a Gunner, so everything is not that bad. But the thing is—

[Inaudible interjections]

Mr. W. Lawrence Scott: But the thing is that the way that we went from being the best at where we were and what we were doing was that there was a shift in focus. And we shifted our focus from tourism to Bermuda, Incorporated, shortly known as Bermuda, Inc. All right? And, who was the leader and the orchestrator of that? That was the former Premier. But at the time he was the Finance Minister, Dr. David Saul. And so, when he shifted the focus from our tourism model, which was a main pillar in our economy to a more business-centric, a more business-focused economy—

[Inaudible interjections]

Mr. W. Lawrence Scott: —so, therefore, so—

[Inaudible interjections]

Mr. W. Lawrence Scott: I am hearing Members interpolating, so that threw me off. All right. But the thing is the Honourable Member Derrick Burgess says it was not Dr. Saul, but it was actually Gibbons that shifted it, shifted the focus. But, Dr. Saul coined the term “Bermuda, Incorporated” and “Bermuda, Inc.” and under his leadership as Minister of Finance and under his then continued leadership as the Premier, we started to really focus and shift, and shift the jobs away, Mr. Speaker.

And the thing is this: You have to ask what effect did that shift in focus have on us as a country? And it was that the larger hotels did . . . tourism was a large employer, Mr. Speaker. You had the larger hotels which had employed Bermudians. They employed Bermudians in hospitality service, as a waiter, maître d', bartending, housekeeping. And then you had entertainment, Mr. Speaker. You had members of this community, I will name the Talbot Brothers, the Travellers, and Hubert Smith. I would sing at a bar or two. But I do not want to show up my Member from constituency number—

The Speaker: Well, well, well, I think you should stick to just presenting your presentation.

Mr. W. Lawrence Scott: Yes, okay.

[Inaudible interjections]

Mr. W. Lawrence Scott: I will leave that to the Junior Minister.

[Laughter]

Mr. W. Lawrence Scott: But we all know that Hubert Smith came up with *Bermuda is Another World*, right. And I cannot talk about Bermudian entertainers during the height of our tourism boom without mentioning Gene Steede. But also we talked about the Holiday Review, the Holiday Island Review.

But also, Mr. Speaker, what tourism has done, and [what we are] talking about [is how] tourism provided entrepreneurship and small business owners. Small business owners like Vernon Jackson, who is the uncle to Members on both sides of the House, and happens to be the uncle to both of the Whips for either party, myself and the Honourable Susan Jackson.

[Inaudible interjections and laughter]

Mr. W. Lawrence Scott: And, so . . . but also, I mentioned Mr. Vernon Jackson not because he is a relative of mine, Mr. Speaker, but because—

[Inaudible interjections]

Mr. W. Lawrence Scott: No. And, no, it does help because that means he was one of the better-looking members of our society—

[Laughter]

Mr. W. Lawrence Scott: But, Mr. Speaker, I mentioned Mr. Vernon Jackson because he was a business owner. He actually owned one of those small guest cottages, which was named Sapphire Bay, which happened to be located on the South Shore in Warwick.

And I could actually go a little bit further, Mr. Speaker, and talk about how Sapphire Bay's exact location was across from where Swizzle South is now, in Warwick, which means that it was exactly in the position and in the place that Grand Atlantic is now.

[Inaudible interjections]

Mr. W. Lawrence Scott: And the Honourable Opposition Leader says he just wants to get concessions. And I understand that. I understand that. But the thing is that I want to give Bermudians the background, especially that this is in the blessed area of the country known as constituency 24.

So, the thing is that with it being there, with it having been built there, and not just one . . . you had Sapphire Bay, you had ABC which was the Atlantic Beach Club, you have also had the proposed Ritz-Carlton hotel which is proposed to be in the same location, you also had the Golden Hind that was there.

But yet, what I find interesting, Mr. Speaker, is that although you have had all these properties sitting there in the same place, under the UBP, there was no problem.

And [there is] one thing I want to clarify, because it was made so prevalent leading up to 2012 that if you put a property there it would fall into the ocean. But, yet, we have had other properties in that same exact place.

[Inaudible interjections]

Mr. W. Lawrence Scott: But nobody came out saying that about Sapphire Bay. Nobody said that about Atlantic Beach Club. Nobody said that about Ritz-Carlton. But, I digress, because I am going to show what happened as we shifted our focus away.

When we shifted our focus away from a tourism economy, what happened was that what disappeared was not just the Sapphire Bay guest cottage. What disappeared was not just the Atlantic Beach Club, but it was also the jobs that were in tourism and hospitality that went along with that. It was the waiters that disappeared, the busboys that disappeared, the bartenders, the housekeepers, and the hotel managers. They also disappeared.

And so, in my last speech, Mr. Speaker, I talked about and I made an impassioned plea to Bermudians not just here on Island that are unemployed, but to Bermudians that left the Island between 2012 and 2017. And the Honourable Opposition Leader said that he wants to give concessions. But this is more than the giving of concessions, Mr. Speaker. This Bill is a template on how we can move forward in bringing Bermudians back. We all talk about making sure that we need to have increased population. We need to have more people on this Island, more heads in beds, more butts in seats.

[Inaudible interjection]

Mr. W. Lawrence Scott: And the Honourable Opposition Leader, again, talks about giving concessions. And I repeat the fact that this is more than giving concessions. This is planting the seeds in which, hopefully, we should be able to harvest the return of Bermudians to take up jobs in hospitality and raise tourism to be a stronger pillar of our economy than it is now.

So, yes, this . . . what is printed on the papers that we have in front of us is about concessions. But the effect that this paper has, the effect with what we are going to do in this House today has far-reaching and long-term benefits. And I do not want that to go unnoticed. I do not want that to go unsung. And I do not want that to be, I will say, disrespected, because we will be quick—and I say “we” meaning both sides of this aisle.

We will be quick to point out what the other has done wrong, what the other should have done,

what the other did not do. But what I want us to focus on today is that this concession leads to 100-plus Bermudian jobs. This leads to an educational programme in the Bermuda College that provides a succession plan for these jobs so that we will always have Bermudians minding these jobs, being managers of this property, being supervisors within this property at any given time.

[Inaudible interjection]

Mr. W. Lawrence Scott: And the Honourable Opposition Leader brings up a good point that it is not just the Grand Atlantic or the Bermudiana Beach that will benefit. St. Regis will benefit with this . . . well, from this concession, but also from the education aspect that is going to be in the Bermuda College.

So, Mr. Speaker, I do not stand here today trying to profess that this concession, this one concession, is going to be the silver bullet that brings all the Bermudians that we need, the thousands of Bermudians that are overseas back to Bermuda. I do not propose that this is a silver bullet that fixes our tourism economy. But what I do want to do, and I am taking this time out purposely to show that the PLP administration is serious about having Bermudians move back.

We are reducing the cost of living through reducing the cost of health care per person, per household. We are increasing wages through a liveable wage and minimum wages. But now we are helping to provide those jobs. We have already talked about, and we have also looked at providing housing for members of the community, or Bermudians who are overseas who want to come back. So, we are laying down the foundation that will be able to support thousands of Bermudians coming back home so that they too, Mr. Speaker, can have fun like you did during the longtail season of the 1960s and 1970s. And so that they too—

[Laughter]

Mr. W. Lawrence Scott: —can enjoy—

[Inaudible interjection]

Mr. W. Lawrence Scott: Yes, they too can enjoy the summers here, working and being prosperous.

They too can have the ability to be successful, not just as employees, all right, but also as employers where they can own a piece of the rock. They can be able to provide jobs in hospitality, and that is what this Order does today, Mr. Speaker.

And I am glad that the launch of this *Field of Dreams*, as it could be, *if you build it, they will come*, the fact that the start to a better and fairer Bermuda starts in constituency 24. Right there at the Bermudiana Beach property. And, Mr. Speaker, I think I will

end on a Biblical note that when they say *the stone that the builders rejected*, Mr. Speaker, *the stone that the builders rejected*. And this is the one that they said was going to fall into the ocean, Mr. Speaker! This is the one that they said we could not sell it to Bermudians so that they could live there. Nobody bought it, Mr. Speaker, that the fact that they said that . . . and, and, Mr. Speaker—

[Inaudible interjections]

Mr. W. Lawrence Scott: And, Mr. Speaker, Mr. Speaker, the fact that this is the same property that they tried to say nothing could be done with, Mr. Speaker, *the stone that the builders rejected* is now going to be the foundation on which our future in tourism prospers from.

Thank you very much, Mr. Speaker.

The Speaker: Thank you, Honourable Member. Does any other Member wish to speak?

We recognise the Minister for Works. Minister, you have the floor.

Lt. Col. Hon. David A. Burch: Mr. Speaker, there will be no Biblical references from me.

[Laughter]

Lt. Col. Hon. David A. Burch: Mr. Speaker, just a few things.

I did take note of the Minister who presented this Order. And let me first say thank you both to him and to the Opposition for supporting this. But I noted in particular the comment that he made in his penultimate paragraph in his statement about, and I quote, “where construction of the hotel development is not complete by the third anniversary of the date of this Order, the relief granted . . . shall cease to have effect.”

Mr. Speaker, I can assure the Minister that he better plan on keeping this Order in effect because construction has in fact already begun. Mr. Speaker, you will recall that on August 10th we passed certain amendments to the BHC Act to allow for the incorporation of some subsidiaries. Much to my chagrin, it came as late as it did and obviously to the irritation of other Members of this House. But what I can say, Mr. Speaker, is that it has allowed us to press on immediately.

And for those of us who occasionally travel on the South Shore Road, they will notice that we now have about seven of those buildings that look like the houses of many colours, Mr. Speaker, because they are painted in beautiful pastel Bermuda colours as part of the process to get to launching this project. What folks will not see, or will not have been able to see that has occurred already, is the virtual complete gutting of all of the bathrooms in all of the buildings as

well as the kitchens and—so that the appliances and furnishings and fixtures can be upgraded.

But in the spirit of frugality, Mr. Speaker, in gutting those appliances and fittings and fixtures, we have repurposed them, and are using them in not only other BHC [Bermuda Housing Corporation] projects, but also in the wider context of government. As an example, Mr. Speaker, each of those units had a washer and dryer in them and they, of course, are being replaced as well. I can report that two of them, I believe two of each were donated to the Farm facility in St. George's that needed a replacement washer and dryer at no additional cost to the Bermudian taxpayer, as well as there has been some donation of similar appliances to the residential treatment centre that also needed some appliances, Mr. Speaker.

In addition to that, Mr. Speaker, a resident manager to oversee the renovations has been on site for the last three months carrying out and supervising those works. He has done it in other jurisdictions, and the primary part of his remit in our particular case, is that he must open this hotel with a Bermudian general manager. They have committed to doing so. And they have the expertise to be able to identify a young Bermudian at this stage of the game and get him trained up so that the hotel will be under Bermudian management.

An Hon. Member: Hear, hear!

Lt. Col. Hon. David A. Burch: Mr. Speaker, I guess the question is, and it was asked at some point in some place, about how this fits into the mandate of the Bermuda Housing Corporation to provide affordable housing to the people of this country. And I will answer it for you, Mr. Speaker.

The Speaker: Go ahead.

Lt. Col. Hon. David A. Burch: We have been criticised, both the former PLP Government and this administration, for building a white elephant. Mr. Speaker, it is not quite as big a white elephant as 20 houses for \$25 million. But I could use the same analogy; we are making lemonade out of lemons, Mr. Speaker. And the idea behind this exercise is so that the Bermuda Housing Corporation can recoup its investment in building Grand Atlantic in the first place, and to utilise those funds to get out from under an indebtedness and allow them to refocus on their mandate to provide affordable housing for the people of this country.

Mr. Speaker, I can also advise that we will expect an announcement early in the new year, once the show units have been completed. At that time it will also trigger the announcement of who the hotel partner is. That is, we know who it is, Mr. Speaker. I will not speak about it publicly because I learn new things every day, and one of those new things is that

the moment you call their name you have to start paying them some money.

[Laughter]

Lt. Col. Hon. David A. Burch: And the bottom line, Mr. Speaker, is that . . . I actually saw it in somebody's written correspondence recently and I said, *Oh, no, you can't say that because we don't want to start paying money until we absolutely have to.*

What that will also trigger, Mr. Speaker, is access to their worldwide network of reservations and advertising and whatever else to be able to market this project. And so, Mr. Speaker, we are on the threshold of creating for the first time in a number of years a three-star hotel in this country that we believe will go a long way in assisting in the revitalisation of tourism, and also the creation of jobs for Bermudians in this country.

So thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

Does any other Member wish to speak?

No other Member?

Minister, you can bring us to a . . .

Hon. Zane J. S. De Silva: Close?

The Speaker: Close. Yes.

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

I move that the said draft Order be approved and that a suitable message be sent to his Excellency the Governor.

The Speaker: Well, I did not mean it that quickly, but we will accept that.

[Laughter]

The Speaker: I thought there might have been a bit of comment with that.

[Laughter and inaudible interjections]

The Speaker: No objections?

No objections. The said Order will be delivered to the Governor.

[Motion carried: The Tourism Investment (Bermudiana Beach Resort) Order 2018 was approved.]

The Speaker: Now, I understand that all other matters on the Order Paper have been carried over. So that bring us to the third reading.

Is the Minister of Health available?

Hon. Zane J. S. De Silva: Mr. Speaker?

[Inaudible interjections]

The Speaker: Yes, yes. You're going to speak from your seat.

[Inaudible interjections]

An Hon. Member: You are the Minister of Health, right?

[Laughter]

Hon. Zane J. S. De Silva: Yes, Minister of Health. You confused me, Mr. Speaker.

The Speaker: Well, I was looking for the . . . the . . . no.

An Hon. Member: Don't get yourself in trouble.

The Speaker: I almost did.

[Inaudible interjections]

SUSPENSION OF STANDING ORDER 21

Hon. Zane J. S. De Silva: Mr. Speaker, I move that Standing Order 21 be suspended to enable me to move that the Bill entitled Criminal Code (Sex Offender Management) Amendment Act 2018 be now read the third time by its title only.

The Speaker: Any objections?
No objections.
Continue on.

[Motion carried: Standing Order 21 suspended.]

BILL

THIRD READING

CRIMINAL CODE (SEX OFFENDER MANAGEMENT) AMENDMENT ACT 2018

Hon. Zane J. S. De Silva: I move that Bill be now read a third time by its title only and passed.

The Speaker: Thank you.
Minister.

[Motion carried: The Criminal Code (Sex Offender Management) Amendment Act 2018 was read a third time and passed.]

The Speaker: Now, Minister, would you like to take us to the next portion of this day?

Hon. Zane J. S. De Silva: Sure. Why not, Mr. Speaker?

The Speaker: We stand . . .

ADJOURNMENT

Hon. Zane J. S. De Silva: Yes, we stand adjourned until Monday morning at ten o'clock.

The Speaker: [On] Monday morning 10:00 am.
Does any Member wish to speak to that?

[Inaudible interjections]

The Speaker: I recognise the Member from constituency 10.

ARBITRADE

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

Mr. Speaker, for some months now this Government has concentrated heavily on FinTech, which we in the Opposition have generally supported. But at the same time, they have made many public statements about various MOUs that they have signed earlier, and issued a licence under the Companies Amendment Act, section 4AA, for the non-Bermudian company Arbitrade to buy Bermudian land.

Mr. Speaker, many, including myself, have asked questions about the MOUs and, of course, more recently, the proposed business operations of Arbitrade, which in many cases have been enshrouded in secrecy by the principals.

Mr. Speaker, a few questions have been answered to date. As I mentioned earlier today, questions that I asked to the Honourable Premier during the July Premier Question Period, have not been answered, in spite of a commitment by the Premier at that time. So, Mr. Speaker, what we see instead of transparency and accountability in answering these questions, we see continuing attacks on messengers who are asking those questions.

Two weeks ago, the Honourable Member from constituency 27 castigated me for asking questions, as the Premier did this morning.

The Honourable Member from constituency 29, and I quote his comments during the debate, "Officials of Arbitrade were listening to the session."

[Inaudible interjections]

Hon. Michael H. Dunkley: The Honourable Member made what I thought was a good offer at the time. He offered to contact them and arrange for me to communicate with them, but this did not come to fruition. As the Minister said in an email exchange, and I will quote, "Due to your actions" (referring to me, Mr.

Speaker) “over the past several months they think talking to you would be worth zero.”

I replied to the Honourable Minister. “I want Bermuda to progress, but if some will not answer questions, I am left with no option other than to keep asking, doing research, and speaking for the many who reach out on a regular basis to me.”

The Honourable [Minister] replied in an email. “Maybe if you did not trash them so much, they would talk to you.” (I go on with a direct quote, Mr. Speaker.) “It’s okay to ask questions and to research, bro, but it is the insinuations that piss them off and tarnish Bermuda’s name. There is a parliamentary process regarding the asking of questions.” That is the end of the direct quotes in the email.

Mr. Speaker, you cannot make this type of stuff up. Yes, as a Member who has served in this Honourable Chamber for a number of years, I am well aware of the parliamentary process for asking questions. Indeed, as I have already explained, this was done, and the questions were not answered. In spite of a commitment, Mr. [Speaker], to date this has not been followed up on.

Simple questions, Mr. [Speaker], which I think bear repeating. The Honourable Premier tweeted about a meeting he had with Arbitrade. I believe it was on May 31st that he had met with officials of the company during which they had demonstrated their cryptocurrency platform. And, I quote, “explained plans to create more job opportunities in Bermuda for Bermudians.”

Mr. [Speaker], in my view, the question was quite simple. Who made up the Arbitrade team that demonstrated that platform and who was the local contact? At the time the Premier was unwilling to answer a simple and straightforward question, because he said, he wanted to make sure that he got all the names correct. And I accepted that. But since that time it has not been followed up.

And, Mr. Speaker, I could accept that if there were individuals who came to the Island, part of a new company trying to set up in Bermuda, you might not remember all of their names, and you might want to be accurate. But to forget the local rep, I seem to believe that this might be some stretch of the imagination. And so those questions are still out there.

Now, Mr. Speaker, in regard to asking questions. It is our job as Opposition to ask questions, to probe, to review matters, to do research. And I, and all of my colleagues, will never shy away from that awesome responsibility that we face, in spite of the potential adversity and slander that may come our way. Mr. Speaker, the Honourable Member from constituency 29 said that due to my actions over the past several months, they think talking to me (his quote) would be worth zero.

Well, Mr. [Speaker], when I challenged the Honourable Minister on what actions, or his words, “trash [them]” means, he did not reply. And I would

hope that he would reply tonight, Mr. Speaker. But I do not believe that there is anything of substance in there because, simply, asking questions *is* appropriate. And I know when Honourable Members who sit on that side now, used to sit on this side, the questions came at a rapid rate, Mr. Speaker, and they were repeated over and over and over again.

So, Mr. Speaker, why would I want to learn more about this company and their plans? Why would I continue to ask questions about this company and their plans? Well, Mr. [Speaker], it is a fact that over 90 per cent of initial coin offerings [ICOs] fail. It is also a fact that 80 per cent of them are involved in some kind of scam or fraud.

[Mr. Rolfe Commissiong, Acting Speaker, in the Chair]

Hon. Wayne Caines: Point of order.

The Acting Speaker: The Chair recognises the Member from [constituency] 14.

What is your point of order, sir?

POINT OF ORDER

[Misleading]

Hon. Wayne Caines: That the Member is misleading the House. It is incorrect that that percentage of ICOs are frauds. And can the Member cite his source?

The Acting Speaker: Thank you.

Hon. Michael H. Dunkley: Yes, Mr. Acting Speaker, I will cite my source. It is the Statist Group that does research, and they are very well at researching it. I am happy to provide the information to the Honourable Member when I—

[Inaudible interjections]

An Hon. Member: Who is this?

Hon. Zane J. S. De Silva: The lunatic.

Hon. Michael H. Dunkley: The Honourable Member from constituency 29 says “the lunatic.” No, I don’t know who the lunatic you are referring to is, but I think the Statis Corporation, the Statis Corporation—

[Inaudible interjections]

[Gavel]

Hon. Michael H. Dunkley: —would have something to say about that Mr. [Acting] Speaker.

So if Honourable Members are so sensitive about this information, it might make sense to sit and listen and then reply in their own time, Mr. Acting Speaker, because this is not a good track record. This

is not a good track record. Well-meaning investors, Mr. Acting Speaker, I think you would agree, need to be protected. Well-meaning investors need to be protected by some of these schemes that are nothing more than a pump and dump, which our history has shown do not end up well for people.

In addition, Mr. Acting Speaker, as the Honourable Premier and the Honourable Minister of National Security who have travelled extensively will know, it is important that at all times we protect our hard-earned reputation and [acknowledge] the constant oversight that we will continue to get from all over the globe. We need to protect our reputation and we cannot afford to get involved in any business that would cast an unwarranted spotlight on what we do here.

So, yes, Mr. Acting Speaker, I will stand and continue to ask questions for full disclosure, transparency, and accountability. And that is why I ask questions today, and that is why I will continue to ask questions.

Now, Mr. Acting Speaker, as Premier I served with pride with my colleagues, working tirelessly with colleagues, agencies and individuals, promoting Bermuda and defending our reputation all over the world. And this has not changed with the current Government. They have been working assiduously to bring business and opportunity to Bermuda. And that hard work is rewarding when you get to meet good people and you provide opportunity and have success in what you want to do. So, against the backdrop, Mr. Speaker—as the [Acting Speaker] has left and the Speaker is coming back in—

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

Hon. Michael H. Dunkley: —the last thing I want, or anyone wants, is to lose opportunity.

However, Mr. Speaker, we must never compromise our values and we must never compromise the need to stand with good relationships that we have built through time. Every new opportunity must be thoroughly scrutinised to make sure it is good for our Island and our people. Mr. Speaker, if those wanting to do business in Bermuda are not up to facing the sunshine of public scrutiny, then we must question why they would not want to [answer] those questions.

Now, before I go on to some questions about this subject, let me say, Mr. Speaker, if I get something wrong, I will be the first to admit it. But you have to ask questions in order to learn and in order to move forward. And asking questions and getting answers is the most important part of us making progress together.

So, Mr. Speaker, as time marches on and more and more of those self-imposed deadlines by Arbitrade are not met, the land in the —

Hon. Wayne L. Furbert: Point of order, Mr. Speaker.

The Speaker: Point of order. We will take a point of order.

POINT OF ORDER

[Imputing improper motives]

Hon. Wayne L. Furbert: The Honourable Member is insinuating . . . imputing improper motives regarding Arbitrade. How does he define that they are not meeting certain deadlines?

The Speaker: Thank you.
Continue.

Hon. Michael H. Dunkley: Mr. Speaker, that is not imputing any improper motives by Members. They committed to deadlines and they have not followed through. I am happy to talk to the Honourable Member in more detail, but I am using up my time here, Mr. Speaker, and I am not going to be side-lined by various interpolations or meaningless points of order. They have had timelines which they have changed. Timelines . . . for example, simple things about putting a website up that people can look to that has pushed back from day-to-day.

[Inaudible interjection]

Hon. Michael H. Dunkley: And I will get into it. Here is . . . I will ask you some questions. So, as time marches on, this company says they have title to 395,000 kgs of gold, valued at \$15 billion, Mr. Speaker. And they have had an audit done, but cannot provide any backing of the claims. How was that gold purchased? How did they procure that gold?—

[Inaudible interjection]

Hon. Michael H. Dunkley: They claim that they—
The Honourable Member who likes to interpolate comes up with childish comments. He will have his chance to speak.
But these are serious questions.

The Speaker: Speak to the Chair. Speak to the Chair.

Hon. Michael H. Dunkley: They claim they have plans to store the gold on the Island. Well, how will this be done? What costs will be involved. They claim an audit of the gold would be done.

[Inaudible interjections]

The Speaker: Members, Members.

Hon. Michael H. Dunkley: And I hear Honourable Members say—

The Speaker: Members! Let the Member speak to me and you can address that later.

Hon. Michael H. Dunkley: *Well, what does that got to do with us?* If somebody is making claims that they have \$15 billion worth of gold, and they are going to bring it to the Island, they just can't bring it in on the next JetBlue that comes in tonight.

POINT OF ORDER
[Misleading]

Hon. Wayne Caines: Point of order, Mr. Speaker.

This Member is misleading the House. He is misleading the House for one primary reason. The primary reason is that there is a vetting system that they are going through with the Bermuda Monetary Authority with the FinTech Advisory Committee. That is the process in which they go. This is midstream; they have not finished it. He is misleading the House saying that they have not met timelines, when the process is ongoing.

The Speaker: And I think the basis of where he started was about questions, so I am sure there are Members over on your side who are very capable of providing the clarity that is needed, and I look forward to hearing the clarity.

I think the Member did say if he is proven to be wrong he will accept that he was wrong, so clarity will help to set us straight on this one.

[Inaudible interjections]

The Speaker: Thank you.

Hon. Michael H. Dunkley: Yes, Mr. Speaker, I look forward to having some of those questions answered and having some more light shed on this.

So, they claim that an audit was done on the gold, and I ask, Where is the audit?

They claim to investors, Mr. Speaker, that each dignity token is backed by one-dollar worth of gold. How does the company profit by selling a one-dollar token for a price of one dollar, that is currently priced at just over one-half cent each?

How does one get title to \$15 billion dollars' worth of gold, yet there is no news on any of the world gold markets about it? It is not a small quantity of gold. No one went down to Crisson's and bought this gold. It is \$15 billion dollars' worth of gold.

The Premier stated earlier today in the House, and in his Statement of October 31st, that financial background checks have been done before approval to buy Victoria Hall. Well, I question those financial and background checks and on who they were done, and the question remains outstanding that it cannot be answered because of disclosure problems they would

have. But, Mr. Speaker, in looking at the individuals, there are many questions that remain.

Mr. Speaker, one of the things that I found interesting about Arbitrade, and I am still willing to talk to the company and have a conversation—

[Inaudible interjections]

Hon. Michael H. Dunkley: And they say, *Why would they want to talk to me?* To clear up issues.

[Inaudible interjections]

Hon. Michael H. Dunkley: To clear up issues.

The Speaker: Members. Members.

Hon. Michael H. Dunkley: Mr. Speaker, I must be hitting a nerve because—

The Speaker: Members. Members.

Hon. Michael H. Dunkley: —they are all talking. They are coming in the door to talk.

The Speaker: Members.

Let me just take a moment. Let me just take a moment here and try and add some light to this.

I understand that this is a new path that the Government is going on to bring industry into Bermuda. I sit here and say it is like any other new opportunity to come into Bermuda. They have to be vetted. They have to go through the process, and I believe that at this stage they are going through that process. And they are being vetted by the proper authorities. They are being vetted by the Bermuda Monetary Authority and others. And I expect that this process will get to some point where they say, *Tick*, they can go forward. Or, *Tick*, they won't go forward. But we cannot guess that process until it is completed.

Hon. Michael H. Dunkley: Mr. Speaker, and that is fine. But in this place we can discuss the business and this is where we ask the questions. So I think that is a fair assessment.

And the Honourable Member over on the other side, says, *Well, I seek to destroy it.*

An Hon. Member: You do.

[Inaudible interjections]

Hon. Michael H. Dunkley: I already said.

The Speaker: Members. Members.

Hon. Michael H. Dunkley: I already said. I hear Honourable Members interpolating. That is what they want

people to believe. No way, Mr. Speaker! And, Mr. Speaker—

[Inaudible interjections]

The Speaker: Members. Members.

Hon. Michael H. Dunkley: I am going to get off-track here a little bit. Because I wasn't going to go there. I was not going to say, *Look what happened when . . .* But, Mr. Speaker, look at the many initiatives that we brought to this House, and when Honourable Members . . . I think the Honourable Member from constituency 29 sat in this seat right here. And he asked questions and he spread information that I certainly did not agree with when I sat over there. But we answered their questions. We worked through it. I thought those questions—

Hon. Zane J. S. De Silva: Point of order, Mr. Speaker.

Hon. Michael H. Dunkley: —were unfair.

The Speaker: Point of order.

POINT OF ORDER

[Misleading]

Hon. Zane J. S. De Silva: The Honourable Member is misleading the House.

I listened very intently when he was referring to me when I sat on that side. And he said, *I spread information*. I can assure that Honourable Member one thing. That when I was on that side, and I spoke . . . and you know how I act, Mr. Speaker. I bring evidence. I do not get up there and spread information. Any time I speak, I speak to information that I table, 99 per cent of the time.

The Speaker: Okay. Thank you, Member.
Continue on.

Hon. Michael H. Dunkley: Mr. Speaker, that was another point of order that had no grounds. The Honourable Member criticised—

The Speaker: Ah! Ah! I will decide that. I will decide that.

Hon. Michael H. Dunkley: —projects. In my view.

In my view, Mr. Speaker, it had no grounds because I listened for one initiative after the other that we brought forward that the Member tried to shoot down. And you know, that's fine. That is his responsibility. And so when I come here and ask questions, I should not expect to be treated any differently than we treated them—to listen and answer those questions. If

they want to come after me personally, that is fine. I will continue to ask those questions.

[Inaudible interjections]

Hon. Michael H. Dunkley: I will continue to ask those questions, Mr. Speaker.

Some Hon. Members: It's not personal.

[Inaudible interjections]

An Hon. Member: You are not that important.

Hon. Michael H. Dunkley: So, Mr. Speaker, I hear all those interpolations—

The Speaker: Members. Members.

Hon. Michael H. Dunkley: —and it must be because they are worried about it so much.

[Inaudible interjections]

The Speaker: Members, just let the Member finish so someone else can get up and speak afterwards.

Hon. Michael H. Dunkley: I hear the Honourable Member say, *Why am I so worried about Arbitrade?* And [another] Member said, *Because I wasn't in on the deal*. Trust me, Government Members, I do not want to be in on the deal. I am on a deal for a better Bermuda. And if any of you are in on the deal, we need to rat it out. In on a deal? Give me a break, man!

The Speaker: Talk to the Chair.

Hon. Michael H. Dunkley: I have never been in on a deal! A deal that is good for Bermuda.
No, because when people talk—

The Speaker: Talk to the Chair. Talk to the Chair.

Hon. Michael H. Dunkley: —trash across the floor, I am going to answer it. I hope there is no deal. I hope there is no deal! That came from that side, Mr. Speaker.

The Speaker: Talk to the Chair.

[Inaudible interjections]

Hon. Michael H. Dunkley: Now, Mr. Speaker, if the deal is for Bermuda, that is good.

The Speaker: Mm-hmm.

Hon. Michael H. Dunkley: That is what I said, Mr. Speaker. Now, the Honourable Member says, *Hiring*

Bermudians. Well, Arbitrade appears to be somewhat of a ghost company to me. Because they have a board of directors, but as of yet we do not know of any substantive employees.

[Inaudible interjections]

Hon. Michael H. Dunkley: Now, Honourable Members, if there are substantive employees, let's see what they are. The board is upper- to middle-aged men that have no crypto experience, which seems strange.

Hon. Wayne L. Furbert: You don't either, why are you speaking?

Hon. Michael H. Dunkley: The Honourable Member from constituency 6—

The Speaker: Just talk to the Chair. You don't have to get sidetracked. Don't get sidetracked.

Hon. Michael H. Dunkley: —says I don't have any crypto experience.

And Mr. Speaker, no, I take that. I am not sidetracked. I take that. You know why, Mr. Speaker? Because I am not sitting on a board of a crypto company.

Honourable Member, from constituency 6, I am not sitting on a board of a crypto company.

An Hon. Member: Oh God.

[Inaudible interjections]

The Speaker: Come on, come on, come on.

Hon. Michael H. Dunkley: Thank you, Mr. Speaker. I guess the point of order has changed.

The Speaker: Come on.

Hon. Michael H. Dunkley: So I will go on with the questions, Mr. Speaker.

What happens to Victoria Hall if the company is not given a licence by the BMA? I asked earlier who purchased the building, and I think it is appropriate to know where the funds came from because . . . are the token being used in . . . are the tokens being used to fund development and [for] operating expenses, Mr. Speaker?

How much money has been raised through these token sales? How much private money has the company raised? How many tokens has the company sold to date?

Hon. Wayne Caines: Mr. Speaker. Mr. Speaker.

[Inaudible interjections]

Hon. Michael H. Dunkley: Mr. Speaker. I ask that that comment be withdrawn.

The Speaker: Wait, wait, wait, wait, wait, wait, wait! Let me address this. Wait, wait, wait, wait.

Hon. Michael H. Dunkley: No, the Honourable Member from constituency 6.

The Speaker: Wait! Wait! Wait! Members! Members! Everybody take your seat. Take your seat! Take your seat!

I have tried to say to each Member that this has two sides to it. If you let the Member finish, the other side that has the information can respond as clear as he put his question out there. However . . . however, the moment everyone keeps interrupting, you keep getting it further and further down the line that we are not getting to an end of this.

And the side conversations that are coming across. . . you need to make sure that they are parliamentary because if they are not parliamentary, the Members expressing it like that are going to find themselves outside of this Chamber.

It is the last day, almost, I do not think anyone wants to spend their Christmas season having known they have been put out of this Chamber by the Speaker. So I ask all Members to respect the decorum which is supposed to be kept in these Chambers. Everyone will have a chance to speak. We are early tonight on the motion to adjourn.

If each of you wants to speak, we have time for each of you to speak tonight, keeping in mind that we would still like to get out pretty reasonably this evening.

[Laughter]

The Speaker: So I am not encouraging you all [that] you have to speak.

Member, you have a few minutes left.

Hon. Wayne Caines: Mr. Speaker, I would like to highlight my point of order.

POINT OF ORDER

Hon. Wayne Caines: My point of order is that the Member is misleading the House.

[Timer beeps]

The Speaker: Okay. The point of order is made.

I took a minute of your time just now, I will allow you one minute.

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

But first, I want that comment by the Member from constituency 6 to be withdrawn.

[Inaudible interjections]

Hon. Michael H. Dunkley: Mr. Speaker, I want that comment withdrawn.

The Speaker: I stated that I wanted proper decorum conducted here. I missed the full comment . . . there was heckling going on back and forth. I do not know how it was totally directed. So I am going to warn any Member, though. I am going to warn any Member. If I catch a comment that is made directly that is inappropriate, it will be dealt with. And that Member will be asked to withdraw or will be put outside of that chain down there.

So, I am going to pass on this one because I missed it. But I am setting the tone right here and now, that as we go through the rest of this night, that is not going to be tolerated.

You have your minute.

Hon. Michael H. Dunkley: I will just take the 30 seconds then, Mr. Speaker, since you have been fair.

So, Mr. Speaker, I will wrap up, since I have been interrupted. I will assure the Government that we, like them, wish Bermuda to succeed for opportunity and jobs for all Bermudians. But, Mr. Speaker, while we were in Government, we worked hard. We made tough decisions to try to progress Bermuda forward. And while we sit in Opposition, we will continue to ask those tough questions to keep our Government focused on what is best for Bermuda. So if they expect us not to ask questions, not to stand up and probe, they have got another thing coming. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

I recognise the Honourable Minister De Silva, you are on your feet. Minister.

ARBITRADE

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

Mr. Speaker, you know, the Honourable Member read some excerpts from an email exchange that he and I had.

[Inaudible interjection]

The Speaker: Premier? You got it by that time.

[Laughter]

The Speaker: You got it by that time.

Hon. E. David Burt: I'm sorry.

The Speaker: Continue, Minister.

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

You know, the Honourable Member said . . . he mentioned the word "zero." Quite frankly, Mr. Speaker, I think I am going to make a pact with myself, and I would encourage other colleagues on this side to do it, because that Honourable Member continues on this tirade against this company week after week. It is in the news week after week. And I have a question, and I question the Opposition Leader and everyone that sits beside him, Do you all support this tirade by the former, unelected Premier of the country? Because it seems like he is the only one. And when he talks, you do not see any of his Members in their seats.

[Inaudible interjections]

Hon. Zane J. S. De Silva: Pardon?

[Inaudible interjections]

Hon. Zane J. S. De Silva: Did I what, sir?

An Hon. Member: He is the last speaker.

Hon. Zane J. S. De Silva: I am the last speaker. Yes, sir. Oh, I moved it, so I am the last speaker.

See, my Premier and I have some business to do.

An Hon. Member: Seriously, you are the last?

[Inaudible interjections and general uproar]

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

Let me ask the question again, Mr. Speaker. Let me ask the question. Does everybody in the OBA who sits on that side support this tirade every week and the damning of new businesses that are coming to this Island?

[Inaudible interjections]

Hon. Zane J. S. De Silva: That is the question that I have. And I think that is the question that Bermuda needs to ask that Honourable Member. Week in and week out that is all he does. And the reason that no one wants to talk to him is because they say that the trash he is talking is not worthy of a response. And I think that it is high time on this side that if the Honourable Member wants to get up every week, Mr. Speaker, and talk that kind of nonsense, then I think we just let him go. Because you know what? I think the people of this country are reading it for what it is.

Let me end on this note, Mr. Speaker. One that our Premier . . . I think the phrase that he coined, *They are the past and we are the future*. We are going to not look at the past; we are going to look to the future. And you know what? I want to see if the other

Members of the OBA follow his lead on this one. Thank you, Mr. Speaker.

The Speaker: Members, that brings us to an early close this evening. I thank the Minister for rising so quickly. I know you are used to jumping on your feet early. I know you are used to rising early, so I thank you for continuing in that order.

Members, we stand adjourned until Monday at 10:00 am. We will be in . . . for the benefit of our listening audience, we are having the last sitting on Monday, which the public had expected us to close today, but we are having the last sitting on Monday to deal with a matter that is very time-sensitive in reference to our international relationships, and the House has agreed to come back on Monday to solely do that one matter.

Have a good weekend, Members. We will see you on Monday.

An Hon. Member: You too, Mr. Speaker.

[Gavel]

[At 5:32 pm, the House stood adjourned until 10:00 am, Monday, 17 December 2018.]

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BERMUDA HOUSE OF ASSEMBLY**OFFICIAL HANSARD REPORT****17 DECEMBER 2018****10:03 AM***Sitting Number 7 of the 2018/19 Session**[Hon. Dennis P. Lister, Jr., Speaker, in the Chair]***PRAYERS***[Prayers read by Mrs. Shernette Wolffe, Clerk]*

The Speaker: Good morning, Members. I trust everyone had a good weekend.

*[Gavel]***CONFIRMATION OF MINUTES***[Deferred]*

The Speaker: Members, the Minutes from the 14th of December have been deferred.

MESSAGES FROM THE GOVERNOR

The Speaker: There are none.

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

The Speaker: First, I would like to announce that we have received notification from two Members who will be absent today: MP Pearman and MP T. Furbert.

¹OVERSIGHT COMMITTEES

The Speaker: You will also see on the Order Paper that I will be announcing the oversight committees. I am going to defer them until later, but they will be announced before we close today.

MESSAGES FROM THE SENATE

The Speaker: There are none.

**PAPERS AND OTHER
COMMUNICATIONS TO THE HOUSE**

The Speaker: There are none.

PETITIONS

The Speaker: There are none.

**STATEMENTS BY MINISTERS
AND JUNIOR MINISTERS**

The Speaker: There are none.

REPORTS OF COMMITTEES

The Speaker: There are none.

QUESTION PERIOD

The Speaker: There are none.

**CONGRATULATORY AND/OR
OBITUARY SPEECHES**

The Speaker: There are none today.

MATTERS OF PRIVILEGE

The Speaker: There are none.

PERSONAL EXPLANATIONS

The Speaker: Members, there is one personal explanation today.

Leave [was sought] because we were originally coming back not to do anything other than a particular Bill that is on the Order [Paper] today, and the Premier, in a revisit of a Statement that was given, realised that there was a matter that needed to be clarified on that Statement. He would just like to clarify it before the House closes.

Premier, we will allow you to give the personal explanation to provide that clarification.

Hon. E. David Burt: Thank you, very much, Mr. Speaker, and good morning to you.

The Speaker: Good morning.

¹ See [page 522](#)

**SALE OF VICTORIA HOUSE
TO ARBITRADE—PREMIER'S QUESTION TIME**

[14 December 2018]

Hon. E. David Burt: Mr. Speaker, on Friday, during Premier's Question Time, in response to a question about Arbitrade, I indicated that enhanced due diligence was conducted by way of access to the "international Interpol system." I would like to clarify that statement.

The information systems used by Bermuda's Financial Intelligence Agency [FIA] to facilitate enhanced due diligence requests contain information from multiple sources, not solely Interpol. Though this is a minor distinction, I felt that it was important to clarify this for the record.

Mr. Speaker, section 18 of the Financial Intelligence Agency Act 2007 gives the Financial Intelligence Agency the power to disclose information of its own volition or upon request to the Minister of Finance if the disclosure is for the purpose of enabling or assisting the Minister to discharge their functions under any statutory provision.

Mr. Speaker, as directed by me, the Ministry of Finance requested additional background information on the company, its principals, and its beneficial owners. Based upon the information provided by the Financial Intelligence Agency, in addition to the checks already conducted by the Registrar of Companies, the Ministry was able to proceed with the application.

Mr. Speaker, there has been a lot of attention given to Arbitrade inside of this House, in traditional media, and in social media. Some of this commentary has erroneously conflated the Government's approval of a licence for this company to purchase property with due diligence done on any digital asset issued by Arbitrade prior to incorporation in Bermuda, specifically the dignity token.

I wish to make it clear to this Honourable House that the Government of Bermuda has not examined, scrutinised, or approved any digital asset issued by Arbitrade, and to date, no application has been received under the Initial Coin Offering Act [Limited Liability Company (Initial Coin Offering) Amendment Act, 2018 (the "ICO Act")] for the issuance of a digital asset.

Additionally, there has been no licence issued by the Bermuda Monetary Authority to Arbitrade to conduct a digital asset business. The approval for a company to purchase property is wholly unrelated to the Bermuda's digital asset regime and it would not be correct to state that one will affect the other, or to imply, as some have, that approval to purchase property is a sign that other approvals are imminent.

Mr. Speaker, it is my hope that following this explanation all persons, both inside this House and outside this House will allow the process for any licence which may be issued to any company looking

to conduct digital asset business in Bermuda to follow its normal course. We should trust the systems in place and the independent Bermuda Monetary Authority to protect investors and the reputation of Bermuda.

Thank you, Mr. Speaker, for allowing me to make this short, but important, personal explanation.

The Speaker: Thank you, Premier.

Thank you, Members, for the indulgence.

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

The Speaker: There are none.

INTRODUCTION OF BILLS

The Speaker: There are none.

GOVERNMENT BILLS

The Speaker: There are none.

OPPOSITION BILLS

The Speaker: There are none.

PRIVATE MEMBERS' BILLS

The Speaker: There are none.

NOTICES OF MOTIONS

The Speaker: There are none.

ORDERS OF THE DAY

The Speaker: Members, and for the sake of our listening audience, we are sitting today specifically to deal with one matter. It is the only item on the agenda for us today.

It is the second reading of the Economic Substance Act 2018 in the name of the Minister of Finance. But Members and particularly those in the public audience, again, the significance and the importance for us to have this special sitting will become clear as the Minister presents his presentation this morning.

So, I thank Members for their indulgence for allowing us to sit today for this special sitting.

Minister.

BILL WITHDRAWN**ECONOMIC SUBSTANCE ACT 2018***[Tabled 7th December 2018]*

Hon. Curtis L. Dickinson: Good morning, Mr. Speaker.

Mr. Speaker, under the provisions of Standing Order 48, I move to withdraw the Bill entitled Economic Substance Act 2018 tabled 7th December 2018.

The Speaker: Members, any objection to that?

No objections.

Continue, Minister.

[Motion carried: The Economic Substance Act 2018 tabled 7 December 2018 was withdrawn.]

SUSPENSION OF STANDING ORDER 14

Hon. Curtis L. Dickinson: Mr. Speaker, I move that Standing Order 14 be suspended to enable me to introduce the first reading of the Bill which has been revised.

The Speaker: Any objections?

No objections.

Continue, Minister.

[Motion carried: Standing Order 14 suspended.]

BILL**FIRST READING****ECONOMIC SUBSTANCE ACT 2018**

Hon. Curtis L. Dickinson: Mr. Speaker, I am introducing and reading for the first time by its title the Bill entitled the Economic Substance Act 2018.

The Speaker: Any objections?

None.

Continue, Minister.

SUSPENSION OF STANDING ORDER 29(1)

Hon. Curtis L. Dickinson: Mr. Speaker, I move that Standing Order 29(1) be suspended to enable the House to proceed with the second reading of the Bill entitled Economic Substance Act 2018.

The Speaker: Continue, Minister.

[Motion carried: Standing Order 29(1) suspended.]

BILL**SECOND READING****ECONOMIC SUBSTANCE ACT 2018**

Hon. Curtis L. Dickinson: Mr. Speaker, I rise today to address Honourable Members on perhaps the most important Bill to Bermuda's international business sector and to Bermuda's economy that this House has had to consider in recent history.

Mr. Speaker, we are a small jurisdiction, too small to export agricultural products, textiles, cars, boats, or just about anything Honourable Members can think of that would generate sufficient income to run our economy, except for the qualities of our people. There have been explorations in offshore fisheries and seabed mining with international fisheries quotas in the North Atlantic, and the March 11, 2014, Hamilton Declaration on Collaboration for the Conservation of the Sargasso Sea, otherwise known as the Hamilton Declaration for collaboration in high seas conservation, signed by the then Government, are hurdles to overcome.

Therefore, Bermuda's potential to exploit our only abundant natural resource, the high seas, to create an export industry to the level sufficient to sustain our economy is not a realistic aspiration in the short run. Mr. Speaker, it is our people's renowned hospitality to service our tourists and our people's intellect and professionalism to service our international business clients that enables Bermuda as a country to survive.

Mr. Speaker, some parts of the world are envious of Bermuda's success and have now openly attacked the core of our economy, our strongest economic leg, our international business industry. Mr. Speaker, I speak of the European Union [EU] who are fuelled by, or to use the term "egged on" by, non-governmental organisations that believe that if you do not have an income tax regime then something must be wrong with you. That if your tax regime is consumption based instead of income based, then you must be the cause of diverting other countries' tax revenue away from potential use to assist to feed some developing countries and care for refugees, migrants, war victims, et cetera.

Mr. Speaker, such NGOs [Non-Governmental Organisations] have clearly won this round, for they have convinced policymakers in the European Union to attack all low- or no-income tax jurisdictions, including Bermuda. This is despite the global body for cross-border tax policy to which the G20 has for years delegated its global tax competition mandate, and I am referring to the Tax Policy Division of the organisation for Economic Co-operation and Development, better known as the OECD, which has rated Bermuda "largely compliant," meaning cooperative.

Mr. Speaker, when one of my predecessors, Minister of Finance, the late Honourable C. Eugene Cox, wrote Bermuda's May 15, 2000, Level One, Commitment Letter to the OECD, in respect of the

OECD's project on harmful tax competition, along with several of our peer jurisdictions writing similar Commitment letters at that time, it ushered in an era of increased partnership and understanding between the OECD and cooperative low/no income tax jurisdictions.

Mr. Speaker, Bermuda even serves on the OECD Global Forum Working Group on Effective Exchange of Information that produced the OECD model Tax Information Exchange Agreement, called a TIEA, which was published by the OECD in April of 2002. Mr. Speaker, the OECD at that time, and continuing to this day, concluded that low- or no-income tax jurisdictions that have two key elements, (1) transparency in their laws and (2) exchange of information agreements (TIEAs) are *not* harmful.

Mr. Speaker, the OECD rating of Bermuda is "largely compliant," is based on the OECD assessment of Bermuda in mid-July of last year for our compliance with the two key elements, transparency and exchange of information. Mr. Speaker, therefore, Bermuda is one of those low- or no-income tax jurisdictions that the OECD concluded is not a harmful low- or no-income tax jurisdiction.

Mr. Speaker, Bermuda's status as a low- or no-income tax jurisdiction that is not harmful is reinforced by compliance with OECD standards of today whereby we have adopted every form of exchange of information the OECD has thrown at us, such as, automatic exchange of the OECD's version of the US FATCA [Foreign Account Tax Compliance Act], that is, the OECD's Common Reporting Standard, known as CRS, and the OECD automatic exchange of Country-by-Country Reporting Information, known as CbC.

Mr. Speaker, additionally, Bermuda was among the early adopter countries of these automatic exchange of information regimes. I might add that some EU member states were not early adopters of the automatic exchange of information regimes. Mr. Speaker, as mentioned earlier, the European Union, influenced by some of civil society, broke rank with the long-standing OECD standard for low- or no-income tax jurisdictions and independently concluded that irrespective of a low- or no-income tax jurisdiction having transparency and exchange of information protocols, it places it in, nevertheless, a harmful tax jurisdiction—or, in European terminology, a non-cooperative jurisdiction—unless it submits to the EU's economic substance requirements, the subject of the Bill being debated today.

Mr. Speaker, as is the case when one is confronted with a bigger and stronger opponent, a bully on the school playground, you run and tell the teacher, a responsible adult, and you seek assistance from peers of the bigger and stronger opponent. Mr. Speaker, unfortunately, it has been the case that there is, to date, no intervention by the bigger and stronger countries to cause the EU to quickly reverse its demands on low- or no-income tax jurisdictions. I point

out that the EU body at the top of this drive to threaten blacklisting is the EU Economic and Financial Affairs Council, configured commonly known as ECOFIN, the members of which are the Finance Ministers of the 28 member states.

Mr. Speaker, ECOFIN's resolutions on tax matters must be unanimous; meaning, all 28 members states of the European Union voted yes to the EU blacklist regime and its economic substance criteria for low- or no-income tax jurisdictions. Mr. Speaker, while none of the bigger and stronger countries have been able to influence the EU, the OECD under the direction of the OECD Secretary General, with whom the Premier has met, has managed to intervene.

Mr. Speaker, the OECD head of tax recently, in late November, informed several leaders of several low- or no-income tax jurisdictions, including in a bilateral phone call with our Premier, that the OECD will eventually replace the EU economic substance regime with an OECD substance regime for low- or no-income tax jurisdictions. But this eventuality that has been discussed between the EU and the OECD is still a work in progress and, therefore, will not immediately . . . and will likely occur long after the EU blacklisting time limit of February or March of 2019. Mr. Speaker, therefore all low- or no-income tax jurisdictions must comply with the EU's blacklist regime in order to avoid being blacklisted by the EU.

Mr. Speaker, yes, one of the peers of the bigger and stronger opponents, the G20 mandated global standard-making body for international tax cooperation, the OECD, has come to the rescue with an economic substance regime for low- or no-income tax jurisdictions to be administered by the OECD's Forum on Harmful Tax Purposes, commonly known as the FHTP. But as I stated earlier, the cavalry is not due to arrive until long after the EU's February/March 2019 blacklisting date.

Mr. Speaker, so plainly—plainly—what the media and NGOs refer to as "offshore financial service centres" [OFC] are perceived by many in Europe—at the "man-in-the-street" level, and at the political level—as "an antisocial element." Mr. Speaker, it is our duty to continue to fight those misconceptions and prove them to be incorrect. The difficulty of this fight is that incidents like the Panama Papers indicate that some offshore financial centres and/or some practitioners therein, are not up to the standards of others.

Mr. Speaker, Bermuda can and has demonstrated that we are a leading blue-chip compliant offshore financial centre. However, the level playing field concept with global regulatory bodies applied to their initiatives means that Bermuda, at the top of the international cooperation, is often placed in the same bucket as others that are not. Mr. Speaker, we see opportunity arising from the EU substance regime whereby it will force those jurisdictions at or near the bottom, in terms of compliance with international

standards, to raise their game up to the international standard. We also appreciate some overseas companies may view Bermuda as a domicile of choice if companies find themselves in the position of having no choice in establishing a physical presence or economic substance in the jurisdiction where they are registered and thus may seek Bermuda as a domicile of registration.

Mr. Speaker, to the intellectually honest observer, the OECD base erosion and profit shifting initiative, otherwise known as BEPS, is proof in and of itself that we, the low- or no-income tax jurisdictions are not the source of the so-called problem behind the large countries' loss of portions of their income tax revenue. Mr. Speaker, the OECD BEPS initiative has identified and targeted the abusive use of the world network of large income tax countries' double taxation agreements, better known as DTAs, as the leading culprit of aggressive tax avoidance when DTAs are abusively coordinated with a large income tax country's manipulation of their domestic income tax laws.

Mr. Speaker, in recent years we have read press reports about the EU's investigation of what it termed "illegal state aid," and in some cases forcing some of their own EU member states to retroactively apply back taxes on some of the giant multinational enterprises, while at the same time the OECD BEPS has pressured the revising of all of the world's DTAs via an OECD multilateral protocol document, commonly known as the OECD's multilateral instrument [MLI].

Mr. Speaker, because the large countries have felt pain through the OECD's implementation of BEPS anti-tax avoidance initiative, there may be a perception among them that low- or no-income tax jurisdictions must somehow be made to feel or share the same pain. Mr. Speaker, this perception has led today to an EU economic substance regime founded on questionable tax policy conclusions and applied against jurisdictions that do not have the means to manipulate the global network of DTAs, nor the means to fiddle with our domestic income tax law, given we have no domestic income tax law to abusively fiddle with to attract entities of no economic substance.

Mr. Speaker, the entities of so-called "no economic substance" establish themselves in low- or no-income tax jurisdictions after they have avoided large countries' income taxes by being positioned in a multinational corporate structure in a way to take advantage of tax avoidance effect on the DTAs and tax avoidance elements in the domestic income tax laws of large countries.

Mr. Speaker, the domestic tax laws of the large countries can be made to tax their own taxpayers' overseas income rather than the tax deferral, tax credit, or tax offset provisions large countries provide in their domestic income tax laws. Mr. Speaker, we believe the UK is one of the few large countries that

are intellectually honest and recognise that abusive BEPS practices can be addressed by the UK domestic tax law as opposed to attacking the internationally recognised sovereign rights of countries to have a largely consumption-based tax regime.

Mr. Speaker, the UK created the UK Diverted Profits Tax, which is outlined in the UK's Finance Bill 2015, and has the stated aim to (and I quote) "counter the use of aggressive tax planning techniques used by multinational enterprises to divert profits from the UK to low tax jurisdictions," ultimately trying to ensure that no business with UK operations can achieve an 'unfair' tax advantage."

This measure introduced a new UK tax on diverted profits. The UK's diverted profits tax operates through two basic rules. The first rule counteracts arrangements by which foreign companies exploit the permanent establishment rules in DTAs and in domestic income tax laws. The second rule prevents companies from creating tax advantages by using transactions or entities that lack economic substance.

Mr. Speaker, the UK's diverted profits tax regime became applicable from the 1st of April 2015, and, as I just mentioned, its second rule prevents companies from creating tax advantages by using transactions or entities that lack economic substance. Mr. Speaker, the UK diverted profits tax regime does not attack the jurisdictions where transactions or entities that lack economic substance are domiciled.

Mr. Speaker, large countries have the ability to do what the UK has done, but instead they have launched an unprovoked attack on us. Mr. Speaker, I say "unprovoked" because if you have the power to prevent your residents from avoiding your domestic income tax by simply revising your own domestic income tax law, how are you provoked to attack a low- or no-income tax jurisdiction that has cooperated with the OECD for decades by signing up to every tax information exchange agreement the international community of income tax countries has created?

Mr. Speaker, to further prove my point the European media outlet, *Law360 Tax Authority*, reported on November 30, 2018, that "a representative of Google, Inc. recently told EU lawmakers the company would be phasing out a Bermudian structure after recent tax changes in Ireland and by the OECD remove the tax incentive for us to use it."

Mr. Speaker, instead of attacking Bermuda, Ireland made tax changes, and the OECD created BEPS to force all of the world's DTAs to stop abusive tax treaty shopping.

Mr. Speaker, Bermuda's centuries old consumption-based tax regime is not responsible for income tax countries loss of their income tax revenue. BEPS and the much-publicised EU state aid investigations against their own members is proof of that. Mr. Speaker, if one seeks further proof *The Guardian* in London reported on 13 October 2014, the headline, "Ireland to close 'double [Irish] tax loophole.'" And the

article leads with “Apple and other multinationals based in Ireland are to be given a four-year window before the phasing out of a scheme that cuts their tax bills.”

Mr. Speaker, one can now see more clearly the connection to a comment attributed to Google on November 30, 2018 to which I referred a few minutes ago. Mr. Speaker, I encourage Google, to whom Bermuda has been a good host for years, to keep the current scope of your company in Bermuda, in Bermuda. And help your host domicile by establishing the economic substance as required by the EU to your companies that are currently in Bermuda. We will work with you, and with all of our international business stakeholders, to fulfil our collective objective to remain compliant with the EU’s standard and eventually the global community standard for economic substance.

Mr. Speaker, last year on December 5, 2017, the EU listed 17 jurisdictions as non-cooperative tax jurisdictions with a list, which many refer to as the “blacklist,” changing several times since then, as some of the listed jurisdictions met commitments set by the EU and were delisted, and some were added to the list and then taken off. Mr. Speaker, Bermuda has never been listed on the EU’s list of non-cooperative jurisdictions, the EU blacklist. But this decision by the EU not to adopt an approach similar to that of the UK diverted profits tax has placed the world’s low- or no-income tax jurisdictions on the cusp of a watershed precipice by including low- or no-income tax jurisdictions on the EU’s watchlist, the so-called “grey list.”

Mr. Speaker, after months of public speculation, the EU ECOFIN, on 22 June 2018, finally published what is known as the “2.2 scoping paper” setting out the economic substance requirements that must be adopted by low- or no-income tax jurisdictions. Mr. Speaker, ECOFIN is a short name for the European Union’s Economic and Financial Affairs Council, the members of which are the economic and finance ministers of all 28 EU member states.

Also relevant European commissioners participate in their meetings. ECOFIN meetings generally take place once a month. ECOFIN is responsible for EU policy in areas of economic policy, taxation issues, and the regulation of the financial markets in capital movements, as well as economic relations with countries outside the EU. ECOFIN takes decisions by a vote of ministers from the member states.

Mr. Speaker, there are three types of votes in the EU institutions, depending on the European Union’s Lisbon Treaty provisions for the subject being dealt with. It is a simple majority of procedural decisions, qualified majority, a weighted voting system based on the populations of member states used for many decisions concerning the internal markets, economic affairs and trade, and unanimity for foreign policy, defence, judicial and police cooperation and taxation. I emphasise “unanimity.”

Mr. Speaker, though public speculation about the EU’s intentions were rife, and all low- or no-income tax jurisdictions were monitoring events of this, 22nd June 2018 was the first time that a concrete published EU criterion emerged as an official document of ECOFIN; the first time we knew exactly where the goalposts had been set.

Mr. Speaker, Bermuda’s government technical officers have been in constant dialogue with the Code of Conduct group and its partner EU body, the European Commission, even before the 22nd of June of this year. Several further meetings have taken place post June 22nd to endeavour to ensure Bermuda’s legislation meets the requirements of the 2.2 scoping paper.

Mr. Speaker, this economic substance legislation being debated today is necessary to protect Bermuda’s status as an international business centre, and we will continue to lead in complying with global standards. I have already stated that the EU standard will eventually be replaced by the OECD’s global standard, and it is Bermuda’s hallmark that we comply with global standards. Mr. Speaker, we are confident that we can avoid any adverse designations regarding our tax regime, and the structures set by the EU. And if the EU throws more curveballs at us early next year, we will adjust and adapt our regulations in order to continue to defend Bermuda’s interests.

Mr. Speaker, it was said to us, *This is a take-it-or-leave-it situation*. Notwithstanding this aggressive posture, we believe that from this difficult situation can come something positive.

Mr. Speaker, among the positive aspects emanating from this situation are (1) this will level the playing field across jurisdictions, and (2) the OECD will eventually take over the administration of the substance regime, thus making it the global standard. While the origins and pathways of this substance regime toward achieving the status of a global regime could have, in our view, been handled a bit better, Bermuda has always embraced global, or international, standards.

We will seek opportunity from this by continuing to market Bermuda’s attributes as a blue-chip international financial centre.

Mr. Speaker, having in these opening comments spoken for and to our people, Mr. and Mrs. Bermuda, who will be impacted by this legislation, and our valued international business community, I trust my comments were not too long, but I felt that a Bill of such significance requires nothing less.

The Speaker: Thank you, Minister.

Does any other Member wish to speak?

We recognise the Honourable Member—

Hon. Curtis L. Dickinson: Oh, Mr. Speaker, sorry. Sorry. Sorry.

The Speaker: Member, would you yield to allow the Minister just a closing point?

[Inaudible interjection]

Hon. Curtis L. Dickinson: Mr. Speaker, my apologies. I took a pause a little bit too long. I have still got three more pages to go.

An Hon. Member: Oh.

[Laughter and inaudible interjections]

An Hon. Member: Well, read fast.

The Speaker: Well . . . well . . . well, Minister, that is a first.

[Laughter]

The Speaker: You flipped to the end before you should have.

Hon. Curtis L. Dickinson: Well, Mr. Speaker, I apologise for the long lead-in. Now I am going to talk about the Bill.

[Laughter]

Hon. Curtis L. Dickinson: With your indulgence, sir.

The Speaker: Continue on, Minister.

Hon. Curtis L. Dickinson: Mr. Speaker—

The Speaker: Being that the other Member had not started speaking, we will let you continue.

Hon. Curtis L. Dickinson: Mr. Speaker—

Hon. Patricia J. Gordon-Pamplin: I am perfectly happy to yield.

[Laughter]

Hon. Curtis L. Dickinson: And I thank the Member for her cooperation throughout this saga.

The Speaker: Thank you.

Hon. Curtis L. Dickinson: Mr. Speaker, this Bill will impact Bermuda's business community, and by extension Mr. and Mrs. Bermuda, in several ways:

- By imposing an obligation on an entity, domestic or international, involved in relevant activities as defined in the Bill to maintain an economic substance in Bermuda. And in that regard, comply with economic substance requirements set forth in the Bill. Though the

substance obligations will apply as well to local or domestic entities, the obligations will apply only to the extent that a local entity is one that in engages in a relevant activity.

- Establishing requirements to file information through the Registrar of Companies [ROC] by way of an [economic] substance declaration form, and any other appropriate forms developed by the ROC.
- Providing for the tax treaty competent authority for Bermuda under the International Cooperation (Tax Information Exchange Agreements) Act 2005, to exchange required information with EU member states, provided there is an agreement with the relevant EU member state in place under the said 2005 Act.
- Requiring regulations to be made that will provide more detail on the substance regime and whereby such regulations will be subject to the negative resolution procedure to enable the Minister to move quickly to address any required details to ensure continued compliance with the EU standard, even when the Legislature is not in session.
- By applying certain provisions of the Registrar of Companies (Compliance Measures) Act 2017 which prescribed criminal penalties for breach of confidentiality and specifies limited circumstances where the disclosure of information is permitted.
- By providing for the issuance of guidance in such manner as the Registrar of Companies thinks fit.
- By providing for offences in penalty provisions set forth in the Registrar of Companies (Compliance Measures) Act 2017, in respect of the sanctions which will be applied where an entity is determined to have failed to comply with the economic substance requirements and subject to the required prerequisites, and ultimately to apply to the court to prevent the entity from continuing to carry on business, and ultimately result in the exercise of power to strike-off the entity.
- By providing for transitional matters that apply a six-month transitional period for existing entities, but the substance regime will immediately apply to new entities registered after this Act comes into operation on January 1, 2019.

Mr. Speaker, in-scope business activities referred to in the Bill as "relevant activities" for the purposes of this new regime include banking; insurance; fund management; financing; leasing; headquarters; shipping intellectual properties; holding companies; and distribution and service centres.

Mr. Speaker, with respect to certain regulated industries where the applicable regulatory framework already includes heavy substance requirements in

Bermuda (such as banking and insurance) such entities that comply with these existing regulatory requirements will be deemed to have sufficient evidence of compliance with the new economic substance regime. However, this sufficiency will not include the fund sector, and I will go into detail on this in the Committee phase.

Mr. Speaker, the economic substance [regime] will apply to new companies from 1 January 2019 and existing companies from 1 July 2019.

Mr. Speaker, thank you, and now I am done.

The Speaker: Minister, thank you, very much. Are we now at that final page?

Hon. Curtis L. Dickinson: Yes.

The Speaker: Okay.

Hon. Curtis L. Dickinson: For now.

[Laughter]

The Speaker: Would any other Member like to speak now?

We recognise the Honourable Member from constituency 23. You have nothing but a smile on your face; I hope you keep that smile on throughout. How is that?

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

The Speaker: Thank you.

Hon. Patricia J. Gordon-Pamplin: —and I had to sit for an extra second because I wanted to make sure that there was not another page that was being pulled out of the hat along with the flying bird and the handkerchief—

The Speaker: Uh-huh.

Hon. Patricia J. Gordon-Pamplin: —and the flowers that you expect.

But, Mr. Speaker, let me say that, firstly, I would like to thank the Minister for sharing his brief with me because when we have something of this importance and of this magnitude on the horizon for Bermuda, it is very, very important that we are as cooperative with each other so that we can support that which the Government needs to do.

Mr. Speaker, let me commence my comments by saying that it must be tremendously frustrating for the European Union and for the countries that are members of the European Union to realise that a place as small as Bermuda has the ability to stand on the world stage, to punch above our weight, and to

maintain a blue-chip jurisdiction which has appealed to so many companies over the years.

The Speaker: Mm-hmm.

Hon. Patricia J. Gordon-Pamplin: We have done it in a way that they wished that they could have. We have done it with a taxation structure that has worked for our jurisdiction, which has not fallen afoul, and has not encouraged any company to register or operate here which is not as pristine as the reputation that we want to maintain.

Mr. Speaker, I can say that periodically legislation comes before the Honourable House that demands unanimous bipartisan support. We saw a similar approach in the summer when we had to have an additional sitting to be able to agree with the CFATF requirements in order to make sure that we were not falling afoul of the regulations and rules pertaining to that particular issue. And we met it, Mr. Speaker. This Bill today, the Economic Substance Act is another such example.

This Bill, fortunately, had intense information sessions in which the technical officers assisted us in the Opposition of examining the content of the Bill so that we were fully apprised of the implications and of the urgency. The tech team, in my opinion, Mr. Speaker, has given yeoman service to our country in ensuring that the legislation has reached the stage where it is today. They have literally jumped through moving hoops of fire. And in so doing, Mr. Speaker, every time they thought that we had reached where we needed to be, the EU Code of Conduct Committee changed the goalposts, and we had to respond, and we had to comply, and they have done it. And they have worked, I would say, 24/7, 365—perhaps not quite that much, but I am sure they feel as though they have.

So for that, Mr. Speaker, I believe that it is important that we as an entire House express our sincere thanks to the committee, to the tech team, who have worked so assiduously in order to ensure that we have reached the standards that are necessary with this legislation.

Mr. Speaker, the burdens that have been placed upon our jurisdiction were necessary for us to bear because without it, Bermuda would be blacklisted if we are seen to be hosting companies that may not show that they have sufficient substance in respect of the physical presence that has been required to satisfy the OECD and the EU. According to the Minister's brief, Mr. Speaker, the challenges are not just Bermuda's to face. But as a country we pride ourselves on being able to maintain a position on the cutting edge of regulation, not just for our own standards but internationally.

Mr. Speaker, notwithstanding the additional steps that were needed in order to meet the standards imposed, we have to examine the opportunities that

arise from this exercise. We are up against, as the Minister indicated, extremely tight deadlines, in that legislation and supporting regs have to be in place by December 31st. Companies that are registering as from January 1, 2019, will be subject to the new regime. Existing companies have a six-month transitional period by which the regulations and the rules will be applied to them.

I do not know any country, Mr. Speaker, who is happy when somebody tells them to jump, we ask, *How high?*, when we are already on the way up. But that is what we have been faced with in this particular legislation and the demands which have been placed on our jurisdiction, based on the necessity for this. So we can pride ourselves in not just meeting great regulatory standards in isolation, but that we can meet international standards and continue to hold our place on the stage with far larger jurisdictions.

Mr. Speaker, you will know that blacklisting threats are not new to us. It has not been too long ago that the former Finance Minister, the Honourable E. T. Richards, as well as the [former] Premier Cannonier, along with [former] Premier Dunkley, found themselves in situations of having to go and be toe-to-toe and face-on-face with a French jurisdiction because they decided that Bermuda needed to be blacklisted. They had the opportunity to push back. This Government has also continued to maintain our reputation and our requirements internationally to ensure that blacklisting is not our lot. We have the responsibility to our jurisdiction and to our people, Mr. Speaker, to ensure that our country continues to be held in high esteem and in good regard for the regulations that we employ in order to ensure that we do the things that are needed.

Mr. Speaker, one might question, *What are some of the opportunities?* Well, the Minister indicated in his brief, having economic substance in Bermuda, effectively means that you have got to physically set up shop. You have to be seen not to be a shell company; you have got to setup shop. In setting up shop, what are some of those opportunities? We will find that companies will require, perhaps, rental spaces. They will require significant staffing—and maybe significant to their needs. I do not think that it is expected that they go above and beyond to bring in bodies just for the sake of bringing in bodies, but they will have to employ people significant to their needs, Mr. Speaker.

And it is also important to recognise that if a company . . . and let me just back up one second to say that having a presence is based on a company carrying out the relevant activity that is delineated in the legislation. So let me just say, Mr. Speaker, that many companies already conform to that requirement. And we have, as the Minister indicated, other standalone legislation—such as banking legislation and insurance legislation—that demands in and of itself the necessity to have a physical presence in order to show economic substance. So, the regulations

that will append to the Act that we are debating will actually provide a carveout for those industries by virtue of the fact that they are required under their own specific legislation to comply. For that, the impact on some of our larger insurance companies, will not be that significant because they are already required to conform [to this] based on their separate legislation.

Mr. Speaker, it is important as we go through this that the Government advises the public. The Minister wanted to speak to Mr. and Mrs. Bermuda. It is important that we look at how we accommodate the need for new companies or new compliances, to be able to staff their entities to comply with the legislation. It may mean that there has to be a certain relaxation when it comes to immigration. We may find that there might not be sufficient talent on Island at the moment . . . insufficient numbers to adequately meet the demand which will be required by this Act.

I just want to say that we have to be mindful that when we look at immigration as an issue, we cannot succumb to creating a frenzy because it is a good talking point. We have to ensure that we have the vision that supports the needs of the country. And so it may be necessary to bring people in and to have an immigration policy that accommodates in the short term an atmosphere which permits these companies to be able to comply with these new requirements.

Mr. Speaker, some of these very people who may be required to come in under different immigration policies are going to be the ones who help us save our bacon, in terms of the requirements that they are placing upon us as a jurisdiction to be able to conform with this new legislation. Mr. Speaker, it is going to be important that companies are able to have boots on the ground in short order. And in the same way in which we were able to respond to the legislation to ensure that companies fulfil what they have to do, we also have to conform and respond to the requirements to ensure that companies can have the necessary boots on the ground as they comply, as time goes forward.

Mr. Speaker, I do not wish to be naïve in assuming that all of the positive points of this legislation would be the only challenge that we have in its implementation, because I think it would be naïve if we did not address the fact there could conceivably be some downside. And I say “some downside.” I do not want anybody to believe for a second that I am thinking that the sky is falling, because I believe that we have shown our ability to rise above, but I think we have to be realistic. There may be some companies, Mr. Speaker, who elect not to continue their presence in Bermuda for varying reasons. While they may be engaging in some of the relevant activities, they might start to look at some of their options to relocate onshore as the new United States administration is starting to make things look a little bit more appealing to them, and they may start to reconsider.

But that is okay, Mr. Speaker. And I say it is okay, not because I want to embrace the fact that we may have some job losses in the process, but it is okay if it means that someone has to leave in order for us to be able to maintain that level of excellence that is expected of us as a jurisdiction, and on which our basic economy is built.

Mr. Speaker, I know that some of the recent mergers and acquisitions which have occurred in the insurance industry . . . it is imperative that we continue to closely monitor and that we look at any possible diminution in the workforce that is likely to arise from that phenomenon coupled with what is going to be required here as companies consider whether they wish to use the six-month transition to comply to a new standard or whether they choose to relocate elsewhere.

We heard the Minister give an appeal to Google, to whom we have been incredible hosts, and as opposed to them taking advantage of an opportunity to say that they will relocate, to invite them to consider staying and setting up and meeting the substance requirements that are outlined in the necessities of this Act.

So, Mr. Speaker, I believe that when this legislation is enacted, we can make lemonade out of the lemons that we have been dealt. We will continue to be a jurisdiction where transparency is the key. We will continue to say that we can have the information exchange that we have been known for. And if there are more TIEAs that have to be signed, we will obviously comply and conform with that requirement, Mr. Speaker. Because I think that once all is said and done, when the dust has settled, and when we have implemented this legislation and we have jumped through the hoops, as we said, not just as a technical team but as a country, once that is all said and done, when the dust settles, I believe that Bermuda will be considered in the light in which it has always been, once we went into the international business arena, and that is a jurisdiction that is well regulated.

Mr. Speaker, the one thing that obviously gave me a little cause for pause because of the demands was that of the requirement for information on beneficial ownership. Now, we know that this has been an extreme sticking point. If the idea of beneficial ownership is one that is going to . . . or the requirement is one that is going to be applied across the board internationally so that every country ranks *pari passu* with the next, then perhaps we can say we do not want to fall below that standard. But we have been asked to do things which other countries larger than us, with more resources than ours, do not have to do. They do not have to do these things, Mr. Speaker. And it is very interesting that because of our jurisdiction, and obviously with the threat that we pose to the stability of some of these larger countries who think that their tax base has been eroded because of Bermuda's excellence and they just have not figured

out how to effectively respond. So they have come with a club, and with, you know, the bully attitude to which the Minister referred, to say, *You will do things our way*. And because we have no choice in this matter, Mr. Speaker, we will do things their way and we will get them at some point to understand that even though we will do things [their] way we will still find a way to outstrip and to excel because it is what we do.

We know how to respond, Mr. Speaker, to challenges. We have seen it from the advent of our international companies' business. We have seen it across various administrations and we recognise what is needed in order for our 21 square miles to stay afloat. And we will examine ways in which our responsibilities are maintained on an effective basis.

Mr. Speaker, in closing, I would want to say that we support the legislation because, as I said, we have no choice. We will continue to work together with the Government. We will support the Government in its bid to keep us from being blacklisted, [which would] thereby create a detriment to our economic success. It would be remiss of me in closing though, Mr. Speaker, if I did not also express appreciation to the companies who have gone through the consultative process and given their input and given their fears and given their observations and the realities that they will face on a practical basis, and recognising that they have a very short time within which to comply. It may not necessarily be easy for them, but I believe that when we all work together and when everybody lifts together, the load will be lighter than if we were lifting alone. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

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

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

Mr. Speaker, I would like to first thank the Minister of Finance who has done stellar work over the past month to get us to this particular point. He took over the brief from me, and as he sometimes says, he feels like he is drinking out of a fire hose.

An Hon. Member: Hydrant.

Hon. E. David Burt: Hydrant—fire hydrant, sorry.

[Laughter]

Hon. E. David Burt: Such is the nature of Government, clearly. But I also want to thank the technical officers who are here inside of the Chamber. With the Business Development Unit, and the Attorney General's Chambers, and the Bermuda Monetary Authority, and the Ministry of Finance and all those who have been literally working around the clock to make sure

that we are here today to pass this very important piece of legislation.

In addition, Mr. Speaker, I would also like to make sure I thank, not only the technical officers who are here, but also the persons inside of industry who have been very helpful over the past year as we have been dealing with this particular threat, and those who would be on the Insurance Advisory Council who advise the Minister of Finance and have been working closely with the Ministry on these particular matters.

Mr. Speaker, this has not been an easy process at all. And after much discussion, numerous trips, conference calls, and communications with the European Union, we are at this point on a Monday. Today's debate is without question an important one, and many such debates are taking place in special sessions in Assemblies throughout the Overseas Territories, as we look to meet the political commitment that was given by myself and other fellow Overseas Territories leaders last year to the European Union.

The conversations amongst Premiers and Ministers of Finance of the Overseas Territories have been constant. We all recognise that this process has been less than ideal; however, we are here today, Mr. Speaker. And today we are going to pass legislation which some fear may be the end of Bermuda. Well, I want to make it very clear, Mr. Speaker, that I am sure that all 36 Members who sit inside of this House will make sure that this is not the case.

Because we have an international standard which we have to live up to, and as international standards are changing, Bermuda as an international financial centre must continue to play its particular part. The only thing is, Mr. Speaker, in this particular case, what we are doing is not necessarily in response to an international standard. What we are doing is in response to the European Union who has decided that due to whatever political pressures they are facing at home, that this is the best way to address this particular situation.

The issue is, Mr. Speaker, that we are clearly transparent in our taxes. We are clearly transparent with the information of which we share. And we are compliant with the latest international standards. The truth of the matter is that it is not tax changes [in Bermuda] that are going to address the challenges which are needed, but it is tax changes and laws that are going to be required in other jurisdictions and not ours. However, as those changes seem to be difficult, they seem to have taken a different approach, and this is the approach [which] they have [ended up with].

The global financial system, Mr. Speaker, in my opinion, works best when it is done in a way where there is consensus across all countries and all regions of the world. The OECD Global Forum is the correct structure for this. However, for whatever reason, the European Union decided to go outside of that remit and push ahead. As the Minister of Finance has noted, the OECD is looking to adopt a lot of the items

that are inside of the EU standard to apply to a new global standard. But that global standard is not here. So we are now being subject to what many of us have found to be a subjective process.

The process has not been clear, Mr. Speaker, and it has been difficult. The European Union did not issue guidance until July on this particular matter, even though this process has been ongoing for a while. So it was not until July that clear guidance was issued from ECOFIN. After that, and as the Government and industry worked together to fashion legislation, it seemed as though they were continually changing views, as other people said, *the continuously moving goalposts*. And I said, Mr. Speaker, Bermuda is not unique, as this has been the experience of many other countries which have been unfairly targeted by the European Union, and, as I said, the conversations between ourselves and other Overseas Territories, has been constant.

Mr. Speaker, this will represent a change to the way that we do business. There is no question about it. But for it to be successful, it must be fairly applied to all countries. And the assurance that I want to give to industry that are listening, and for those persons who have been customers of Bermuda for a very long time, what I will make sure to ensure is that we will check to ensure that this is fairly applied to all countries, Mr. Speaker. Because the European Union has said that there will be no exceptions, we will look to ensure that there will be no exceptions, Mr. Speaker. If Bermuda is going to make changes, then the rules that apply to us have to apply to everyone else, because I am certain that this Parliament will not allow ourselves to be put at a competitive disadvantage, based upon what other countries are doing. And so for that, it is very important.

So I want to give that assurance to industry, that we are going to watch and ensure that this is going to be fairly applied across the board to all countries. And if it isn't, then we might have to have another discussion, Mr. Speaker. And there might have to be additional changes. Because there cannot be a case where certain countries are put at a competitive disadvantage to others due to a system which, as we have found out, has not been the most fair and/or transparent system, a system which even some persons inside the European Union have recognised has not been a fair and/or transparent system, that there are some things which are being applied to third countries which are not being applied to their own particular country, Mr. Speaker. And so, for that, during the transition period, we will take a very careful [look] to ensure that this process in being implemented in a fair fashion.

However, Mr. Speaker, we have to accept, and as I explained when I had meetings with the Insurance Advisory Committee and the wider consultative group of about 40 persons, global standards are changing. And they are constantly changing. Twenty

years ago there were such things as secret bank accounts, where no one knew, and they were just accessed by a number. That is not the case nowadays. And that will not be the case going forward. There will be a continued evolution of global standards. And this is just one of those particular steps.

What we have to do, Mr. Speaker, is that we have to collectively figure out how we are going to meet this particular challenge. I am gratified by what seems to be the recent consensus from industry here locally that is emerging, which has stated, as long as these items are fairly applied to all countries, there are opportunities for Bermuda to grow. And there are opportunities for additional jobs and economic activity inside of Bermuda due to the quality of our jurisdiction. But that can only be the case, Mr. Speaker, if these items are applied fairly to all countries.

What I want to say, Mr. Speaker, is that just like when there was US tax reform last year, and when the Government met with industry and assured them that if any approvals were needed to facilitate either the relocation of staff or anything to make it easier to make a success, I would say, of these particular changes, the Government will listen and act accordingly. Because I am sure what all of us want, inside of this Chamber and inside of this country, is for there to be more jobs and for there to be more economic activity.

There are some who have said that economic substance can be a benefit to Bermuda. I can agree with them. But we also have to recognise that it will be a significant change and there will be some companies that will elect not to continue their presence in Bermuda. This is something that we have to recognise, Mr. Speaker, and that is something that will be a fact. What we have to do, however, Mr. Speaker, is work collectively. And I say that very often because items, such as today, and unhelpful headlines that have been read that can create uncertainty inside of our industries, is not where we need to be.

So, I want the listening public, I want the Members of the Government and the Opposition and you, Mr. Speaker, to understand that this Government will lead collectively in this effort working with industry to ensure that this fundamental change is a success. We will do whatever is required to ensure . . . whether or not that is meeting with the highest levels of the affected companies. The Business Development Agency and ourselves are already formulating a strategy in order to do this. The Business Development Agency have already been meeting with affected stakeholders, fine-tuning our messaging out of this to say, *What are we going to say to the world to let them know what these changes mean and how these changes can be a benefit?* We are going to continue that work and that effort, Mr. Speaker, because it is essential.

Change is never easy for anyone, And for this it will mean a fundamental shift in many companies, in

many law firms, in many accounting firms, in many service providers, and many people in the trust and private client areas, et cetera. However, we will meet this challenge, Mr. Speaker. And part of the way we will meet this challenge is by making sure that the Government makes the investments in technology to make sure that these new processes are not overly burdensome, that we can make them quick, and that we can make them efficient. It will cost money, Mr. Speaker. It will require an investment. But for an international financial centre like ours, we have to be there to make sure that we are keeping up with the standards.

And the other thing I want to say, Mr. Speaker, is that there has also been discussion as to whether or not we can start forming regional bodies of cooperation to share some of these compliance burdens which may make it a little bit easier for us to compete and will make it less burdensome on some of the countries that are affected.

This, Mr. Speaker, is not easy. This is not something that we would have done under our own volition. But as long as international standards are changing and as we hold ourselves to be the premier international financial centre, we have to keep up with them. Our insurance industry is too valuable to risk being placed on any European Union list, and we will not be on any European Union list, Mr. Speaker. We will continue to remain in these good graces and this Act is another step in that particular direction.

So, in closing, Mr. Speaker, I wish to congratulate, again, the Minister of Finance. I wish to thank the numerous officials who have worked night and day to get us to this point. And what I will say, Mr. Speaker, is I will call for unity, not only inside of this Chamber, [but also] inside of the business community, and everyone else. Over the next six months we must make this regime work. This Government will lead that effort and we expect to have all hands on deck to ensure that we can make a success of it. Thank you, Mr. Speaker.

The Speaker: Thank you, Mr. Premier.

Does any other Member wish to speak?

We recognise the Deputy Opposition Leader. Honourable Member, you have the floor.

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

Mr. Speaker, first, I would like to ensure the Premier that he has our collective support in making sure that this initiative works, and that we remain as the premier jurisdiction that we are.

[Desk thumping]

Ms. Leah K. Scott: Mr. Speaker, I have been riding this train for a very, very long time. Bermuda exemplifies the old adage that *if you build it, people will come.*

The Speaker: Mm-hmm.

Ms. Leah K. Scott: We created a model that has been successful. We have created a model that has worked for years, and we are known, among other things, as being a jewel in the Atlantic.

Mr. Speaker, because the OECD taxes its people heavily and they do not like the fact that people who do have money are able to transfer their wealth to other jurisdictions [where] they can be charged lower taxes, they want to vilify the international financial centres. So they bully us into complying with taxes, as others have spoken today, which they do not apply to themselves.

Now, Mr. Speaker, the EU has not managed their affairs in a way that has been financially viable, and so they are turning to the international finance centres to sponsor them. So they started out with the UBO [Ultimate Beneficial Ownership] Register, they started out with us complying with all kinds of KYC [Know Your Customer] regulations, and this whole process, Mr. Speaker, has been a progression.

We started with TIEAs in 2009. Then we started with FATCA in 2010, and UK FATCA, the common reporting standard in 2017, country-by-country reporting, the UBO Register started in 2013, and now we have EU substance. And just to, Mr. Speaker . . . I want to just address the level of hypocrisy that the OECD and the EU have applied to us in terms of what we are required to do. And I would just ask for Members' patience—

The Speaker: Mm-hmm.

Ms. Leah K. Scott: — and I would like to read to you, Mr. Speaker, if I could what is required to open up a bank account in Bermuda.

The Speaker: Continue on.

Ms. Leah K. Scott: So this is the local bank, Mr. Speaker.

The Speaker: Yes.

Ms. Leah K. Scott: So we have to complete the local bank's application form. We have to provide a copy of the trust instrument and its structure chart.

We have to provide a certified abstract of the trust deed, or a letter issued by a regulated trust company, or a law firm acceptable to the bank providing a certified abstract of the trust deed and confirming the following information: The name of the trust; the legal form nature and purpose; date and country of establishment; the trustees; its purpose and objects; all beneficiaries; classes of beneficiaries; any other parties; all donors, settlers, grantors, and other persons making the arrangements; confirmation as to whether additional funds or assets will be paid into the trust, by

whom and when; and the details of the relationship of the seller to the beneficiary.

Then we need a statement of assets within the trust and their current value, and this statement has to be certified.

In addition to that, we also have to have an accountant certifying a statement with their full name, signature, occupation, professional registration number, professional address, telephone number, email address, [and] date on which the document was certified.

For each beneficiary we have to have a certified or notarised copy of a passport [and] declaration of tax status. For each US national a W-9 form. A current utility bill. For each authorised signatory, a certified or notarised copy of a passport; a certificate of good standing for a company; source of wealth; provision of audited statements; information from the company's website; [and] source of funds.

Have dividends been paid? What were the dates they were paid? What was the amount? Who paid them? How long has the trust held the shares of the company?

Mr. Speaker, that is just to open up a bank account in Bermuda. Let me tell you what you have to do to have a bank account in the UK.

An Hon. Member: Come on. Give it to us.

[Inaudible interjections]

Ms. Leah K. Scott: A tenancy agreement, a recent utility bill or a credit card statement—in the UK.

[Laughter]

An Hon. Member: That's it!

Ms. Leah K. Scott: Let me tell you about Switzerland. Swiss banks are happy to have foreign residents as customers. You can hold an account in Swiss francs or in an array of other world currencies.

All banks require customers to prove their identity with an official document, usually a passport. And if you cannot go to Switzerland you can mail your passport in!

An Hon. Member: No!

Ms. Leah K. Scott: Yes!

An Hon. Member: Wow!

Ms. Leah K. Scott: And if you are concerned about privacy, you can get a numbered account, Mr. Speaker!

An Hon. Member: Wow!

Ms. Leah K. Scott: But they want us to go through all of this to demonstrate that we have to comply with their foolishness.

Mr. Speaker, there is a thing called “sovereignty.” And if you will allow me to read the definition of sovereignty.

The Speaker: Continue.

Ms. Leah K. Scott: Sovereignty means that nation states are free to decide *for themselves* about the kind of democracy that they want, the kind of rulers that they want, and their policies, internal and externally. Often the concept of sovereignty is invoked to delineate the distinction between taking decisions on their own by nation states and to be autonomous and independent when they pursue policies that are in *their* interest and their people’s interest and not according to the dictates of a foreign power.

Mr. Speaker, you know, the EU has devised this, *We-are-doing-this-for-your-own-good*, kind of thing. Base erosion and profit shifting is where people shift their money from a higher tax jurisdiction to a lower tax jurisdiction. Mr. Speaker, if a company is being prudent in its business management, why is that a problem? Every country has a tax base, and that tax base determines the level of taxes that people pay. The level of tax that they pay should be enough to manage their infrastructure, invest in education, invest in technology, to do the things that they need to do as a jurisdiction.

But, Mr. Speaker, I could be wrong, but what I think is—and please excuse me, and if I am out of line you can tell me and I will take my seat.

The Speaker: Go on.

Ms. Leah K. Scott: The OECD consists of a bunch of wealthy, non-black people—

An Hon. Member: Ooh.

Ms. Leah K. Scott: —who are not happy with this jurisdiction of brown people being successful.

[Desk thumping]

Ms. Leah K. Scott: So, *how can it be that those brown people down there are buying houses, and they are being successful, and they are running businesses? How can that be?*

And I get that there are other jurisdictions that are also being caught up in this, and Crown dependencies. And maybe those jurisdictions do not have brown people. But let me tell you something. We have been successful as a jurisdiction and they can’t stand it. And so because they can’t stand it, they want to make sure that our success is taken away.

An Hon. Member: Correct.

Ms. Leah K. Scott: But you know what? We will rise out of these ashes!

An Hon. Member: Exactly.

Ms. Leah K. Scott: We will not be subjected to *their* plan. And as the Premier said, we will go along with the things that they have required of us, but we will be who we are, and that is the jewel in the middle of the Atlantic.

Now, Mr. Speaker, there are people who have said, *Well, why don’t we get blacklisted? Why are we complying with this?* Blacklisting actually is not an option. When you are blacklisted you cannot do anything. The banks will not process money. So it is not anything that we can do. But we can show them that we are still able to be the jurisdiction that we are.

Mr. Speaker, this is going to increase our cost of doing business, and we have already seen that the BMA increased their fees. We passed that legislation a couple of weeks ago. This is going to be a burden to us. But at the end of the day, as others have said, it will also be an opportunity. I am looking forward to the opportunity. I am looking forward for us to show the EU that we can survive that no matter what they want to do to us.

And, you know, we have to now as a jurisdiction start being creative, Mr. Speaker, because one of the things the legislation does do (if you want to call it that) is impose upon us a level playing field, including Cayman [Islands], BVI [British Virgin Islands], and those other jurisdictions. So now we have to get creative in our legislation. We have to get funky with our marketing. We have to develop products and develop things that will continue to allow people to invest their money in Bermuda and want to be here as a jurisdiction. And I think that as we work together, we can do it.

Now, Mr. Speaker, there have been people who have criticised the Premier and the Government about this. I am going to tell you this. If God were directing this himself, it would not make a difference because the EU thinks that they can do what they want. So I give kudos to the Premier for his efforts. I give kudos to all of the people from the BMA and the technical officers because they have done yeoman’s work.

I have sat in the industry meetings, Mr. Speaker, where we have reviewed the legislation and we reviewed consultation papers and we have asked them to go back and, you know, say, *Can we change this? Can we change that?* And I cannot imagine anything more humiliating than being an educated person, in a senior level position, and asking for some concessions and being told no, and being told, *We don’t care what happens to your country.*

The Speaker: Mm-hmm.

Ms. Leah K. Scott: It is ridiculous, Mr. Speaker.

And we should not be subjected to it.

But we are, and here we are!

And so we will rise up to meet the challenge and we will continue to be successful. Yes, we may lose some revenue, but I think that we will also gain some. And we are all going to be all right in the end.

Again, thank you to everybody for your efforts. And we will see what the next six months will bring. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

We recognise the Honourable Member from constituency 21. Honourable Member, you have the floor.

Mr. Rolfe Commissiong: Mr. Speaker, thank you for acknowledging me here.

Mr. Speaker, if only we were sovereign!

An Hon. Member: Yes.

Mr. Rolfe Commissiong: I have a feeling that the sovereign nation that we are affiliated with as a colony has no objection to what the EU is doing. Somebody could stand up and correct me, but that is the world we live in.

Mr. Speaker, when most Bermudians blithely go about their daily business, and when the festive cheer makes its appearance, we are called to this Chamber to deal with a matter of monumental importance to the country and its future. Mr. Speaker, the EU has once again, along with other global bodies, raised the bar considerably to ensure that Bermuda complies with regulations that are imposed and will in turn become a global standard that will undermine our global and strategic competitiveness.

Mr. Speaker, let me just, for the sake of Mr. and Mrs. Bermuda out there, convey to them the ground zero substance of this Bill. Again, the revised Bill is called Economic Substance Act 2018, and I want Mr. and Mrs. Bermuda to hear this.

Clause 3, section 1 and 2, says as follows—

The Speaker: Now, Member, you reference to clauses of which Bill?

Mr. Rolfe Commissiong: Of the Economic . . . the revised Bill that we were handed this morning, Mr. Speaker.

The Speaker: We are not in Committee yet. You cannot speak to it.

Mr. Rolfe Commissiong: Yes, I was not going to—

The Speaker: You cannot speak to it.

Mr. Rolfe Commissiong: Okay.

The Speaker: You cannot speak to it.

Mr. Rolfe Commissiong: Well, the Bill—

The Speaker: When we go to Committee, you can speak to any clause you want—

Mr. Rolfe Commissiong: I got it.

The Speaker: —as long as [we] are on that clause.

Mr. Rolfe Commissiong: Okay.

The Speaker: But we are not in open debate right now.

Mr. Rolfe Commissiong: I am not drawing attention to it. Mr. Speaker, we all know, as the Finance Minister indicated, that the EU requires that all companies which are, in our parlance, exempt companies, foreign owned companies that are registered in Bermuda must, if they have not a physical presence, establish one in Bermuda within the next six months, or Bermuda must ensure that they are no longer on our Company Registry, in short.

Mr. Speaker, and I understand, and [it] may be an estimate that I am giving you, that we are looking at 12[,000] to 14,000 companies on our Company Registry, maybe 4[,000] to 5,000 of those are Bermudian companies, along with those in IB. We could be looking at between, again, a rough estimate, 6[,000] to 8,000 companies. It is unrealistic to think that even 95 per cent of that figure of companies will decide to domicile in Bermuda. And, frankly, we do not have the capacity to accommodate them. We do not.

Perhaps we will get a few score to do so, 20, 30, 40, 50, 100. We can derive some economic benefit from that. But if people are weighing this on a cost benefit analysis, this does pose an existential threat to Bermuda.

Now, positively speaking, as many have indicated, it does not seem that this is going to affect our foreign owned exempt companies that do have a domicile here for over the past 30, 40 years, particularly in our bread and butter business, which is the insurance sector, captive reinsurance, general insurance. Bermuda has operated in a way, it has been an intrinsic part of the global ecosystem. Those companies will continue to flourish in Bermuda.

But the reality is that most of that business which provided those services for those 6[,000] or 7[,000], or possibly 8,000 companies, those law firms and other service providers are faced with a major challenge that really goes to the heart of their business model.

Mr. Speaker, over 50 years ago you would have had a pioneering law firm, such as CD&P [Coyners Dill & Pearman]. The scion of one of its founders, Mr. Pearman, is here in this Chamber as a sitting Member, that company, along with—

The Speaker: Try not to make it personal now.

Mr. Rolfe Commissiong: That Member and the then AS&K were the pioneers in this business. But even before that, going back to Sir Henry Tucker, with the trust business, with his experience on Wall Street, going back to the 1930s, perhaps, he began to position Bermuda as a place that could become a refuge for foreign capital assets. So even while Bermuda's tourism industry was growing, that was always a small, but significant, part of what Bermuda was in terms of what it represented in terms of its overall economy.

Mr. Speaker, a major sea change occurred in the 1980s, and that was the so-called revolution that occurred in the Western world, particularly around countries such as the UK and the USA, personified by its leadership at the time of President Reagan and Margaret Thatcher. I spoke of this a couple of weeks ago. It is during that era, characterised by a philosophical sea change in terms of government and politics whereby it ushered in what we now commonly refer to as a neoliberal era, which then gave birth (to some degree) to what we now know as a global economy. Bermuda as a major offshore centre, and others, became intrinsic to the establishment of that new global economy—1980s.

Mr. Speaker, I believe, and I have said before, that that era has changed. It is over now, I should say. And it ended in 2008 with the Great Recession. So Bermuda benefited along with these other offshore tax, low- or no-income tax jurisdictions, as the Finance Minister says. As a consequence of the things that were put in place, around what is called the assumptions underlying neoliberalism and the global economy, with Bermuda and the rest of these offshore jurisdictions, and Bermuda being a major beneficiary. The question now is, If that era is indeed over (and I contend it is) how are we going to reposition ourselves?

And I see Members exuding optimism here, including the Premier and I agree with him because Bermuda has been very resilient, and has always been able to meet these strategic challenges over the last 100 years or so. The question is, How will we meet this challenge? That is the question. Because it is real.

I might also add that, again, [regarding] the sovereign of which we associate ourselves, the UK, let's not forget, there is another deadline there as well. And maybe the Finance Minister will talk about this, because they have been after us to provide or establish a public registry of beneficial ownership. Some even view that as even a more major threat, or just as

much of a threat, as what we are dealing with now, from a strategic standpoint.

An Hon. Member: Yes.

Mr. Rolfe Commissiong: We also know that this deadline is probably imminently upon us, probably within the next 5, 6, 7 or 8 months, I believe. I stand to be corrected.

So, again, if in 2008, that era which gave rise to these offshore business centres, such as Bermuda, came to an end, and if, as I contend, we are going through a transitional period, post 2008, look at the politics in Europe, look at the politics in the US and in other countries. The question then is, What is going to come out the other side?

We have seen indications that it could be very, very ugly. Look at the politics in the US right now. Look at the politics in Europe and the UK. I might also note the question of France right now. What are they protesting over? They are protesting over the taxes that have placed a major burden upon lower- and middle-income people in France, and more particularly, in terms of the cost of living. These are issues that resonate quite powerfully.

So some of the stresses and strains and pressures that are imminent right now in European politics is also exacerbating the moves to rein in offshore centres like Bermuda who have done quite well, over the last three or four decades. Again, that era has come to an end. The question then again remains, How will we adapt to the new geopolitical realities that are quickly emerging and concretising right before our eyes, globally?

So, Mr. Speaker, moving on, I remember during the previous five years when we were in Opposition, that every now and then we would take a reputational hit, particularly around the issues of Google and the machinations around taxes by utilising islands, the Netherlands and Bermuda, to be able to avoid having to pay a major share of its tax burden to its home country.

It was clear over the last five years that our role in that was causing increasing reputational damage to Bermuda. I always remember standing up, Mr. Speaker, as you may recall, and saying, *Well, at the very least, shouldn't we (the government) be getting paid, in terms of fees, a little more* (in terms of the fact that we were incurring reputational damage)?

I remember at the time, Mr. Speaker, these companies, including one of the richest companies in the world, such as Google, probably early in 2012 or 2013, certainly even before we lost the Government (i.e., being the PLP Government), were paying no more than like maybe between \$7[,000] and \$10,000 per annum in fees. I note that the last Government, the previous Finance Minister, not Mr. Burt, of course, I am talking about Mr. Richards, had proposed to take it up to \$25,000, a paltry sum, especially because of

the fact that it was causing us increasing—increasing—reputational damage around the world.

Well, it is clear now that they have stepped up and said, *No more*. Mr. Speaker, the French have an expression, it is called, *realpolitik*, and that is an expression associated with politics. It essentially, boiled down to its essence, means that “might makes right,” that political decisions should not be contingent upon romantic notions, or even morality, but only what is in extreme self-interest of your country.

Notwithstanding the fact that we know, for example, that on the continent of Europe itself you have tax havens (to use that term), such as Ireland, the Netherlands, Luxembourg—all members of the EU—Switzerland, an affiliated member. We know that. But yet, they would ask us to do what they themselves are not prepared to impose upon their own member countries.

That is an example of *realpolitik*. And so all this cry about, you know, misplaced assertions that somehow we are a sovereign nation and they should treat us as one is totally misplaced because, one, we are not a sovereign nation. We are affiliated [with] one and are dependent on one as a colony. And they have the might, and they are determined to impose that might and their will upon a small, politically weak country, such as Bermuda, and the other tax havens.

I have not yet heard the Prime Minister of the UK stand up to defend our interests here. In fact, her government abandoned us on the issue of beneficial ownership and the public registry, if you will recall.

Mr. Speaker, I would just say this in closing. I do share the confidence in Bermudians.

An Hon. Member: And the Government.

Mr. Rolfe Commissiong: I share deep confidence in the Government.

[Inaudible interjection]

Mr. Rolfe Commissiong: You are welcome. You are very much welcome.

[Laughter]

Mr. Rolfe Commissiong: I am emboldened by the spirit of bipartisanship around this issue. But let’s be under no illusion. This will be a major challenge to us and it is not over. Let us not be fooled into thinking that if we agree or acquiesce to this, as we will do, because they have all the leverage and we have little or none, that this will be it.

As the Member Leah Scott has stated, *We have seen this bar continually rising*. And it goes even back over the last five years. Go back to when we were the Government in the 2009, 2010, 2011, 2012 period. Every time the House sat we were passing two or three TIEAs, or statements were being read about

the tax treaties that we had entered into with respective countries around the world. Over the last year and a half, Mr. Speaker, you would have thought we were the government of FATCA, in terms of passing compliance legislation.

How many Bills did we pass along those lines, post July 2017? They were extraordinary. So much so that some of our grassroots supporters . . . I can understand them wondering, like, *Well, hey, is that what we elected them for?* Not understanding how important this was to Bermuda’s economy. But yet, the bar continues to be placed higher.

So, Mr. Speaker, I just want to say this here. If the world is changing, as I contend it is, not only do we need to ensure that we are going to be able to make the necessary moves to ensure that Bermuda’s economy can maintain its global competitiveness, but we also need to take another cue, and continue in a bipartisan fashion to make the type of changes that are going to improve measurably the lives of Mr. and Mrs. Bermuda. We have to be transformative, not only in terms of this issue, but on the social issues as well, to bring all of our people along with us. I am confident that we can do that.

[Pause]

The Speaker: Are you looking for your final page as well?

[Laughter]

Mr. Rolfe Commissiong: Yes, I am looking for my final page as well, Mr. Speaker.

The Speaker: Okay.

Minister, you started something today.

Mr. Rolfe Commissiong: So I will just close with this, Mr. Speaker.

I think so far it has been an issue that I hope will resonate publicly. Again, it asks of us some very deep and profound questions about who we are as a country and what type of country do you want to be. I have heard expressions of the issue of using the term “sovereignty” being bantered about in this context.

So, I look forward, frankly, as we move forward, of having this very robust and profoundly necessary conversation. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak? We recognise Honourable Member from constituency 10.

ANNOUNCEMENT BY THE SPEAKER

HOUSE VISITOR

The Speaker: But, Member, before you take your microphone, I would just like to acknowledge in the Gallery Senator Kempe from the other Chamber. Welcome.

[Desk thumping]

[Economic Substance Act 2018, Second Reading, debate continuing]

The Speaker: Member.

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

Mr. Speaker, I rise today to speak on this most important Economic Substance Act 2018 for two main reasons. One reason is to signify very clearly our support for the Government's intentions here. And second, just to add a little bit of weight of emphasis to the challenges we face as a community.

As a former Premier who spent a great deal of time working on these issues with the Minister of Finance (and I think the Opposition Leader, who is going to speak after me, can attest to it in his time as Premier), and in reply to the Honourable Member from constituency 21 who just spoke, these issues which are not going to go away any time soon, or I certainly do not see in the near future where they are going away, are the issues—substantive, very strong issues—that deeply impact our community. And at the same time many in our community do not realise the breadth and the depth of the impact that they could have.

These are the issues that take away much of the focus of any Government in dealing with the Bermuda centric issues, Mr. Speaker. So, to the Honourable Member from constituency 21 who just spoke, I sympathise with those concerns. These issues come up from time to time, they take a much greater deal of time than you would imagine, and they just seem to never go away.

And so, you know, as we sit here and debate this Bill, as the Finance Minister who is piloting this legislation on the floor of the House . . . and it is probably the one time the Finance Minister can feel comfortable in the chair. Not with the legislation that we are dealing with, but that the Finance Minister will have the support of every Member of this House and does not have to worry about answering those “tricky” back and forth questions. He can sit here and pilot this very important Bill through this House, And as he so adequately said (in my words, probably not his exact words), *This is an attack on the core of our business that we have in Bermuda.* These issues will continue on.

We recently have looked at the assessment by CFATF, and there has been mention made by the Honourable Premier about the US tax reform. Throughout our history we have been faced with bars that have been put in front of us and we have been

told that we have to jump over them. And throughout our history those bars continue to rise while we talk about the subject. And this issue is no different. And once this issue is put to bed, when the legislation is passed, the community and the business community will have to deal with the very difficult task of adhering to the legislation, complying to the legislation, and at the same time trying to protect what we have built through time.

And, Mr. Speaker, it is easy for us to come up here today and stand hand-in-hand on both sides of the floor to pass this legislation. And I want to take this opportunity to thank all of those who worked so hard behind the scenes to make it happen. We see some of them here in Chambers today.

I know what it is like. The deadlines change; the facts that you are dealing with change. Then all of a sudden you are given a deadline and before you go out of the room, it is all of a sudden, *Wait a second. Come back. We have got a new deadline.*

So I want to thank every single person who worked on this, because without your hard days and nights, your advice, your guidance, you staying calm and you staying patient, we would not be here today to be able to try to put Bermuda on a firmer foundation.

So all of us . . . some of us know the names and the faces and the capability and the work [they] do. All of us need to recognise that the process is difficult but the people that we have working with us have made this process easier. So I thank them.

But back to my original point. I find it interesting that in the short time that I have been in this place, in speaking to the history of Bermuda, how that bar has always changed. And every challenge that we have, and now with this Economic Substance Bill, it is a severe challenge; but there are always opportunities and there is always hope for us. And while at this point the legislation is not passed, the community is probably not aware of what we face, but every time we face one of these challenges we pass legislation that is the best that we can do. It has an impact on what we do as a community.

And I remember one of the best lines I ever heard when my honourable colleague was Premier. I think it was one of the first trips the Honourable Member went overseas to Gibraltar, when he was debating an issue such as this, somewhat exasperated. And the Premier at the time said, *Well, what do you want us do? Keep fishing and farming?*

And that stopped the conversation for a brief moment, because it made those asking the question think about, *Well, wait a second. It is a good point here.*

And I say that to say this, Mr. Speaker, in my time . . . and I know the Premier faces a difficult task, and the current Finance Minister faces a difficult task. What we need to continue to do is to talk about who we are, and why we do what we are doing. We have

to stand up. We have to stand tall. We have to say who we are, why we do what we do, and defend our position against every critic.

Because let's face it, Mr. Speaker, every country needs tax. Every country which is raising money wants more tax. They never get enough tax. And the easiest way to get more tax is, if you cannot get it from within your own system, you have to tax somebody else.

An Hon. Member: Yes.

Hon. Michael H. Dunkley: And as somebody previously said before me, *Well, you know, the big guys are the bullies and they come after the small guys.* That is not going to change. Bermuda is never going to be a big player. We are always going to punch above our weight, Mr. Speaker. But we have to make sure that we stand tall and defend our jurisdiction, because just as they have come after us on this, there will be other ways to come after us.

We are blessed. We have created opportunities throughout the history of Bermuda. In my time I can remember when Bermuda went from being a tourism minnow, to one of the world players in tourism. And then we went into international business in the 1980s, and we continue to be strong there. We have to continue to fight that with all the energy we have.

And we will always be at that competitive disadvantage which colleagues have talked about today. That is because we are small. Our resources are not unlimited and there are more big guys wanting to come after us then we can fight at one time. But with the support of the staff, some of them we see in Chambers today, and with the wisdom that we have, when as parliamentarians we work together, we can fight back, we can push back. We can maintain what is appropriate for us to maintain.

I have always been proud to fight and stand up for what Bermuda is. And when they talk about how we tax people, we need to never forget, Mr. Speaker, and colleagues and the people of Bermuda, how we decide to tax our people is up to this Parliament of Bermuda. It is not somebody from the EU to tell us what to do.

The Speaker: Mm-hmm.

An Hon. Member: Yes.

Hon. Michael H. Dunkley: At times we have to jump. But when we jump we need to make a lot of noise. And we need to make sense when we are making that noise. And I know the Premier and his colleagues have done it, just like we did it.

We need to defend what we do, and we always need to stand up for our reputation. Yes, we can fight. We can squabble. We can bicker. We can argue in this House. But one thing we have never done as

Bermudians is bicker about attacking when we have been attacked from overseas.

An Hon. Member: Correct.

Hon. Michael H. Dunkley: And today is one of those things. We need to defend who we are and why we do what we do, Mr. Speaker.

An Hon. Member: That is correct.

Hon. Michael H. Dunkley: And so while we make these changes today—which we have to do . . . because I have heard people say to me, *Well, maybe it's time we just took this blacklist thing and see what happens after that.* My honourable colleague, Leah Scott, said, *That approach will not work.*

The Speaker: Yes.

Hon. Michael H. Dunkley: And she is right.

An Hon. Member: Got to jump through the hoops.

Hon. Michael H. Dunkley: We do not have to jump through hoop. We are going to go where we need to go, and we are going to tell them why we need to go there.

An Hon. Member: Correct.

Hon. Michael H. Dunkley: And we are going to push back on this.

And it is interesting, the Honourable Member from constituency 21 talked about Europe and the challenges in Europe. I sat over the weekend, as we prepared for this debate, and listened to the challenges that are going on with some of the big players in Europe. And at the same time I looked at videos that came out about some of the EU members going to meetings and how they treat the people, and how they act toward people, and yet at the same time, they want to come and legislate through us. Well, here we are today. One side and the other side standing hand-in-hand and saying, *You are not going to push us around.*

[Desk thumping]

Hon. Michael H. Dunkley: *We are going to work with you. You need to listen to us. And we are an equal partner in everything.*

Now, Mr. Speaker, one of the things that is interesting, and maybe it is just because I broke the scale at 60 (60 years old), life seems to get harder.

[Laughter]

Hon. Michael H. Dunkley: It never gets easier. And I know how men and women, Mr. and Mrs. Bermuda, feel about all of this. They do not know the impact yet, but they hear us as leaders of the community talking about it. And there is some apprehension.

This just makes life harder for us. It makes life harder because it trickles down. It will trickle down into cost of living changes because there has got to be some impact in this that just goes through with all the changes the businesses need to make to keep up. But they need to be assured that the people who were elected to this legislature clearly understand the challenge they have and we are going to fight for them.

And that is one of the things that I am proud of as a Bermudian. We can bicker all we want as politicians, but at the end of the day we have stood up to hurricanes, to storms, to adversity, to people pushing back, to presidents of the United States (and we love the United States of America), through tax reform, to assessments, to legislation we have to do. But we will stand as one and the people of Bermuda need to know that we are standing as one today as we push back to this.

So with apprehension, we move forward. I am proud to be here to support the Government. It is not often that people recognise I will support the Government on the issues that are important. But Bermuda has moved from fishing and farming. We will continue to play on the world stage. We will continue to protect what we have, and we will continue to show people that we are a blue-chip jurisdiction that has nothing to hide. We are open. We are transparent, and this is the best place to be. Thank you, Mr. Speaker.

[Desk thumping]

The Speaker: Thank you, Honourable Member.

I recognise . . . Junior Minister, are you rising to speak?

Hon. Wayne L. Furbert: Yes, thank you.

The Speaker: I recognise the Junior Minister.

Hon. Wayne L. Furbert: Thank you, Mr. Speaker.

I was not going to speak, but I am just going to speak for about two or three minutes on this.

Mr. Speaker, there is a saying, *We don't grow when things are easy; we grow when we face challenges*. And Mr. Speaker, there is no doubt that Bermuda over the years has faced many challenges. It was only about two years ago when the Trump tax, the corporate tax, was being reduced and there was great concern in our community as far as what was going to happen. Many meetings took place around the Island between companies, and of course, with the Government on what the impact of this would be, if the taxes are being reduced. I think the corporate [U.S.] tax was about 20 per cent.

Well, Mr. Speaker, from what I understand even with the decrease in [U.S.] taxes, we have had more incorporations this year in the insurance field than we have ever had before. In other words, the challenges that we faced sometimes worked out to be very positive. I am glad, Mr. Speaker, again, I thank the Minister, although he has only been there for a short time, we worked very closely with the team.

And I know the Premier has already identified the entities, but I would like to identify particular individuals by name that over the last year I have diligently worked with to ensure that we are kept informed and working in behalf of the people of Bermuda. Lorraine Welch is from the Chambers. I asked her just now if she got any sleep last night, because I know that she was working very hard over the weekend to ensure that the drafting took place—

[Inaudible interjections]

Hon. Wayne L. Furbert: Yvette Pierre, from the BMA; Maxine Binns from Bermuda Development Unit; our own Wayne Brown, who I have worked very closely with for the last year and a half, the Assistant Financial Secretary. He is always on the phone. So if you see the cost for our telephone bill going up and travel—

[Laughter]

Hon. Wayne L. Furbert: —it is because Wayne has been working hard to ensure and keeping in front of individuals. So I do not expect anybody to complain when they see the traveling, because the Premier has been doing a lot of traveling to ensure that we get our message out there.

Phil Perinchief, who has been on board for a couple of weeks as an advisor; Pam Burrows, of Finance; of course, the great Jeremy Cox, of the BMA, the CEO; Kimberley Durrant, who is probably sitting there in our London Office listening to us; and, of course, Lydia Dickens. Mr. Speaker, we owe a great debt to these individuals, and there were probably more that were involved who worked, as I said, around the clock.

I know we had to make some changes last week to ensure that we complied. And is it all over? No. Probably in the next couple months, year or whatever it is, they will come back again and say to make a few more changes. But like I said before, at the beginning, we grow when we face these challenges.

Mr. Speaker, I am optimistic. I am very optimistic that, despite these expectations by the EU, we can benefit. Now why do I say that? Because it talks about that you have to have substance on the ground. And I want Bermudians to understand . . . and that substance means they want people. They want to show that [these people] are actually working here in Bermuda.

Mr. Speaker, we estimate that the number of companies that are affected by this is roughly 11,000, give a few here and there, companies. We only have 15,000 companies on our register. So you are talking about a significant number of companies. Mr. Speaker, just imagine that if half of those companies were to put boots on the ground, what impact it would have on our economy. First of all, our GDP will rise significantly. Goods and services, renting of accommodations, those are the types of accommodations, Mr. Speaker, which could make an impact. Even if there was, if I dare to say, just 500, but 5 or 10 people on the ground, will have a great impact on Bermuda.

So, Mr. Speaker, I am optimistic because, you know, we are not in this boat alone. The Cayman Islands, Jersey, Gibraltar . . . you cannot run; you cannot hide. So it is not about saying . . . *We are not going to do it here in Bermuda, we are going to go off to Timbuktu.*

An Hon. Member: Mauritius.

Hon. Wayne L. Furbert: Mr. Speaker, we are all in this boat together. And now that the EU . . . and I understand that in the next six months to a year that the OECD will be taking control of this particular movement going forward.

An Hon. Member: Yes. Yes.

Hon. Wayne L. Furbert: Mr. Speaker, we estimate that these companies spend roughly about \$134 million in Bermuda right now, and are affecting our GDP roughly about \$209 million. Mr. Speaker, as I said before, we face these challenges together. And I am so glad that the Opposition . . . we have had a few meetings with them to expose them to the Bill. And we are very happy that we are working together on this particular issue. Because if we do not, we all will fail together.

Mr. Speaker, those are the only few remarks I have to say. Thank you.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

We recognise the Leader of the Opposition. Honourable Member, you have the floor.

Hon. L. Craig Cannonier: Yes. Thank you, Mr. Speaker. I know that we have gone beyond the agreed allotment of speakers. This will be it for us.

I want to echo the sentiments of thanks to the technical team. Having spent many trips with Wayne Brown, we certainly are aware of the challenges in this Opposition that you have already heard, when we were Government, of the complexity and the challenges that we have had as an Island, as well as our technical team in having to manoeuvre through the

many, many, many, many goalposts that have shifted—sometimes change into a completely different game.

But I want to set the stage for the few moments that I speak. In today's *Royal Gazette*, page 16, Anthony Mancini kind of sets, really, where we are. He says, from KPMG . . . sorry. Anthony Mancini, a tax partner with KPMG, Channel Islands [Limited.], said this, "So far the process has been an overall failure because the process has been unfair or inconsistent."

And I think that this really sets the stage for Bermuda, that this has been unfair and inconsistent. And why do I say that? I can recall, and my honourable colleague, Michael Dunkley, spoke briefly to some of what was said. While I was away, we were at BBC doing an interview and we, quite frankly, were set up by BBC.

They brought into the interview room with me a representative from an NGO, who continued to berate the islands, Bermuda, and the likes for the prowess that it had in thinking of a regime, and in thinking of a product, and thinking of a methodology, a business plan, a model that surpassed theirs.

I can recall very vividly this preppy-looking guy coming in. I was expecting maybe someone more senior. But he came in as an economist and an accountant as well, to speak to the issues that because of us, people in his country were suffering.

The Speaker: Hmmm.

Hon. L. Craig Cannonier: And I sat and I patiently listened, as I usually do. And, after he got going, I decided that enough was enough.

I handed him a spanking about what it is that we do in Bermuda, and that is to ensure that when countries, like where he comes from, have a catastrophe it is Bermuda that steps in to ensure that they can be put back to as normal . . . working in normalcy as possible. He had not a clue.

And I realised that as I continued to berate him, as the Honourable Member Michael [Dunkley] said, I went on, *I see. This has got to be probably one of the most prejudicial statements a man has ever made to a country to say, 'Oh, well, you need to go back fishing.'*

The Speaker: Hmmm.

Hon. L. Craig Cannonier: And it was on.

And while I was in that room having a go at this gentleman who was part of an NGO, and I quite frankly told him that the financing that he is getting for his NGO, probably 99 per cent sure, I am guaranteed, that the funding that he was getting was coming someone who has invested in Bermuda. And therein I realised that most people out there, really, just did not understand who we are and what it is that we do.

The Speaker: They never do.

Hon. L. Craig Cannonier: And within a few months we were blacklisted by the French and I realised, *Oh, my goodness. They also hadn't really seen someone represented from Bermuda on their doorsteps.* So Lord knows what they were thinking [about] who we were or . . . it became quite amusing after a while, that they just did not have a clue about Bermuda and what it is that we do.

So Mancini continues on in this article, Mr. Speaker, to say "When we have tax havens within the EU, and they are not on the list, it makes it hard to go after others outside the EU." He continues on further to say, "We have a situation where the United States does not meet the transparency criteria, but the EU member states have decided to ignore that. This goes to show that the process is political."

And I think this article does a fine job at positioning us. When we became Government the real issue at that time was this public register, or beneficial ownership. And I can recall with clarity that as we sat there with the UK MPs in a room, you know, all the fancies are there, and our former Minister, Bob Richards, got up and says, *Well, you do it first.*

The Speaker: Mm-hmm.

Hon. L. Craig Cannonier: And the room went silent.
You do it first!

The Speaker: Mm-hmm.

Hon. L. Craig Cannonier: Bermuda has been able to, and has had a list for Lord knows how long. The G20 countries . . . they could not tell you. They could tell you who owns what. But yet they want us to jump through hoops, per se, and then we told them, *Well, we are already there.* And the room went quiet.

And so we continue now after that debacle, oh, now, the goalposts shift again and here we are at this time where we are having to race, push through, if you will. I do not envy the position that the technical team has been in. As a Government, it is what it is. We were Government and so we understand that part, but for the technical team to understand these complexities and then be able to relay it so that we as government officials, our position, understand it, I know that it has been taxing for them.

As we continued on, Mr. Speaker, while Bob and I were away on this particular trip, we went to *Sky News* and it was evident even from the media that they did not understand this whole idea of these new regulations coming into place, and all they were doing was just casting stones. Again, we went on *Sky News* and put the young lady, just as lovely as she was sitting there, in her place because she did not understand what she was talking about. And immediately

you could see the lightbulb go off, *Oh, I am out of my depth.*

So what did I learn from that? This: That we, as a jurisdiction, have to get out and to sell Bermuda, regardless, even if we do not feel like we want to talk to this person or that person, it is incumbent on us that the world understands exactly what it is that we do. If we do not do this, the assumptions will be made. And so as a Government, when we were Government, and now we see with this Government, these assumptions continue to persist and we have to continue to do what is best in the interest of this Island.

I am a bit tentative, and I am concerned, you know, the only two roads here are, well, we go on the blacklist, or we comply. The question is, and the unknown is, What is that going to cost us? So, not only do we need to ensure that the world understands what it is that we do, one of the biggest challenges that we have in Bermuda is the fact that Bermudians do not even understand what it is that we do.

The Speaker: Mm-hmm.

Hon. L. Craig Cannonier: They do not understand the main contributor to our GDP and the work that it does.

What they do understand is that it has afforded us a wonderful life style. But most of us really do not understand how all of this impacts us, which leads me to the fact that a whole lot of talk has been around immigration.

I believe, and I am hoping that from this Government they are already looking at what is necessary with this unknown factor of how this is going to affect us. What are we doing about ensuring (and I sure that that will happen as we go along) . . . about putting something together, packages, that are enticing to ensure that these companies that are here, stay here?

Bermuda, someone is trying to take your lunch. And we need to stand up and say that this is not going to happen. We have heard how this has crossed the aisle. We have worked together on this and we have seen this particular subject where we have both engaged, as parties, in working together to ensure the best for Bermuda.

An Hon. Member: Absolutely!

Hon. L. Craig Cannonier: There was a saying by a former US President, he said, *Now that there is no money, it's now time to think.*

The Speaker: Hmm.

Hon. L. Craig Cannonier: It's time to think.

The EU is slipping under that mattress; there is no money, so it is time to think. And the only thing they could come up with is, *Oh, go after them byes down in Bermuda.* We, likewise, are in a position

where we need to understand, now that there is no money, it's time for us to think about what it is that we need to be doing. And so we have opportunity, I believe, moving forward that will come out of this, but those opportunities . . . we will only be able to take advantage of those opportunities if we take time in this Honourable House to think about what it is that we need to be doing and the next moves that we need to make.

So I am encouraging the Ministry to make known and to table in this House the economic impact assessment report that was done by PwC. If you are not happy with when it was done, at that time, let's get another one done so that we can sit down and educate one another and educate this Island on the mindset that we need to have in order to get through this. Because I can guarantee you that there is a lot of confusion out there about what it is that we are doing here in this House.

The Premier also spoke . . . and I will move to close because I know we want to get this stuff done.

The Premier spoke about cost. And also . . . and I thought that maybe this might happen. It has not happened. But I will say this to the Minister, you know, we need a financial memorandum outlining the cost to Bermuda concerning this Act. We would like see it, and so I would encourage the Minister and the team to get on with that. It is vitally important that, again, we all understand the impact on Bermuda as we move forward.

I am happy to hear all of the contributions today. And, again, I want to say thank you to everyone as we move through this difficult time. To ease the pain as best as possible, let's get the messaging out there abroad. Let's get our own people understanding what it is that we do and the nature of our business here so that we can collectively put our minds together as to the solutions and the impact. Undoubtedly, we are going to feel the impact. But how do we now gain back some of that ground that may be lost because of something like this?

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Member wish to speak?

No other Member? Minister, would you like to take the microphone?

Hon. Curtis L. Dickinson: Mr. Speaker, as we move to conclude the debate on this Bill, just let me say a few words. I would first like to echo the sentiments of the Premier and the Opposition Leader, a number of my colleagues on this side, and of course, those opposite, in their support, and thank them for their support for this Bill. I understand that many of us are holding our noses as we say, yes. But Bermuda has been resilient, and we have always managed to find a way.

My children dislike when I use this phrase with them, but I think it is probably a moment that we also

need to collectively take in this House. I often use the phrase, *Now what?* And a "now what?" for us is that we are going to get up and keep moving forward; we are going to adapt. We are going to be innovative. We are going to figure this thing out and we are going to do what we have always done, persevere.

I would like to thank the team who has worked on this for months, much longer than I have been *in situ* as Minister. The technical folks have been extraordinary. Over the course of the last four or five days they have worked like crazy, and they need to be recognised for that. I would also like to recognise industry: ABIR; ABIC; the IAC; all of those folks out there who have been behind the scenes working to kind of help us try to figure out how we can best crack the code on this initiative from the EU. And I would also like to thank my colleagues for their unflinching support as we have tried to get this thing done.

With that, Mr. Speaker, I move that the Bill be committed.

The Speaker: Thank you, Minister.
Deputy.

House in Committee at 12:09 pm

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

COMMITTEE ON BILL

ECONOMIC SUBSTANCE ACT 2018

The Chairman: Honourable Members, we are now in Committee of the whole [House] for further consideration of the Bill entitled the [Economic Substance Act 2018](#).

Minister, you have the floor.

Hon. Curtis L. Dickinson: Thank you, Mr. Chairman.

The purpose of this Bill is to enhance provisions relating to economic substance for registered entities and connected matters. The Bill also seeks to amend the Investment Funds Act 2006 and the Bermuda Monetary Authority Act 1969.

Mr. Chairman, I move that clauses 1 through 16 be moved.

The Chairman: Repeat that, sir. Clauses 1 through . . .?

Hon. Curtis L. Dickinson: [Clause] 16.

The Chairman: Continue.

Hon. Curtis L. Dickinson: Okay.

Clause 1 provides a title for this Bill.

Clause 2 provides definitions for the interpretation of this Bill.

Clause 3 imposes an obligation on an entity that is engaged in a relevant activity to maintain a substantial economic presence in Bermuda and, in that regard, comply with economic substance requirements [ESR] set forth in subsection (2).

Clause 4 provides that the ESR regime applies to any registered entity that is engaged in a relevant activity (as that term is defined in section 2).

Clause 5 sets forth the filing requirements under the ESR regime. An economic substance declaration form will be prescribed for purposes of this regime.

Clause 6 makes provision for the competent authority for Bermuda, pursuant to the International Cooperation (Tax Information Exchange Agreements) Act 2005, to exchange ESR information with any EU member state. Regulations will be made to prescribe matters relating to such exchange of information.

Clause 7 requires that confidentiality be preserved. This clause applies certain provisions of the Registrar of Companies (Compliance Measures) Act 2017 which prescribe criminal penalties for a breach of confidentiality. Clause 7 specifies limited circumstances where the disclosure of information is permitted.

Clause 8 applies the provisions in the Companies Act 1981 to provide for immunity from suit for any officer, employee or agent of the Registrar and others acting on his behalf provided such persons act in good faith in the performance of their duties.

Clause 9 provides for matters relating to the Public Access to Information Act 2010.

Clause 10 provides for matters relating to the Personal Information Protection Act 2016.

Clause 11 provides for the making of Regulations. Such regulations will be subject to the negative resolution procedure.

Clause 12 provides for guidance to be issued by the Minister in relation to the application of this Bill and regulations made under the Bill. This clause also allows the Registrar to publish such guidance in such manner as he thinks fit.

Clause 13 allows the Registrar to exercise the powers conferred on him by the Registrar of Companies (Compliance Measures) Act 2017 where an entity fails to comply with the provisions of this Act, or regulations made in relation to this Act.

Clause 14 provides for offences related to the provision of false information.

Clause 15 amends the penalty provisions set forth in the Registrar of Companies (Compliance Measures) Act 2017 in respect of the sanctions which will be applied where an entity is determined to have failed to comply with the economic substance requirements. This clause provides for the Registrar to apply for a Court order which may ultimately result in the exercise of any existing power to strike-off the entity.

Clause 16 provides for transitional matters. The ESR regime will be immediately applicable to new entities registered after this Act comes into operation. The operative date for the imposition of ESR is anticipated to be 1 January 2019, with a six-month transitional period for existing entities.

The Chairman: Any Members want to speak to the specifics of clauses 1 through 16?

The Chair recognises the Honourable Member Pat Gordon-Pamplin. You have the floor, Honourable Member.

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

Mr. Chairman, as we mentioned when we were debating in the whole, the technical officers have actually gone through the process and gone through on a clause-by-clause basis, so there would be very limited questions that I will have. And I believe my colleagues may also have the odd question.

But my first question is with respect to page 5, clause 6(2)(d) with respect to beneficial owner. The question is, How will the existing approach toward provision of information be changed as a result of this? Or will we stay with what we presently do?

But more importantly, is this the thin edge of the wedge with respect to the demands that have been put upon us for having a public register of beneficial interest?

The Chairman: Minister.

Hon. Curtis L. Dickinson: Member, could you please repeat the clause which you were referencing?

Hon. Patricia J. Gordon-Pamplin: May I, Mr. Chairman?

The Chairman: Certainly.

Hon. Patricia J. Gordon-Pamplin: That is clause 6(2)(d), beneficial ownership.

The Chairman: Minister, you have the floor.

Hon. Curtis L. Dickinson: I will wait for the technical officers, Mr. Chairman.

The Chairman: Any further speakers?

The Chair recognises the Honourable Member Trevor Moniz.

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

My question is with respect to clause 2, the definition section with respect to "relevant activity." There is a list from (a) to (j) of relevant activities, and those include banking and insurance.

I have a concern about the captive insurance companies. On the face of it they would be included. There has been some suggestion that they will be exempted. In fact, there was an article in the *Royal Gazette* on December 7th, and where it quoted a Mr. Tom McMahon from Citadel [Management Bermuda Ltd.]. He was saying that they are going to be deemed to be compliant as they meet the requirements of the Insurance Act.

I know there have been some different opinions going back and forth as to whether or not they would be compliant with the economic substance requirement, if they are included under “relevant activity.” So I am just asking the Minister, what is the intention with respect to those industries and captive insurance, in particular?

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

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

I have a couple of questions. One, I now know that local companies are now in scope.

The Chairman: What clause are you speaking to?

Ms. Leah K. Scott: Oh, sorry. I am speaking to clause 2, Interpretation, and the definition of “local company.”

So I know that local companies are now in scope in terms of economic substance. So, . . . I don't know if the question is relevant, but I would like to know whether or not there are intentions to educate Mr. and Mrs. Smith about their shop and what they need to do and how they need to comply with this legislation.

The other question that I have is on page 4, [clause] 5(2)(b). I would like to know what the definition is of “high risk IP activity.”

The Chairman: Mm-hmm.

Ms. Leah K. Scott: And then in terms of, again, [clause] 5, generally, if there are requests that are made for this information, what is the process for determining if it is going to be disseminated and to whom?

Thank you.

The Chairman: Minister.

Hon. Curtis L. Dickinson: Thanks, Mr. Chairman.

With respect to the first question regarding beneficial ownership, the Registrar of Companies already collects beneficial ownership information in compliance with the Companies Act 1981. So that is already captured.

With respect to the Honourable Member Moniz's question about captive insurers, regulations will make clear that captive insurers are covered by the

Insurance Act 1971. So inasmuch as there is any ambiguity or uncertainty, we will make a definitive statement that they are covered.

[Inaudible interjections]

Hon. Curtis L. Dickinson: Yes. Well, they do have . . . they have substance.

[Inaudible interjections]

The Chairman: Do not leave me out, Minister. Don't leave me out.

Hon. Curtis L. Dickinson: Sorry, Mr. Chairman.

The captives will have economic substance.

The question by Honourable Member Scott with respect to local companies, local companies are only covered by this legislation inasmuch as they are engaged in a relevant activity.

And so, we will, inasmuch as folks need help understanding how this is applicable to them, be able to provide advice through the Ministry. We have some work around educating people on the impact to them individually, and so we will have to publish some guidance notes of some sort, whatever is appropriate to help people navigate their way through this.

The Chairman: Any further questions?

The Chair recognises the Honourable Pat Gordon-Pamplin.

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

Mr. Chairman, the Minister did not really answer the question that I needed. We know that the Registrar collects information in terms of beneficial ownership, that is very clear in subsection (2) where it says, “Where the competent authority receives information from the Registrar under subsection (1) relating to an entity”

So we know the Registrar gets the information.

The Chairman: Hmmm.

Hon. Patricia J. Gordon-Pamplin: The question was, is there any indication that this beneficial ownership is the thin edge of the wedge [which will] lead to a disclosure of a public register for beneficial ownership? That is the concern. We have pushed back from it, historically, and I just wondered if there has been any indication based on the communication and the consultations whether this is likely to be more intensely?

The Chairman: Minister.

Hon. Curtis L. Dickinson: I am . . .

The Chairman: Any further speakers?

The Chair recognises the Honourable Member Leah Scott, Deputy Opposition Leader.

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

Just going back to my question about the definition of “high risk IP activity,” if I could get an explanation of that. And then again, on page 4, [clause] 5, in terms of the information that is contained in the declaration, who can have access to that information and how is it summoned?

The Chairman: Minister.

Hon. Curtis L. Dickinson: If I can start, Mr. Chairman, with a response to the Honourable Member Gordon-Pamplin’s question.

There has been no indication, other than the G20 Global Beneficial Ownership Register coming into play. But we have said, I think successive Governments have said that we are not going to show our register unless everyone meets the same standard. And I think I will echo that sentiment. I am sure you will agree with that, as well.

Honourable Member Scott asked a question about the definition of high risk companies. I think it refers to Internet giants, like Google, et cetera.

And then there was one other question and the response is . . .

The Chairman: Any further speakers?

The Chair recognises Ms. Gordon-Pamplin.

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

Mr. Chairman, I just wanted to make sure that I am fully understanding of the [answer] in respect of captives falling under the insurance . . . I think the response was that insurance is caught by the Insurance Act for substance. So we understand that.

But with respect to captives, that would be caught in the regulation, the carve-out. And the regulations were not tabled today with the Act, so if the Minister could just maybe advise us when the regs are going to come so that we can have access to those, so we can see exactly what is intended.

The Chairman: Minister.

Hon. Curtis L. Dickinson: Thanks, Mr. Chairman.

I am loath to commit to a date firm, Honourable Member. I know that this team has been burning the candle at all ends for the last several days. I know that the regulations are on the queue of work that needs to be done. I suspect we have a draft. The draft is being reviewed and will be revised over the coming days. We have to have this legislation in place before the end of the year. And my anticipation is that we will probably have something before the end of the week.

The Chairman: Okay.

[Inaudible interjection]

Hon. Curtis L. Dickinson: They are negative resolution.

The Chairman: Mm-hmm.

Any further speakers?

There appear to be none.

Minister, will you move clauses 1 through 16?

Hon. Curtis L. Dickinson: I will, Mr. Chairman, but before I do that, I would like to answer the question from Member Scott with respect to the declaration forms. Information on those forms is private and confidential, and it will be protected from PATI. Okay?

The Chairman: Mm-hmm.

Hon. Curtis L. Dickinson: I move that clauses 1 through 16 be approved.

The Chairman: It has been moved that clauses 1 through 16 be approved.

Are there any objections to that?

There appear to be none.

Approved.

[Motion carried: Clauses 1 through 16 passed.]

The Chairman: Continue, Minister.

Hon. Curtis L. Dickinson: Mr. Chairman, I move clause 17.

The Chairman: Continue.

Hon. Curtis L. Dickinson: Mr. Chairman, from clause 17 on I will continue to read from the [Explanatory] Memorandum at the back of the Bill, but will add my detailed comments to each of those clauses which I have received from the Bermuda Monetary Authority.

Clause 17 amends the Investment Funds Act 2006 in a number of respects in relation to exempted and excluded funds.

Clause 17, Amendment of Investment Funds Act 2006, provides for enhanced regulatory requirements for exempted and excluded funds. These funds will be renamed “Professional and Private Funds,” respectively, collectively called “Registered Funds.” This clause contains [23] [subsections] as follows:

[Subsection] (1) amends section 2 of the IFA [Investment Funds Act] by renaming “exempted” and “excluded” Funds. Further, the definition of “service provider” is amended to include “corporate service provider.”

[Subsection] (2) amends section 5 of the IFA which prohibits a person from operating a fund unless it is authorised or registered.

[Subsection] (3) introduces the category of “registered funds.” This [subsection] also amends section 6 of the IFA that enhances the qualification criteria for private funds and requires that they must apply to be registered with the Bermuda Monetary Authority. Private funds will also be subject to enhanced filing requirements.

[Subsection] (4) amends section 6A of the IFA to replace the term “Class A Exempt Fund” to “Professional Class A Fund.”

[Subsection] (5) amends section 6B of the IFA which removes the exemption provisions and introduces the requirement to apply for registration for Professional Class A Fund.

[Subsection] (6) amends section 7 of the IFA to replace the term “Class B Exempt Fund” to “Professional Class B Fund.”

[Subsection] (7) amends section 8 of the IFA which removes the exemption provision and introduces the requirement to apply for registration for Professional Class B Fund.

[Subsection] (8) amends section 8A of the IFA that sets out the procedure for the registration of Professional Class B Fund.

[Subsection] (9) amends section 9 of the IFA by removing the subtitle “Criteria for exemption” and replacing it with the term “Qualified Participants.”

[Subsection] (10) amends section 9[A] of the IFA by removing reference to “exempt” funds and replacing them with “registered” funds.”

[Subsection] (11) amends section 10 of the IFA to remove reference to “exempted” funds and replacing them with “registered” funds.

[Subsection] (12) amends section 16 of the IFA that allows the Authority to keep a register of registered funds.

[Subsection] (13) amends section 17(1) of the IFA by repealing paragraph (ba) and replacing paragraph (ba) to provide for registration fees for registered funds.

[Subsection] (14) amends section 30 of the IFA to give the Authority the power to issue directions to a registered fund.

[Subsection] (15) amends section 33 of the IFA to give the Authority the power to revoke or vary a direction issued to a registered fund.

[Subsection] (16) amends section 36(1)(a) of the IFA to give the Authority the ability to windup a registered fund.

[Subsection] (17) amends section 37 of the IFA to give the Authority the ability to make fund rules for registered funds. The matters that may require full rules were extended to include depositary and safe-keeping obligations, public disclosures, disclosures to the Authority, and disclosures to investors.

[Subsection] (18) amends section 38 of the IFA to provide for the Authority to make fund prospectus rules for Professional Class A and Professional Class B funds.

[Subsection] (19) amends sections 40(1), 55(1), 59(1), 60(a), 61(1)(a), subsections (2), (3), (3)(a), (4) and (5) of section 61, subsections (1), (2) and (3) of section 63, subsections (1), (4), (5) and (7)(c) of section 64 to registered funds. These amendments give the Authority the power to waive or vary fund rules in fund prospectus rules, extend the appeal provisions to registered funds, extend the Authority’s information gathering and investigative powers over registered funds.

[Subsection] (20) amends section 64A of the IFA and gives the Authority the ability to investigate registered funds if there is a suspected contravention of the registration requirements.

[Subsection] (21) amends section 65(1A) of the IFA to require the registered fund to produce documents upon written notice from the Authority.

[Subsection] [(23)] amends section 69(2) of the IFA to allow disclosures for facilitating the discharge of the function of the Authority over registered funds.

The Chairman: Any further speakers?

There appear to be none.

Minister, do you want to move clause 17?

Hon. Curtis L. Dickinson: Mr. Chairman, I move clause 17 be approved.

The Chairman: It has been moved that clause 17 be approved.

Are there any objections to that?

There appear to be none.

Approved.

[Motion carried: Clause 17 passed.]

Hon. Curtis L. Dickinson: Mr. Chairman, I would like to move clauses 18 through 21.

The Chairman: Continue.

Hon. Curtis L. Dickinson: Clause 18 amends the Fourth Schedule to the Bermuda Monetary Authority Act 1969 (which relates to fees under the Investment Funds Act 2006) to refer to registered funds. This clause also adds fees for private funds. This clause amends the Fourth Schedule of the Bermuda Monetary Authority Act 1969 to reflect the name change from “exempted funds” to “Professional funds.”

Clause 19 provides for savings related to clause 17.

Clause 20 provides for transitional matters related to the provisions amending the Investment Funds Act 2006 that are set forth in clause 17. The

operative date for the amendments relating to funds is anticipated to be 1 January 2019, with a six-month transitional period for existing funds.

Clause 21 provides for commencement.

The Chairman: Any speakers to these clauses?

The Chair recognises the Honourable Member Pat Gordon-Pamplin.

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

Mr. Chairman, page 17, clause 18, with reference to the amendment to the BMA Act with respect to [paragraph] (b) of clause 18, by inserting the appropriate fee schedule. So there is, obviously, now an application fee for private fund at \$1,250. And an annual fee for private fund of \$1,250.

The question is that with the application fund, is this fee really adequate? And the reason I ask is that when we think back to the fees that we did the other day, to get a letter from the BMA is going to cost you \$750, to provide a letter of compliance, to say that you looked at somebody's balance sheet and you said, *Yes, here is the letter to say that they comply. And it is going to cost you \$750.* Presumably this application process is not meant to be just a perfunctory exercise—\$1,250 is the cost of opening the envelope.

What is the cost of the actual vetting of the application itself to make sure that it is appropriate? I am not sure that \$1,250 is an appropriate amount.

Also, in respect of the transitional with respect to clause 20, we heard that January 1 will be for new companies, [they] will have to comply with this new regime. And June 30 would be the date by which . . . or July 1 is the date by which existing companies have to ensure compliance. What is the communication process to companies that come within an industry that are not represented by the alphabet, the ABIR the ABICs? Because there are some companies that are on the register, maybe insurance companies, but they are not part of ABIR.

So what is the communication process to those companies that fall outside that ambit? Because we cannot assume knowledge, if they do not have direct communication.

The Chairman: Thank you.

Any further speakers?
Minister.

Hon. Curtis L. Dickinson: Thank you, Mr. Chairman.

As the Honourable Member would know, the BMA offers guidance on terms of their fees and what they charge.

This fee was pegged to be equal to Professional Class B funds, as a starting point. Given the new requirements, the BMA will recess the regulatory efforts required for these new funds, and will review appropriately. For inasmuch as they are of the view

that these funds require more fees to properly administer, they will make a request to us and we will discuss it in this House.

With respect to the ongoing PR, we accept that there needs to be an education component to the implementation of this legislation. We commit to doing what we need to do, to advise people accordingly.

The Chairman: Any further speakers?

There appear to be none.

Minister, do you want to move clauses 18 through 21.

Hon. Curtis L. Dickinson: I move that clauses 18 through 21 be approved.

The Chairman: It has been moved that clauses 18 through 21 be approved.

Are there any objections to that?

There appear to be none.

Approved.

[Motion carried: Clauses 18 through 21 passed.]

The Chairman: Do you want to move the preamble?

Hon. Curtis L. Dickinson: I move that the preamble be approved, Mr. Chairman.

The Chairman: It has been moved that the preamble be approved.

Are there any objections to that?

Approved.

Hon. Curtis L. Dickinson: Mr. Chairman, I move that the Bill be reported to the House as printed.

The Chairman: It has been moved that the Bill be reported to the House as printed.

Are there any objections to that?

Approved. The Bill will be reported to the House as printed.

[Motion carried: The Economic Substance Act 2018 was considered by a Committee of the whole House and passed without amendment.]

House resumed at 12:34 pm

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

REPORT OF COMMITTEE

ECONOMIC SUBSTANCE ACT 2018

The Speaker: Good afternoon, Members.

Are there any objections to the Economic Substance Act 2018 being reported to the House as printed?

No objections. So moved. It has been reported to the House and accepted.

Now, I believe that brings us to a close of business for today, but before we go there the Deputy is going to take a few moments.

[Inaudible interjections]

The Speaker: Yes, we will do third readings and then the Deputy . . . the Deputy will do his and then we will do the third readings.

SUSPENSION OF STANDING ORDER 21

Hon. Derrick V. Burgess, Sr.: Mr. Speaker, I move that Standing Order 21 be suspended to enable me to move that a message be sent to the Senate conveying Christmas and New Year's greetings.

[Motion carried: Standing Order 21 suspended.]

MESSAGE TO THE SENATE

CHRISTMAS AND NEW YEAR'S GREETINGS

Hon. Derrick V. Burgess, Sr.: "To the Honourable the President and the Members of the Senate:

"The Speaker and the Members of the House of Assembly desire to extend to the President and Members of the Senate our greetings and best wishes for Christmas and the New Year."

SUSPENSION OF STANDING ORDER 21

Hon. Derrick V. Burgess, Sr.: Mr. Speaker, I move that Standing Order 21 be suspended to enable me to move that Christmas greetings and best wishes for the New Year be conveyed to His Honour the Speaker.

[Motion carried: Standing Order 21 suspended.]

The Speaker: Thank you.

MESSAGE TO THE SPEAKER

CHRISTMAS AND NEW YEAR'S GREETINGS

Hon. Derrick V. Burgess, Sr.: Mr. Speaker, I move that the Speaker be requested to accept Christmas greetings and best wishes for the New Year from Members from the House of Assembly.

SUSPENSION OF STANDING ORDER 21

Hon. Derrick V. Burgess, Sr.: Mr. Speaker, I move that Standing Order 21 be suspended to enable me to move that Christmas greetings and best wishes for

the New Year be conveyed to His Excellency the Governor, Mr. John Rankin.

[Motion carried: Standing Order 21 suspended.]

[Laughter]

The Speaker: Continue on, Deputy. Continue on.

[Inaudible interjections]

The Speaker: Continue on.

[Inaudible interjections and laughter]

MESSAGE TO THE GOVERNOR

CHRISTMAS AND NEW YEAR'S GREETINGS

Hon. Derrick V. Burgess, Sr.: I move that [his] honour the Speaker, be requested to convey to His Excellency the Governor, Mr. John Rankin hearty Christmas greetings and best wishes for the New Year from the Speaker and the Members of the House of Assembly.

The Speaker: And I am sure all Members agree with you on those sentiments, Deputy.

We will now have the third reading for today's matter.

SUSPENSION OF STANDING ORDER 21

Hon. Curtis L. Dickinson: Mr. Speaker, I move that Standing Order 21 be suspended to enable me to move that the Bill entitled Economic Substance Act 2018 be now the third time by its title only.

The Speaker: Any objections?

No objections.

Continue, Minister.

[Motion carried: Standing Order 21 suspended.]

BILL

THIRD READING

ECONOMIC SUBSTANCE ACT 2018

Hon. Curtis L. Dickinson: Mr. Speaker, I move that Bill be now read a third time by its title only and passed.

The Speaker: It has been read, approved, and passed. Yes. All in agreement.

[Motion carried: The Economic Substance Act 2018 was read a third time and passed.]

ANNOUNCEMENT BY THE SPEAKER

OVERSIGHT COMMITTEES HOUSE APPOINTMENTS

The Speaker: Before we go to that final step, as indicated this morning, I was going to close the House by naming the Oversight Committees.

Just for the information of the House and the public, establishing Oversight Committees is a new process for our Standing Orders. So what is going to happen today is that the committees will be named. And I am going to meet with the individual committees during the time of recess to walk them through the process and the roles and responsibilities that they will have. Hopefully, we get them started early in the new year, but those meetings will take place just as an initial meeting to get people up to speed with the understanding of the role of the Oversight Committees.

There are three Oversight Committees. Let me also say that each committee will have two Members from the Senate. The Members from the Senate . . . I have been in conversation with the President of the Senate. The next time the Senate meets she will name those individuals and I will let them name them publicly in that Senate, but they will serve as part of the committees.

So, the first committee is the **Infrastructure and Transport**. We have the Honourable Member Cole Simons; the Honourable Member Derrick Burgess; the Honourable Member Lawrence Scott; the Honourable Member Kim Swan, and the Honourable Member Tinee Furbert.

On the second committee, which is the **Education, Health, Welfare**, the Honourable Member Neville Tyrrell; the Honourable Member Michael Weeks; the Honourable Member Chris Famous; the Honourable Member Leah Scott; and the Honourable Member Jeanne Atherden.

And on the third committee, which is the **Central Policy, Security, and Economic Growth**, it is the Honourable Member Ming; Honourable Member Jackson; Honourable Member Michael Scott; Honourable Member Simmons; and Honourable Member Richards.

They will serve on the inaugural committees that are established.

Thank you, Members.
Mr. Premier.

ADJOURNMENT

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

Mr. Speaker, I believe you are waiting for me to move the motion to adjourn.

The Speaker: Yes.

CHRISTMAS GREETINGS

Hon. E. David Burt: Seeing that there is no motion to adjourn, Mr. Speaker, I hope that you will allow me to wish on behalf of the Government of Bermuda to the people of this country a very merry Christmas and a very Happy New Year. No matter what faith they manage to follow at this time, I do hope that we have a nice time of family—friendship and family. And with that, Mr. Speaker—

The Speaker: Well, Mr. Premier, I am going to ask for the House's indulgence, because my role is to sit here and try to give fair play. Being the Leader of the Government has been able to give Christmas greetings, would the Leader of the Opposition like to give a Christmas greeting before we finally close?

Hon. L. Craig Cannonier: Certainly. And thank you for obliging me that opportunity.

It has been an interesting session. But what I would like to say foremost is that we appreciate all efforts made in this House to bring Bermuda to a better place.

Mr. Speaker, we want to thank your administration for the hard work that they do to ensure that there is some semblance of staying in line while we are in the House. But as we move into a season, a time where we talk about hope, where we talk about enjoying one another as family, Bermuda is truly one family. And over this holiday season may we reflect more on the importance that we place on one another, that we move this Island to a better place. Merry Christmas everyone.

Some Hon. Members: Merry Christmas.

The Speaker: Thank you.

Mr. Premier, continue.

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

With those messages being sent from the Opposition Leader, as I said and previously indicated, I do wish that all Bermudians and all persons who are residents of this country will have a very safe, happy, and joyous holiday season.

And with that, Mr. Speaker, I move that this Honourable House adjourn to until Friday, February 8, 2019.

Some Hon. Members: February 8th?

The Speaker: Members, February the 8th.

Hon. E. David Burt: The 8th.

The Speaker: The 8th, yes.

Members, the House does now stand adjourned. As we look at this adjournment of our Christmas season, I would just like to wish you all, each and every one of you and your families, a good Merry Christmas season, and remember the reason for the season, and be blessed during that season in this true Christmas spirit.

I look forward to seeing you all back on February the 8th. I trust that you will enjoy your time away from here and do a good reflection on what has been accomplished during this session and the need for us to continue to conduct ourselves in a proper manner when you return.

Thank you, Members. With that, we are closed until the 8th of February.

[Gavel]

[At 12:42 pm, the House stood adjourned until 10:00 am, Friday, 8 February 2019.]

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2018/19 SESSION**

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