



**2020/2021 SESSION  
of the  
BERMUDA HOUSE OF ASSEMBLY  
OFFICIAL HANSARD REPORT**

**10 MARCH 2021  
Virtual Sitting**

*Sitting number 10 of the 2020/2021 Session  
(pages 687–768)*

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

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10:02 AM***Sitting Number 10 of the 2020/2021 Session**[Hon. Dennis P. Lister, Jr., Speaker, in the Chair]*

**The Speaker:** Good morning, Members. The House is now about to begin today's session. Ms. Beale will lead us in prayer.

Ms. Beale.

**PRAYERS***[Prayers read by Ms. Kara Beale, Assistant Clerk]*

**The Speaker:** Thank you, Ms. Beale.  
Members, the House is now in session.

*[Gavel]***CONFIRMATION OF MINUTES***[Minutes of 5 March 2021]*

**The Speaker:** Good morning, Members.  
The Minutes of the 5<sup>th</sup> of March have been circulated. So, Members, can you confirm whether there are any alterations or amendments that are required?

There are none.

*[Minutes of 5 March 2021 confirmed]*

**The Speaker:** The Minutes from the 8<sup>th</sup> of March have been deferred.

**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:** There are none.

**PETITIONS**

**The Speaker:** There are none.

**STATEMENTS BY MINISTERS  
AND JUNIOR MINISTERS**

**The Speaker:** There is one Statement on the Order Paper this morning. That is from the Minister of Education.

Minister, would you like to present your Statement at this time?

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

**The Speaker:** Thank you, Minister. You have the floor.

**PROFESSIONAL DEVELOPMENT  
FOR PUBLIC SCHOOL EDUCATORS**

**Hon. Diallo V. S. Rabain:** Mr. Speaker, today I rise to share with my honourable colleagues and the community at large the efforts that are being undertaken to develop the workforce for Bermuda's schools and the professional development that will be provided throughout education reform and thereafter. Mr. Speaker, commencing in January 2021, and to date, the Ministry of Education has been holding consultation meetings to share the introduction of parish primary school proposals. During many of those consultation meetings participants have asked, *What will you do to prepare teachers for the new vision of learning? How will you get them ready for the transformation?*

Mr. Speaker, we have responded that professional development will play a key role in preparing teachers to implement a powerful vision for learning that we expect to take place in Bermuda's classrooms every day. We have also stated that professional development will be provided throughout educational reform, and it will continue after the Bermuda [Public](#)

School System [BPPS] has been transformed. Specifically, professional development will be ongoing and job-embedded to ensure that our teachers are equipped with the knowledge and skills needed to help all students achieve high learning, development standards and improved student results.

Mr. Speaker, the OECD [Organisation for Economic Co-operation and Development] comprises 37 member countries that discuss and develop economic and social policy. The OECD's stated goal is to shape policies that foster prosperity, equality, opportunity and well-being for all. Mr. Speaker, the OECD is an important organisation because it plays a key role in sharing information data and measuring progress on poverty eradication or inequality and in bringing to the forefront solutions pertinent for the betterment of humanity and children.

Mr. Speaker, an excerpt from an OECD report on professional development stated (and I quote), "In many countries, the role and functioning of schools are changing and so is what is expected of teachers. Teachers are asked to teach in increasingly multicultural classrooms; to place greater emphasis on integrating students with special learning needs in their classrooms; to make more effective use of information and communication technologies for teaching; to engage more in planning within evaluative and accountability frameworks; and to do more to involve parents in schools . . .

"Education systems therefore seek to provide teachers with opportunities for in-service professional development in order to maintain a high standard of teaching and to retain a high-quality teacher workforce."

Mr. Speaker, we recognise the integral role of teachers and leaders who have had significant responsibilities placed on them. We also acknowledge the Education Department's role to ensure ongoing opportunities for professional development.

Mr. Speaker, the OECD adopts a broad definition of "professional development." It is defined as "activities that develop an individual's skills, knowledge, expertise and other characteristics as a teacher." An OECD report also stated that professional development could serve the following objectives:

- to update individuals' knowledge of a subject in light of recent advances in the area;
- to update individuals' skills, attitudes and approaches in light of the development of new teaching techniques and objectives, new circumstances and new educational research;
- to enable individuals to apply changes made to curricula or other aspects of teaching practice;
- to enable schools to develop and apply new strategies concerning the curriculum and other aspects of teaching practice;

- to exchange information and expertise among teachers and others, e.g., academics, industrialists; and
- to help weaker teachers become more effective.

Mr. Speaker, the Ministry and Department of Education recognise the critical importance of professional development and the need to provide professional development for our leaders, teachers and school staff on an ongoing basis. Mr. Speaker, providing professional development during education reform is extremely important as we prepare for the significant changes that legislation will bring to the Bermuda Public School System by (1) phasing out middle schools; (2) introducing signature schools; (3) introducing a signature school for students with exceptionalities; (4) introducing an alternative education signature school; and (5) adding two additional years to primary schools and one additional year to senior schools.

Mr. Speaker, Plan 2022 priority 3 communicates the strategies that are to be executed as they relate to developing the workforce that is responsible for equipping Bermuda's children with the knowledge, skills, values and dispositions so that they can successfully transition to colleges and universities and the workforce and to ultimately lead and compete locally and globally, fulfilling the vision for education.

Mr. Speaker, professional development for teachers is an imperative. We know that the evidence continues to accumulate showing that teachers' high-quality professional development influences student performance. High-quality professional development is essential to the nation's goal of high standards of learning for every child. The most important investment school systems can make is to ensure that leaders and teachers continue to learn.

Mr. Speaker, the OECD indicates that professional development activities can include the following:

- courses/workshops (e.g., on subject matter or methods and/or other education-related topics);
- education conferences or seminars (at which teachers and/or researchers present their research results and discuss education problems);
- qualification programme (e.g., a degree programme);
- observation visits to other schools;
- participation in a network of teachers formed specifically for the professional development of teachers;
- individual or collaborative research on a topic of professional interest; and
- mentoring and/or peer observation and coaching as part of a formal school arrangement;
- reading professional literature (e.g., journals, evidence-based papers, thesis papers); and

- engaging in informal dialogue with peers on how to improve teaching.

Mr. Speaker, over the past three and a half years the Department of Education has provided quality professional development activities for our teachers and specialist staff (including paraeducators and educational therapist assistants), including the types of professional development activities that I just referenced. All of these efforts are aligned with Plan 2022 priority 3, which focuses on the efforts to be expanded to *enhance the quality of teacher practices and system leadership*.

Mr. Speaker, there are designated professional development days on the academic calendar each year in September, October, January and February. This past September 2020 we added additional days for professional development to ensure that school leaders and staff were well-versed about the new Entry to Exit Safety and Health Protocols that would have to be strictly adhered to in our schools in light of the COVID-19 pandemic. Mr. Speaker, the professional development days designated on the academic calendar are in addition to the site-based professional development days set aside for school leaders to coordinate site-based professional development and hold workshops facilitated for school staff by Department of Education Technical Officers.

Mr. Speaker, this year, in support of principals' efforts to hold site-based professional development aligned with school improvement plans and in alignment with Plan 2022 Strategy 3.1.1, three days were designated for schools to close early. The first early closure for professional development was at 2:00 pm on Tuesday, November 10, 2020. And as a reminder to parents and guardians, the remaining early closures for professional development will take place on Thursday, April 1, 2021, and Thursday, May 27, 2021, at 2:00 pm.

Mr. Speaker, the types of professional development activities that the Department of Education provided for teachers and school staff during the February 2021 professional development days serve as excellent examples of the quality and type of professional development provided by officers, school staff and community partners. These professional development activities included workshops on a range of topics, including using digital tools and dealing with our staff's and teachers' social and emotional needs. [The workshops] include the following:

1. Standards-Based Grading Assessment (ongoing professional development);
2. Math Mastery Flow (in support of our efforts to improve math instruction and student outcomes for mathematics);
3. Psychologically Safe;
4. Creating Assessments in Schoology;
5. Getting Started with PearDeck (how to use interactive Google slides for presentation);
6. Maximising Videos with EdPuzzle;

7. Innovative Ways to Use Plickers (using Plickers to increase student engagement);
8. Using the Flipped Classroom;
9. Creating Your Own Bitmoji;
10. Creating and Using Digital and Interactive Notebooks;
11. Using and Managing Your Google Drive;
12. Resiliency in Your Classroom;
13. Are You Using Your Self-Care Toolkit? (facilitated by the EAP [Employee Assistance Programme]);
14. Social Studies Assessment Creation;
15. Math Assessment Creation;
16. Middle School Science Teacher Constructivist Learning Model and Backwards Design;
17. English Language Arts Assessment Creation;
18. Foreign Language Assessment Creation;
19. Creating a Future for the Arts;
20. [School Counsellors PD: Bio Psychosocial Assessment and Interventions;]
21. Behaviour Specialist Training—Behaviour Interventions;
22. The Purpose and Policy of Intervention Learning Plans;
23. Student Services: Meeting the Needs of Our Students.

Mr. Speaker, efforts have been made [to ensure] that the professional development activities allow school staff to go deeper and deeper with the workshops' content during the year. For example, workshops on standards-based grading take place during all workshop days to enable teachers and leaders to dig deeper and deeper in the learning of content and skills.

Mr. Speaker, staff have opportunities to select workshops; however, some of the workshops provided are also mandatory for staff. This occurs when there are systemwide practices that teachers and leaders are expected to carry out at the school level. Even when the sessions are mandatory, there is still some opportunity to personalise professional development. For example, Mr. Speaker, all teachers in the Bermuda Public School System must participate in workshops on Schoology; however, staff can access the workshop in both self-paced or virtual workshops.

Also, Mr. Speaker, since May 2020 EAP has played a key role in providing workshops for BPSS staff during systemwide professional development days and at other times. To date, EAP has facilitated over 26 sessions with staff, focusing on equipping them with tools and strategies to navigate the demands of their roles. Mr. Speaker, we have included these workshops from the EAP because our staff's social/emotional well-being is critical.

Mr. Speaker, in addition to these offerings, professional development activities connected specifically to staff and students' needs are determined and co-ordinated by the senior school principals, the Principal at DAME [Dame Marjorie Bean Hope Academy]

and the Acting Director of Success Academy during designated professional development days.

Mr. Speaker, I want to take a moment to highlight that the entire staff at DAME, under the guidance of the principal, are working to earn Registered Behaviour Technician (RBT) certification. And some members of the staff have already successfully completed the training.

Mr. Speaker, the Assistant Director of Early Childhood Education leads and coordinates the professional development activities for preschool administrators and staff. Preschool leaders and teachers have been receiving intensive professional development designed to ensure integration of the inquiry model of teaching and learning with the Creative Curriculum. There has also been significant investment in professional development in the use of Teaching Strategies Gold, the online platform for planning, documentation, assessment and communication internally and with parents and guardians. Mr. Speaker, I would also highlight that Bermuda public school preschools have earned Teaching Strategies Gold's Ambassador status recognition because of their commitment to improving children's outcomes through professional development.

Mr. Speaker, we have communicated our commitment to a foundation year. As we prepare for this, starting this year, early years training for Primary 1 teachers has been provided twice a month to equip teachers with evidence-based strategies to increase student engagement and facilitate active learning. Teachers also learned how to engage in authentic assessment by using students' observations in more creative exploration during inquiry learning. Teachers have been exposed to a more progressive, engaging and personalised approach to teaching and learning, which has opened the teachers to the possibilities of what can be achieved through active learning and inquiry learning.

Mr. Speaker, training in SCERTS (social communication, emotional regulation, transactional supports) started a few years ago. This year the training continued to provide continuity and ongoing progress of the Growing Connections' preschool children with ASD [autism spectrum disorder] and developmental delays. Additionally, Mr. Speaker, learning support teachers, [in] ASD and functional skills classes received coaching on engaging and supporting children with challenges within their classroom's natural environment.

Mr. Speaker, ensuring that our students with special needs are provided quality services, the learning support teachers have been provided with ongoing professional training on the School Team Process; Pre-Referral Intervention Process, IEP [individualised education programme] planning and audits; intervention learning plans; dyslexia; ADHD; and Identifying Key Concepts with Behaviour. Learning support teachers were also presented with IEP implementa-

tion and documentation methods to collect data for IEPs and ILPs [individualised learning plans] accurately. Professional development was provided for school staff in learning styles that focused on children's instructional, behavioural and environmental needs. Mr. Speaker, workshops are also provided for paraeducators and educational therapist assistants as required by Plan 2022 Strategy 3.21.

Mr. Speaker, principals are responsible for leading and coordinating professional development for their staff throughout the year. At the primary and middle levels, the professional development is aligned with the targets and objectives set out in the school improvement plan. In collaboration with education officers, principals delivered site-based professional development in the following areas: Writing Proficiency; Mathematics; Reading; Research-based Instructional Strategies; and Innovation. This is also connected to the Government's Education Platform and its commitment to ensuring teachers' professional development to improve students' learning outcomes.

Mr. Speaker, ongoing professional development is also provided for school principals and the Department of Education Technical Officers each month by the Standards-Based Grading Standing Committee. Principals and deputy principals also participate in workshops facilitated by the Assistant Director of Educational Standards and Accountability.

Mr. Speaker, in alignment with Plan 2022 Strategy 3.5, the first Principal Certification Programme has commenced at the Bermuda College via a partnership with Framingham State University. The Graduate Certificate Programme in Educational Leadership started on October 12<sup>th</sup>, 2020, and the cohort of 13 (and, Mr. Speaker, there might be a mistake in the Statement that was issued. It says 14, but I believe it is 13)—and the cohort of 13 educators includes teachers, year-level heads, mentor teachers, deputy principals, acting principals and Department of Education officers.

Mr. Speaker, teachers' professional development is an essential component of the comprehensive school reform. As we look to the future of education, we recognise that we will need a high-quality, sustainable, professional learning plan for teachers, specialist staff, and school and Department of Education officers. That plan will be sustainable and researched and will include:

- 1) site-based professional learning which targets the needs of individual schools and their staff;
- 2) system wide professional learning focused on building the knowledge and skills of all staff for national priorities that will improve the outcomes for students;
- 3) national-level professional learning for all educators on the Island.

The Department of Education will also look to the National Education Institute (NEI) to provide leadership with professional learning opportunities for all

of Bermuda's educators. The National Educators Institute will provide strands of professional learning, including Pedagogy, Social Emotional Learning, Peer Coaching, Research and Scholarship, and Brothers as Scholars. Teachers for Teachers will facilitate the NEI's professional learning; it will be job-embedded, ongoing, and based on educator interest. It will be inquiry-based and will include peer coaching.

Mr. Speaker, I want to share about the work that will take place to develop the education workforce, one of six national and core priorities currently being addressed by the Learning First Design team, which is focused on three areas. There will be professional learning for educators to support the implementation of school redesign.

The ideas that are currently under development in this category include creating a teaching task force of skilled mentors and coaches able to demonstrate, support and quality-ensure new teaching practices as they are introduced into schools; and an approach to practice development based on the proven lesson study model in which educators work together using peer observation and coaching to test and improve new lessons, resources and assessments and embed these in their practice.

Mr. Speaker, we will introduce consistent teaching standards and shared accountability for excellence. The ideas being explored in this category include the following:

- the development, with the profession, of Bermudian professional standards for educators that describe key aspects of effective practice on every career stage from novice to master teacher and into leadership roles, including school principal and administrator;
- support for schools to become professional learning communities rich in evidence-based models for professional learning where collaboration is the norm; and
- a professional growth planning team, [with] educators working together each summer term to plan, design and commission professional learning for the coming year, based on national and school priorities and educators' needs and interests.

Mr. Speaker, we also plan to raise the teaching profession's profile and make a career in education a natural choice for Bermuda's brightest graduates. Ideas for achieving this include an annual Bermudian education conference showcasing the best of public and private education in Bermuda; and partnerships between schools, businesses and community organisations to provide work placements, enrichment and resources for students, and career development opportunities for educators, including exchanges and externships.

Mr. Speaker, the American Federation of Teachers has stated that "the nation can adopt rigorous standards, set forth a visionary scenario, compile

the best research about how students learn, change textbooks and assessment, promote teaching strategies that have been successful with a wide range of students, and change all the other elements involved in systemic reform—but without professional development, school reform and improved achievement for all students will not happen."

Mr. Speaker, we will continue to make professional development a priority now and throughout education reform. We will also develop an infrastructure for sustainable professional learning for our educators to become a natural part of their work experience.

Thank you, Mr. Speaker.

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

## REPORTS OF COMMITTEES

**The Speaker:** There are none.

## QUESTION PERIOD

**The Speaker:** The written questions that are on the Order Paper we already agreed on Monday that they will be carried over until Friday.

### QUESTIONS: CONSOLIDATED FUND ACCOUNTS MARCH 2018–MARCH 2020 [Deferred]

**Hon. N. H. Cole Simons:** Will the Honourable Premier please confirm to this Honourable House the value of the total accounts receivables due to the Government of Bermuda's Consolidated Fund as at March 31, 2018, March 31, 2019 and March 31, 2020?

**Hon. N. H. Cole Simons:** Will the Honourable Minister please provide this Honourable House an aged receivable schedule for the three years in question?

**Hon. N. H. Cole Simons:** Will the Honourable Minister please confirm to this Honourable House the value and details of receivables written off the Government's books for the last three years?

**The Speaker:** And there are no indications of questions for the Statement which was read this morning by the Minister.

So, we will move on.

## CONGRATULATORY AND/OR OBITUARY SPEECHES

**The Speaker:** Does any Member wish to make a contribution at this time?

**Mr. Christopher Famous:** Yes, Mr. Speaker.

**The Speaker:** Yes, Honourable Member Famous. You have your three minutes.

**Mr. Christopher Famous:** Yes. I would like to give congratulations to three young-ish Bermudians on their recent promotions at BELCO. I will start with the Honourable Member Wayne M. Caines, who will be the President of BELCO in summertime. In his short time there he has made an indelible impression, and we wish him well because we need Bermudians at the helm of BELCO.

The second congratulation is to Ms. Shelly [Michelle] Leland. She is now going to be Managing Director of what we call *the Grid*, the transmission and distribution. Shelly has been there 20 years. She started off as an environmental technician and has worked her way up into management. And if ever there is an outage she is always on the frontline communicating to Bermudians about when their lines are likely to be back on, and at the same time, simultaneously ensuring that the gentlemen in the field have all of the supplies they need. So she is well positioned to be in that space.

And lastly but not least, I want so speak very broadly about—highly of a young man came up through the ranks of Somerset Cricket Club. And he is none other than Mr. Nadir Wade.

I think you may know him. He is the Cooks Hill sort of DNA.

**The Speaker:** Yes.

**Mr. Christopher Famous:** And he is now the Managing Director of Bulk Generation, which is essentially the power outflow system. MP Neville Tyrrell wants to be associated with all three. I think all the whole House would be because as we see our Bermudians progress into these positions we must give a hearty thank-you not just to them, but to their families who stood behind them. And in this case, especially the Wade family who are stalwarts of Somerset.

Thank you, Mr. Speaker.

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

Does any other Honourable Member wish to make a contribution at this time? Any other Member?

**Hon. Diallo V. S. Rabain:** Mr. Speaker.

**The Speaker:** Yes.

**Hon. Diallo V. S. Rabain:** Okay. Just a second. I am trying to figure out how to turn on the camera on this thing.

Mr. Speaker, I would like for the House to send—

**The Speaker:** Okay. You have your three minutes, Minister of Education.

**Hon. Diallo V. S. Rabain:** Yes, Mr. Speaker.

I would like for the House to send appropriate condolences—and I am sure I can associate the entire House—for the untimely death of Dr. Joseph Christopher, a giant in our education system—I mean, it goes without speaking the contributions that Dr. Christopher has given to our system. And we in Bermuda, we are all feeling this loss at the moment, Mr. Speaker. I was almost speechless when I got the word yesterday.

And I would like for this House to send appropriate condolences to his family, Mr. Speaker.

**The Speaker:** Thank you, Minister. And you did associate the whole House, because I am sure all of us would like to be associated with that because he was outstanding in our community.

Does any other Member wish to make a contribution? Any other Member?

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

**The Speaker:** Sounds like the Minister of Works. Minister, you have your three minutes.

**Lt. Col. Hon. David A. Burch:** Yes, Mr. Speaker. I would like to be associated with the [congratulations] to MP Caines on his promotion and to Ms. Shelly . . .

Mr. Speaker, I would also like to particularly congratulate and offer congratulations to Nadir Wade, who was a graduate of the Berkeley Institute and worked in DC for the [US] Federal Government. His twin brother works with us, Mr. Speaker. They are twins from Somerset. One has a mechanical engineering degree, the one who is with us, Nasir [Wade]. And Nadir has an electrical engineering degree. Mr. Speaker, they both worked for the Ministry of Public Works during the summer in 2006, I believe, 2006 or 2007, and participated in designing the electricals and the mechanicals for the Perimeter Lane housing complex.

So I have watched their progress over a number of years and provided support and encouragement. I think this is an excellent decision by BELCO. Nadir and his brother come with a commitment to this community beyond just their employment. They are heavily involved in Somerset Cricket Club and even coaching at this point in time.

I am sure that they will do—all of these three [who have been promoted] will do an outstanding job not just for BELCO, but for this community. And I ask that the House send congratulations to all three of them. Thank you, Mr. Speaker.

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

Does any other Member wish to make a contribution at this time?

No other Member?

Then I would just like to make a contribution. In today's paper under *Lifestyle*, you will see a story on a young 97-year-old Ms. [Viola] Rogers from Somerset. And it has highlighted the contribution that she has made in her community over the years.

I would just like to recognise her this morning as well, in that she has been a stalwart in the Sandys community and is loved by all in the community. And her presence is always felt in a very positive way in our community. I would just like for that to be noted with the article that is in today's paper.

With that said, we will now move on to the next Order on the paper.

## 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.

## ORDERS OF THE DAY

**The Speaker:** And for the listening audience, we are on the second day of the annual Budget Debate. As you know, there are some 56 hours that are put aside for the debate, 8 hours each day. And we are here today to debate two Ministries that will come up in these eight hours.

During the time that we are debating the budget, we are in the Committee stage, which means that the Speaker is out of the House and the House is in the hands of the Panel of Chairs led by the Deputy Speaker. And this morning it will be a member of the Panel of Chairs who will take the first sitting this morning. And I believe it will be the Honourable Member Famous.

Before he takes the Chair, we will call on the Minister of Finance to move us into Committee, and then the Honourable Member Famous will share that session.

Minister.

**Hon. Curtis L. Dickinson:** Good morning, Mr. Speaker.

**The Speaker:** Good morning.

**Hon. Curtis L. Dickinson:** Mr. Speaker, I move that the House do now resume in Committee of Supply to consider the Estimates of Revenue and Expenditure for the year 2021/22.

**The Speaker:** Are there any objections?

No objections.

I call on the Honourable Member Famous.

**Mr. Christopher Famous:** Thank you, Mr. Speaker.

House in Committee at 10:40 am

*[Mr. Christopher Famous, Chairman]*

## COMMITTEE OF SUPPLY

### ESTIMATES OF REVENUE AND EXPENDITURE FOR THE YEAR 2021/22

*[Continuation thereof]*

**The Chairman:** Honourable Members, we are now in Committee of Supply for further consideration of the Estimates of Revenue and Expenditure for the year 2021/22. Today we will be discussing Heads 16, 17, 18, 41—and now are to be debated.

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

**Hon. Diallo V. S. Rabain:** Mr. Chairman, I move that the following Heads, Head 16, Ministry of Education Headquarters; Head 17, Department of Education; Head 18, Libraries and Archives; Head 41, Bermuda College, now be taken under consideration.

**The Chairman:** Proceed, Minister.

## MINISTRY OF EDUCATION

**Hon. Diallo V. S. Rabain:** Mr. Chairman, today I am pleased to present the budget for the Ministry of Education, which comprises the Ministry of Education Headquarters, Head 16; the Department of Education, Head 17; the Department of Libraries and Archives, Head 18; and the Bermuda College, Head 41.

Mr. Chairman, the 2021/22 budget for the Ministry of Education of \$128,110,000 is found on page B-134 of the Estimates of Revenue and Expenditure for the year 2021/22. This represents an decrease of 9,352,000 compared the 2020/21 original budget. The current account 2021/22 estimated revenue for the Ministry of Education is \$246,000. The capital expenditure estimate for acquisition and devel-



opment increased from \$2,810,000 last year to \$2,881,000 for 2021/22. The total number of full-time equivalents for the Ministry totalled 1,066 employees.

Mr. Chairman, in October last year UNESCO, the United Nations Education, Scientific and Cultural Organisation, declared that the coronavirus pandemic outbreak had impacted every education system worldwide. Although Bermuda is only 21.5 square miles in land mass situated in the middle of the Atlantic Ocean, with just over 4,400 public school children, the education of our children was impacted with no exception. The pandemic affected teaching and learning in all of Bermuda's private schools, as well.

Mr. Chairman, COVID-19 required our teachers, our parents and our students to rapidly adjust to new modes of learning. In a matter of weeks, our schools had to find and implement viable alternatives to traditional models of teaching in a classroom setting. The impact of COVID-19 has raised several questions about how the delivery of education might look in the future. The experience has not only opened our eyes to the challenges of remote learning, but also to some exciting possibilities of how teaching and learning outside the classrooms might play a bigger role in the education of our students.

Along with all educators and support staff, I am acutely aware of not only the effects to date, but the medium- and long-term impacts of COVID-19 on young people as they grow and develop through their educational lives. As a system, we have in place plans and programmes to address learning loss and to provide for the additional social/emotional needs of students, as well as staff. While this budget is focused on the next fiscal year, I want to highlight that for the year ahead and for several years to come, the ongoing implications of the pandemic are a critical consideration on how we change public education to meet the multiple needs of children. With this, Mr. Chairman, I am compelled to share insights on education reform as it has progressed steadily during the past year despite the impact of the pandemic. It will also continue to be implemented during the upcoming fiscal year, notwithstanding the decrease in the Ministry's 2021/22 budget.

During the presentation of the Education Budget this year, I stated that the education of our children has become an established culture of fixed methods, fixed processes and fixed systems. The methods, processes and systems must be upgraded and newly designed to facilitate 21<sup>st</sup> century learning and teaching. Therefore, Mr. Chairman, our sustained commitment to education reform continues to be intentional in bringing about the needed changes in our public school system. To implement the progressive and transformative education practices required to elevate teaching and learning, our children today and in generations to come will be set on a path that positions them to compete with their peers both locally and globally. This will be the Education Ministry's

mantra and modus operandi until these objectives are met for each and every child in each and every public school in Bermuda.

Mr. Chairman, as a result, the programmes and services delivered by the Ministry departments and the Bermuda College coordinate to create progressive learning opportunities for our students and for our educators, in alignment with the changes needed for 21<sup>st</sup> century teaching and learning. One generation—that is all it takes to transform our public school education. Mr. Chairman, during the upcoming budget year, monies have been set aside to continue the transformative work started, and that is how the Ministry of Education will continue to function—that is, with a methodical and intentional budget strategy. The monies required each year to progress the transformative work will be budgeted through each fiscal year, as the education reform is our priority.

## HEAD 16—MINISTRY OF EDUCATION HEADQUARTERS

**Hon. Diallo V. S. Rabain:** Mr. Chairman, today I commence the Budget Debate by detailing the expenditure for the Ministry of Education Headquarters, Head 16. The mission of the Ministry Headquarters, which is found on page B-135, is "to provide strategic leadership and policy direction for education and life-long learning." The objectives of the Ministry Headquarters are outlined accordingly on the same page.

Mr. Chairman, technical officers in the Ministry Headquarters, as well as members of the Education Reform Governance Team, worked diligently during the past budget year executing several policy decisions to support the four domains of education reform. These include (1) legislation to phase out middle schools and introduce signature schools; (2) implementation of the Learning First Programme; (3) consultation on the introduction of parish primary schools; and (4) research on the development of an Education Authority.

Also, Mr. Chairman, due to the COVID-19 pandemic, technical officers had to cancel the Ministry's regularly scheduled face-to-face events with public school students. With the implementation of safety and health school protocols and the importance of establishing and maintaining bubbles, weekly visits to different school buildings did not occur. Also, Mr. Chairman, the Ministry was required to cancel our annual Youth in Parliament Summit, which develops leadership skills of student leaders at each school level.

Nonetheless, Mr. Chairman, the following events were hosted by the Ministry during the past year: the annual Father's Day Essay Competition; the Father's Speak Forum; and World Teacher Day Procclamation. Mr. Chairman, the annual Father's Day Essay competition is held every year in June to give an opportunity for students to celebrate their fathers. P5

and P6 students are invited to submit essays in their own handwriting about their father or a father figure. The student essays are judged, and prizes are awarded to the overall P5 and P6 winners, with other prizes awarded by school zone. This year there were eight student winners, each of whom received Chromebooks which were donated.

Mr. Chairman, the Father's Speak series resumed in November. This series ensures that the unique perspectives of fathers and male guardians are heard and taken into consideration. The series are critical opportunities to recognise and acknowledge the value of fatherhood in education, including the social/emotional well-being of our young people and their achievements, attainment and outcomes. The roundtable discussions engage fathers to share experiences and learn from each other about how to strengthen their relationships with their children by becoming more involved as parents.

Mr. Chairman, the United Nations declared October 5, 2020, as World Teacher Day, with the theme, "Teachers: Leading in crisis, reimagining the future." In recognition of Bermuda's teachers in both public and private schools, the Ministry, in collaboration with the Bermuda Union of Teachers, held a proclamation ceremony on the steps of City Hall. There were teachers, principals, students and stakeholders in attendance to honour all educators. The reflection was specifically on the commitment our teachers make as leaders, particularly teaching in a range of environments throughout this COVID-19 pandemic. We appreciate the work of all of our educators.

Mr. Chairman, as the Ministry progresses forward with education reform, it is important to keep stakeholders and the general public aware of the various activities being undertaken. Therefore, the Ministry engaged in a series of biweekly radio talk shows to discuss, inform and also respond to questions about education reform. Topics discussed on the talk shows to date include the school consultation on the proposal to introduce parish primary schools, the research work done to establish an Education Authority, and the design team work undertaken for the Learning First Programme. These biweekly talk shows will continue through the next fiscal year.

Mr. Chairman, the work of the Board of Education during the year has steadily progressed. As per the Education Act 1996, the main functions of the Board of Education are to make recommendations to the Minister regarding various educational matters that will ultimately lead to the improvement and more efficient and effective delivery of public education.

Mr. Chairman, last year I tasked the board with four projects to enrich the delivery of education in the system which align with the technical and adaptive strategies and outcomes articulated in Plan 2022, the strategic plan for public school education. These projects were (1) creating new pathways to help enhance the recruitment and development of teachers;

(2) researching a tiered license designation structure; (3) reviewing a proposal for a master teacher designation structure; and (4) developing a registration process that requires private schools and tutorial sites to register annually or biannually.

Mr. Chairman, the Board of Education successfully framed four policies to support the development and implementation of three of these projects. The school registration process for private schools and tutorial sites was placed on hold. Nevertheless, the board advanced the following career development policies in alignment with Plan 2022 for recommendations to implement, these being (1) a master teacher designation; (2) Pathways to Teaching in Bermuda; (3) a tiered licence structure for educators; and (4) a Teacher Certification loan bond.

The implementation of these policies was prioritised with Ministry technical officers currently designing the rollout of the teacher certification bonded loan policy. This policy focuses on supporting the Bermudianisation of teachers in the education system by providing local opportunities and support for career-transferring professionals to become certified teachers with limited financial duress. The loss of salaries while completing a 12-week teaching practicum has become a roadblock for many. By affording a bonded loan to cover living expenses, persons will be able to focus on their teaching practicum experience and thus successfully complete the teaching certification without financial impediment.

Mr. Chairman, this policy recommendation supports Plan 2022 priority 3-1, enhancing the quality of teacher practice and system leadership, and specifically the key outcome, which states that 90 per cent of teachers are certified in their assigned field. I plan to publicly share the details of this initiative after the rollout design has been completed.

Mr. Chairman, in October the Ministry of Education collaborated with officers of the Bermuda Union of Teachers for the first time ever, an Education Emergency Measures Committee (EEMC) was formed. The mission of the EEMC is to coordinate the efforts of the Ministry of Education, the Department of Education and each representative organisation in providing guidance to schools for mitigating, preparing and responding to and recovering from any COVID-19-related emergency in the public school system and any other critical school incident, both natural or manmade. Since October, the EEMC has had six meetings.

Mr. Chairman, on page B-136 you will see that the Ministry of Education Headquarters has been allocated a budget of \$4,160,000 for the 2021/22 fiscal year. Within programme 1601, business unit 26000, General Administration, \$2,234,000 will support the operational and administrative functions of the Ministry.

Mr. Chairman, under programme 1601, business unit 26080, a total of \$501,000 has been budg-

eted for external grants and the Bermuda College Promise [programme]. This lower amount reflects a decrease of \$321,000, as the budgeted amount was maintained at the COVID-19 revised amount used for the last fiscal year. In awarding grant money, the Ministry will continue to deliver programmes and services which directly impact students to help them improve and achieve success.

Mr. Chairman, of the \$501,000, a total of roughly \$280,000 has been set aside to fund the merit-based College Promise programme. These funds are awarded to public school graduates with a GPA of 3.0 or higher to attend the Bermuda College tuition-free. This programme was introduced for the first time in September 2019. At that time, 26 students took advantage and enrolled in the Bermuda College, with tuition and cost of books fully covered. In September 2020 enrolment had more than doubled, as 70 public school students now receive the benefit of the Bermuda College Promise programme.

Mr. Chairman, \$1,425,000 has been set aside in business unit 26090 for the administration of the Ministry's annual Scholarship and Awards programme. The Ministry will continue to support students in their pursuit of tertiary-level education. As such, the total budgeted for scholarships and rewards remains the same.

Mr. Chairman, due to the impact of the pandemic last year, the Ministry extended the deadline for the submission of scholarship applications. The Ministry developed a student survey which confirmed our expectations that students' abilities to submit their applications in a timely manner have been directly impacted by the pandemic. The information gathered also helped the Ministry understand how students were affected so that we could better understand the specific challenges that students were facing. This was especially true of senior school students, who are studying remotely and who could not rely on school computers and scanners to complete their application. Therefore, the Ministry provided more time for current and prospective students to send in their applications. The extended deadline afforded a total of 498 student application submissions. This reflected an increase of 109 applications compared to the 389 received last year.

The Ministry of Education funded seven Bermuda Government scholarships comprising new and existing scholarships, a total of seven non-traditional student awards, five teacher education scholarships and 54 further education awards. The Minister's Awards comprised five Minister's Achievement Scholarships, one Merit Scholarship, one Applied Tech Scholarship, five Exceptional Student Awards, five Technical and Vocational Awards and six Bermuda College Book Awards.

The number of further education awards to students based strictly on their financial need increased from 38 to 54. The Minister's Achievement

Scholarship for a graduating student from Cedar-Bridge Academy and a graduating student from the Berkeley Institute pursuing overseas post-secondary study decreased to five, and one student postponed their study. The Minister's Technical and Vocational Awards for graduating public school students or recent public school alumni attending Bermuda College and who are pursuing local or post-secondary studies were sustained at five awards. Lastly, the Ministry's Exceptional Student Awards for graduating students or school leavers with disabilities pursuing local or overseas post-secondary education also remained the same as last year, with six awards.

Mr. Chairman, the \$1,425,000 budgeted for Scholarships and Awards during the 2021/22 fiscal year will be once again used to reach as many students as possible and afford them the opportunity to pursue both local and overseas post-secondary programmes of study.

Mr. Chairman, on page B-136, the subjective analysis of current account estimates is shown for the Ministry of Education Headquarters. Line 1, Salaries, stands at \$590,000 and shows a marginal decrease of \$16,000 when compared 2020/21. The decrease reflects the 10 per cent austerity measures for four months, from April to July 2021, to support the Government's austerity measure agreement with the union. The travel expenditure line item of \$13,000 decreased by \$8,000. Expenditure for communications remained the same. Monies budgeted on Advertising and Promotion increased by \$13,000 to heighten the promotion of the Ministry's Scholarships and Awards programme and education reform, particularly the restructuring from a three-tiered to a two-tiered system and the introduction of signature schools.

Mr. Chairman, \$1,617,000 has been budgeted for Professional Services, a minimal increase of \$10,000. These monies have been allocated to continue the implementation of education reform. A total of \$741,000 has been budgeted for the hiring of the consulting firm Innovation Unit, which will provide the Ministry with change management consultancy services for the continuation of the Learning First programme. The amount of \$376,000 will support work being led by the Ministry's Governance Team, as School Design Teams will be developed in preparation for the implementation of signature schools, while the remainder of the money, \$500,000, has been set aside for local professional services related to system redesign restructuring, boards and committee fees, and legal services.

Mr. Chairman, the execution of the transformative work of the education reform aligns directly with strategies outlined in Plan 2022. This work is ensuring college and career readiness, including the implementation of special school designs to meet unique student needs and interests. Additionally, we will prepare for the establishment of signature schools in specialised areas such as tourism, finance, business and the

trades—all of which reflects the projected workforce needs of the country.

Mr. Chairman, the amount budgeted for Rentals (and the next line of expenditures) increased by \$1,000. The majority of this expenditure will be used for the rental of halls to hold meetings with stakeholder groups and the general public, as there will be significant engagement and complete transparency during the school redesign and restructuring consultancy. All meetings will be held within the stipulated safety and health protocols.

Mr. Chairman, line item Materials and Supplies increased by \$7,000, while the budget for line [item], for Other Expenses, which covers food and drinks, remained the same. The last line item in the subjective analysis, Grants and Contributions, was allocated a budget of \$1,848,000 for the budget year 2021/22. This allocation decreased by \$370,000, directly reflecting a deduction in grant money allocated for external organisations in alignment with the COVID-19 savings programme. The full breakdown of the \$1,848,000 budgeted for Grants and Contributions can be found on page C-18 of the Budget Book.

Mr. Chairman, on page B-136, the number of full-time equivalents for employees in the Ministry of Education Headquarters remained the same as last year at six. Mr. Chairman, finally on page B-137, Performance Measures for the Ministry Headquarters are outlined. The target outcomes for last year were either achieved or in the process of being completed by the end of March this year.

Mr. Chairman, the Ministry team comprises the Permanent Secretary, our Senior Policy Analyst, the Ministry Comptroller, the Scholarship and Awards Programme Manager, the Administrative Assistant and Accounts Officer, and the Executive Assistant to the Minister and Permanent Secretary. All have provided me with sustained technical advice and administrative support, and I continue to be thankful to have a team of professionals who have persevered through challenges to deliver the Ministry's mandate and in all circumstances have remained focused on providing support for the Ministry to deliver the changes required in the best interests of Bermuda's children.

Thank you, Mr. Chairman. This concludes my presentation of the budget on the Ministry of Education Headquarters, Head 16.

## HEAD 17—DEPARTMENT OF EDUCATION

**Hon. Diallo V. S. Rabain:** Mr. Chairman, I now present the budget for Head 17.

Mr. Chairman, the vision of the Department of Education, as outlined on page B-138, is “to see all students educated to lead personally and professionally, contribute locally and compete globally.” Our vision for Bermuda's children will be achieved through the implementation of the Bermuda Public School System's mission. And that is “to provide all students

with equitable access to holistic and high-quality instruction which is culturally relevant and empowers students to reach their full potential.”

Mr. Chairman, we know unequivocally that it is the quality of teaching and learning which takes place in the classrooms of our public schools each day that will enable our student to acquire the skills, knowledge and values and dispositions that will prepare them to compete with their peers locally as well as globally, and will enable them to become the future leaders and contributing citizens of our Island and the world.

Mr. Chairman, our mission and vision are the driving forces for executing the transformation and technical strategies included in Plan 2022, our strategic plan for improving the Bermuda Public Education System. As technical officers at the Department of Education and staff in our public schools implement these strategies of Plan 2022, we are confident that we will (1) increase academic rigour and student engagement; (2) ensure career, college and workforce readiness; (3) enhance the quality of teacher practice and system leadership; (4) improve infrastructure and instructional resources; and (5) ensure system success.

Mr. Chairman, we are also confident that the long-term strategies of this strategic plan, once executed, will transform public school education in Bermuda and ultimately lead to greater success for our students. This is what the work of education reform is about, execution of the long-term strategies of Plan 2022. The Learning First programme is executing on priority 1, Strategy 1.1.4.1, specialised schools (now referred to as signature schools). The school consultative process for the introduction of parish primary schools is focusing on priority 4, Strategy 4.6.3, renovation, rebuilding and/or consolidating school facilities. And the Education Act Amendment Bill is executing on priority 5, Strategy 5.3.5, review of the current school structure.

Mr. Chairman, page B-141 shows that a total of \$105,592,000 has been allocated to the Department of Education for the fiscal year 2021/22. This is \$8,189,000 less than what was allocated in the 2020/21 fiscal year. Two significant factors have contributed to this decrease. In order to meet our revised budget ceiling, a total of 67 previously vacant and funded posts have been defunded at a total of \$5,014,000. The other contributing factor is the 10 per cent austerity measure reduction in salaries agreed to by the various unions that resulted in the remaining \$3,175,000. The declines in each of the department business units are reflective of the impact of these two factors.

Mr. Chairman, the Department of Education staff continue to execute of the strategies for Plan 2022, and specific strategies are tied directly to their performance appraisal objectives. This is aligned to Strategy 5.1.5, which states that we must (quote) “en-

sure the strategic plan's measures of success and operational plans are clear, measured and used for accountability" and Strategy 5.3.3.2, which requires the department to (quote) "focus on accountability by outlining delivery plans with clear timelines and identification of persons responsible."

Mr. Chairman, the department is in the process of preparing the Plan 2022 Annual Report for the 2020/21 fiscal year. This report will capture the progress of both 2019/20 and 2020/21 as the data for the year 2019/20 was impacted by the COVID-19 pandemic.

Mr. Chairman, I will now move on to highlight the expenditures of each business unit that falls under Head 17, commencing on page B-139.

### **Programme 1701—Central Administration**

**Hon. Diallo V. S. Rabain:** Mr. Chairman, I will begin with the analysis of Central Administration. This includes the costs of salaries for the administrative personnel and system leaders who function to lead, support, monitor and audit the work that takes place in the Department of Education and in our schools.

Mr. Chairman, monies budgeted for the upcoming year for business unit 27000, General Administration, will cover the costs for inventory purchases of educational and office supplies for the school year. There is an additional \$88,000 budgeted in expenditure for the fiscal year to cover COVID-19-related expenses. Mr. Chairman, the Department of Education has over the last year made safety and health in our public school system an even higher priority, given the COVID-19 pandemic. All schools were deep cleaned in August 2020. And this has continued at designated times throughout the school year, in addition to their daily cleaning routine carried out each day, using EPA-approved supplies as outlined by the Department of Health. Prior to the opening of schools all school tanks were chlorinated to ensure that the water supply was safe for drinking and handwashing. Safety and health signs were designed, printed and posted throughout school buildings as reminders to all staff and students to follow safety protocols and to maintain the six feet for physical distancing.

Mr. Chairman, custodians have also been provided with EPA-approved cleaning, sanitising and disinfectant supplies and personal protection equipment to carry out the new cleaning regimes as developed by the Department of Health. Additionally, all schools and school staff continue to be provided with hand sanitiser, disinfectant and sanitising wipes, and gloves. Each staff member was also provided with disposable masks, cloth masks and a non-disposable transparent mask. Staff who require additional personal protective equipment (or PPE) to carry out their work responsibilities continue to be provided with non-disposable and disposable gowns and aprons.

Mr. Chairman, last year I stated that the Stores team would ensure that all purchasing of inventory would continue to be purposeful and we will obtain value for money spent. To facilitate this, Stores requested input from schools to improve the standardisation of inventory for school supplies purchased to have quick turnover of inventory and a lower chance of having obsolete items. Mr. Chairman, I also stated that the Facilities and Stores Sections will work together to ensure consistency with cleaning supplies ordered to ensure that control of inventory quantity is maintained and that facilities would also add to their monthly inspection of schools the status of supplies, to prevent stockpiling.

Mr. Chairman, further to my last point, to help with the prevention of stockpiling, Stores has worked with Facilities in regard to how often orders of the same item are placed. This was communicated to Facilities for their monthly inspection. Also, Stores has set minimal re-order quantities on products based on movement of a product and lead time, from the product's being ordered to its being received. This is a critical efficiency which has knock-on-effect benefits for safety and health, and also cleanliness of schools. The Commissioner of Education has also worked with Stores in approving the orders placed by schools for PPE supplies. The Stores team also carried out a successful count of inventory for the 2019/20 fiscal year, and the inventory count for the 2020/21 year will take place between March 26 and 31, 2021.

Mr. Chairman, with school safety and health as a priority, the Stores team has ensured the timely procurement and distribution of PPE and cleaning supplies at schools during the 2021/22 fiscal year. Stores will continue to focus on the efficient management of inventory and delivering supplies ordered to schools in five days or less.

Mr. Chairman, business unit 27001 holds the budget for the Office of the Commissioner and primarily funds the salaries of the Commissioner of Education and two direct reports, the Director of Academics and the Director of Educational Standards and Accountability. The Commissioner of Education and direct reports are responsible for the strategic planning; overseeing, monitoring and auditing of the work of staff; and holding staff at the department and in schools accountable for carrying out their duties and responsibilities. They are also responsible for collecting data and reporting on the performance metrics set out for Plan 2022, the department and our schools.

Mr. Chairman, last year the department added the services of a communications consultant who provides communications services for the department and schools. Mr. Chairman, the hiring of the communications consultant is in direct response to Plan 2022 Strategy 5.3.1, which mandates that we (quote) "strengthen external communication and increase high-quality communication and public relations to all stakeholders."

Mr. Chairman, between February 2020 and February 2021, there were a number of noteworthy achievements for the department as it relates to communications. *The Scoop* newsletter was established to provide parents and guardians with first-hand timely information from the Commissioner's Office. There have been 29 mailings, reaching approximately 3,600 recipients per mailing. Mr. Chairman, a BPPS Electronic Family Feedback Form was established to enable families, staff and community to submit suggestions, complaints, questions or kudos directly to the Commissioner's Office. Mr. Chairman, there have been 248 entries as of the end of February 2021, with 29.0 per cent questions, 21.5 per cent comments, 21.0 per cent suggestions, 16.0 per cent kudos and 4.9 per cent complaints. Responses were provided to each sender within 48 hours of their submission the majority of the time.

Mr. Chairman, the Bermuda Public Schools Facebook page was re-invigorated over the past year. Facebook groups were established for families by school level, and we can report in January 2020 we had a Facebook post reach of zero. As of January 2021, we had a Facebook post reach of 11,335. Further, Mr. Chairman, a YouTube channel has been set up for Bermuda Public Schools to encourage the community to have additional access to information and programming about the public education system in Bermuda.

Mr. Chairman, several communications strategies were executed during the onset of the pandemic. While schools were operating remotely during the months leading up to the re-opening of Bermuda public schools, a COVID-19 crisis communication plan was developed and implemented when schools were operating remotely, and a COVID-19 re-opening plan was developed and implemented to inform families in advance of school re-opening.

Written communication was provided to parents and guardians. In addition to this, Mr. Chairman, 17 Zoom town hall meetings were held with parents and guardians and staff prior to the re-opening of schools to provide critical information and, more importantly to afford them the opportunity to have their questions answered by the Department of Health and Education technical officers. These sessions also enabled parents, guardians, students and staff to discuss their anxieties, fear and hopes directly with decision-makers at the Department of Education and the Department of Health.

Further, Mr. Chairman, three panel discussions on re-opening schools responsibly were held to give families, staff and the community an opportunity to scrutinise the plans for re-opening. Insights from these town hall meetings and panel discussions were used to fine-tune plans for re-opening. Once schools re-opened, 15 post-re-opening check-in Zoom town hall meetings were held with parents, guardians, students and staff to gain further insights into the experi-

ences, perceptions and anxieties of students and families about in-person schooling. To collection additional data, a post-re-opening survey was conducted to provide further insight with in-person schooling, and the data were shared during the town hall sessions.

During the year the department has launched a livestream series called *The Conversation* featuring BPPS professionals discussing their work. And this year, as a first, schools at all levels held virtual open house events to register for 2021. Significant strides were made for the area of communication to key stakeholders.

Mr. Chairman, business unit 27030, Human Resources has been allocated a total of \$491,000. The re-allocation of posts and salaries for two Human Resources managers and two administrative assistants have been transferred to the new Department of Employee Organisation Development [DEOD]. These four staff will join the DEOD team as of April the 1<sup>st</sup>, 2021, as part of centralising government's human resource services. This shift accounts for the reduction of \$608,000. The Human Resource Section continues to fund the salaries of technical and administrative staff, and expenses to advertise and recruit staff and money for annual long-service awards for teachers.

Mr. Chairman, in 2021/22 funding for business unit 27031, Staff Development, decreased from the previous year's budget to \$672,000. The funds will be used to fund training and professional development arising from Plan 2022 and school improvement plans. The training is necessary to enhance the skills and competencies of our teachers, educational staff, student leaders and Department of Education staff. The Department of Education has provided extensive ongoing professional development sessions for our staff in our schools throughout the course of the 2020/21 year to expand their knowledge and skills. With overall coordination of staff development sessions led by the Acting Staff Development Officer, a myriad of professional development sessions for BPSS teachers and specialist staff were held in September and October 2020, and January and February 2021.

Some of the sessions were mandatory to ensure staff were on the same page regarding the public education system's priorities. However, there were also options for teachers to self-select or participate in self-paced training. Sessions offered were aligned with the tenets and practices of standards-based grading. Subject-specific or job-specific professional development was also provided, along with the opportunities to acquire and deepen technology skills and learn how to use various technological applications. Given the impact of the pandemic on school staff, workshops also included sessions facilitated by the Employee Assistance Programme.

Mr. Chairman, business unit 27090, Educational Standards and Accountability, has oversight of our 18 primary schools, four middle schools, two sen-

ior secondary schools and one special school. This team comprises three assistant directors who supervise school principals to ensure effective leadership, quality teaching, quality services, and quality programmes in our schools. The work carried out by the assistant directors is essential for the growth and development of school leaders and for overall school and systemwide improvement.

Mr. Chairman, during the 2019/20 school year the Assistant Directors were responsible for conducting principal evaluations using the McREL Principal Evaluation Tool. Principal midyear evaluations were completed with fidelity. However, due to COVID-19 regulations, the timeline for completing the final evaluations was impacted. The goals for the evaluation were rolled over from the 2019/20 school year to the 2020/21 school year. And feedback to principals using a standardised form has been executed.

Mr. Chairman, the Teacher Performance Evaluation programme (TPEP) for term one of the 2020/21 year was concluded with fidelity with minor adjustments to compliance timelines due to COVID-19 regulations. Again, feedback to principals using a standardised form was implemented for all teacher evaluations. Mr. Chairman, the standardised form capture key indicators of the evaluation standards and protocols. These are also aligned with ESA performance measures. These two achievements support the area of action in Plan 2022 priority 3, strengthening educator evaluation and performance management. This priority also aligns directly with the Government's Education Platform, which makes an unequivocal commitment to improving accountability in education.

Mr. Chairman, the new school improvement plan (SIP) format that was implemented last year continues to be actioned by our school leaders from the preschool to the senior level. In essence, SIPs are strategic plans for schools. The high-leverage design feature of the improvement plan has a focus on intentional adult action and the impact on student gain. When developing the plan with stakeholders, principals develop theory-of-action statements to guide them in achieving their identified targets and goals. The Assistant Directors of ESA provide feedback to principals using a standardised form. And monthly monitoring checks are conducted to ensure the action items are progressing according to what is outlined in the school improvement plan.

Mr. Chairman, the school improvement plan methodology requires principals to report on student gains at three intervals in the academic year so that the Department of Education can monitor student performance and gains over time and determine progress with key performance measures. Due to COVID-19, schools engaged in remote learning last year, and as a result data could not be collected from March 2020 to June 2020. This impacted the reporting of our student gains. However, data for September 2020

through December 2020 were collected. The ESA Section monitors the data and provides feedback to principals during the monthly contact visit. The first opportunity to report out on student gains will be April 2021.

Mr. Chairman, Educational Standards and Accountability (ESA) has used the school improvement platform to connect the work of principals as leaders in managing change in their buildings with developing a purposeful community to achieve goals, and to focus on the work that matters most for students. These three areas provide the parameters for professional development that support the school improvement plan in a meaningful way. Principals and deputy principals have been provided with professional learning opportunities and coaching as required to support their work in school improvement, teacher performance evaluations, standards-based grading, COVID-19 safety and health protocols, and remote learning.

Mr. Chairman, the school improvement plans continued implementation in September 2020. Principals worked with their leadership teams to develop school improvement goals for the academic year. This achievement is connected to the area of action in priority 3 of Plan 2022, professional learning and supports. The school improvement plan requires principals to support the delivery of customised professional learning for teachers in support of the goals identified in their school's improvement plan.

Principals, in collaboration with Education officers, delivered site-based professional development in the following areas: writing proficiency, mathematics, reading, research-based instructional strategies, and innovation. This also connected to the Government's Education Platform and their commitment to ensure professional development for teachers to improve learning outcomes for students.

Mr. Chairman, the ESA Assistant Directors played a significant role in helping close the school facilities in June 2020 in preparation for the school facilities to re-open in September 2020. School inspections were carried out on a continuous basis to ensure that the environments remained clutter-free, clean and safe to occupy in accordance with the Department of Health COVID-19 safety and health protocols. This section also worked closely with the Department of Health to develop the COVID-19 safety and health protocols and helped facilitate remote professional development with all school staff prior to the opening of schools. This included sharing and responding to questions on the new COVID-19 safety and health protocols.

Mr. Chairman, all school staff received professional development in mental health wellness from EAP. Between May 2020 and February 2021, EAP facilitated a total of 26 sessions with school staff. Additional sessions were held with school staff impacted by COVID-19 developments that unfortunately oc-

curred in November and December 2020. The ESA Assistant Directors assisted with the protocols and operational procedures when positive COVID-19 patients were identified in schools. They also assisted with closing schools during the spike in COVID-19 cases and with parent and teacher notifications for quarantine. The ESA Section facilitated the arrangements for schools to complete virtual open houses for incoming students along with the transition to remote learning during term one.

Mr. Chairman, during the 2021/22 fiscal year, this business unit, comprising three assistant directors of ESA, have as their priorities to increase the quality of school improvement plans, to improve the quality of teacher evaluations, to monitor data submission and data collection processes, and to provide feedback to principals on their performance.

Mr. Chairman, our mentor teachers are supervised by one of the assistant directors. The mentors have worked hard to support our first- and second-year inductees (otherwise known as new teachers). And the mentors' priorities during the 2020/21 school year were as follows:

1. Implement the revised mentor programme requirements. These include reflective submissions, demonstrated proficiency in high-level research-based pedagogical practices and digital professional portfolios.

2. Provide professional development to inductees based on individual and collective needs for workshops in the tenets of standards-based grading, formative assessments, designing assessments aligned with proficiency scales and using the Danielson Framework as a tool of self-reflection.

3. Facilitate standards-based grading workshops for support of systemwide professional development.

The mentor teacher priorities for 2021/22 will be as follows: 1) further revised implementation of the new BTIP [Bermuda Teacher Induction Programme] requirements; 2) provide professional development on question formulation techniques, meta-cognitive strategy, data collection which informs instruction and high-leverage strategies for student engagement; and 3) facilitate standards-based grading workshops in support of systemwide professional development.

Mr. Chairman, last year I reported that the Bermuda College would provide a Principal Certification programme through its partnership with Framingham State University. Mr. Chairman, this is linked to Plan 2022's area of action, Enhanced Educator Certification in priority 3, and supports priority 3.5. There is also support of the Government's Education Platform and the commitment to ensure professional development to improve learning outcomes for students. I also reported last year that the agreement required a minimum of 10 cohorts. And as I said at that time, there were seven.

Mr. Chairman, the Graduate Certificate programme in Educational Leadership started on October 12, 2020, and the number of applicants has increased to 13. The cohort of 13 educators includes teachers, year-level heads, mentor teachers, deputy principals, acting principals and the Department of Education officers.

Mr. Chairman, at the end of the sixth week of the first course, the department received the following feedback about this cohort: (and I quote) "What a strong, competent, eager, passionate and joyful group of education leaders! In all the years I have been teaching, I have never worked with such a group. If they are indicative of educational leaders in Bermuda, then the rest of the world should be taking notice. In this course, Supervision and Staff Development, we are focusing on bringing 21<sup>st</sup> century knowledge and tools to the profession. Every person in this course has added greatly to the overall knowledge base. The sense of community created within the group has given rise to sharing at a depth generally not found so quickly. I love how much they love their country and feel a tremendous sense of responsibility to push themselves to becoming even more effective educational leaders."

Mr. Chairman, these educators are equipping themselves to lead within the system in the future. I applaud their dedication and determination to perform with excellence, and I wish all of them continued success with the programme.

Mr. Chairman, the funds allocated to this unit have decreased over 2020/21, totalling \$611,000.

Mr. Chairman, the 2020/21 budget for business unit 27095, Attendance, was transferred into business unit 27090 to fund the salaries of four school attendance officers and a school registration and attendance coordinator. It is the responsibility of this team to ensure that children of compulsory school age are in school on a daily basis. The school registration and attendance coordinator also oversees the annual school registration process for the enrolment of children in all public schools. The coordinator also carries out a review of the registration process each year and ensures improvements in the process for the following year, through consultation with department and school leaders. The registration and attendance coordinator is also on the front line of communication and assistance, regularly fielding parent questions and comments regarding the registration process.

Mr. Chairman, the attendance officers prepare monthly reports on student attendance and teacher attendance submissions for each school. The monthly report displays month-over-month analysis and identifies trends over the period. The coordinator conducts audits of school attendance data to determine each school's progress and compliance. Mr. Chairman, monthly reporting has increased school accountability, and timeliness and accuracy of attendance submissions.



Mr. Chairman, the attendance officers are required to adhere to the Health Department's COVID-19 protocols, and this resulted in reduced visibility in schools; however, attendance officers are accessible via Zoom, email and telephone calls to address attendance queries and concerns. The aim of ensuring that attendance data were accurate, reliable and timely remains at the forefront of their daily responsibilities.

Mr. Chairman, COVID-19 resulted in the implementation of new attendance codes and a determination of student attendance in the virtual classroom. The accuracy in recording attendance was paramount to ensure that we assisted in maintaining a safe environment when schools transitioned back to in-person teaching and learning. Mr. Chairman, the attendance officers monitored the various sick codes and quarantine timeframes closely.

Mr. Chairman, the attendance team maintains a listing of students with chronic [absences], and their communication and collaboration with the schools has increased to combat chronic absences. Additionally, this team is working with the Bermuda Police Service Task Team in identifying the reasons for absences in an effort to reduce chronic student absences in alignment with Plan 2022, key outcome 1-8 and in support of the department's performance measures for attendance for schools.

Mr. Chairman, the attendance officers were responsible for ensuring that every parent had a PowerSchool Parent Portal account that could be used to keep parents informed of their student's attendance, grades, and report cards. As of January 2021, a full 90 per cent of parents had a parent portal account, up from 79 per cent in November 2020. And 20 out of 34 schools have 90 [per cent] to 100 per cent of their parents with parent portal accounts. We expect all schools to reach the target of having 100 per cent of their parents and guardians with [parent] portal accounts.

Mr. Chairman, the attendance and registration coordinator launched for the first time the online registration of both new and returning students in February 2021. As expected, there were a few glitches with the implementation of the new system. However, these were quickly addressed with a resolution. On the whole, the responses from the public and educators to reach this milestone of an online registration have been well received. The online registration moves the public school system from the traditional paper-based labour-intensive registration process to a 21st century, highly efficient process that provides a better way to manage enrolment, transfers and withdrawals.

Mr. Chairman, the attendance team will continue to fulfil their role to ensure that students attend school on a daily basis. They will also improve the communication between parents and schools so that the attendance codes are correct. Additionally, in cases when a student will no longer attend a public

school they will improve efficiency in ensuring that parents can provide the correct documentation to withdraw the student in a timely manner, using the newly released online returning student application.

Mr. Chairman, we must ensure that quality teaching/learning experiences and services take place when teachers or other school staff are sick or on leave. The funds allocated for business unit 27160, Substitutes, has increased by \$378,000.

Mr. Chairman, the overall budget for the Central Administration programme is \$4,214,000 for the 2021/22 fiscal year, which is lower than the previous year's budget due primarily to the reallocation of human resource services.

### **Programme 1702—Student Services**

**Hon. Diallo V. S. Rabain:** Mr. Chairman, Programme 1702, Student Services, facilitates the provision of 13 essential programmes that directly provide services to meet the diverse needs of our students who have been identified as having exceptionalities. Business unit 27061, Behaviour Management, funds behaviour therapists for preschool and primary schools, as well as one education officer for behaviour management. In addition, the funding covers our two Alternative Education programmes, which facilitate suitable alternative education environments and services for students with behavioural challenges. The 2021/22 budget for this business unit will decrease by \$221,000 due to two positions being reallocated to business units 27160, Substitutes, and 27063, School Psychology.

Mr. Chairman, the Success Academy Heron Bay [SAHB], the alternative support programme, serviced six primary school students up to June 2020. Currently, the programme services four primary-aged students with the goal of assisting them in acquiring replacement behaviours for complete reintegration back into the mainstream classroom environment.

Mr. Chairman, Success Academy Roberts Avenue [SARA], the alternative support programme for middle and senior level students, supported 13 students up until June 2020. Currently, SARA services thirteen male [students], nine of whom are senior school students and four of whom are middle school students. The goal is to re-integrate students back into their mainstream middle school environment, to transition students to senior school or to retain students at SARA to complete the GED or Penn Foster programme.

Educational therapists, educational therapist assistants and other members of the multi-tier system of support (MTSS) school teams continue to provide tier 1, tier 2 and tier 3 support for students in our schools who have behavioural challenges. These supports range from classroom monitoring and consultation to caseload admission, as well as

- daily tracking schedules;

- developing individual crisis management plans;
- implementing behaviour intervention strategies; and
- developing functional behaviour plans and behaviour intervention plans.

Mr. Chairman, partnerships have been strengthened with supporting agencies such as the Department of Child and Family Services (DCFS), Child and Adolescent Services (CAS), Probation Services and the Department of Health. One example of this is reflected in the monthly meetings of the High Risk Intervention Committee (THRIC) where mutual clients and their specific unique needs are discussed and support is actioned. Through the 2020/21 school year, ETs have been participating in functional behaviour assessment [FBA] and behaviour intervention plan [BIP] specialist training through individualised professional development.

It is clear that families experienced and coped with the effects of COVID-19, including remote learning, in a myriad of ways. ETs and ETAs helped families navigate these difficulties. While schools were operating remotely due to the pandemic, ETs and ETAs supported families with academic work packet deliveries, community food voucher connections and clinical partner services. In addition, they provided supportive suggestions with families, centred around schedules and routines. ETs also shared intervention strategies and prevention skills with parents and guardians and emphasised the need to reinforce the desired behaviours.

Mr. Chairman, for the 2021/22 year ETs and ETAs will increase the level of support they provide to the classroom teachers and will work to improve planning and monitoring of student progress. This will be accomplished by creating collaborative intervention plans, tracking replacement behaviours and sharing success with stakeholders, using MTSS (which refers to the multi-tiered system of supports) process. They will utilise a whole-child lens and integrate academics and behaviour. The implementation of a technological support system that is data driven will support this collaboration and problem-solving among the MTSS team.

Mr. Chairman, business unit 27063 includes our school psychologists, who support administrators and address student needs for the areas of academics, behaviour and mental health. Further, the school psychologists provide comprehensive psychoeducational evaluations, consultations, short-term counselling, and interventions and preventive services across the entire system.

Mr. Chairman, school psychologists are engaged in and are a valuable resource for schools in relation to the MTSS process, a Plan 2022 system priority for Strategy 1.4.6. Through the MTSS process, a multidisciplinary team discusses the needs of our students and suggests interventions and resources to

address concerns. The school psychologists, as participants in the MTSS team, collaborate to ensure that students have support which includes resources from within the public school system and the wider community. Recommendations are made through consultation within the MTSS framework, and recommendations are also made utilising the data derived from psychoeducational assessments conducted by the school psychologists.

Mr. Chairman, while schools were implementing remote learning during the first four months of the pandemic, our school psychologists developed protocols for the provision of services to students. These services were provided according to Health Department's best practice guidelines. School psychology practices were also aligned with the mandates advised by psychological associations and regulatory bodies regarding COVID-19 protocols.

The school psychologists researched and compiled itemised costs for various models (traditional, hybrid and telehealth) to effectively accomplish their service work during the pandemic. Each of these models progressively required more technology in order to operate more efficiently under COVID-19 health and safety constraints. During the 2021/22 fiscal year, the school psychologists will further integrate technology into psychoeducational assessments. As a matter of priority in the upcoming year, school psychologists will continue to manage their assessment referrals and provide consultation to the school staff to ensure the delivery of services prior to and after psychoeducational assessments have been carried out. Mr. Chairman, the 2021/22 budget for school psychologists decreased by \$29,000.

Mr. Chairman, business unit 27064, the Adaptive Physical Education [APE] Programme, is a developmentally appropriate physical education programme delivered by three specialist teachers. These teachers provide services to students with diverse physical needs by providing the adaptive support necessary to enable students to be included in the regular physical education programme. Mr. Chairman, for clarity, the adaptive physical education lessons are implemented on an individual basis, in small groups, and within the regular physical education classroom setting. Mr. Chairman, students receiving adaptive physical education services also have individualised education plans (or IEPs) with goals and objectives which are in line with the regular physical education curriculum.

Mr. Chairman, this specialist team organises the Department of Education Adaptive Physical Education National Track and Field Invitational. This Invitational includes students from P1 to S4 who have special physical needs and who receive adaptive physical education services, as well as individuals who have transitioned out of the Bermuda Public School System and who are presently at the K. Margaret Carter Centre and other facilities. The mechanisms to facilitate the Adaptive Physical Education

National Track and Field Invitational were in place prior to the mandated lockdown due to COVID-19.

As a result of the regulations, the event was cancelled. The Adaptive PE division is looking forward to re-introducing the event to students with students from P1 to S4 and to other entities servicing the special needs community. The event will be held at a time when it is conducive to the safety of all involved and in compliance with the Health Department's safety and health regulations.

Due to the COVID-19 pandemic the Adaptive PE Team's ability to work on expanding community partnerships was limited. However, a continuing partnership with the National Stadium was further established ensuring plans to hold the Adaptive PE National Track and Field Invitational. Utilising the National Stadium facilities for training opportunities for special needs students has also previously been facilitated; however, it was not possible during this school year due to COVID-19.

Mr. Chairman, business unit 27065 is the Deaf and Hard of Hearing programme, which employs teachers who provide students with academic instruction. They also collaborate with classroom teachers to ensure that teaching and learning are effective, and that student needs are met during instruction in the regular classroom. The \$295,000 budgeted for this business unit are for salaries, disability-specific resources and materials, hearing aids and equipment, professional development and consultant audiology services.

Mr. Chairman, teachers of the deaf and hard of hearing are preparing for the expansion of the teaching of sign language at the middle and senior [school] levels. Teachers are also designating time to collaborate with paraprofessionals before and after sessions are held with students, and to educate administrative staff on the specific needs of students who are deaf or hard of hearing. Mr. Chairman, it is these teachers who made a recommendation to supply staff with transparent masks. Resultantly, transparent masks, with the sponsorship of the Department of Health, have been provided to every school staff from the preschool level to the senior school level, including at Success Academy [Roberts Avenue] and DAME.

Mr. Chairman, these teachers also facilitated a communications workshop for occupational therapists (OTs), physical therapists (PTs) and speech-language pathologists (SLPs) for their clients who are deaf or hard of hearing. The session focused on using gestures and basic sign language connected to their fields. The teachers have also participated in standards-based grading professional development to remain abreast of schoolwide curriculum expectations.

Mr. Chairman, line item 27066, the Vision business unit, has been allocated a budget of \$100,000. Students with visual impairments have unique educational needs. In order to meet their

unique educational needs, students must have specialised services, books and materials in appropriate media (including braille). Students also need specialised equipment and technology to ensure equal access to the core and specialised curricula, and to enable them to effectively function alongside their peers in school and ultimately in society. The vision programme has maintained a good working relationship with our community partner Vision Bermuda. Our students benefit from lessons conducted in their transition programme in preparing for life post-senior school. These lessons enable our students to use the many IT components and manual tools that are a necessity for their learning.

Presently, there is one vision teacher for the public school system who supports 13 students who have visual impairments. The teacher, in addition to her duties, provides professional development to school staff and paraprofessionals who work directly with students. The paraprofessionals have completed additional braille courses and trainings to ensure they are equipped to meet the needs of our students.

Mr. Chairman, the business unit 27071, Office Support, serves as the Secretariat for the Student Services Section and funds the salaries of the Assistant Director of Student Services, one administrative [assistant] and six learning support teachers who provide services to students with special needs. There is a decrease of \$179,000.

Mr. Chairman, the Counselling Programme, business unit 27072, is a comprehensive, developmental school counselling programme (CDSCP) based on an international model, with four components: (1) classroom guidance/core curriculum; (2) individual planning; (3) responsive services; and (4) system support. More specifically, school-based counselling programmes provide early intervention, crisis intervention and prevention, treatment, and promotion of positive social and emotional development. Mr. Chairman, this business unit funds the salary of an Education Officer for Counselling, 25 counsellors who service the preschools and primary schools, and 10 at the middle school level; and one Alternative School Counsellor. This unit has decreased in budgeted funds of \$245,000.

Mr. Chairman, school counsellors comprise a group of dedicated professionals who coordinate their services with school teams and community partners. With parental permission, school counsellors consult with community mental health service providers to coordinate responsive and community services. The Education Officer for Counselling meets with school counsellors, school teams, CAS, DCFS, the Department of Court Services and the Department of Health representatives throughout the school year to coordinate services for high-risk students.

Mr. Chairman, school counsellors are required to facilitate individual academic and career planning meetings for students in P5, M2, S1 and S4. However,

the pandemic and resulting school building closures impacted the ability of school counsellors to complete the individual planning meetings during the 2019/20 school year. These have been recommenced for the 2020/21 school year. Mr. Chairman, the Education Officer for Counselling identified the following top three priorities for 2020/21:

1. Continue to utilise information from student surveys and feedback from school counsellors to improve programme delivery and enhance students' feelings of safety and trust (aligned to Plan 2022 key outcome 1-10). Prior to school closures, students from one middle school were surveyed. A summary of feedback reported that students expressed that they were comfortable meeting with their school counsellors; that the school counsellors helped them to understand topics like bullying, peer pressure and conflict resolution; and that they felt respected and listened to when they talked with the school counsellors. School counsellors were given opportunities during group supervision meetings to provide feedback and peer support for enhanced programme delivery.

2. Continue to develop success criteria for classroom guidance learning intentions (aligned with Plan 2022 adapted Strategy 1.1.3). The success criteria guide was completed along with the creation of success criteria for all standardised lessons.

3. Assess whether the updates to the P5 and [M2] individual planning meeting forms, specifically the inclusion of values clarification and career inventories, sufficiently assisted students with preparing for their future careers (in alignment with Plan 2022 adaptive Strategies 2.12.4 and 2.12.5). Positive feedback was received from parents and students pertaining to the addition of exploration of values and review of the informal career assessment. Students appreciated the opportunity to have discussions around values and [the connection] to future careers.

Mr. Chairman, starting in March 2020, throughout remote learning and upon the return to school buildings, school counsellors formally and informally surveyed students' adjustment to the various changes and monitored feelings of safety and academic engagement. Simultaneously, the Education Officer for Counselling monitored the school counsellors' well-being and adjustment by conducting supervision meetings via Zoom and telephone during the work-from-home period, focusing on self-care and peer support.

Mr. Chairman, school counsellors were definitively *all in for all students* throughout remote learning and school breaks by securing and delivering technology devices, advocating for access to Wi-Fi, and delivering groceries and grocery vouchers to families. In August 2020 the Education Officer for Counselling created a guidance document for the delivery of school counselling services during remote and hybrid learning to assist the school counsellors with planning their programme delivery for the 2020/21 school year.

Additionally, the Education Officer for Counselling continued to promote a focus on positive coping skills by encouraging school counsellors to highlight October 5 through 9, 2020, as Mental Health Awareness Week. During this week guidance lessons and activities stressed the importance of implementing appropriate coping skills when dealing with life challenges.

Mr. Chairman, the Education Officer for Counselling will continue to monitor completion of P5, M2, S1 and S4 individual planning meetings by school counsellors and will review student responses to determine the achievement of the pre-set student outcome—that all P5, M2, S1 and S4 BPSS students will answer the response page of their educational plans—indicating how the individual planning meeting helped them plan for potential future careers. The officer will review all counselling intervention plans to determine achievement of the student outcome that all BPSS students who have a counselling intervention plan will show progress towards their goals by the end of four counselling sessions. The officer will provide professional development training and clinical supervision sessions for school counsellors, focusing on tier 2 school counselling interventions for anxiety and child traumatic stress.

Mr. Chairman, business unit 27072 funds the salary of an Education Officer for Counselling; 25 counsellors who service preschools and primary schools, and 10 at the middle school level; and one alternative programme counsellor. This unit has decreased in budgeted funds of \$245,000.

Mr. Chairman, business unit 27074, Learning Support, funds two Education Officers for Special Education and Learning Support, in addition to 37 learning support teachers who provide special education services to our preschool, primary and middle schools; for Dame Marjorie Bean Hope Academy; and for our trauma responsive programmes at our primary and middle and senior Success Academies. This funding also includes assessment materials needed to ensure proper diagnosis of students with special education needs. This business unit decreased by \$307,000.

During the school year, the learning support officers have been committed to ensuring that quality services and professional development have been provided for learning support staff. Due to COVID-19, the termly audits of individual education plans' [IEP] implementation and documentation were not able to continue. However, at the start of the new school year professional development has continued to ensure that the school team process is in alignment with the response to intervention process [RTI], a component of the MTSS framework.

Mr. Chairman, learning support teachers have been provided with ongoing professional training on the school team process, pre-referral intervention process, IEP learning and audits, intervention learning plans (ILPs), dyslexia, ADHD and identifying key con-

cepts with behaviour. Learning support teachers were also presented with IEP implementation and documentation methods to accurately collect data for IEPs and ILPs. Professional development was provided for school staff in learning styles that focused on the instructional, behavioural and environmental needs of children.

In September 2020 paraprofessionals participated in a professional development session for their job descriptions to ensure better methods of engaging paraprofessional support to meet student needs.

Under the guidance of the Curriculum and Assessment Section, Education Officers completed all access arrangements and exemption requests for schools for the Cambridge exams. Although the exams were not held in 2020, this process was important to note because it documented for the understanding of schools and the department which students required access arrangements and exemptions. Access arrangements may include the provision of more time for students to conduct exams—for example, students who have dyslexia or ADHD. Exemptions provide that under very limited circumstances, students by virtue of the particulars of their exceptionalities do not have to take exams.

Mr. Chairman, all autism spectrum disorder (or ASD) learning support primary school teachers and staff received training in SCERTS (social communications, emotional regulation, transactional support). This involved specific tasks that were outlined by the facilitators that teachers and paras had to implement within their classrooms. These were then recorded, and they received feedback on their performance in subsequent professional development sessions. The learning support officers have the following priorities for 2021/22:

1. Move towards having paraprofessionals and any teacher who is not certified in Applied Behaviour Analysis [ABA] or Registered Behavioural Technician [RBT] to become certified.
2. Train middle and senior school staff in SCERTS and SEEKS (special education for exceptional kids) for continuity of services.
3. Increase the number of students who move into general education classrooms.
4. Train and certify staff in non-invasive behaviour control once a policy has been created to guide practice.

Mr. Chairman, business unit 27076 was allocated \$113,000 and reflects the funding for the salary of the Education Officer for Early Childhood Education and an operational budget for the Early Childhood Section.

Mr. Chairman, early years training for P1 teachers has been provided twice a month to equip teachers with evidenced-based strategies to increase student engagement [to] facilitate active learning. This training is designed to help teachers of lower primary engage in less didactic forms of teaching and learn-

ing. Teachers also learned how to engage in authentic assessment by using observations of students in more creative exploration during inquiry learning. Teachers have been exposed to a more progressive, engaging and personalised approach to teaching and learning which has opened the teachers up to the possibilities of what can be achieved through active and inquiry learning.

In 2021/22 the Creative Curriculum kindergarten curriculum will be introduced in Primary 1 to provide continuity across preschool and P1 and to support high-level inquiry and active learning. Teachers who participate in professional development will focus on coaching them through this shift to project-based learning which is personalised around students' [needs] and which utilises authentic assessment of learning.

Mr. Chairman, training in SCERTS continues this year to provide continuity and ongoing progress of the Growing Connections' preschool children with ASD and developmental delays as they transition into primary ASD classes and the Functional Skills classes in September. Additionally, learning support teachers in ASD and Functional Skills class received coaching on how to engage and support children with challenges within the natural environment of their classroom. During 2021/22, the emphasis will be on increasing individual teacher support using a model of professional development which involves in-person observation of the teacher by the coach in the natural class environment.

Mr. Chairman, the budget for business unit 27079 decreased by \$356,000 and provides for the delivery of paraprofessional and educational therapist assistant services for our students who have a diverse range of learning needs. The paraprofessionals and educational therapist assistants provide instructional support to teaches, ensure protection and safety, and provide support in transition and life skills for students with special needs. This includes providing adequate support for students with physical exceptionalities, including those who are deaf or hard of hearing, and those who are visually impaired.

Mr. Chairman, the business unit 27083, Autism Spectrum Disorder (or ASD), funds salaries for teachers and those paraprofessionals who serve students with autism within the ASD programmes at three primary schools, one middle school and one senior school. The 2021/22 funding of \$563,000 also covers operational costs for equipment repairs, maintenance and supplies, and professional development.

Mr. Chairman, the business unit 27084, Alternative Education, funds the operation of the Alternative Education Programme and two Success Academies. Funds are also used for Department of Education partner programmes which offer additional alternative programme choices for our students.

Mr. Chairman, Success Academy Heron Bay and Success Academy Roberts Avenue provide alternative education programmes for students with additional social-emotional needs and resulting behavioural challenges. In addition to academic programmes and a range of services, students also engage in experiential learning activities at WindReach and Kaleidoscope while following safety and health regulations. This year, an additional experiential activity, baking, has been added to the Success Academy Heron Bay schedule; a learning support teacher with almost 30 years of pedagogical experience has been assigned to the programme; and three of six students were successfully reintegrated into mainstream classrooms. For the year 2021/22, the Success Academy Heron Bay team will continue with the development of individualised behaviour support plans with the aim of increasing the reintegration success rate.

Mr. Chairman, Success Academy Roberts Avenue made a significant change in their schedule for middle school-aged students in the alternative programme. This assignment was made to facilitate a more therapeutic approach to addressing the social-emotional needs of students. The senior level students at Success Academy Roberts Avenue who are taking the GED programme are successfully navigating the curriculum and experiencing success with passing components of the GED. This programme also places a strong emphasis on parent engagement and as a result boasts high parental engagement in bi-weekly meetings with an average of over 90 per cent for parent attendance.

During 2021/22 a respite approach to addressing students' needs will be introduced into the middle school programme. The Success Academy Roberts Avenue team have set a goal for 80 per cent of the middle school students in the programme to be readmitted to mainstream middle school and for 100 per cent of the uprisping senior students to graduate in June 2021. We know that each student is unique and has individual needs. Therefore, these programmes are critical to the success of students who are able to thrive if given the right supports and opportunities for pathways appropriate to their needs and interests.

Mr. Chairman, the Student Services section provides an extensive range of educational services for our students with exceptionalities. The total budget allocation for Programme 1702 for the 2021/22 fiscal year is \$18,990,000.

### **Programme 1703—Finance and Corporate**

**Hon. Diallo V. S. Rabain:** Mr. Chairman, Finance and Corporate Services, business unit 27002, funds staff in the Finance Administration Office with a budget of \$609,000. This team includes a Comptroller, Financial Services Manager, a Payments Supervisor, a Salaries Supervisor, a Salaries Clerk, three Accounts Clerks

and a Messenger. This section is responsible for providing

- financial advice to senior management;
- cost-effective, responsive financial services supporting Plan 2022 priority number 5;
- procurement and contracting services; and
- corporate planning solutions to management, employees and schools.

Under the direction of the department's comptroller, the team coordinates the payment of salaries for approximately [1,000] educators and department staff, and pays all suppliers and vendors for goods and services purchased, as well as organises the collection of receivables. This section also plays a key role in finding ways to reduce non-instructional costs and identifying cost inefficiencies.

Mr. Chairman, Office Accommodation, business unit 27003, has a budget of \$1,169,000. That funds the salary of the office receptionist, annual rent, office maintenance, electricity and communications costs for the department's physical offices on Church Street.

Business unit 27040, Educational Stores, was allocated a budget of \$698,000, which supports the salaries for six staff and other expenditures such as rent, inventory freight costs, and gas and diesel. The Stores section provides centralised purchasing, inventory management and distribution services for all public schools, the Bermuda College, and other government departments such as the Department of Youth, Sport and Recreation.

Mr. Chairman, business unit 27041, School Transport, is allocated a budget of \$396,000 and funds the salaries for two bus drivers and one bus attendant, who provide transportation for children who attend the Dame Marjorie Bean Hope Academy and for students in ASD programmes at different schools. Also included in these funds are the salaries of two groundsman who maintain school sports fields, and one labour, transport and safety officer. This section also funds the costs to maintain the department's motor fleet.

Mr. Chairman, business unit 27042, Building, Grounds and Equipment is budgeted at \$1,216,000. These monies fund the salary of the Facilities Manager, who carries out school inspections and research of guidelines for providing modern educational facilities, as stated in Plan 2022. This research is critical, as we will be modernising our facilities through education reform. The remainder of the budget covers the cost of minor repairs and maintenance for facilities at all educational and administrative sites that fall under the Department of Education. These include pre-schools, maintained primary and middle schools, DAME, the Child Development Programme and the Alternative Education programmes.

Mr. Chairman, during the past year, the Facilities Manager and his team have played a pivotal role in ensuring schools facilities are clean, safe and oper-

ational for staff and students. This team works in concert with the Public Works team, who action work orders submitted by our schools. They also supervise the custodians and cleaners who are responsible for keeping the physical environment of our schools clean, sanitised and disinfected. During the summer of 2020, this team was responsible for ensuring that school buildings were prepared for the COVID-19 protocols and regulations.

Mr. Chairman, this team initiated a deep-cleaning protocol for COVID-19 as developed by Bermuda Water Consultants. They also worked in concert with the Department of Health to develop a comprehensive cleaning protocol for schools, which was used during the COVID-19 pandemic. School custodians were responsible for the deep cleaning of school facilities during shelter in place and prior to schools reopening in September 2020. They are also responsible for deep cleaning the facilities at designated times throughout the year. In addition to the deep-cleaning protocol, custodians are required to carry out a daily cleaning regime to reduce the transmission of COVID-19.

Prior to schools opening in September 2020, custodians attended a workshop to review the expectations for the revised cleaning regime. At the end of the workshop the custodians were given an assessment to determine their level of knowledge of the protocols. They participated in a second workshop in October 2020 to review once again the expectations for the [daily] cleaning regime. These sessions were co-facilitated by technical officers from the Department of Health and Department of Education. With the assistance of the Department of Workforce Development and the Bermuda Industrial Union [BIU], daytime cleaners were hired in September 2020 to ensure cleaning and sanitising at the pre-schools and Success Academy Roberts Avenue.

Mr. Chairman, in light of the COVID-19 pandemic, the number of school building inspections that take place have increased significantly. Now three levels of inspections occur across our schools on a weekly and monthly basis. School principals and pre-school administrators conduct monthly inspections using a standardised form that they upload as evidence of fulfilling this responsibility. The Safety and Transport Officer conducts weekly inspections across schools, using a standardised form which is provided to school leaders and custodians. These forms are also uploaded as evidence of fulfilling this responsibility. The Facilities Manager conducts ongoing, random inspections of school facilities along with a technical officer from the Department of Health. These inspections are comprehensive inspections which provide detailed feedback against a specific standard, and again these forms are uploaded as evidence of fulfilling this responsibility.

Mr. Chairman, in cases when a school has had a COVID-19 development, the Facilities Manager

secured external cleaners to supplement the custodians' work, using specialised techniques intended specifically when an exposure of COVID-19 has been confirmed. The schools are then inspected by the Facilities Manager and a Department of Health representative before school staff and students are given clearance to reoccupy the building. The department communicated to parents, students and staff that safety and health was a priority, and all of these efforts speak to honouring that commitment.

Mr. Chairman, the final business unit 27050, Information Technology, is funded \$2,385,000. This business unit funds the salaries of an IT Manager, a Computer Services Officer, a Management Systems Officer, and Technical and Assistant Technical Officers.

Mr. Chairman, there were a number of notable achievements for the IT Section last year. All public pre, primary and middle schools, Success Academy, Dame Marjorie Bean Hope Academy, the Child Development Programme (CDP) and the Department of Education Stores and Data Centre are now all connected via a local fibre optic network as part of our strategic initiative to centralise the IT infrastructure. The fibre optic network is configured to provide a minimum of 70 megabits-per-second data speeds to all locations. The existing enterprise firewalls were upgraded to accommodate a full digital learning platform and a fully mobile workforce. COVID-19 accelerated this adaptation of the new firewalls, which have the capacity to accommodate virtual private networks [VPNs] for all staff and teachers if required.

Mr. Chairman, Wi-Fi was upgraded and configured in all pre-schools and primary schools. A total of 120 Wi-Fi access points were installed across all public pre-schools, primary schools, Success Academy and CDP to extend the wireless signal throughout all buildings. The IT Section configured more than 450 laptops and distributed them in the school user community in the leadup to the initial COVID-19 lockdown. Laptop donations were from PwC (87 laptops), Athene Bermuda (200 laptops), and AXIS Capital (14 laptops). The department also purchased 120 laptops. All laptops were used by teachers. The department also received donations of Chromebook devices for students, which include 50 Chromebooks from Lighthouse Connect, 25 Chromebooks from Sandy's Small Business and 1,350 devices from Hasso Plattner Foundation, which are expected on Island within the month.

Mr. Chairman, the IT Section assisted with the implementation and rollout of the Schoology (online learning system). The PowerSchool Schoology Platform was purchased in May 2020 as a direct response to the COVID-19 pandemic and school closures to enable remote learning within the BPSS. Configuration, implementation, training and rollout took place over the summer 2020 school break and the first quarter of the 2020/21 school year.

Mr. Chairman, Schoology and Google Workspace sessions are now a regular offering in scheduled professional development days alongside standards-based grading offerings. These sessions are generally well received by teachers, who genuinely want to leverage technology as part of their regular teaching practice. However, without more devices available to students, it makes implementing what they have learned in the workshops challenging.

Mr. Chairman, the IT Section facilitated a Google Chromebook pilot at P6 Somerset Primary and P4 Gilbert Institute this school year. The in-class and remote instruction pilot started November 2020, using Chromebook student devices, Schoology, PowerSchool, DreamBox and Zoom. The pilot at Somerset Primary is fully implemented, where the P6 class has been provided with one-to-one student devices. Usage data within our learning management platform Schoology showed a seven-day total of 91 student sessions and 10 teacher sessions.

Over the same timeframe, the Island-wide public school system total use was [262] student sessions and 221 teacher sessions. Considering most schools cannot use their computer labs due to social distancing protocols, this was a positive trend. With access to the devices, we will definitely see more daily usage of Schoology by our students.

Mr. Chairman, major enhancements and improvements were also made to the telephone network, which included the installation and configuration of additional hardware and software for High Availability and failover Voice Over IP [VoIP] services. Voicemail software upgrades and additional session initiation protocol [SIP] circuits have been installed within the Data Centre to establish a solid platform to launch new and additional SIP VoIP Services for operational cost savings and efficiency.

Mr. Chairman, the IT Section supported all Ministry and department staff with IT services during the COVID-19 shut down. They also supported schools by collecting learning packets from all public schools to deliver to the general post office for distribution to students who did not have a computer device. The COVID-19 pandemic highlighted the need to have a flexible and mobile workforce that is able to adapt to changing world events. The department's IT Section have issued laptops to mobile staff, who are now able to [virtually] roam from school to school and to sign into the network via Wi-Fi to access applications and data. They have also implemented the basic foundation and framework to add additional mobile IT services to cater to a mobile workforce.

Mr. Chairman, the IT Section has a number of priorities for 2021/22. The COVID-19 pandemic highlighted and accelerated the requirement for 24/7 availability of digital instruction and online learning. YouTube and other online services have always been used within lesson plans to reinforce classroom instruction. However, since the pandemic online learn-

ing has seen a dramatic rise. Therefore, the public school system must mature all processes around online learning and instruction to keep pace with global IT educational shifts and also continue to educate Bermuda's children.

Mr. Chairman, the department will implement steps to fast-track the total adaptation and full integration of all purchased PowerSchool application modules. Training and internal business processes will also be amended to work with and enforce the PowerSchool data. The IT Section will start the journey of retooling staff to transform from break/fix tasks to providing education solutions and systems support. This includes helping users to complete tasks or to reach objectives, versus fixing a reported problem.

IT technicians must also understand how the user is applying technology to achieve an education goal. The objective is to issue a device to every public school student. This will start with the Chromebooks being distributed at the P6 level in accordance with lessons learned from the pilot conducted with P6 and P4 [teachers] previously mentioned. The department also plans to provide all staff with devices.

Now that the major infrastructure projects are complete, the service delivery and service desk processes require maturing. This also includes the introduction of additional monitoring and alerting tools to manage and monitor IT services. As part of the internal audit findings, an enterprise backup system is required by the department. This has been further highlighted by the new fibre optic network with the ability to back up over the faster networks, but also a recovery plan if there is a network failure. The enterprise backup solution will comprise of a part of the disaster recovery plan.

Mr. Chairman, in summary, the Finance and Corporate Section provides key services and support to our public schools and has been allocated a total of \$6,473,000.

#### **Programme 1704—Pre-Schools**

**Hon. Diallo V. S. Rabain:** Mr. Chairman, I now turn to page B-140, item line 1704, which is the programme for our 10 pre-schools. The 2021/22 budget for pre-schools is \$4,361,000. Ninety per cent of the pre-school budget funds salaries, and 10 per cent of the budget is used for resources, training and development, and operational costs such as electricity, part-time cleaners, phones, office equipment rental and drinking water.

Mr. Chairman, intensive professional development was held for pre-school leaders and teachers during the 2019/20 school year. This training was designed to ensure integration of the inquiry model of teaching and learning with the Creative Curriculum. The goal has been to increase continuity between how we teach, what we teach and the assessment of what is learned. The aim is to increase continuity across pre-schools to meet system standards in



teaching and support accurate data collection of authentic assessment of pre-schoolers.

During the 2020/21 school year the department met the high expectations for system continuity and fidelity in delivery of the curriculum and the assessment of pre-schooler learning with high support to pre-school leaders and teachers. Significant investment in professional development in the use of Teaching Strategies Gold, an online platform for planning, documentation, assessment and communication internally and with parents and guardians.

The result is that we are utilising the data to inform teaching with personalised approaches and record consistent progress across the domains of development. We are now able to use the data to report out on individual pre-schoolers, classes, pre-schools and on all 10 pre-schools. We have three fixed checkpoints; however, data can be reported on at any point in the pre-schooler's educational experiences at pre-school.

Bermuda public school pre-schools have earned Teaching Strategies Gold's Ambassador status recognition because of their commitment to improving outcomes for children through professional development for pre-school leaders and teachers. In addition, children are screened at entry using the BRIGANCE Screen to help identify any children with potential delays and those who may require enrichment. The pre-school curricula are supplemented by the Heggerty programme lessons for phonological awareness. Phonological awareness is one of the best early predictors of later reading success. This programme helps children develop strong awareness to support later reading learning and success.

Mr. Chairman, during the pandemic while pre-schools operated remotely, pre-school staff were responsive to the needs of pre-schoolers and their families. Pre-school teams provided learning packets initially to all students during shelter in place. Then, based on the families' resources, they provided a mix of online engagement and learning experiences with learning packets that were delivered to the homes of pre-schoolers.

The most important achievement was staying connected with our pre-school students through whatever means possible to give support and maintain caring relationships during the challenges presented by the pandemic, especially during shelter in place.

Our Teaching Strategies Gold platform made it easy to transition to remote learning, as the family link is designed to increase home and school communication. This includes supporting families with practical at-home family-friendly activities which enrich their child's learning around their child's personalised learning objectives. Our team approach to working with children and families was augmented by school supports such as learning support teachers and educational therapists.

Mr. Chairman, another online resource which we had access to was ReadyRosie, offering parents short, simple ideas of activities to do with their children, which included stories and music. The overall achievement was responsiveness to families with pre-schoolers as we helped them help their children to continue learning at home.

Mr. Chairman, early-years training for P1 teachers was provided twice a month to give teachers evidenced-based strategies to increase student engagement and active learning. This training was designed to help teachers of lower primary year levels engage in less didactic forms of teaching and learning. Additionally, they learned how to engage in authentic assessment, using observation of students in more creative exploration and inquiry learning.

Teachers have been consistently exposed to a more progressive, engaging, personalised approach to teaching and learning. This training has strengthened the practical application of teachers of young children in active learning and inquiry learning.

During 2021/22 the Creative Curriculum kindergarten curriculum will be introduced in P1. This will provide increased continuity across pre-school and P1 to support high-quality inquiry and active learning. Teachers will participate in professional development to coach them through this change to project-based learning, which is personalised around student needs. Authentic assessment will document personalised learning with intentional teaching deeper learning.

Mr. Chairman, our pre-schoolers are growing up in a world of technology, with technology literally at their fingertips. One priority is to make available tablets or iPads for pre-schoolers to use at school and at home while reinforcing responsible and developmentally appropriate use of such technology in accordance with best practice standards for safety and health of young children. This includes limited time use.

Another priority at the pre-school level is to increase fidelity in using the Teaching Strategies Gold online platform with the Creative Curriculum.

Other priorities include additional professional development on the following:

- curriculum and assessment;
- data collection and decision-making for teachers and pre-school leaders;
- documenting the cultural connection to Bermuda and being intentionally culturally responsive to our children and families;
- introducing the Little Pim foreign language programme;
- engaging with community partners to support learning in pre-school; and
- Bright Start pre-school classes for three-year-olds in two additional pre-schools.

**Programme 1705—Primary Schools**

**Hon. Diallo V. S. Rabain:** Mr. Chairman, programme 1705, Primary Schools, has a budget allocation of \$26,888,000. Primary schools had the following targets as their priorities during 2020/21, and they are expected to continue with these priorities into the new fiscal year 2021/22:

**The Chairman:** Excuse me, Minister.

**Hon. Diallo V. S. Rabain:** Yes, Mr. Chairman.

**The Chairman:** We will be breaking at 12:30 exactly for lunch.

**Hon. Diallo V. S. Rabain:** Yes. Yes. I am marking the time. Thank you, Mr. Chairman.

**The Chairman:** All right. Thank you. I know you are well versed. I am just letting the public know.

**Hon. Diallo V. S. Rabain:** Thank you, Mr. Chairman. I am minded by your guidance.

Primary schools had the following targets as their priorities during 2020/21, and they are expected to continue with these priorities into the new fiscal year 2021/22:

- improving math proficiency as measured by the common summative assessment administered in June 2021;
- improving writing proficiency as measured by the writing prompt assessment administered in June 2021;
- improving the number of students reading on or above grade level as measured by Fountas and Pinnell and the Gates-MacGinitie;
- improving the use of research-based instructional strategies as per Marzano by teachers by June 2021;
- improving the focus of professional learning communities within each school by June 2021;
- increasing and improving the focus of site-based professional development by June 2021;
- continued implementation of standards-based grading; and
- ensuring all staff adhere to the COVID-19 safety and health protocols developed in collaboration with the Department of Health.

**Programme 1706—Special Schools**

**Hon. Diallo V. S. Rabain:** Mr. Chairman, Programme 1706, business unit 27120, Dame Marjorie Bean Hope Academy (or DAME), provides dedicated services to students who have severe to profound [and] multiple challenges and therefore require special needs. The

main focus of the programme at DAME is to provide students with enriching education and developmental support, to increase student independence and to help them achieve their ultimate potential. The dedicated principal and staff at DAME are able to achieve this programme outcome by implementing a comprehensive curriculum which is focused on developing receptive and expressive communication skills; functional literacy and mathematics skills; activities of daily living; social skills development; behaviour interventions; pre-vocational and vocational skills; community-based instruction; and art, recreation and leisure skills.

In essence, the programme at DAME, like at all other schools, focuses on the whole child.

The principal and staff at DAME have focused on the following priorities during the current school year:

1. increasing student communication with the use of communication devices;
2. training the entire staff to become Registered Behaviour Technicians so they can appropriately manage difficult behaviours; and
3. focusing instruction on developing language.

Mr. Chairman, technical officers of the department have already seen first-hand the gains that students are making in developing their communication skills, and I am also pleased to report that some staff have successfully completed the Registered Behaviour Technician training. This business unit will be funded with a budget of \$583,000.

**Programme 1707—Middle Schools**

**Hon. Diallo V. S. Rabain:** Mr. Chairman, we now turn to page B-141, line item Programme 1707, our middle schools. Similar to the primary schools and in alignment with school improvement plan targeted areas, middle schools are focusing efforts on improving math and writing proficiency, increasing the number of students reading at grade level, improving the use of research-based instructional strategies, improving the focus of professional learning communities, continuing with the implementation of standards-based grading, and ensuring adherence to the health and safety protocols.

Mr. Chairman, the total 2021/22 budget allocation for our four middle schools is \$14,777,000.

**Programme 1708—Senior Schools**

**Hon. Diallo V. S. Rabain:** And this will be the last section I read, Mr. Chairman.

Mr. Chairman, Programme 1708 refers to our two senior schools, CedarBridge Academy and the Berkeley Institute. Each senior school is provided with an annual grant for the operational management of their respective school and the school curriculum. Students at the senior level continue to benefit from

diverse local and international curricula and programmes which prepare them for post-secondary education, training and careers. Students also have the opportunity to take advance-level courses and to participate in the dual enrolment programmes at the Bermuda College.

For fiscal year 2021/22, the CedarBridge Academy's funding decreased by \$339,000. This decrease was a result of the CedarBridge Board creating operational efficiencies that has resulted in their 2021/22 grant request lower than the previous year. These funds will support school redesign and system transformation.

And with that, Mr. Chairman, I will pause for lunch and continue after lunch.

**The Chairman:** Thank you very much for that robust information, Minister.

I now call on the Premier to take us to lunch.

**Hon. Diallo V. S. Rabain:** Mr. Chairman, I am not sure if the Premier is online, but I will take us to lunch.

I call for the session to rise for lunch and return at 2:00 pm.

**The Chairman:** Thank you, Minister.  
See you at two.

**Hon. Diallo V. S. Rabain:** All right.

**Proceedings suspended at 12:31 pm**

**Proceedings resumed at 2:00 pm**

*[Ms. Lovitta F. Foggo, Chairman]*

## **COMMITTEE OF SUPPLY**

### **ESTIMATES OF REVENUE AND EXPENDITURE FOR THE YEAR 2021/22**

## **MINISTRY OF EDUCATION**

### **HEAD 17—DEPARTMENT OF EDUCATION**

*[Continuation thereof]*

**The Chairman:** So, good afternoon, Members.

We are now in the resumption of the Committee of Supply for further consideration of the Estimates of Revenue and Expenditure for the year 2021/22. And we are discussing Heads 16, 17, 18 and 41 which will continue in debate.

I now call on the Minister in charge to proceed.

Minister, you have the floor.

**Hon. Diallo V. S. Rabain:** Thank you, Madam Chairman, and it so wonderful to see you on this beautiful Wednesday afternoon.

### **Programme 1709—Curriculum Assessment**

**Hon. Diallo V. S. Rabain:** Madam Chairman, I will continue where I ended, and that is with programme 1709, Curriculum Assessment.

Madam Chairman, programme 1709, Curriculum Assessment, funds the Cambridge International Curriculum, City & Guilds, and related initiatives; salaries of subject-specific Education Officers for Curriculum and Assessment; and the Career Pathways programme. The department pays an annual fee to Cambridge International for the curriculum and for P6 and M3 students to sit the annual Checkpoint and S2 students to sit the IGCSE examinations, which are required to obtain the Bermuda school diploma.

Madam Chairman, the department is in its ninth year of implementing the Cambridge International Exams at P6, M3 and S2. The examinations are funded from business unit 27020, Assessments and Evaluation. The Cambridge and City & Guilds exams were not administered during the 2019/20 school year due to COVID-19 and, like other students worldwide, students received assessed grades.

Significant attention was given to mathematics over the past year, in particular:

- An Acting Educational Officer for Mathematics joined the Curriculum and Assessment Team in September 2020;
- Schools were given clear expectations for Math instruction;
- Principals conducted walk-through observations to collect data on teacher practices and student learning, although the extent of this process was limited due to COVID.
- Clear targets were set for the use of Dream-Box (an online math application intervention tool) for in and out of school.
- And the services of Primal Academic Innovations Ltd. (PAI) were used as a mathematics intervention programme.

Madam Chairman, business unit 27520, Design, Development and Implementation funds salaries for seven education officers who are responsible for ensuring the effective delivery and ongoing development of the Cambridge Curriculum in the core and non-core subjects, school examinations, the Career Pathways Programme, and all other curricula.

During the year, selected officers and school staff focused on the refinement of primary and middle music, primary and middle social studies, and primary and middle reading curricula assessments.

The Curriculum Assessment programme 1709 has been allocated a budget of \$2,138,000 for the continued delivery of these educational programmes and services.

### Programme 1712—Early Childhood Education

**Hon. Diallo V. S. Rabain:** Madam Chairman, the final programme on page B-141 is 1712, Early Childhood Education. This programme comprises of the Child Development Programme and the After School Care sub-programmes. Early childhood education represents the foundation for student success at the primary, middle, and senior levels.

Business unit 27175, the Child Development Programme (CDP), currently funds the salaries of the dedicated CDP staff and programmes. The team works diligently to maintain their accreditation status and engages in quarterly performance quality improvement sessions.

During the 2020/21 year, CDP was granted Bermuda National Standards Committee (BNSC) Maintenance of Accreditation through the dedication of the CDP team to early intervention and support of families with young children. The Screening and Assessment team was able to meet their two-year screening target for the fiscal year and the CDP Coordinator position was filled in February 2021.

Madam Chairman, the CDP staff provide remote services such as screenings, consultations, developmental monitoring, parent education and coaching during shelter in place and the subsequent months while schools operated remotely.

Shelter in place followed by the implementation of safety and health protocols closed CDP off from in-person contact with families. Personal contact is the way in which the main form of service is offered to children and families, either in homes or at CDP. CDP staff were not deterred, and they maintained contact and support to families throughout the pandemic using a variety of mediums, such as phone, video conferencing, and social media. CDP's Facebook page and Instagram account also provided credible information and practical solutions to often overwhelmed parents. Books and toys used for parent coaching sessions were delivered to homes by dropping them off outside of clients' residences. The sessions were then supported through Zoom or other means.

Developmental screenings continued throughout the pandemic via phone interviews and video conferencing. As developmental assessments could not be conducted in person, the Child Psychologist conducted observations and developmental screenings, also utilising video conferencing.

Madam Chairman, there were a number of parents seeking help with their child's behaviour, including concerns regarding potty training and sleep. CDP was able to assist parents with these concerns through consultations, including recommendations and personalised support. Additionally, with many parents having to work from home while also assisting with schooling, CDP provided support and guidance with concrete examples of how to schedule their day

or talk to their children about the pandemic. Once safety and health precautions were relaxed, CDP staff met with children and families in parks, playgrounds and out in the yards of families. CDP has worked with the Department of Health to safely reopen services for young children and their families.

The priority for 2021/22 is for CDP to be positioned to fulfil its vital role of providing wrap-around parent education and support to families with children who have not yet started school. CDP will continue to provide early intervention services to support best outcomes for children and families by building strong foundations for growth and development.

Madam Chairman, the final line item on page B-141 is business unit 27700, After School Care, which funds the wages of part-time employees who provide supervision and organised activities to children at four preschools and one school for children with special needs. The funds for the after school care are utilised to offer after school care for 80 students in four preschools and for the students at DAME [Marjorie Bean Hope Academy].

In summary, the continued delivery of services for programme 1712 for the fiscal year 2021/22 has been allocated a total budget of \$1,397,000.

### Subjective Analysis of Current Account Estimates

**Hon. Diallo V. S. Rabain:** Madam Chairman, I now refer you to page B-142, the Subjective Analysis of Current Account Estimates for the Department of Education. This page provides an aggregate of the detailed line item expenditures previously mentioned. The variances of significance for the categories are as follows:

1. salaries and wages decreased by \$7,883,000 (or 11 per cent) and \$154,000 (or 4 per cent) respectively; mainly due to the defunding of posts and the 10 per cent reduction austerity measures agreed to by the unions;
2. training costs are negligibly \$1,000 (or 1 per cent) lower, while Transport decreased by \$1,000 (or 1 per cent) due to reduction in transportation costs involved in shipping of inventory;
3. travel costs remained constant;
4. Communication costs decreased by \$2,000 in part reflecting the completion of a number of projects linked to Information Technology Support;
5. rental costs increased by \$30,000 due the set-up of an Education Reform Office, while Repair and Maintenance costs increased by \$168,000 due to COVID-19-related expenses;
6. energy costs increased slightly by \$5,000 mainly reflecting an increase in electricity costs;
7. material and supplies are \$90,000 higher as a result of COVID-19 expenses; and

8. grants and contributions decreased by \$441,000 and these funds have been reallocated to support the school redesign and system transformation work.

### Employee Numbers—Full-Time Equivalents

**Hon. Diallo V. S. Rabain:** Madam Chairman, pages B-143 and B-144 show that there are 1,034 full-time equivalent posts, a net change of 67 compared with the 1,101 measured in the original 2020/21 budget. The department will continue to monitor and review the number of full-time equivalents ensuring both efficiency and effectiveness of staff resources.

### Performance Measures

**Hon. Diallo V. S. Rabain:** Madam Chairman, pages B-145 to B-148 list the Performance Measures for the Department of Education. These measures reflect the priority areas that will be monitored and for which staff at schools and the department will be held accountable during the year.

Madam Chairman, I extend my gratitude and appreciation to the Commission of Education and all other staff in the Department of Education, our teachers, principals, administrators, and all other educators and support staff for their commitment to our children. As we move forward with executing Plan 2022 strategies that are aligned with school and system redesign, I expect to see more noticeable improvements in the quality of education and the services we provide to Bermuda's children.

Madam Chairman, this concludes my presentation on Head 17, Department of Education. And I now move to the budget estimates for Head 18.

## HEAD 18—LIBRARIES AND ARCHIVES

**Hon. Diallo V. S. Rabain:** Madam Chairman, Head 18 comprises of the Department of Libraries and Archives.

Libraries and Archives preserves and facilitates access to Bermuda's printed historical records, cultural works, and the Government's administrative records. The department encourages lifelong learning by dispensing educational and recreational resources, and are committed to providing for the present and future needs of our community.

Madam Chairman, the 2021/22 Estimates of Expenditure and Revenue for the Department of Libraries and Archives can be found on pages B-149 through B-153 in the Budget Book. The department's Mission Statement and objectives are stated on page B-149 along with the general summary of its expenditures.

Madam Chairman, the 2021/22 budget allocation the Department of [Libraries and] Archives is set

at \$2,975,000. This is a decrease of \$277,000 and it reflects COVID-19 savings.

Madam Chairman, the 2021/22 budget allocation for business unit 28000, Collection Management, of \$450,000 represents a decrease of \$32,000 when compared with the 2021 original budget. This decrease represents an allocation of money to other business units to supplement salaries due to regrading of positions following the merging of the departments of Libraries and Archives. Full-time equivalents for this business unit are four employees, as shown on page B-151.

Madam Chairman, the 2021/22 budget allocation for Adult Services, business unit 28060, is \$489,000, a decrease of \$89,000 from the 2020/21 budget allocation. The full-time equivalents for this business unit are six employees, as shown on page B-151.

Madam Chairman, page B-149 shows a 2021/22 budget allocation for business unit 28100 Archival Services of \$372,000, a decrease of \$23,000 in expenditure level over 2020/21. The full-time equivalents for this business unit are four, as shown on page B-152.

Madam Chairman, business unit 28110, Youth Services includes programmes catering to youth which continue to be popular with families and children younger than age 14. The 2021/22 budget is \$438,000, an increase of \$2,000 when compared to the budget allocation of 2020/21. The full-time equivalents for this business unit are four, as shown on page B-152 [sic].

**The Chairman:** Member, you do mean B-151, do you not?

**Hon. Diallo V. S. Rabain:** B-151.

**The Chairman:** Thank you.

**Hon. Diallo V. S. Rabain:** Madam Chairman, business unit 28120, Record Management Services, totaled \$617,000. This reflects a decrease of \$206,000 when compared to the 2020/21 budget allocation. The Government Record Centre, located in Southside, St. David's, provides for Government's non-current records. The full-time equivalents for this business unit are four, as shown on page B-151.

Madam Chairman, the last line item in the general summary table on page B-149, is \$609,000 for business unit 28130 [Administration]. This reflects an increase of \$71,000 more than the 2020/21 allocation. The full-time equivalent count for this business unit is four employees, as shown on [page] B-151.

### Subjective Analysis for Current Account Estimates

**Hon. Diallo V. S. Rabain:** Madam Chairman, I now present the Subjective Analysis of the Current Account Estimates for the Department of Libraries and Archives, as found on page B-150.

Salary-related expenses show a decrease of \$65,000 reflecting the 10 per cent austerity measure reduction in salaries. The decrease in funding allocated for rentals of \$212,000 reflect COVID savings impact. Funding in the other current account areas remained the same as in 2020/21.

Madam Chairman, page B-151 shows that the full-time equivalent count for the Department of Libraries and Archives will be 26 employees for the upcoming fiscal year [2021/22]. The staff are all Bermudian professionals.

Madam Chairman, the operations of the Department of Libraries and Archives are not a major source of revenue for the Government. Fees are charged for the duplication of archival materials, book fines, library programme fees, computer fees and photocopy charges, and the revenue generated is minimal. As a result of the closures due to the pandemic, the revised 2020/21 revenue total is estimated to be only \$4,000. However, with the upcoming fiscal year 2021/22, revenue is anticipated to return to normal and increase to \$16,000, as stated on page B-150.

Madam Chairman, the Performance Measures for the Department of Libraries and Archives are listed on pages B-152 and B-153 showing the actual outcomes for fiscal year 2019/20, the original and revised forecasts for fiscal year 2020/21, and the target outcomes for 2021/22.

Madam Chairman, due to the pandemic, library staff had to adapt very quickly to working from home. Library staff therefore searched for alternatives to continue providing librarian services even though the physical building was closed to the general public. This resulted in creative and innovative ways to deliver library services, and included:

- Curb Side/Walk-up Pickup. Library members could call, email or WhatsApp their book requests. Staff put together and packaged the book requests for curbside collection. Library members were provided a pick-up time to collect their books.
- Virtual Programmes. The Library's normal in-house events were re-designed as Webinars. For example, the Youth Library STEAM Club was virtual. The Library prepared Grab & Go Kits that contained supplies needed for activities. These kits were collected from the Youth Library. Zoom invites and/or YouTube links were then emailed to children to engage in presentations. Scheduled speakers presented on various STEAM topics and provided their workshops to children virtually.

- The Annual Seniors' Tea. Instead of [the Tea,] the Youth Library's Teen Advisory Board Members (TAB) delivered "Love Boxes" to 120 grateful seniors.

Madam Chairman, all of these services continue to be popular now that the Library has resumed its opening schedule. However, the STEAM Club is back to meeting in the Library with the speaker's presentations provided virtually.

Madam Chairman, digitisation has continued to be one of the Library's main objectives. During the past fiscal year [2020/21], eight years of the *Royal Gazette* newspapers, from January 1954 to December 1962 were digitised from microfilm copies. The proposed digitisation target for next fiscal year 2021/22, is for four years of the *Royal Gazette* newspaper from January 1963 to December 1966.

Researchers using both the Library and the Archives digitised collections have found the service invaluable. During the closure of the Library and Archives, staff were still able to assist researchers. For example, staff at the Archives and the Government Record Centre provided critical assistance to researchers involved in the Commission of Inquiry into the historic loss of land. Several emails of thanks and kind sentiments from local and overseas researchers were sent to staff express gratitude for the ability to search digitally. These included:

- "We noticed that the online *Gazettes* now go to the end of 1953 and we are overjoyed! Thank you so much for continuing to add more issues. You cannot imagine how helpful this service has been and continues to be for our research especially now when it has to be done from home."
- Another quote: "I want to report my admiration of the National Library's digitalised newspaper collection. It is a most remarkably useful tool, especially for those of us who are away from Bermuda and, certainly, for all of us in times of quarantine."

At this time, Madam Chairman, I would like to take the opportunity to sincerely thank all staff in the Department of Libraries and Archives for their commitment to provide materials for the recreational and educational needs of our community; and, to preserve the essential administrative records for the Bermuda Government, and the historical records of Bermuda while facilitating access to these records for members of the public.

Madam Chairman, this ends my presentation on the 2021/22 budget for Head 18, Department of Libraries and Archives. I will now move to Head 41, Bermuda College.

### HEAD 41—BERMUDA COLLEGE

**Hon. Diallo V. S. Rabain:** Madam Chairman, although the 2020/21 fiscal year has been a challenging

one as a result of the pandemic, I am pleased to report that Bermuda College has adapted well in its vision, transforming lives through innovative education. Bermuda College deepened its purpose and took on new meaning as it continued to provide the community with innovative programmes, training, support services and access to partnerships leading to local and global success. As the only post-secondary institution on the Island, Bermuda College realises it has and will continue to play a significant role in Bermuda's economic recovery and growth agenda of the Government.

Madam Chairman, as found on page B-154, the College receives an annual grant from the Ministry of Education and the allocation for the financial year 2021/22 is \$15,383,000 which is \$523,000 less than what it received during fiscal year 2020/21.

Madam Chairman, Dr. Duranda Greene is the President of the Bermuda College which is governed by a Board of Governors. The Chair of the Board is Mr. Peter Sousa. Other members of the Board are:

- Mr. Nasir Wade, Deputy Chair;
- Mr. Tulani Bulford;
- Ms. Whitney Butterfield;
- Mrs. Cherie Dill;
- Mr. Thomas Christopher Famous, JP, MP;
- Mr. Frank "Chip" Gillis;
- Mr. Jerome Reid, Jr.;
- Mrs. Branwyn Smith-King; and
- Mrs. Charmaine Tucker.

Ex-officio Members are:

- The Hon. K. H. Randolph Horton (Chairman of the Honorary Fellows);
- Mrs. Valerie Robinson-James (Permanent Secretary for Education);
- Mr. Romeo Ruddock (Support Staff Representative);
- Miss Tylasha DeSilva (Student Representative); and
- Ms. Necheeka Trott (Faculty Representative).

Madam Chairman, Bermuda College, is an accredited institution with the New England Commission on Higher Education and continues to be the most economical choice for Bermudians and residents on their journey to attain post-secondary education. It not only offers a great value for money when compared to the first two years of any four-year institution in the United Kingdom, North America or the Caribbean, but it also offers innovative education and training, quality instruction and unparalleled student support.

Madam Chairman, like most [higher] education institutions around the globe a significant portion of this past fiscal year at Bermuda College has been spent dealing with the coronavirus pandemic. One of the many highlights for the College during the past year 2020/21, was its ability to pivot at short notice to remote teaching and learning, while ensuring that the needs of its students continued to be met.

Madam Chairman, in support of Bermuda's rich oceanic history, in fall 2020, the College introduced its new Associate of Science (Marine Science) programme. It also introduced French to its course offerings. In spring 2021, in partnership with Millersville University, the College offered a Colonial Latin American history course taught by Bermudian, Dr. Clarence Maxwell. It also offered a Special Topics Insurance course entitled "Foundations of Bermuda's International Re/Insurance Sector" in partnership with the Association of Bermuda Insurers and Reinsurers (ABIR) and St. John's University's Maurice R. Greenberg School of Risk Management Insurance & Actuarial Science.

New offerings offered by the Professional and Continuing Education (PACE) Division included: the Certified Online Instructor, the Art of DJ'ing, and certifications in Coding, Data Analysis, and Google Analytics. In partnership with Framingham State University, the PACE Division also accepted its first cohort of 13 students into the Principal Certification programme. With a few additional courses, the students can also earn a Master's in Educational Leadership.

Madam Chairman, the Bermuda College continues to establish the National Educators' Institute (NEI) that will provide a centralised entity for the professional learning and conversations of Bermuda's public and private school educators, counsellors and mentors. The NEI will be an organisation for educators and counsellors of all levels to engage in and benefit from professional development, research and social emotional support for professional growth and ultimately student success. The four tiers of the NEI are: Pedagogy and Practice, Social Emotional, Research, and the Summer Institute. The Summer Institute has two programmes attached to it: (1) Brothers as Scholars for Black Males; and (2) a Social Symposium for educators, counsellors and community members. The NEI Executive Council has been established and the Tier Leaders and members have been identified.

Madam Chairman, the Dual Enrolment Programme, a partnership between Bermuda College and the Department of Education, continues to be a success with 48 high school students participating in the programme in fall 2020. It should also be appreciated that at its May 2020 Commencement, 17 dual enrolment students graduated from the Bermuda College.

Madam Chairman, as Bermuda College fulfils its mission of providing its student with access to partnerships which lead to local and global success, the ability of its students to transfer their credits to overseas institutions to complete their baccalaureate degrees is key. To continue to support this objective in a physically distanced environment, Bermuda College hosted its first virtual Transfer Pathways College Fair in partnership with its four-year institution partners.

The College also held a virtual induction ceremony for its third cohort of nine inductees into the

Phi Theta Kappa Honour Society in November. The Bermuda College's Beta Chi Upsilon Chapter was also named a 2021 REACH Chapter for excelling in membership development by the international organisation. This is the second consecutive year that the Bermuda College Chapter has been recognised with a REACH award.

Madam Chairman, despite the pandemic, Bermuda College continued to do its part to not only educate its students, but to also educate and inform the community at large through various events organised throughout the year. This year's events included the College's Annual Science Week activities, re-named Roche Science Week, and a mini-literacy conference on reading. As a result of the pandemic, the 2021 Science Week did not include the usual visits on campus by hundreds of public and private school students. This year the College provided science kits for middle school students to use at their respective schools and hosted a virtual public panel discussion entitled "Interconnected Wellness Through the Lens of COVID" by featuring Bermudian scientists—Dr. Sandy DeSilva, Dr. Shiana Kelly (a Bermuda College alumnus), Dr. Tucker Murphy, Dr. Phillippe Rouja; and Bermuda College's own economist, Mr. Craig Simons.

Last November, Bermuda College hosted a mini-conference on reading and literacy entitled "Reading Success for Every Child: Teaching Reading is Rocket Science." In excess of 200 individuals registered for the event including parents, guardians and educators. A follow-up event is scheduled for later this month.

Madam Chairman, in February, the Bermuda College Company of Honorary Fellows inducted three new Fellows including its first posthumous recipient. The honourees were: Mr. Craig Bridgewater, Dr. Janet Ferguson and the late great Dr. Eva Hodgson.

All were honoured and celebrated for the significant contributions made to this community and beyond in their respective fields.

Madam Chairman, supporting output measures for the College's activities during this past year are as follows:

In May 2020, Bermuda College held both a virtual and drive through graduation as a result of the pandemic. There were 107 students who graduated with associate degrees, diplomas or certificates. This January, Bermuda College also held its first Winter Commencement in nearly a decade, with a live streamed virtual ceremony where it graduated an additional 32 students with one student earning two associate degrees. The breakdown of graduates by divisions is:

- Arts & Science, 47 Graduates;
- Business, 55 Graduates;
- Hospitality, 9 Graduates;
- Technical Education, 19 Graduates;
- Nursing, 10 Graduates.

Madam Chairman, in December 2020, the Division of Professional and Career Education (PACE) awarded 347 professional designations and workforce development certificates which included 15 public high school students who received their Certificate for Nursing Assistants as part of the Department of Education's dual enrolment programme at the Bermuda College.

Madam Chairman, this represents a 155 per cent increase over last year, with many residents taking advantage of the many online certifications and courses offered. The awards, representing 29 areas of specialisation, are as follows:

- American Management Association (AMA) Certificate in General Management, 4;
- AMA Certificate in Human Resources, 4;
- Endeavour Maritime Springboard Programme, 9;
- Certificate in Basic Horticulture (Level 1), 13;
- Certificate in Basic Horticulture (Level 2), 13;
- International Compliance Association (ICA) Certificate in Anti-Money Laundering, 1;
- ICA Certificate in Compliance, 2;
- ICA Certificate in Managing Sanctions Risk, 1;
- ICA Certificate in Financial Crime Prevention, 1;
- ICA Advanced Certificate in Managing Fraud, 1;
- Association of Chartered Certified Accountants (ACCA) Diploma in Financial & Management Accounting (RQF Level 2), 3;
- Certificate in Bartending, 15;
- Certificate for Nursing Assistant, 54;
- Certificate for Nursing Assistants—Bridging, 11;
- City & Guilds Level 2 Diploma in Hairdressing, 6;
- Emergency Medical Technician (EMT), 6;
- Certificate in Compliance KIXKO Orientation, 32;
- KIXKO Risk-Based Assessment, 32;
- KIXKO Customer Due Diligence, 32;
- KIXKO Monitoring & Reporting, 32;
- KIXKO Governance & Oversight, 32;
- LERN Distance [Education] Programme Bookkeeping Certificate, 10;
- LERN Business Coaching Certificate, 1;
- LERN Certificate in Business Writing, 2;
- LERN Certificate in Data Analysis, 3;
- LERN Certificate in Project Management, 1;
- LERN Certificate in Teaching Adults, 1;
- LERN Certificate in Web Design, 2;
- LERN Intermediate Excel, 3;
- LERN Keys to Customer Service, 1;
- LERN Management Certificate, 1;
- LERN Supervisory & Leadership Certificate, 4;



- LERN Certificate in Online Teaching, 1;
- LERN Managing Social Change Certificate, 1;
- LERN Digital Marketing Certificate, 1;
- LERN Legal Office Administration, 3;
- LERN The Basics of Bookkeeping, 5;
- LERN Time & Productivity Management Certificate, 1;
- LERN Management Boot Camp, 1;
- LERN HTML Fundamentals, 1.

Madam Chairman, in fall 2020 the College enrolled 687 students. This included 35 who had originally planned to go overseas to further their education. There were also 618 students serviced through PACE during the same period.

As a way of assisting the community to upgrade their skills during the pandemic, especially those who were unemployed, Bermuda College opened its online training resource, Hoonuit, to the community at no charge. Between May and September 2020, 629 residents had accessed the training.

Madam Chairman, in 2020 Bermuda College received \$15,906,000 or 79 per cent of its operating budget from the Bermuda Government grant. Bermuda College also received a special grant in the amount of \$300,000 to assist students in financial need with their tuition. As a result of this grant, a total of 203 awards, ranging from \$139.50 to \$5,590, were issued to students with financial need in both the academic and PACE divisions during the 2020/21 academic year.

The College also received \$125,000 which was used for training areas where there is a shortage of Bermudians including: nursing, horticulture/landscaping, compliance, and accounting.

Madam Chairman, Bermuda College's budgeted revenue of \$4,307,600 from other sources included:

- Student tuition and fees for credit courses;
- PACE revenue;
- Bookstore revenue;
- Testing Centre revenue; and
- Rental income, including the Coco Reef Resort.

This amount, together with the Government grant, made up a total revenue figure for the 2020/21 budget year of \$20,213,617.

Madam Chairman, during this period, salaries and benefits accounted for \$13,279,736, or 66 per cent of the budget; this represents a 1 per cent increase in salaries when compared to 2019/20. The College continues to monitor its salary expense closely whilst balancing its need to provide a quality education to its students.

During the 2020/21 fiscal year the College expended \$102,000 on COVID-19-related expenses. This included computer hardware and software to support remote teaching and learning and personal protective equipment.

Madam Chairman, Bermuda College's IT expenditures for the year included \$44,000 in hardware purchases and \$306,000 on contracts and licences to support teaching and learning, as well as the College's administrative functions. The College continues to replace high priority hardware and infrastructure items identified as being near [the] end of their useful life including switches, servers, cabling, telephone systems and other computer hardware items. In addition to the Government grant, Bermuda College is thankful for the support of corporate donors who have to date donated \$232,825 via the Bermuda College Foundation to assist in the updating of the IT infrastructure.

As part of the College's commitment to providing a safe and healthy environment for its students and employees, it spent \$446,860 on improvements to its physical plant, and routine cleaning and maintenance contracts.

Bermuda College is projected to spend \$490,000 on insurance and \$800,000 on electricity and other utilities during the 2020/21 fiscal year.

A total of \$156,000 in financial assistance was allocated to students enrolled in the academic divisions who demonstrated a financial need from the College operating budget. This amount was supplemented with the additional \$300,000 from the Government, mentioned previously, and another \$227,216 from the Bermuda College Foundation.

Madam Chairman, salaries continue to form the majority of the College's budgeted expenses and the College continues to review its operations, seeking ways to decrease its labour costs, while still providing a quality education to its students. As a result of the decrease in the Government grant for the next fiscal year, the employees at Bermuda College have agreed to take a 7.5 per cent salary cut for four months totalling \$288,454.

The Bermuda College Board and Executive are thankful to the employees for their sacrifice. There will also be a decrease in other expenses totalling \$252,100.

Madam Chairman, Delivering Success, the Bermuda College's five-year strategic plan, is the blueprint to steer the College towards its 50<sup>th</sup> anniversary in 2024. [There will be] \$60,000 from the grant set aside for implementing the third year of the plan. It is anticipated that additional funding for capital projects outlined in the strategic plan will be secured via the Bermuda College Foundation, as was the case this past year with the \$3.5 million donation for the establishment of a Career Development Centre and IT upgrades from international firms Athene, Athora, Aspen and Catalina.

Utilising the \$300,000 grant to assist students with financial need, the College will once again endeavour to ensure that no student is prevented from attending Bermuda College as a result of limited household incomes.

It is anticipated that a comparative number of students will be assisted with the 2021/22 financial assistance grant.

### Looking Ahead

**Hon. Diallo V. S. Rabain:** Madam Chairman, as a result of the pandemic, many projects and initiatives planned for the 2020/21 fiscal year were put on hold. These activities will be advanced during this coming year and include:

- offering additional courses during the evening and weekends to attract working adults to diversify its student body;
- the review of its Certificate for Accounting Technicians programme to align it with the ACCA Foundations in Accountancy programmes;
- partnering with Queen's University Industrial Relations Centre (IRC) to offer its courses and programmes through PACE; and
- the introduction of a one-year Foundation programme for students wishing to transfer to a three- or four-year institution after completing one year at the Bermuda College.

Madam Chairman, the Bermuda College will continue to work with the Department of Education to provide college courses to qualified students through its Dual Enrolment programme. The College will continue to forge alliances with professional credentialing and accrediting agencies for workforce development and professional certification, such as: the Association of Chartered Certified Accountants (ACCA); Building Owners and Managers Institute (BOMI) for building owners and managers; City & Guilds for the applied sciences; Global Knowledge for information technology; International Compliance Association (ICA), Association of Certified Anti-Money Laundering Specialists (ACAMS) and KIXKO for compliance; and local professional bodies.

During this upcoming year Bermuda College will establish a partnership with the Bermuda Insurance Institute to offer additional insurance courses at the College. Bermuda College will also establish an entrepreneurship concentration to its Associate in Business programme and offer an entrepreneurship course to complement its technical education programmes.

Bermuda College will implement a prior learning assessment policy to allow students the ability to earn academic credit for college-level knowledge acquired through expertise developed outside of the classroom.

Bermuda College will also continue to expand its articulation agreements with higher education institutions in the United Kingdom and throughout North America to ensure a seamless transition for Bermuda College graduates who wish to pursue additional education at three- and four-year institutions. Working with one of its partner institutions, Bermuda College

will introduce an online Masters in Business Administration (MBA) programme.

To support the Bermuda College and the Bermuda College Foundation, the College will continue its efforts to reconnect with its alumni and to establish an accurate alumni database including alumni from its three former institutions.

Madam Chairman, as I close, I wish to thank the board, the executive, administration, faculty, and staff of Bermuda College for their work throughout this year. I look forward to working with them in the upcoming year to help students of multiple ages to pursue their career and personal aspirations.

Thank you, Madam Chairman, this concludes the budget on Head 41, Bermuda College, and my overall presentation of the 2021/22 Budget for the Ministry of Education.

**The Chairman:** Thank you, Minister, for your comprehensive brief.

I would now like to call on the Shadow Minister and any other Members who wish to speak to Heads 16, 17, 18 and 41.

**Ms. Susan E. Jackson:** Good afternoon, Madam Chairman. I would like to speak to the Heads, please.

**The Chairman:** Okay, certainly. May I just ask is you are the Shadow Minister?

**Ms. Susan E. Jackson:** I am not. The Shadow Minister is Ben Smith who sits in the Senate.

**The Chairman:** Okay, thank you, thank you, Honourable Member Jackson.

Please, you have the floor.

**Ms. Susan E. Jackson:** Thank you, Madam Chairman.

I would like to thank the Minister, his technical staff, and all of those that have been working in Education this year for their hard work, their perseverance, their ability to transition to a very new learning environment during the pandemic and having to be sheltered in place. I cannot even . . . and, on top of that, managing and navigating through a school restructuring process. So, I just want to, certainly, send out much applause and thank you for the work that you have done so far this year.

Minister, I would like to go through the line items. I may skip . . . just in the essence of time, I may ask about a few of the topics and then I may come back and then just ask a couple of more detailed or simple, sort of, one line answered questions a little later on. But I would like to start in Head 16 on page B-135.

I would like to find out a little bit more about the Grants to External Bodies, it is line 26080. I am just wondering, Minister, if I might find out what some

of those external bodies are which receive grants through the Ministry of Education. I do see a list on page C-18 but, again, there is a line in there that is very general. It is 6869, Grants to External Bodies, and I am just curious if you could name or identify some of those external bodies, just to give clarity as to that line item.

And the spend last year was \$823,000, which looks like there has been an estimated decrease there . . . I have got so many circles around there. Yes, a decrease of \$322,000 this year. So, I am just wondering if you might be able to shed some light on that, please.

My other interest in the Ministry of Education, Head 16, is still under the Grants. And I notice that under the Performance Measures, business unit 26080, Grants to External Bodies, that there does not seem to have been any financials provided over the last, I guess, couple of years. There is an expected outcome for March 2022 that is published here, but I am just wondering how we are basing giving out as much as a half million dollars and we do not have financials from those external bodies. I just wanted to see if I could get a little clarity on that.

Turning the page, on B-136, still on Head 16, under Professional Services under Subjective Analysis of Current Account Estimates, in 2019/20, Professional Services received a budget of \$448,000 and the following year and, then, this year as well, the budget for Professional Services has gone up and it is now \$1.6 million, \$1,607,000. And then this year it is \$1,617,000. I am just curious . . . my first question is, how long is it going to stay that high? And then, why is it that high? So, if something has changed radically, if you might be able to just shed some light on that? If it is due to the reform, I am just curious if there is a time line of how long that budget will stay as high as \$1.6 million.

Minister, I see on [page] B-136, again, back under Grants and Contributions, that there is \$1.848 [million]—and this includes the schools . . . ah, it includes scholarship awards and student awards. Okay, that is fine. And so, I am still just interested in the Grants and Contributions for External Bodies.

So, Head 16, I believe that those are all of the questions that I have for that. I would be interested in finding out just an update on the Board of Education and the . . . sort of just a bit of an overview of where they are and what they have been doing this year.

**Hon. Diallo V. S. Rabain:** Madam Chairman?

**The Chairman:** Yes.

**Hon. Diallo V. S. Rabain:** If she could point to where in the Budget Book—

**The Chairman:** That is what I was just getting ready to ask her.

**Hon. Diallo V. S. Rabain:** —is the Board of Education.

**The Chairman:** Yes.

**Ms. Susan E. Jackson:** For the Board of Education I can only reflect on what I heard from the brief. That is why . . . the Minister mentioned the Board of Education in the brief, I thought, in the beginning. And it is Head 16, page . . . I guess it would just be on the page B-135 under Ministry of Education HQ. There is no budget allocation there, it is just general. The Minister had mentioned the Board of Education and I was just wondering.

**The Chairman:** Okay, Member. So, the Minister will refer to his brief when he is answering the questions. If he is able to provide you with the answer you seek, he will do so then.

Are there any further questions on Head 16?

And can I ask you, at this point in time, are you wanting the Minister to answer all of your questions on Head 16 first, before you move to the next Head? Or are you going to field all of your questions on the various Heads? I might suggest to you, you might want to just ask all of your questions on Head 16 and then he can answer those first.

**Ms. Susan E. Jackson:** I would prefer to do it section by section. I do not want to have . . . it is easier to follow for the listening audience as well.

**The Chairman:** Okay.

Minister, are you obliged to answer the questions per Head as opposed to all of the Heads at once—

**Hon. Diallo V. S. Rabain:** That is fine.

**The Chairman:** —the questions for Head 16?

**Hon. Diallo V. S. Rabain:** Madam Chairman, I would be obliged for your direction. But answering them by Heads is fine with me.

**The Chairman:** Okay, thank you, then.

**Mr. Jarion Richardson:** Madam Chairman.

**The Chairman:** [Do you have] any closing questions on Head 16?

**Mr. Jarion Richardson:** Yes.

Madam Chairman, would we want to contribute per Head as well as we go through the debate?

**The Chairman:** Yes, and that is why I was asking whether or not she is finished asking her questions on

Head 16, in case any other Members had questions on Head 16.

**Mr. Jarion Richardson:** Thank you.

**The Chairman:** Member Jackson?

**Ms. Susan E. Jackson:** Yes, I have asked the questions I would like to ask on Head 16. So, if the other Member would like to ask any questions on Head 16, that would be great.

**The Chairman:** Okay.

Are there any other Members posing questions on Head 16 for the Minister?

**Mr. Jarion Richardson:** I would, Madam Chairman, MP Richardson.

**The Chairman:** Okay. MP Richardson, you have the floor.

**Mr. Jarion Richardson:** Thank you.

I would draw the Minister's attention to page B-137, specifically, the Performance Measures for business unit 26000, General Administration. And I would inquire of the Minister and his staff . . . there is a performance measure as follows (second from the top): "Key stakeholders consulted on policy decisions supporting the transformation of the public education system." We have a target outcome for this year of 100 per cent of those stakeholders being consulted. And I would ask the Minister three questions specific to that: Who are the key stakeholders identified in his project plan so far? Who selected them? And, how were they selected?

My next question I would put to the Minister, again, on page B-137, relates to the fourth performance measurement under business unit 26000. And the performance measure I am inquiring about states: "Legislative amendments drafted to support an updated organisational structure for the Department of Education outlined in Plan 2022" with a targeted outcome of July 2021. This is a much wider-scope question, and I am inquiring what the rationale is for amending part of the education system whilst planning a wholesale rewrite of the whole education system.

Finally, Madam Chairman, still on page B-137 and still on the fourth performance measurement, "Legislative amendments drafted to support an updated organisational structure for the Department of Education outlined in Plan 2022." Is there a cost associated with these legislative amendments drafted to support an updated organisation plan? Is there a cost associated with that? And, if so, how much is that cost?

And I thank you, Madam Chairman, and thank you, Honourable Minister.

**The Chairman:** Thank you, Member Jarion.

At this time, I would just like to inject that perhaps we may want to allow you to ask all of your questions, given the time, so that the Minister has the whole gambit of questions on all of the Heads so that he can make every effort to answer all of your questions. I really do want to give all Members the opportunity to get all of their questions in.

I just had a rethink about that, and I think, in fairness to you, if you are able to put all of your questions for all of the Heads, then the Minister can address all questions.

So, any Member who wishes to continue may, and any Member who wishes to continue may, and can field all of their questions on all of the Heads.

Sorry for that.

**Ms. Susan E. Jackson:** Okay. Thank you. I would like to speak, Madam Chairman.

**The Chairman:** MP Jackson.

**Ms. Susan E. Jackson:** Yes.

**The Chairman:** You have the floor, go ahead.

**Ms. Susan E. Jackson:** Thank you.

I am moving to Head 17, [page] B-139. I would like to begin with line 27030, Human Resources. There has been a \$608,000 decrease in this budget, so the budget is now \$491,000.

I would just like to get some more information about the move and sort of the restructure of human resources. Within the brief there was some discussion that a few of the human resource staff would be moving into a more central location, but I am just curious about how that is going to continue, whether it is that some of the HR members will stay within Education.

And then, those who are staying in Education, whether they will be continuing with looking at the different qualifications for teacher hiring, whether there is going to be any accreditation around the certification of the qualification of teachers, et cetera. So, I guess I am just looking to find out whether there is still going to be a bit of an education-centric HR component to any changes that are happening within HR.

My next question is on line item 27090, Educational Standards and Accounts, still on [page] B-139. I am interested in finding out a little more about how school attendance . . . School Attendance is on the next line item, 27095, and there is no budget for School Attendance. So, either I am guessing or I may have heard the Minister state, School Attendance going to merge into Educational Standards and Accounts. If that is the case, I just have a few questions, predominantly around the impact of COVID-19 on school attendance and how the school attendance administrators have been able to manage that.

What expectation, or what is the plan once we really get back into the full swing of things to make

sure that in September we have registration? Are we going to have online registration or not? Have these kinds of initiatives have been pushed back a bit as a result of the COVID-19 interruption (I guess is the best way to say that)?

There was some talk (and I do not know if this is the best place, under Educational Standards and Accounts) around accreditation. And . . . there is the . . . making sure that teachers' certifications have a form of accreditation. But then, taking it one step further, and asking whether the Ministry or the Department of Education has considered any kind of accreditation programmes moving forward, especially as a part of the reform, and whether, if that is the case . . . I have no idea of the costs that are involved in adopting or becoming enrolled in an accreditation programme, and if we might be able to get just a little more information around accreditation.

In the same line item, 27090, under Educational Standards and Accounts, I believe that I remember the Minister speaking to the principals being a part of that line item, or the administration of principals. And I am just curious, it may be a bit of a sensitive point here, but given what we have been through with COVID-19 and the fact that we are looking forward to the reform when it comes to principals and, in particular, deputies, I am just wondering whether there is any future thought in particular with deputies having sort of non-teaching deputies, deputy principals. And it is not coming from any particular place, but as I have just been exploring the Department of Education, I am just wondering, especially as we go into the transition and transformation and reform, whether it is going to be in the best interests—even if it was temporary—to have non-teaching deputies to help manage the coaching and the leadership and the classroom observation and some of the other attributes that the deputy principal has and whether, even in the short term, it would be considered. Again, it is not a plea from anywhere, it is just that I am aware that deputy principals do teach as well, [and meet] the leadership requirements as well.

I will leave the principals alone, but I am aware that this has been a really challenging year and that principals have had to teach when there has been a lack of resource, teachers out, et cetera.

Moving on, my next question is around line 27062 on [page] B-139, which is Success Academy. If I understood correctly, the budget, which for Success Academy in this line item is \$6,000 . . . but if I understood the brief correctly, the funding for Success Academy actually comes out of 27084, which is the Alternate Education and Out of School Suspension line item, which is \$1.225 million. If that is the case, it certainly helps me to understand why [there is] the \$6,000 for Success Academy.

But my question around this is whether, as we are developing and moving toward education reform, there is not . . . I do not know . . . whether there is not

a little more meat or structure around how Success Academy appears in the Budget Book. I would be interested in finding out around the teaching resources that will be a part of the Success Academy as it transitions. I am guessing that the Success Academies are part of the migration into the new signature school, which would be located at Elliot and just, you know, what that transition is going to look like, especially (we are speaking under student services) what support services would be available within Success Academy and what that structure might look like as it begins to evolve into something that will look like the new school, you know, once we get to the point where, if the new school is introduced at Elliot or what have you, but just seeing some structure there so that we can kind of get a feel for what that school is going to look like as far as teaching resources, et cetera.

Still on [page] B-139, 27073 the Summer Programme. The Summer Programme in 2019 was \$347,000 and it has dipped this year to an estimate of \$18,000. When I think about the Summer Programme, we all know as parents, children, that over the summer when we are out on vacation there is a bit of slippage. Children tend to lose a bit of their academic skills. And this year in particular, with the COVID-19 and shelter in place, there has probably been quite a substantial loss of skills or slippage over the past year. So I am just curious why the Summer Programme has been reduced to as little as \$18,000 at a time when this coming summer we would probably—and by “we” I mean, you know, potentially parents, teachers, students themselves—might want to have a summer programme in order to start to begin to catch up and get caught up with work that was not done, or weaknesses that they may have felt [developed] because they were not able to be in formal structure during 2020 consistently, because of COVID-19.

Line 27079, Paraprofessionals. I am just trying to wrap my head around that. So, there are paraprofessionals, and when I looked across to the staff members on page B-143, I see that [for] Paraprofessionals there are 111 paraprofessionals and the budget is \$6,645,000, which is down \$356,000 from last year. But my real question around paraprofessionals is, why are they not included as a part of the actual school? And this might be that I am naïve to how Student Services is set up, but as I understood through the brief and just listening, it seems as though the paraprofessionals . . . you know, do they travel to different schools, much like some of the other student services? Or, if they are based in a school, I am just curious why they are not part of the overall enrolment of staff in the various schools.

I did remember hearing the Minister mention that there are certainly training opportunities and staff development for paraprofessionals, but I notice that there is not a large population . . . I do not even think there is a line item for, sort of, assistant teachers. So, are paraprofessionals kind of in between being . . .

assisting in the classroom as well as having a one on one with a particular student?

I would just like to have a little more clarity around paraprofessionals and whether there is any . . . you know, given that there are 111 in the team, which is quite substantial compared to . . . it is by far . . . it looks like the largest population of employees under the numbers for Head 17, the Department of Education. If they are in the classrooms, isn't there any progression for paraprofessionals to develop any kind of assistant teaching roles or are they just given the professional development and training in order to support an individual student that they may have?

I can remember the Minister mentioning that there would be support training for vision or for hearing to assist or support the paraprofessionals as they are working with young people. But I am just wondering whether there are any areas for further development. And then, where would a paraprofessional progress from, if they are not or are assistant teachers? What would be the next sort of vertical move in the professional advancement within the schools?

I just have a quick question, still on page B-139, the last line item 27050, IT Support. So, there is \$2,385,000 which is allocated in the budget this year and, certainly, the Minister mentioned in great detail the IT framework in the schools. And then there is an even greater detail of the IT within this book, I believe, under Capital Expenditure. But there was one line in there around computer labs and, clearly, I guess we are getting to that point now where the labs are maybe not as necessary because so many more individual teachers and students are getting their own personal tablets, et cetera, and laptops. But I am just curious what the maintenance and the costs are involved with having these computer labs.

You know, many of them have been sitting for a good year not being used because of shelter in place. Is there any move to either to demise the computer labs in the future or will they potentially be upgraded in some way? So if we might be able to get some information around that.

And based on what I remember hearing from the brief, a good bit of the budget for the IT Support is around Wi-Fi and then, of course, around the hardware, such as laptops, tablets, et cetera.

On page B-140 it lists all of the schools. It is the General Summary, and it has the preschools, the primary schools, special schools, and then it moves over to B-141 with the middle schools, et cetera. But I just want to look at the preschool and primary schools for a minute. And in just an overall look at the page, I noticed that every single one of the schools has a reduction in their budget—some of it is quite small, others a little more substantial.

The actual deduction in budgets for Preschool, Primary and Special Schools—or Preschool and Primary for sure—is about \$2,500,000 to \$2,600,000 in savings. And I am just wondering, with

those savings, what would be the potential reallocation of those funds? I am just, sort of, wondering why everybody's budget has gone down. And if it is based on, let us say, salaries or something, is there a reallocation or a redirection of those funds somewhere else? And then, I guess, when we look at the overall amount it is actually \$8,189,000 and I am just curious if that \$8 million has been redirected anywhere else.

Turning to page B-142, still on Head 17, the question was around the decrease in Salaries down \$7,900,000. But the Minister did mention, I believe, that that was due to defunding and the 10 per cent cuts in salaries, which, again, you know, thank you very much to those that have taken a cut in pay, it is certainly something that is needed at this time. You know, we are certainly going through some challenging financial times and, certainly, the contribution will assist, especially in education.

I am just moving on to page B-143. And if, Madam Chairman, you could give me a moment just to kind of catch up on my notes here for one moment, please.

My only question on [page] B-143 that is coming up is 27160, Substitutes. So, we have 13, which is an increase of five substitutes. But I am just wondering if substitutes are dedicated to a particular school in order to support or whether it is a pool of individuals that go to various schools based on assignment. And I am asking mainly because we have been through such a stressful time and hopefully we will now settle down and every . . . the classroom settings will get back to consistent daily activity.

But there have been so many reasons for interruption in providing services, teachers being in classrooms, support being available, and I am just curious whether we are going to have enough substitutes to be able to populate an environment where there still could be some increases in absentees within the teaching profession, based on the many changes that have taken place in our environment over the past year.

I would like to move on now to the Performance Measures, page B-145. And under unit 1701, Central Administration, there is a performance measure that says, "All school staff positions filled on the first day of school." And the target outcome for here for 2021/22 is 90 per cent. Again, just going back to the substitute teachers, I guess it is an algorithm at this point, but whether we would have substitutes to be able to provide the support for teachers so that we are able to maintain a 90 per cent outcome of positions filled on the first day of school or . . . or would you hire, absolutely hire the 90 per cent and the substitutes would be the additional 10 per cent? Can there be just a little clarity around that?

And still on [page] B-145, business unit 1702, Student Services, would the Minister please explain the process with fidelity? I mean, it is not with a capital "F." I do not know if it is a programme or what, but it

does have an asterisk saying it is a new measure this year. So, if I might just get a brief explanation of what that . . . the process with “fidelity.”

**Hon. Diallo V. S. Rabain:** Madam Chairman?

Madam Chairman, I do not mean to interrupt, but I just wanted to point out to the Member that next to “fidelity,” the asterisk, the meaning of it is actually next to it in the [Budget] Book.

**Ms. Susan E. Jackson:** So—

**Hon. Diallo V. S. Rabain:** The criteria outlined by the Department of Education.

**Ms. Susan E. Jackson:** Okay, thank you.

**The Chairman:** I see it.

**Ms. Susan E. Jackson:** Thank you.

[Pause]

**The Chairman:** Member Jackson, I am not hearing—

**Ms. Susan E. Jackson:** I am still here.

**The Chairman:** Okay.

**Ms. Susan E. Jackson:** Still here.

**The Chairman:** All right.

**Ms. Susan E. Jackson:** Still on [page] B-145, the Minister did speak to it, and I am sorry, I am under business unit 1703, Finance and Corporate Services. The Minister did speak to Health and Safety inspections. I understand what I heard him say. But I am just noticing here that the “Healthy and Safety inspections conducted in each school per annum” that, for next year, is being discontinued. So, I do not know whether there is something new that is about to be introduced or why the Health and Safety inspections are being discontinued, [so] if the Minister might be able to give us a brief explanation on that.

Moving on to [page] B-146, unit 1705, Primary Schools. This is the page that is pretty interesting and sensitive. And it is all about the reading outcomes for our students and mathematic outcomes for our students. And for the listening audience, the actual outcomes for 2019/20 the impact of COVID-19 has certainly made its mark. But the target outcomes for next year, for the year 2021/22, are “Percentage of schools achieving their school improvement objective for mathematics” at 55 per cent; and the “Percentage of schools achieving their school improvement objective for reading and writing” at 75 per cent for this year. And this is for the Primary Schools. So, it would probably be a bit of movement. There are not any out-

comes for the last year or two within this Budget Book but, given some of the scores that have been shared publicly, I know that we are quite challenged when it comes to the percentage of schools that are achieving the high marks, high percentages, in reading, writing and [mathematics].

What kind of support—now, yes, absolutely . . . you know, I heard the Minister speak to Heggerty, I heard the Minister speak to the professional development for teachers. And I am not completely clear on the testing environment. I am not sure whether there is a continuation of some of our existing testing measurements or whether something new will be introduced. But if I may get a little clarification, or just a brief reiteration of the moves to make sure that we can reach these percentages in the coming year.

I also just sort of notice here, too, that the “P4 to P6 students achieving targeted growth for reading” and that is discontinued. And there is discontinuation for the P3 to P6 students, in math as well as writing and reading, and I am just curious what will be replacing those. Or what the impact is of discontinuation there on assessments.

Moving down to business unit 1707, Middle Schools, again, the percentage of schools achieving improvement in reading, writing and mathematics. The target outcome for next year is 50 per cent. So, it is reducing rather than increasing as the student gets older. I am just very concerned that if we are not able to get our primary school students proficient in reading that there is the potential that it will continue to spiral down, which will lead to less than successful outcomes for some of our students in the future. And so, for me, page B-146 is probably the most important . . . this is the goal, right? So, this is where we are trying to make sure that we are actually achieving success for our students. And I just . . . I know that we are introducing new programmes. We are trying to train our teachers. But I just want to call out the concern that the grading system is a real challenge for us as far as getting the children’s skills where we would like them to be so that they are proficient in reading, writing and arithmetic once they graduate out of our school system.

One moment, I am just catching up, if you do not mind.

**The Chairman:** For the listening public, we are on the Education debate, debating Heads 16, 17, 18, and 41.

**Ms. Susan E. Jackson:** Probably my last question on Head 17 is directed to page B-148 and it is business unit 1712, Early Childhood.

There is a performance measurement here: “Children from 18 to 48 months who receive a developmental screening.” And, of course, COVID-19 did impact, and so, 55 . . . well the COVID-19 impact for 2019/20, so that was a bit of a write-off, I understand. But the target outcome for 2021/22 is 55 per cent. And

I am just curious why that percentage could not be higher.

I am also wondering . . . I am going back way too many years, but the Child Development Project used to actually go—like, literally, go—to the hospital when babies were born in Bermuda to identify and sort of register and know who they were, so that when those babies reached the age of developmental assessment by Childhood Development, that the Childhood Development staff would already know of these babies from birth. And I am just curious whether this still happens, or is it up to the parent, at the age of 18 to 24 months, to take the initiative and bring the baby in to Child Development? Or does Child Development reach out because they knew that this baby was born 18 to 24 months before?

And those are all my questions right now for Head 17. And I do not have any burning questions for Heads 18 or 41, just now, but if I might able to get some feedback from the questions asked so far?

**The Chairman:** Are there any other Members wishing to put questions to the Minister?

**Mr. Jarion Richardson:** Yes, Madam Chairman, MP Richardson.

**The Chairman:** Member Richardson, you have the floor.

**Mr. Jarion Richardson:** Yes, thank you, Madam Chairman.

I did ask if the Honourable Minister would—we are on page B-143 as it relates to Head 17—and there are Employee Numbers, Full-time Equivalents on this page which outlines all of the types of staff within the Ministry, which has some 1,034 employees estimated in 2021/22.

Because the Minister had spoken as it relates to continuing professional development at an earlier stage and there are some financial commitments to that, I was hoping to get some guidance on this page B-143. In Schedule 6 of the Budget Book there is a breakout, not that his attention has to be drawn to it, but probably more so for the listening audience than anyone, but there is a Teacher Salary Scale in Schedule 6, starting at P1 of \$70,000-ish going all the way to P15 of \$122,000 and an additional category A4 of \$76,000.

And I could not correlate that salary scale, the salaries to these roles. These roles specify what appears to be function. For example, 27069 has one person in the Ministry committed to Gifted and Talented. And then business unit 27066, has a person committed to Vision. What I am trying to figure out is which one of these are the teachers that are subject to continuing professional development? For example, belonging to the Bermuda Union of Teachers or . . . I

just cannot quite get a grasp of who in this very long list are teachers.

Office Support, obviously are not (27071)—and there are eight of those in the revised estimate. I am just trying to grapple with how many actual teachers we have in the school system and I could do well with . . . I am mindful that the professionals advising the Minister himself in this experience may just simply have a breakout which is different from the common vernacular of teacher in the public.

So, if I could get the Minister to—

**Hon. Diallo V. S. Rabain:** Madam Chairman?

**Mr. Jarion Richardson:** Yes.

**Hon. Diallo V. S. Rabain:** Madam Chairman, we are seeking—

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

**Hon. Diallo V. S. Rabain:** —further clarification. We do not quite understand what the Member is asking us to produce.

**The Chairman:** Okay, thank you.

**Mr. Jarion Richardson:** Sure. Which of the . . . I will boil it down. Which one of these employee numbers in the total headcount of full-time equivalents for the Ministry are teachers?

**The Chairman:** School teachers, is what you are asking, as opposed to ancillary staff?

**Mr. Jarion Richardson:** Yes, ma'am.

**The Chairman:** Okay. Minister. [INAUDIBLE]

**Hon. Diallo V. S. Rabain:** Oh, Madam Chairman, yes, I think we understand. What he is asking us is out of the FTEs that we have quoted, how many of them are teachers?

**The Chairman:** Yes, that is his question. Okay.

**Mr. Jarion Richardson:** And I can put forward another probably two or three questions and then retire and allow others to come forward, Madam Chairman or I could stop here.

Sorry, Madam Chairman, your microphone is muted.

**The Chairman:** Sorry. Just continue and put your whole gambit of questions because we want the Minister to be able to answer you all. So, if he has all of your questions, then he is probably able to tackle them in a comprehensive way and satisfy with the answers.



**Mr. Jarion Richardson:** Thank you for your guidance, Madam Chairman.

I would further point out on Head 17 on page B-145 (for everyone in the listening public included) there are a number of Performance Measures, about 1, 2, 3, 4 pages of Performance Measures for the Ministry. And during the Minister's very detailed brief, he had said—and I do not have a written version of his brief, so I will have to do it from my notes, unfortunately, Madam Chairman—but he had mentioned some Performance Measures that I did not see mentioned in the actual Budget Book.

So, I was going to ask the question. For example, one of those is that there was a conversation as it relates to information technology under business unit 1703. And the Ministry should be complimented in rolling out so much information technology in the COVID-19 situation. He mentioned that there was some sort of enterprise backup for disaster recovery. And you do not see that mentioned anywhere. Equally, there was a great mention of family activities in one of . . . I want to say in the Preschool area, which would be business unit 1704, which is distributed via technology. And I did not see that either.

So, my point being . . . and I see that we have a goal here of issuing personal devices to every student. And the Minister did a great job in breaking down how many devices had been donated and purchased. And yet, we have that we are going to issue a personal device to every student.

So, I could not quite wrap my head around . . . it seems like there is a lot more happening than the Performance Measures. And I am concerned that the Ministry, and the department, specifically, will not be getting enough credit for all of the things that it is doing, especially since, when I look at the Performance Measures, I have a number of questions. So, that was raised as a concern.

I will move on to a question here, which is something like the Honourable Member Jackson's questions, on [pages] B-146 and B-147 we will start on business unit 1705, the Primary Schools. And we are looking at performance measures for a targeted growth for reading—this is "P4 to P6 students achieving targeted growth for reading;" "P3 to P6 students achieving a 3 or higher for summative writing assignments;" and the same for "summative math assessment." I do not see any targeted outcomes there. I do see a double asterisk, which I believe the key is those performance measures are discontinued. And we see a similar discontinuation of performance measures for the students in business unit 1707, the Middle Schools—M1, M2 and M3 for targeted growth in reading; and M1 to M3 students on math assessments—oh, sorry, just on M1 to M3 students achieving targeted growth for reading, I see a discontinuation. And the same goes on [page] B-147: Percentage of students from S1 to S4 for each school achieving one grade level of growth annually based on the results for

common system math assessments, and that is discontinued as well.

**The Chairman:** Are you asking the Minister for an explanation?

**Mr. Jarion Richardson:** Yes, I was just putting all of that to sort of say pursuant to this, that and the other.

So, one of the things I always get concerned with is when I see the discontinuation of metrics, because of the 15 Performance Measures under 1708—Senior Secondary Schools, seven are new for this year and eight are discontinued. So, I see a massive change in . . . from my reading this looks like a massive change in what we can expect the department to be doing. And I am curious, are we actually having that massive change in what the department is doing? Or what is the explanation for so many discontinued and then so many new? That is under business unit 1708, again, under 1707 and 1705. So that is Primary Schools, Middle Schools and Senior Secondary Schools.

And my final question is in relation to [page] B-154 Head 41, the Bermuda College. And I, again, thank the Minister for a very thorough brief, especially as it relates to my profession, which is compliance. I was very happy to hear that they expanded and will continue in that effort.

But most especially, we see that we are giving a \$15 million grant to the Bermuda College. And I was curious if there are performance measures for the college from the Ministry. Are they formalised? And what are the remedies should the College fail to achieve those performance measures?

And I thank you, Madam Chairman. Thank you, Honourable Minister.

**The Chairman:** Thank you, Member.

Are there any other Members wishing to pose questions to the Minister?

I will repeat the question. Are there any other Members wishing to pose questions for the Minister before the Minister begins his reply?

Minister, you may start to respond to some of the questions that you have . . . that have been posed to you.

**Hon. Diallo V. S. Rabain:** Thank you, Madam Chairman.

And I thank the Members for their contributions. I know the brief was comprehensive, so it did have a lot of information in it, but I do want to start. I am going to try to go in order, but I may go out of order for some of your questions as I read them out.

The first question asked by Member Jackson had to do with the External Grants and who they were [for]. I wanted her to know that they are the Bermuda Fine Arts Trust, the Bermuda Sloop Foundation, CARE Computer Centre, the Global Arts Entertain-

ment, the Menuhin Foundation, the Reading Clinic, WindReach, the Bermuda School Sports Federation, the Bermuda Islands Association of the Deaf.

And she also asked the question about the performance measures on [page] B-137 about the Grantees financials. I will note that this is a new performance measure which has been added. But also, because they are registered charities, they are required to submit their financials with their application. I know this Minister has been very, very strict in ensuring that any applications that are not received with financials tended not to be entertained. So, it is a new performance measure moving forward, and starting next year you will see that. But in my estimation, it should be 100 per cent because it is a requirement for your grant application to have your financials attached. As well as, it is easy to get because it is also a requirement for the Charities Association to do your financials on a yearly basis.

Okay, the next answer I have here has to do with performance measures and the legislative amendments. The organisational structure is being reviewed by Management Consultant Services to align with education reform. I think that is an answer to Mr. Richardson, he asked about the legislative changes that are put in place and so it has been deferred. The legislative amendments would be the Department of Education are being done as in Plan 2022.

The other question he had about the stakeholders and who they are, based on the Performance Measures. Our stakeholders, we consider them as parents, teachers and principals, Department of Education staff, the Ministry of Education staff, the Board of Education, the Unions, the Aided School Boards, the general public and the Education Emergency Measures Committee.

I can give examples of the consultation that is currently taking place with the proposal to introduce the Parish Primary Schools. I have lost count of the number of meetings we have had. I have been advised it is 20 meetings. And those have been the public ones, I believe. Because we have had ones outside of public with the unions, with teachers and principals, with the Department of Education staff, with the Ministry of Education staff, with the Board of Education, with the Boards of our Aided Schools, and with all of our unions as well. So, we have held those. And then we have had 20 public meetings on the Parish Primary Schools introduction.

There was a question about the Board of Education, and you wanted an update on what it is they are doing. I did mention in the [Budget] Book that they worked very, very hard last year on four initiatives. One of them that is coming to fruition in the next few weeks, probably within the next month, and that is the teacher [certification] bonded [loan] process that we are putting place. For those in radio land who are listening, there is a . . . if you wish to switch over or

change professions and become a teacher, you are required to do a teaching certification that requires a teaching practicum. And the practicum . . . and yes, you can do that and you can do the teaching certification through the Bermuda College as well. But there is a practicum portion of that which requires you to work for 16 weeks, work 12 weeks, without pay in a school. And so, the bonded loan programme that we are putting in place allows persons who wish to go through that process to sign up and receive a payment that is repayable upon your completion of your programme, that once you have completed the programme and you are hired as a teacher, you will be required to pay that bond back. So that is something that the Board of Education has worked on and brought to fruition.

There are a few other things that the Board of Education has worked on as well, and those are the Master Teacher Certification and Teacher Tier Certification. And those are some things that we intend to pass on to the Bermuda Educator's Council as they conduct their . . . looking at how they operate and how they certify teachers as well.

The other one that we have been working on is the Math to Teacher Certification, which kind of went with what we were doing with the BC. And the other one was updating the legislation for the registration of schools within Bermuda to include the private schools and to include what we consider home tutorial sites, i.e., home schooling.

And so this year they are continuing their remit and working on a few other items that we will be ready to report on a little later when they have completed and submitted reports on that.

Another question was asked about the Professional Services that are listed on page B-136. And this increase was due to the hiring of our Education Consultant as well as the work of the Governance Team, which is made up out of all Bermudians located here on Island. The Education Consultant in the previous fiscal year was \$950,000 and the Governance Team work was \$600,000. So, some of that work will continue this year with the Consultants factoring in at \$741,000 and the Learning First Group factoring in at \$376,000. There will be other continuing professional services that were listed in the brief that will consist of local expertise that we know that we will need moving along, whether that be PR, legal services, and local project management as we move forward.

One of the other questions was, How long will that extend? Getting our education reform right is something that we pledged to do and something that we will continue as we move this along. Of course, the consultants will . . . the initial contract signing with them was [for] two and a half years. So, obviously, once that contract expires that will fall off. But the project management and the rest of it and the things that we have to do as we move towards the implementation, as we stated in our consultative meetings, we are

looking at least a three- to four-year process to get to where we need to be with that.

The next question, another question I was asked was about the restructuring of HR to the new system. I am sure that will be something that is part of the Cabinet Office brief that will happen on Friday. I see you guys dedicated eight hours to Cabinet Office and so a complete understanding of what that looks like, because HR is going to be part of Cabinet Office. But this is something that was announced two years ago—the centralisation of HR services. So it has come to fruition. And, of course, what will happen is all of the HR professionals will work under one HR branch, but, however, ministries such as ones as large as us will have dedicated HR professionals to work on what it is that we need to ensure that we have the right personnel in place.

**Ms. Susan E. Jackson:** Supplementary. May I ask a supplementary, or should I wait until the end?

**Hon. Diallo V. S. Rabain:** Yes, you can ask a supplementary.

I don't know; Madam Chairman is the one running the meeting.

**Ms. Susan E. Jackson:** She is frozen.

**The Chairman:** [INAUDIBLE]

*[Feedback; Crosstalk]*

**Hon. Diallo V. S. Rabain:** Okay, we are having some slight issues there. Until she comes back . . . can you hear me, MP Jackson?

**Ms. Susan E. Jackson:** Yes, you are fine.

**Hon. Diallo V. S. Rabain:** Okay.

**Ms. Susan E. Jackson:** For a supplementary, I am just concerned and interested that the Human Resource . . . I have to just confess I work for a large company so it is very easy for Human Resources to become very sort of generic and general. I am just curious whether the sort of specialty of HR for Education will remain. I would not want to have any kind of dilution of talent or the like. And it has nothing to do with HR in general, it is not meant to be any negative connotation. But I am just curious whether the unique attributes of Education will be maintained with a more centralised HR.

**Hon. Diallo V. S. Rabain:** Okay and that is a good question. The Commissioner of Education meets regularly with the new Chief of the Human Resource Department to discuss exactly that. And no, the Commissioner just informed me they meet weekly. I remember us having a brief on that.

I do believe, if I go back, that there was a Ministerial Statement by Minister Furbert on this either Friday gone or the Friday before where he talked about . . . some of these people will remain within their ministries and some will be relocated. I believe it was you that may have asked the question if that would that incur new office space, if I remember correctly.

**Ms. Susan E. Jackson:** Yes.

**Hon. Diallo V. S. Rabain:** So, yes, that is something that is being discussed. Because it is a shift of mindset, in our case, the Commissioner of Education is meeting with the Chief on a weekly basis to discuss what the unique needs of the Department of Education would be in that case.

**Ms. Susan E. Jackson:** Thank you.

**Hon. Diallo V. S. Rabain:** Okay, I have another question here where you asked about non-teaching deputies. And that was an interesting question that you had, because it is a discussion we have been having with the unions for about two years now.

There are non-teaching deputies currently in place. And there is a formula for determining if a school qualifies for a non-teaching deputy in place. So that is applied to see if any school is judged to have a non-teaching deputy. And to clarify something that you did say, deputy principals are BUT members. So, they are teachers, so they do typically teach within the school. The principals are BTSU members and they are in a different union and a different category, just to add a little bit of clarity around that part.

**Ms. Susan E. Jackson:** Minister?

**Hon. Diallo V. S. Rabain:** Yes?

**Ms. Susan E. Jackson:** I am sorry, I just have a supplementary. So, what sort of special qualifications—

**The Chairman:** Can you at least seek the approval of the Chair first before you just jump in. Thank you.

**Ms. Susan E. Jackson:** I am sorry, Madam Chairman.

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

**Ms. Susan E. Jackson:** Thank you.

Minister, I was just curious about what qualifications would be involved with someone if they did change that job description of the deputy principals ever so slightly to accommodate these differences.

**Hon. Diallo V. S. Rabain:** That is an interesting question because we have had deputy principals and regu-

lar teachers apply for principal jobs in the past and be assigned.

Of course, there is an educational qualification. There is an experience qualification. And you would have heard me mention in both the Department of Education brief and the Bermuda College brief that we have instituted a Principal Certification Programme through our Framingham University. And so, there is an opportunity here for someone . . . and I did . . . if I do recall correctly, [with the] addition of a few more credit hours you can get a Master's Degree in Educational Leadership through this programme as well.

So there are avenues for persons, as we said. We are providing avenues for people to upgrade their skill sets if that is the route they wish to go. So, there are opportunities there for someone who wants to go from where they are to where they would like to be, especially through Bermuda College and the funding opportunities that can be afforded.

**The Chairman:** So, I just want the technical officers to hand you their responses in writing. They should not be heard speaking.

Thank you.

**Hon. Diallo V. S. Rabain:** All right. Thank you, Madam Chairman. I am obliged for your direction.

There is another question here about Success Academy. And the line item for the \$6,000. I just wanted to clarify that this is something that was put in recently.

Success Academies reached out to us and asked for money for additional resources that they [need]. I remember having this meeting with Dr. John Duncan at Success Academy while this was happening and he was saying, you know, we would like to have little functions with the kids, we would like to have a graduation ceremony, and things like that. So, that line item was kind of just put in there. If you looked in the [Budget] Book it was not there, I do not believe, two fiscal years ago, but it was there last year. And so, the cost of running Success Academy does fall under Special . . . I cannot recall . . . what is the name of that?

**Ms. Susan E. Jackson:** Education and Out of School Suspensions?

**The Chairman:** Member—

**Hon. Diallo V. S. Rabain:** Yes!

**The Chairman:** —can you please seek the Chair's approval to speak. But thank you for assisting the Minister.

And may I ask that in Chambers for the Minister that all exchange be in writing to you?

Thank you.

**Hon. Diallo V. S. Rabain:** Okay.

But, yes, that is the one, MP Jackson.

Yes, it is under . . . you have got it right.

Another question was asked about Summer Programmes. I think the \$18,000 that you are referring to is actually the same amount that was budgeted last year. We actually had unbudgeted expenses because of the things we were going through last year. So, it is not that it has increased; it has just been allocated the same amount that it was the last budget year. If you look, it shows an increase in the revised budget for last year, but this year's budget is going back exactly to what it was allocated last year.

We had a question about paraprofessionals, right there too, and are they not included under each school? Paraeducators are assigned per student need, so some are assigned to special programmes, such as functional skills and functional academics and ASDs, and they are assigned to students who require support for vision and hearing. The paraprofessionals in vision and hearing receive specialised training and the Department of Education provides training for paraprofessionals also in the initiatives under Professional Development. So, I hope that does answer the question of why they are separated separate from the schools and it makes sense.

I just wanted to add something for non-teaching deputies that was just asked. As we consider education reform we would have a fair and transparent process to determine the various roles within our schools. And you may have heard me mention on several occasions during our Zoom sessions to think of schools in a different light than what we traditionally think of and imagine a classroom that does not have the usual rows of chairs and desks facing the board and, you know, maybe two teachers within that room, but having actual . . . different types of lessons going on simultaneously.

So, there will be different roles within the system. We are not at the point yet where we can talk about what all those roles will look like and what the actual systems will look like because we are still in the process of making decisions on moving the system forward. And one major decision is the Parish School proposal and, if that will move forward, how it will move forward. So, until we are in the position to make those final decisions, then we can start working on, okay, now what is it going to look like within those schools as well.

So the question here was about the alternative Signature [Schools] and what would they look like. And so, the answer is that we will provide comprehensive services to our students in academics, vocational training, therapeutic services, alternative education programmes, GED and City & Guilds, when we talk about the various curricula as well.

There was a question, I believe, Mr. Richardson asked about our . . . or was that Ms. Jackson who asked about our computer labs and the costs of

maintenance and will we see them demised. I do not think you will see them demised any time soon. As a matter of fact, we have been waiting for the Department of Health to provide us with protocols to allow us to use them. And from my understanding we have just gotten revised protocols to allow the computer labs to be used.

And, in conjunction with the coding programme that we have with ConnecTech, they have been chomping at the bit to get back into our schools so we can have those programmes up and active. So, thankfully, with the new protocols in place, we should be able to have those coding camps taking place in our schools again moving forward. And those camps, those types of camps, use the computer labs that we currently have in place. So, there is some usefulness for them yet. They will not go the way by the dinosaur as of yet.

There was a question, Ms. Jackson, that you had about the pre and primary school and why the decrease? I know it can seem a bit confusing (I am looking at the Budget Book). But I can state that 100 per cent, literally 100 per cent, of the decrease in the Department of Education's budget is due to the un-funding of unfilled posts and the austerity measures. And so, while it is listed as a total amount in one part of the [Budget] Book, when you look at the schools and their depreciations, those depreciations are . . . pretty much all of them are a result of the austerity measures and the defunding of posts.

And you asked, will that money be utilised? Once we defund it, that means that that money is not given to us as part of our budget. That remains with the Finance Minister to do whatever he wants with it. But, as you would know, Bermuda is . . . the state that we are in now as a result of COVID-19 required everyone to have a reduced cash limit. That remains with the Finance Minister to do whatever he wants with it, but as you would know, Bermuda is, with the state we are in now, as a result of COVID-19 requires everyone to have a reduced cash limit. And so we had to look for ways to find that reduced cash limit and our way of finding it was through the defunding of posts that have been in existence and have not been filled for quite some time.

So instead of subtracting money from our critical programmes, and all the programmes needed to run the Department of Education and the Ministry of Education, we looked at our funded, but unfilled posts.

But I do want to say that critical posts are still being filled. So when we say we defunded all of them, there are posts that we are either in the process of recruiting or we will start recruiting soon, and those are still funded as well. It is just posts that we know that we do not have to recruit for the next year, and possibly the next two years, that we said we do not need additional funding for.

**Ms. Susan E. Jackson:** Madam Chairman.

**The Chairman:** Yes, Member.

**Ms. Susan E. Jackson:** Did you see I raised my hand? Could you see that?

*[Laughter]*

**The Chairman:** Mm-hmm, I . . .

**Ms. Susan E. Jackson:** Our new technical advancements.

**The Chairman:** Yes.

**Ms. Susan E. Jackson:** I have a question.

**The Chairman:** Go ahead. While the Minister has paused, please place your question.

**Ms. Susan E. Jackson:** Thank you, Madam Chairman.

My question is a little blanket in a couple of the topics that the Minister has raised so far. And it is that transition from what has been our traditional or existing model, whether it is Success Academy or any of the other programmes that we have happening now, and the fact that we defunded all of these positions. But I am just curious, Minister, can you give us some assurance that we are going to have enough human resource to support our students in preparation for a transition into a new . . . into the reform, a new school system or even in preparation for it?

It would just be horrible for us to sort of defund all of these positions. And I clearly understand the challenge, but at the same time, this might be the time when we need the most support, especially for our most vulnerable children as we either are preparing them for transition or to have that human resource available and at full complement in a new system.

**The Chairman:** Thank you for posing your question.

Member, I would like to remind you though that that was sort of a supplemental question to comments made by the Minister. It is useful so that other people who are following the debate that you still refer it to a line item. Thank you.

Minister, you may respond.

**Hon. Diallo V. S. Rabain:** Thank you, Madam Chairman. The short answer to that question, MP Jackson, is yes. Although—

*[Crosstalk]*

**The Chairman:** Excuse me. Hello.

**Hon. Diallo V. S. Rabain:** Never mind, never mind.

Thank you. That question is quite topical and it is one that we do get quite often, believe it or not.

But we do believe that we have the relevant resources to move forward with what we are doing with our education reform. Also, when we look at education reform and we look at the timeline that we are looking at, we do realise that the timelines we are looking at are not next year or the year after, we are talking about four or five years down the road. And there will be plenty of time for us to provide the professional development and skilling-up of our current staff who are in place, and get them ready for these new positions and new roles that they could possibly play within the system.

So we are confident that we do have enough [personnel] to work with right now. That is not saying that we may not need more in the future, but at the current rate we know that we have enough to do what needs to be done as we look forward to the opening of signature schools at Berkeley Institute and Cedar-Bridge Academy in September 2022.

*[Crosstalk]*

**The Chairman:** Before you continue Minister, I am just going to pause for a second to allow Member Tyrrell to assume the Chair. He will be chairing this debate in its final hour.

Member Tyrrell, are you available to chair?

**Mr. Neville S. Tyrrell:** MP Foggo, I am.

*[Mr. Neville S. Tyrrell, Chairman]*

**The Chairman:** Minister, please continue.

**Hon. Diallo V. S. Rabain:** Thank you, Mr. Chairman.

The next question I have on my list is the question of staff positions. This was on page B-145, Performance Measures, Staff positions filled at the start of school, 90 per cent. The answer here is that we have 100 per cent of teacher positions filled for the first day. [INAUDIBLE] and positions which do not have a teacher.

I will input some clarity. I do know . . . and it literally happens every year. Unfortunately, we get down to a few weeks before school and someone retires, or someone has something happens and a teacher is unavailable. So, although we are heading into the year with 100 per cent, something happens suddenly and we are down a teacher and we have to have substitutes to fill that position. And so that is where the 90 per cent comes from. But usually we are at 100 per cent of fulfilment, but we have to ensure, we have to have that fallback just in case.

Performance measures changed for annual inspections. This was something that I believe Ms. Jackson asked, and why would those be discontinued. Those are being discontinued because the inspections are now moving to weekly and monthly versus annually. So we discontinued the annual and we have

added . . . I think there is an item in there that just says *Health and safety inspections*. But, as I mentioned in the brief, we do that weekly and we do them monthly now to ensure that we are compliant, especially with COVID-19 lingering about.

**Ms. Susan E. Jackson:** Mr. Chairman, may I ask a question?

**The Chairman:** You may, Member Jackson.

**Ms. Susan E. Jackson:** I do not mean to be a stickler, but under the performance measure that I thought that I had brought, it has that the per annum is a new measure. But that is under Finance and Corporate Services.

**The Chairman:** Can you give us a page and line number, please?

**Ms. Susan E. Jackson:** Page B-145 and I was looking at business unit 1703. Minister, is that the same one?

**Hon. Diallo V. S. Rabain:** Could you repeat that page number, 145?

**Ms. Susan E. Jackson:** It is page B-145, I do believe that is where that performance measure came from. And it is business unit 1703.

**Hon. Diallo V. S. Rabain:** Okay. You are looking at Health and safety inspections conducted in each school per annum.

**Ms. Susan E. Jackson:** Yes.

**Hon. Diallo V. S. Rabain:** That is the one you are talking about?

**Ms. Susan E. Jackson:** Yes.

**Hon. Diallo V. S. Rabain:** And it is being . . . I do see where it is confusing because it has "discontinued" on the target outcome for next year but it also has an asterisk to say "new measure."

**Ms. Susan E. Jackson:** Yes.

**Hon. Diallo V. S. Rabain:** I am assuming that was a new measure that started in 2019/20.

**Ms. Susan E. Jackson:** Okay. I am not one for details, but I—

**Hon. Diallo V. S. Rabain:** But I did want to say that our health and safety inspections now are weekly and monthly for that.

**Ms. Susan E. Jackson:** That's great. Thank you.

**Hon. Diallo V. S. Rabain:** The next question I had here is about the CDP [Child Development Programme] and the mandatory . . . and you asked if the CDP screening is mandatory. And you also asked if the CDP have data of all the children born and when they turn 18.

There is a yes and no [answer] for you on that one. Yes, CDP does have the records of all the children that are born and turn 18 months. However, it is still not mandatory for parents to bring their children in to be tested. And so they do reach out and they do go and try and try and try to get persons to bring them in. But it is not—so far it is not mandatory for it to happen.

And I get what you are trying to say there. I think . . . well, perhaps there could be some leeway there to look at how we can make that percentage a little better than what it is. But [currently] they know who they are, they send out the notices, they offer to do the inspections but it still dependent on the parent to consent to bring the child in.

Okay. And I am getting just a quick update to the previous question you had about the inspections. They did annual inspections and then did the report for each school. I remember we did that. Because I am not sure if you recall when the Progressive Labour Party became the Government they pledged to have a comprehensive health and safety report done on every single school. So that stretched over the course of around 18 months, but every school was done and there is a very comprehensive document that was produced on that, and now that we have that document [inspections] have now been moved to weekly and monthly health and safety inspections. And it was mostly due to COVID-19 that it was moved to that.

That report is somewhere in the public domain but I think the *Royal Gazette* made a report on it just yesterday, they referred to that total report that was done.

There was a question from Mr. Richardson about how many of the FTEs are teachers. We do not have the exact number, but we know it to be around 900, give or take. And one of the things that I do want to let you know, Mr. Richardson, is not all BUT [Bermuda Union of Teachers] employees are teachers, and not all BPSU [Bermuda Public Services Union] members are teachers. But you could technically call a principal a teacher, but they are BPSU. But the bulk of the persons who work in the Department of Education—

*[Inaudible interjections]*

**The Chairman:** Sorry, Minister, go ahead.

**Hon. Diallo V. S. Rabain:** —are BPSU members. And we do have persons who are BUT members who are

not actually teachers. So when you are talking about the attendance officers, they are BUT members but they are not teachers. So, roughly, we are looking at BUT members and BUT employees, and there are around 900.

Okay. I am getting this message here now. Some clarification on that for you. Approximately 900 people are school staff and, of that, 500-odd are actual teachers.

*[Pause]*

**Hon. Diallo V. S. Rabain:** And we are kind of winding down. I think I hit all of them. There might be some more additional questions coming.

Another question was about the Bermuda College and the performance measures of the Bermuda College. We meet with the Bermuda College quarterly, the Permanent Secretary and I, to do an assessment of what has happened and what has been forecast to happen so we can get an update on that. And the Bermuda College as a quango produces an annual report which details everything that has happened within the Bermuda College over the course of the previous year. And if you have ever had an opportunity to read one of those, because I do table them in the House, they are quite comprehensive and they really do give you a good idea of what happened.

And I have just been informed by the President that the current one is on the website as we speak. I believe I tabled that . . . was it this year? Yes, earlier this year. So it would be on our SharePoint site and it would be on the Bermuda College website as well.

Now, I know I have answered all the questions that I had scribbled down and that people had given to me. Oh! One other question that you had, Mr. Richardson, was about the performance measures, and you were talking about some of the information measured here was not captured in the performance measures. We do know that. There are things that happen on an ongoing basis. There are things that happen one-off. And so they are not really captured in this. But in the brief we have instituted (similar to the Bermuda College) yearly reports to come out of the Department of Education. One was not issued last year because of COVID-19, and the next one is expected shortly which will cover the year before and the last academic year. So that was something we instituted as a result of Plan 2022 to actually have an annual report so people can see what has been happening within the Department of Education.

**The Chairman:** Minister, have you exhausted the answers from previously?

**Hon. Diallo V. S. Rabain:** Wait a minute. I am being shuffled one more.

This question has to do with measures for reading. The answer is these relate to the school improvement plan for [objectives] of reading. The percentage shown for school achievement targets are for schools, not students—for schools to reach those percentages and not students.

**The Chairman:** Thank you, Minister.  
Are there any other speakers?

**Ms. Susan E. Jackson:** Yes, Mr. Chairman, I have a question.

**The Chairman:** Go ahead, MP Jackson.

**Ms. Susan E. Jackson:** So even if we look at those performance measures—I am still on the same performance measure that the Minister just referred to about reading, page B-146, business unit 1705. I guess, 1706 and 1707. So if we are looking at the school improvement objectives in reading, writing and arithmetic where it ranges anywhere from 50 per cent, let's say, up to 75 per cent, I guess my concern is that this means that anywhere from 45 per cent of our schools then would be performing below. Given the number of schools we have on the Island, that is a lot of schools, and I am just wondering—

**Hon. Diallo V. S. Rabain:** Actually, MP Jackson, I can look at it from a slightly different route.

It does not mean that every . . . in the way that you are describing it, that would mean that every student in that particular school is performing below the grade that we want them to perform. And that is not true. It is not true that every student in that school . . . what we are saying is that we want the school to reach a certain level of proficiency across the board.

We understand that we cannot do that overnight. We understand that we have to build them, we have to build that capacity. Part of that can be tied to the education reform and the recognition that an inequity exists across the board when it comes to the various resources that our schools actually have access to.

So I just wanted to say that that is how . . . I do not view it as . . . when we say we are trying to reach 75 per cent, that means 25 per cent of the schools are absolutely failing. That is not what it means. That means that 75 per cent of the schools have reached the benchmark and we now know we have to work on those things to bring the other schools up to that benchmark. That does not mean that 25 per cent of our students are failing. It does not mean that at all. It just means the school has not reached the benchmark it is supposed to reach.

And if you think about it as a cohort of 20, that means that four of that cohort could be below that benchmark which forces that school to be below. So

we cannot discount those other 16 students in that particular case.

I do have another question here talking about accreditation and certifications for teachers. Accreditation for schools and certification of teachers and DOE [Department of Education] staff does exist. This cost is to be determined once accreditation and certification are [INAUDIBLE].

*[Inaudible interjection]*

**Hon. Diallo V. S. Rabain:** No, no. This question, I think it was question MP Jackson asked about cost for certifying teachers.

I also wanted to add to this. I know personally of paraeducators who have gone on to get their certification to teach. So it is possible to go from a paraeducator into a teacher. There are some additional education requirements that are required, and people often go off and do that on their own. But there is support for that, as we talked about earlier. There are grants that we give to Bermuda College and some of the things that we are looking at. There is financial support for that; it is just something that we are working on. And so there are examples in our system of persons who have gone from paraeducator or something else to become an actual teacher.

And now I have one last answer. It says, schools devise school improvement plans to address individual students and groups of professional development plans to enhance the instructional skills of teachers. Most are working on aspects of guided reading and writing, carried out by the school's teacher leader for language arts. Assistance and support can be requested through the [Reading Department]. Schools also utilise the multi-tier system of support to address students who are lagging in reading in school. Support and professional learning also occurred with the Heggerty reading system designed to enhance reading skills in the preschool and early primary.

I think that this is tied into what I was talking about earlier about the percentage of schools not equating to the percentage of students. It is just the school, and we know that we have to put things in place to help the school get . . . in the case that I cited, those last four students, so that school reaches the benchmark.

**The Chairman:** Thank you, Minister.  
Are there any other speakers?  
There appear to be none.  
Minister—

**Ms. Susan E. Jackson:** I have a question.

**The Chairman:** Go ahead, MP Jackson.

**Ms. Susan E. Jackson:** Thank you.



I just want to stay on the accreditation question. I have to find the page. Let's . . . I don't know.

*[Laughter]*

**Ms. Susan E. Jackson:** Accreditation, I don't know what . . .

**The Chairman:** We have to follow so you are going to have to tell us.

**Ms. Susan E. Jackson:** Okay. Hold on one second. Let's take . . . Oh my gosh. It was in the brief. I don't see the word "accreditation" written in this Budget Book anywhere.

Mr. Chairman, may I ask the question based on the budget brief, under Head 16, the Ministry of Education, under Headquarter?

*[Crosstalk]*

**The Chairman:** There was a precedent set. [INAUDIBLE]

*[Crosstalk]*

**Ms. Susan E. Jackson:** Yes, it is just a philosophical question, but I am curious whether the Ministry of Education has considered in the future moving towards some form of school, or systemwide accreditation. And if we were to do that, is there a huge cost involved?

**Hon. Diallo V. S. Rabain:** That is a spot-on question because it is within the vision of school reform that the entire system be accredited. Right now there are only two schools in our system that are accredited by international standard; they are, the CedarBridge Academy and the Berkeley Institute.

You will often hear us say that we want an accredited system of schools, not schools within a system. And so that is part of the driving force behind us suggesting the proposal that we are suggesting, because it will allow us to take the system we have now and ensure all of our schools are maintaining an adequate level of proficiency and accreditation.

Now, in terms of cost, I am waiting for the answer to come now. And while I am waiting for that I do want people to understand that accreditation of a system, [it is] not just [talking] about academics. There are so many other things that go with it. It is school facilities; there are things even as simple as transportation to and from school. It is the type of teachers, the level of teaching expertise you have within the school, the level of the facilities, as I said, transportation. So it is not just students hitting a benchmark. It is about the overall aspect of what is happening in that learning environment that leads to accreditation and the type of accreditation that you are talking about.

So I am looking at this, the accreditation cost will cover the application, the cost for an evaluation team to visit the school and the cost for the evaluation process. The things that are covered in evaluations for schools are finances, facilities, governance, the programme, transportation, the special education offerings, the IT, the assessment, student services and safety and health. So as I said, it is not just about hitting academic benchmarks. It is about the overall operation of the facility. And we want our system, the entire system, to be at that level, an international standard, as we move forward with education reform.

**The Chairman:** Thank you, Minister.

I will again ask, are there any other speakers?

**Ms. Susan E. Jackson:** Mr. Chairman, I have a question.

**The Chairman:** Go ahead, MP Jackson.

**Ms. Susan E. Jackson:** I would have loved to have ended on that final response. It was so hopeful and encouraging and all the rest of it, but it is the elephant in the room and I just have to ask.

Is there any indication of the amount of money that has been spent so far on the reform? You know, we have seen bits and pieces in the newspaper, the \$2 million or so that has been allocated for the services of the innovation unit. And certainly in your brief you outlined where specific sums have been redirected in order to help to fund and finance the reform efforts. I am just curious whether there is a running tally so far. And, if so, whether there is at least a ballpark figure of what has been spent so far.

**The Chairman:** Minister—

**Hon. Diallo V. S. Rabain:** Thank you. Oh, I am sorry, Mr. Chairman.

**The Chairman:** Go ahead, Minister.

**Hon. Diallo V. S. Rabain:** I apologise.

Thank you, MP Jackson, for asking that question. To date we have spent \$771,150.50 on education reform. And that is out of what we budgeted. We budgeted \$950[,000] last year and that is what we spent thus far in this academic year. And the brief talked about what we have allocated to spend in the upcoming year as well.

And prior to ending there, I did want to . . . and this is for MP Richardson. I did want to let you know also that the Bermuda College Strategic Plan, the five-year strategic plan, is located on their website as well.

**Mr. Jarion Richardson:** Thank you.

**Hon. Diallo V. S. Rabain:** And the progress updates are posted on their website as well. If you are there visiting the website, I encourage you to visit the list which shows all of the articulation agreements with the schools that the Bermuda College is partnered with.

You would be very impressed with the number and the breadth and width of the type of articulation agreements our students can attain if they attend the Bermuda College—two years at the Bermuda College and then transfer directly into institutions overseas.

In some cases students will be able to attend Bermuda College tuition free. And imagine the savings to our parents, especially in the times that we find ourselves in now. Attend the Bermuda College for free, get two years of education under your belt, and then go off to school and only pay for two years.

But thank you. If there are no other questions—

**Ms. Susan E. Jackson:** I do have one more.

*[Laughter]*

**Ms. Susan E. Jackson:** I got you here; I have got to ask every question I can possibly think of.

But there is one other burning question—

**The Chairman:** MP Jackson, I have allowed you, not to infer, are you going to refer to a page this time or . . . ?

**Ms. Susan E. Jackson:** Yes, I am going to refer to a page this time. Administration, Headquarters, Head 16, page [B-]135.

**The Chairman:** Thank you. Proceed.

**Ms. Susan E. Jackson:** Minister, we have heard so much about professional development and it has become . . . or it feels like a bit of a sensitive spot.

I am going to preface my question by saying that before I came into this debate I decided that I would go through the 2020/21 education brief and I would actually list out all of the professional development that I could find. And I am going to be honest with you, and they were all numbered, I had . . . I don't know, a page and a half and that was . . . that . . . I mean, I don't know, like every line of an entire page and then some, and that is just professional development. Going on to IT there was another list of a full page.

And then we get your Ministerial Statement this morning that listed a new set of professional development programmes that will be or are available to teachers moving forward in terms of 2021/22.

I have to now surmise that there has to be a level of robust professional development available. So I am trying to find out what that gap is.

I guess my question really is, What delivery of these professional development programmes or courses is maybe stopping or limiting access to these programmes by teachers? And I guess I am saying that because 2020 opened us up to webinars, Zoom calls, online programmes (you name it), podcasts. So there are now, front and centre, so many different ways to educate ourselves that . . . if the issue has been that teachers feel like there is not enough professional development, is it that we are just not offering it often enough, or do we have to look at expanding the channels for teachers to access the training?

Would you be able to provide some kind of insight there, because given what at least I have been able to surmise, there is quite a choice of professional development topics that are out there.

**The Chairman:** Minister.

**Hon. Diallo V. S. Rabain:** I was trying to follow the page that the Member quoted, B-135, which is the Ministry Head HQ, but professional development for our staff falls under Head 17.

Nevertheless, professional development is ongoing as articulated in the Ministerial Statement this morning and in the brief. It is ongoing. It happens at the beginning of the school year, it happens during the school year, there are professional development days throughout the terms. I do know for a fact that principals conduct evaluations and professional development throughout the school week (in some cases). The standard base grading is something that happens on a regular basis and there is support for that. So I am not . . .

I guess what I am saying is that I do not quite understand the question. Professional development is ongoing and it is always there and it is always available for persons. And so we will continue to provide it.

I know there was an issue. If you go back maybe six or seven years ago, the professional development budget was reduced to almost zero. And it almost did not happen at all. And we have been very intentional about increasing that, especially once the current commissioner came on board. She was very intentional of ensuring that professional development was ready and available for teachers to take, because, as we stated in the Ministerial Statement this morning, without professional development, we cannot grow. And you cannot be able to give what we would call 21<sup>st</sup> century options to our students. It is not just providing the professional development; it is doing the professional development.

So we will continue to provide it. It will continue to be ongoing. We understand that frustration because people have been going at this education reform, looking for improved results for generations. I mean, I am being absolutely fair here. For generations! Decades upon decades! We have to realise where we are, realise we have to be intentional, real-

ise that we have to put things in place to ensure that we get to where it is that we want to go.

And if we do that, slowly we will get there. It may not be as fast as some people would like. It may not be as fast as some people want it to be, but we have done . . . whatever we have been doing in the past has not been working. So we have to reset this dial and do things wholeheartedly and consistently across the board.

We cannot tinker around the edges anymore. We need wholesale education reform. We are bringing wholesale education reform. It starts with professional development and we are providing that. Some people will get on the train readily. Some people will get on the train hesitantly. Some people do not want to get on the train. But we are all going to get on this train and we are all going to move forward.

**The Chairman:** Thank you, Minister.

Are there any other speakers?

I am hearing none at this time.

Minister, I would ask if you would want to move Heads 16, 17, 18 and 41?

**Hon. Diallo V. S. Rabain:** Through you, Mr. Chairman,

Mr. Chairman, I move that Heads 16, 17, 18 and 41 be approved as printed.

**The Chairman:** Members, it has been moved that Heads 16, 17, 18 and 41 be approved.

Is there any objection to that motion?

Hearing no objection; agreed to.

*[Motion carried: The Ministry of Education, Heads 16, 17, 18 and 41 were approved and stand part of the Estimates of Revenue and Expenditure for the year 2021/22.]*

**The Chairman:** Thank you, Minister.

**Hon. Diallo V. S. Rabain:** Thank you.

**The Chairman:** Members, we should now be moving into Finance. I would ask if the Finance Minister is available now.

**Hon. Curtis L. Dickinson:** Mr. Chairman, I am here.

**The Chairman:** Thank you.

Honourable Members, we are now in the Committee of Supply for further consideration of the Estimates of Revenue and Expenditure for the year 2021/22, Heads 10, 11, 12 and 38 and 39 are now to be considered.

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

**Hon. Curtis L. Dickinson:** Mr. Chairman, I move the following Heads, 10, Ministry of Finance, Headquarters; 11, Accountant General; 12, Customs; 28, Social Insurance; 38, Office of the Tax Commissioner; 39, Registrar of Companies; and 58, Debt and Loan Guarantees be now taken under consideration.

**The Chairman:** Proceed, Minister.

## MINISTRY OF FINANCE

### HEAD 10—MINISTRY OF FINANCE HEADQUARTERS

**Hon. Curtis L. Dickinson:** Mr. Chairman, the 2021/22 budget estimates for the Ministry of Finance Headquarters, Head 10, may be found in section B of the Estimates Book on pages B-113 through B-115, and in section C on pages C-4, Capital Development; and C-11, Capital Acquisitions; and C-17, Grants.

The Finance Ministry comprises six departments, led by the Ministry of Finance Headquarters, and includes the Accountant General, Customs Revenue, Social Insurance, the Office of the Tax Commissioner and the Registrar of Companies. Allocations to cover the interest on government debt and contributions to the sinking fund are also included in the Finance Ministry's budget. The Ministry of Finance has the total staffing establishment of 158 posts and an aggregate current account budget of \$200 million, and is responsible for collecting \$876.9 million, or 88.0 per cent, of all government revenue. A snapshot of key information for the Ministry of Finance is shown on page B-112 of the Estimates Book.

The Department Current Account allocations are as follows:

- Head 10—Ministry of Finance Headquarters, \$16.889 million, an increase of \$10.8 million, or 179.0 per cent, which comprises the Policy Planning and Management Unit, the Fiscal Planning and Control Unit, Regulatory Unit, Economic and Financial Intelligence, Treaty Management and Administration Unit, the Pension Commission, and the Office of the National Anti-money Laundering Committee;
- Head 11—Accountant General organisation, has a budget of \$72.261 million, a decrease of \$13.589 million, or 16.0 per cent;
- Head 12—Customs. The Customs budget (for my colleagues) has been moved to the Ministry of National Security, although the Ministry of Finance maintains responsibility for the customs tariff and revenue collections.
- Head 28—Social Insurance, has an allocation of \$4.611 million, a decrease of \$364,000, or 7.0 per cent;
- Head 38—Office of the Tax Commissioner, \$3.685 million, a decrease of \$151,000, or 4.0 per cent;

- Head 39—Registrar of Companies, \$4.817 million allocation, an increase of \$430,000, or 10.0 per cent;
- Head 58—Interest on Long-Term Debt, \$127.750 million an increase of \$6.35 million, or 5.0 per cent; and
- Head 59—the Sinking Fund Contribution, which has zero as there has been no change in the Sinking Fund contribution as it was suspended last year.

The Minister in charge of the finance portfolio is the Minister of Finance, that would be myself, supported by the Junior Minister of Finance, the Senator Arianna J. Hodgson. For almost 10 years the Ministry technical team has been under the dedicated and professional leadership of Mr. Anthony Manders. Through his knowledge and understanding of Bermuda's fiscal and financial landscape and the Government's operations, he made a significant contribution to Bermuda. He has left a lasting legacy within the Ministry and in particular, contributed to a strong and robust budget process.

The executive and senior officials in the Ministry of Finance Headquarters are currently:

Acting Financial Secretary, Mrs. Cheryl-Ann Lister; Assistant Financial Secretary for Economics and Finance, Mr. Stephen Gift; Assistant Financial Secretary for Regulatory Unit, Ms. Pamela Burrows; Assistant Financial Secretary for the Treaty Management and Administration Unit, Mr. Wayne Brown; and Director of Budget, Mrs. Tina Tucker; and the National Coordinator for the Office of National Anti-Money Laundering Committee, Ms. Paula Tyndale.

Mr. Chairman, the presentation of the National Budget Statement on Friday, February 26, marked the start of the Budget Debate in the House of Assembly. It now gives me great pleasure to present the budget for the Ministry of Finance.

The Ministry of Finance plays a pivotal role in the ongoing stability and prosperity of Bermuda. It is, however, important to highlight that budgets are not just about numbers. Budgets are crafted based on the needs of the country and the need to keep the people informed. Over the course of this Government's four budget addresses, Mr. Chairman, you would have noted a recurring theme. That is, the Government's resolve to a consistent strategy to improve Bermuda's economy, to balance our budget and reduce our debt, consisting of 1) targeted investment and tax policy to enhance economic growth, attract investment and create jobs; and 2) maintaining fiscal discipline. We have a responsibility to the people of this country to provide the best fiscal and economic management possible. And to this end we will continue to make necessary choices required to do so.

In last year's Budget Statement, we highlighted the evidence that the economy was improving as proof that our strategy was beginning to bear fruit. It was noted that the major parts of the economy such

as employment were much stronger than they were when we first took the reins of Government. In turn, we generally expected that the fiscal year 2020/21 was going to be a good year. Unfortunately, the COVID-19 pandemic reached the shores of Bermuda soon after last year's budget was presented. And the ongoing challenges related to this pandemic have had a significant negative impact on Bermuda's economy similar to countries all around the world.

Mr. Chairman, the mission statement and key goals and objectives of the Ministry of Finance are as follows:

Our mission statement: *The achievement of economic prosperity and to ensure the financial security of Bermuda.* The key goals and objectives are to:

- facilitate balanced economic growth and development;
- provide strategic direction and an overall framework for financial management and control of government activities; and
- safeguard Bermuda's economic interests in the face of challenges and threats in a changing global economy.

The detailed objectives and core functions of the Ministry of Finance are as follows:

1. To facilitate balanced economic growth and development by enabling the development and diversification of the financial services sector; to increase investor confidence to attract foreign direct investment, and provide a stable environment [for] businesses.
2. To provide strategic direction in an overall framework for financial management and control of government activities by:
  - formulating and implementing sustainable fiscal policies;
  - effectively managing the public finances;
  - optimising the yield from government's revenue base;
  - assuring the alignment of resource allocation with policy priorities;
  - instituting and adhering to the principles of zero-based budgeting;
  - using output measures and performance measures to evaluate programme expenditure.
3. Safeguard Bermuda's economic interests by meeting international standards of financial supervision and regulation, by establishing and maintaining economic intelligence networks, and by establishing and maintaining strategic economic alliances.

Mr. Chairman, other key department objectives are as follows: to prepare, implement, and closely monitor the National Budget; to arrange all government borrowing requirements sufficiently and at the most competitive rates; to report on the country's economic performance to the public; to maintain effective relations with credit-rating agencies; to oversee and

manage the public pension funds; to ensure and support the fair coherent and predictable development of financial services regulation; to be proactive in treaty negotiations with respect to tax information exchange agreements and the exchange of tax information; to advance government's anti-money laundering and anti-terrorist financing [AML/ATF] policy initiatives; support legislative development in this area; and co-ordinate measures to enhance Bermuda's AML/ATF regime.

Mr. Chairman, the Ministry's core functions are discharged through six broad programme areas which include: Policy, Planning and Management; Fiscal Planning and Control; Regulatory; Economic and Financial Intelligence; Treaty Management and Administration; and the Office of the National Anti-Money Laundering Committee (NAMLC).

In discharging its functions under the overall policy direction of the Minister of Finance, the Ministry of Finance Headquarters seeks to achieve the following outcomes: a Bermuda that maintains its position as a domicile of choice for international business; a Bermuda where citizens have confidence in the Government's stewardship of the public purse; a Bermuda where funding and resources are available for key programme initiatives; and a Bermuda where citizens regard government's policy responses to economic and financial challenges as appropriate and in the national best interest.

Mr. Chairman, in seeking to fulfil this mandate, the Ministry of Finance Headquarters has a staff establishment of 21 permanent full-time posts, and its total budget for 2021/22 is \$16.9 million.

The Ministry of Finance Headquarters budget allocation for 2021/22 is \$16.89 million, or 179.0 per cent higher when compared to the original estimate for 2020/21. This change is primarily due to the contingency fund of \$10 million set aside for ongoing COVID-19-related expenses either related to the ongoing pandemic costs or to assist in economic recovery initiatives in a post pandemic world.

There has also been a material increase in consultancy costs to address the increasing external threats from other countries and regions grappling with their own economic and financial challenges which have been exacerbated by the COVID-19 pandemic.

Funds have also been set aside for Bermuda to host the CFATF Plenary in November of 2021 when Bermuda assumes the chairmanship of this important regional body. These amounts were somewhat offset by reductions in grant funding to the Pension Commission.

Mr. Chairman, the budget for Ministry Headquarters includes an operational element for each of the six programme areas within Ministry Headquarters, plus grant funding to the Pension Commission and the Bermuda Public Accountability Board. Detailed information on each of these Headquarter cost

centres, as well as the other departments who form part of the Ministry of Finance will be incorporated into this submission.

Cost centre 20000, the Policy, Planning, and Management, which had an interim \$200,000 increase to its budget allocation. Mr. Chairman, the Policy, Planning, and Management Unit provides overall direction and management of Ministry Headquarters and supervisory oversight of the five departments in the Ministry of Finance, namely, the Accountant General's Department, HM Customs Revenue, Office of the Tax Commissioner, the Registrar of Companies, and the Department of Social Insurance. In addition, this unit undertakes strategic planning, administration and other activities associated with the daily operation of the Ministry of Finance Headquarters.

Information technology, financial and administrative support, budget development, accounting, personnel administration, responding to PATI requests and reviews, and general office administration are also included in this cost centre. Finally, the unit also coordinates initiatives in economic diplomacy and organises the review and development of economic and financial policy. The budget for this unit in 2021/22 is \$2.637 million, or \$802,000 higher than last year. The budget change primarily reflects a material increase in consulting costs to assist in addressing the external threats posed by countries, regions and international bodies.

Mr. Chairman, much has already been said about the significant impact on countries including Bermuda caused by the COVID-19 pandemic. The necessary lockdown of the economy, restrictions imposed in relation to travel and other critical measures to protect the health and well-being of our residents resulted in significant declines in revenue and increases in unanticipated expenses. The Ministry Headquarters plays a significant role in providing strategic advice, executing key initiatives to support and sustain our people, and developing and implementing plans for economic stability and recovery.

Budgets had to be revised and austerity measures put in place to avoid the deficit reaching unacceptable levels. Notwithstanding, during the period, Bermuda was able to access funding in the capital markets at rather favourable rates to address the present and future challenges on the path expected to recovery.

Work continued throughout the department to not only help and support the people and economy of Bermuda, but also to continue to address the myriad of external threats facing Bermuda and other similar jurisdictions.

The Ministry would like to express its sincere thanks to all those who provided ideas and input to help in developing and implementing initiatives to support, stabilise and strengthen Bermuda's economy and help its people.

The largest share of the \$2.637 million budget for the Policy Unit is professional services and salaries. The salaries provision for the Policy Unit is \$524,015 and this covers five posts, including the Financial Secretary and two administrative officers.

Mr. Chairman, continuing to address the challenges resulting from the COVID-19 pandemic will be a key focus for the upcoming fiscal year. In addition, as the external threats continue to increase and a potential negative impact on our stability and recovery also grows, we will invest the required time and resources to proactively addressing the issues. To the extent possible and appropriate, we will work with experts in key industry sectors and other internal and external partners to mitigate the risk.

To supplement the strong pool of the resources available to us locally, we will work with knowledgeable external advisors to assist us in intelligence gathering, assessment and development of appropriate solutions for success. We will also be actively pursuing opportunities to further diversify and expand our tax base which is important for an international financial centre such as ours. Continuing to manage Bermuda's financial resources in a fiscally prudent manner will be a key principle underscoring all of our work.

Mr. Chairman, I will now present details of the work to be undertaken by the department and staff for which this Policy cost centre is tasked with providing strategic leadership and operational management.

Cost centre 20010, Fiscal Planning and Control, a \$21,000 decrease. Mr. Chairman, the Fiscal Planning and Control Unit of the budget team is primarily responsible for the management, collection and collation of Consolidated Fund budget data, the monitoring and control of overall government expenditures on both capital accounts and current accounts, and the achievement of government revenues. This unit is also tasked with the responsibility of reviewing and developing the Government's annual capital expenditure plan. The budget for this unit in 2021/22 is \$524,000, which is \$21,000 lower than last year.

The Budget Team provides advice and guidance to department heads and controllers on both the formulation of Ministry budgets and on budget monitoring and control. The team provides two formal training sessions each year, designed for Ministry departmental staff who have responsibility for budget preparation and/or budget monitoring and control. As part of the budget monitoring and control exercises, all ministries and departments are required to review expenditure performance and to confirm on a monthly basis their current and capital account expenditure performance with the Budget Office.

The Budget team has been working diligently with ministries and departments in 2020/21 to assist and manage the financial impact of COVID-19 pandemic expenditures. These expenditures are projected at \$127 million in 2020/21. The impact of the

COVID-19 pandemic expenditures on the 2020/21 deficit was originally anticipated to increase it from \$19.8 million to \$295.4 million. [INAUDIBLE] budget monitoring to identify Ministry savings and revenue achievements along with the impact of austerity measures, has enabled a revised projection of the 2020/21 deficit downward to \$245.5 million, \$50 million below the previously amended deficit projection.

Mr. Chairman, ensuring the appropriate fiscal discipline has been and still remains a commitment of the Government. In order to determine the high-policy priority programmes, the Budget Office has continued to utilise zero-based budgeting methodology for the development of 2021/22 estimates.

Policy prioritisation at the start of the budget process facilitates a better alignment of the allocation of limited resources with government's overall policy initiatives and objectives.

Zero-based budgeting (or ZBB) is a method of budgeting in which all expenditures must be justified along with a systematic review of the performance of current programmes. The fundamental aim of ZBB is to reflect the current and proposed future programmes and services required by the Government's National Plan. This budget process allows the Government to examine methods for allocating limited resources in order to identify the most efficient and effective methods of utilisation of resources in the achievement of specific goals and targets. Once the analysis and ZBB packages are completed, all service levels for each department are ranked and priorities agreed by the responsible Minister.

The original ZBB prioritised requests for the 2021/22 budget cycle totalled \$916 million for current account (excluding interest) and \$134 million for capital account, totalling 1 billion 50 million dollars, some \$15 million above the Ministry of Finance's limit of \$996 million.

To address this, an assessment was undertaken of vacant posts. The ZBB process enabled Ministers and departments to re-examine the services and the impact upon service delivery with reduction of funded vacant posts. These reductions enabled Ministers to fall within the \$996 million and accommodate \$15 million of COVID-19 estimates within the 2021/22 appropriation limit.

Mr. Chairman, for the year fiscal year 2021/22, the department has set objectives to

1. provide support for the open budget process;
2. enhance budget monitoring and reporting to Cabinet;
3. phase two of zero-based budgeting website implementation; and
4. bring all supplementary appropriations current.

Mr. Chairman, the salary provision of \$414,559 accounts for 79 per cent of the Budget team's allocation for 2021/22. The provision covers

the post of Director of Budget, Principal Budget Officer, Budget Officer, and Budget Assistant.

Cost centre 20020, Regulatory Unit, a decrease of \$13,000. Mr. Chairman, the 2021/22 budget estimate for the Regulatory Unit can be found in section B of the Estimate Book on page B-113. Accordingly, the budget for this unit in 2021/22 is \$435,000. There is a minor decrease of \$13,000 to this budget allocation for this period.

Mr. Chairman, the Regulatory Unit is the lead policy division within the Ministry of Finance Headquarters in relation to the financial services sector. The Regulatory Unit is accountable to the Financial Secretary for the effective discharge of the unit's functions and to the Minister of Finance to Cabinet and Parliament.

The head of the unit, the Assistant Financial Secretary for Regulation, carries out the Minister's financial services policies through the Ministry of Finance, the Bermuda Monetary Authority, the Attorney General's Chambers, the National Anti-Money Laundering Committee, the Bermuda Public Accountability Board, the Bermuda Business Development Agency, the Chartered Professional Accountants of Bermuda, the Registrar of Companies, and specialist global partners.

Mr. Chairman, the Regulatory Unit operates in response to a broad range of opportunities and risks, which allows the Ministry to contribute actively to a continuous flow of information on potential threats and opportunities to Bermuda and its reputation. These opportunities and risks are constantly changing. The Regulatory Unit's planned response to these challenges through various goals focused on advancing the Unit's priorities and reflecting the outcomes the people of Bermuda deserve. These goals are:

1. ensure and support the fair, impartial, efficient and transparent development of regulations at the national and international levels;
2. strengthen capacity to secure regulatory solutions to economic security issues;
3. strengthen the public diplomacy and support bilateral and multi-lateral engagement.

Mr. Chairman, the Regulatory Unit is involved in virtually every policy and management area from regulatory reform and financial stability to anti-money laundering and trade and development issues at home and abroad. The scope of the Regulatory Unit's activities is as follows:

- to support the Minister of Finance and the Financial Secretary in coordinating the financial services regulatory policy initiatives of the Government;
- to oversee the Finance Ministry's component of the financial services legislative programme, together with the Bermuda Monetary Authority and the Ministry of Legal Affairs;

- to provide policy and strategic advice to the Minister of Finance and the Financial Secretary on anti-money laundering policy initiatives, together with the National Anti-Money Laundering Committee [NAMLC], pursuant to section 49 of the Proceeds of Crime Act 1997;
- to provide policy and strategic advice to the Minister of Finance and the Financial Secretary on matters related to transparency together with financial services and audit directives issued by the European Union, together with the Cabinet Office, the Brussels Office, the London Office, and EU specialists; and
- to provide policy advice to the Bermuda Business Development Agency, the Economic Advisory Committee, the Financial Policy Council, and the Insurance Advisory Committee together on matters related to financial services.

Mr. Chairman, in 2020/21, the Regulatory Unit was primarily focused on technical and strategic assistance regarding economic recovery and matters arising on Bermuda's 2020 AML/CFT Mutual Evaluation Report and the beneficial ownership and transparency matters at home and abroad.

Additional milestones achieved by the Regulatory Unit in 2020/21 included: maintaining regulatory stability and ensuring completion of the Ministry of Finance components of nine regulatory policy initiatives in the area of financial services including, but not limited to, insurance cyber risk requirements; incorporated and segregated account companies and digital asset businesses; anti-money laundering and transparency; and successful completion of Bermuda AML/CFT mutual evaluation.

In collaboration with other finance teams [the Regulatory Unit] provided technical policy and strategic support to the Ministry of Finance in response to the COVID-19 pandemic. The additional support provided the Ministry of Finance the necessary resources to enhance our economic response to support individuals and businesses in Bermuda. That support will be important in boosting the economy as we enter into the recovery phase of the pandemic.

Further improved awareness and understanding among C-Suite executives in the financial services sector of Bermuda's economic model and the Government's COVID-19 response supported delivery of the Government's economic recovery objectives. That support required the Minister of Finance and the Regulatory Unit to implement an intensive programme of domestic engagement with C-Suite executives of Bermuda-based companies working together with the association of Bermuda insurers and reinsurers and the association of Bermuda international companies.

In collaboration with members of the National Anti-Money Laundering Committee [NAMLC], successful completion of Bermuda's National Terrorist Financing Risk Assessment, in addition to the Regulatory Unit's ordinary NAMLC duties, the Assistant Fi-

financial Secretary continued to provide general and strategic advice to the NAMLC chair and to monitor and manage the timely delivery of targets set by NAMLC for the Bermuda Monetary Authority and the Registrar of Companies, where required.

That support also required the Regulatory Unit to provide advice on matters related to the Financial Action Taskforce Review of legal persons, and the 2020 National Risk Assessment on money laundering.

In order to achieve its priorities, and pursuant to the Finance Ministry's legislative agenda, the BMA Business Plan, the Ministry of Finance EU engagement strategy, the Bermuda Business Development Agency strategy and the national anti-money laundering strategy, the unit will undertake the following key strategic ownership goals in 2021/22, as follows:

In the first instance, matters related to the European Union. Mr. Chairman, the Regulatory Unit will work the Bermuda Public Accountability Board and EU Council to coordinate the Board's compliance with the European Union Audit Directive. This work includes the vision of strategic and technical advice on matters related to audit equivalents.

Mr. Chairman, the Regulatory Unit will work with the Registrar of Companies Treaty Unit, the BMA, and the office of NAMLC to coordinate the Finance Ministry's response to the EU Code of Conduct Group's work on matters related to tax good governance principles, including those pertaining to the exchange of beneficial ownership information. This includes providing technical and strategic advice on all aspects of Bermuda's beneficial ownership framework as well as development aspects of the financial services sector.

Mr. Chairman, the Regulatory Unit will work with the Financial Secretary, the Office of the National Anti-Money Laundering Committee and the Treaty Unit to complete and coordinate the Finance Ministry's EU engagement strategy, together with the Cabinet Office, the BMA, the Brussels Office, the London Office, and the EU Council. This will include preparation for regular visits by the Minister of Finance to meet with key EU stakeholders. This work also includes the provision of technical and strategic advice at home and abroad. In the post Brexit environment, this work also includes an enhanced meeting agenda with the BMA together with the Brussels Office and EU Council.

Matters related to National Anti-Money Laundering Committee and compliance with the Financial Action Task Force international standards on combating money laundering and the financing of terrorism and proliferation. Mr. Chairman, the Regulatory Unit will contribute to and support the implementation of Bermuda's anti-money laundering strategy, together with the work of the National Anti-Money Laundering Committee. This work includes the provision of strategic and technical advice regarding matters related to the Ministry of Finance arising from the Bermuda's

2020 Mutual Evaluation Report, and the completion of money-laundering and terrorism financing national risk assessments. This work also includes representing the Ministry of Finance and CFATF plenary meetings on a biannual basis and contributions to the development of FATF standards regarding the transparency of legal persons together with any other standards as and when required.

To maintain momentum, the Assistant Financial Secretary of the Regulatory Unit was appointed to the National Anti-Money Laundering Risk Assessment Working Group in 2020. In addition, the Assistant Financial Secretary will continue to represent the Ministry of Finance on the following NAMLC committees:

- Policy and Legislative Working Group;
- National Threats and National Vulnerability Committee;
- Supervisory Forum; and
- Sanctions Working Group.

Matters related to the United Kingdom. Mr. Chairman, the Regulatory Unit will work with Cabinet Office on matters related to Brexit in the financial services sector together with the BMA, London Office and specialist partners. This work includes the provision of technical and strategic advice on matters related to the equivalence and transparency in a post Brexit environment.

Mr. Chairman, the Regulatory Unit will work the Ministry of Finance team, BMA, and London Office on matters related to the annual assessment of the Exchange of Notes between the Government of the United Kingdom and the Government of Bermuda dated the 9<sup>th</sup> of April 2016 in respect of the sharing of beneficial ownership information on a by-request basis.

Mr. Chairman, the Regulatory Unit will work with the Ministry of Finance team, Bermuda Monetary Authority, and the London Office on matters related to the public register of beneficial ownership for companies. This work includes the provision of technical and strategic advice on the development of a global standard by the G20. This work also includes amendments to the beneficial ownership framework together with participation in technical meetings with the UK Government as and when required.

Matters related to the Organisation for Economic Co-operation and Development (the OECD). Mr. Chairman, the Regulatory Unit will work with the Treaty Unit to coordinate the Finance Ministry's response to OECD assessments as and when required. This includes providing technical and strategic advice on all aspects of Bermuda's corporate and regulatory framework. This work also includes participation in onsite and off-site meetings with the OECD, together with NAMLC and the Bermuda Monetary Authority, and as appropriate, the private sector.

Matters related to economic recovery. Mr. Chairman, the Regulatory Unit will support domestic efforts toward agreeing concrete long-term commit-



ments to climate risk finance, working together with the Ministry of Finance team, Bermuda Business Development Agency, the Bermuda Monetary Authority, and Economic Advisory Committee to establish Bermuda as a world leader in climate risk finance.

Mr. Chairman, the Regulatory Unit will continue to implement the Finance Ministry's domestic engagement programme with C-Suite executives in Bermuda-based companies together with the Bermuda Business Development Agency and financial services stakeholder groups supplemented by frequent ministerial meetings to support Bermuda's development and economic recovery objectives.

Mr. Chairman, as noted above the unit's primary goal going forward for the next year will be to continue to work with the relevant finance teams, the Cabinet Office, the Bermuda Monetary Authority and the Bermuda Business Development Agency to meet Bermuda's domestic and international commitments as well as development in economic recovery objectives.

Mr. Chairman, a salary provision of \$363,526 accounts for 84 per cent of the Regulatory Unit's allocation for 2021/22, and covers three posts, including the Assistant Financial Secretary Regulatory Unit, the Policy Advisor, as well as one Administrative Officer. Work is still underway to design and secure the right skill set for the policy analyst post.

Cost centre 20030, Economic and Financial Intelligence. It shows a decrease of \$15,000, or 4 per cent. Mr. Chairman, the Economic and Financial Intelligence Unit provides research and analysis of economic and financial conditions to help facilitate sound decisions on public policy and fiscal management. Responsibilities of the staff in the unit include economic forecasts, economic modelling, projections of GDP, and the development of key economic indicators. Analysis and commentary on economic and financial statistics are provided, and an annual and mid-year review and outlook are produced. The budget for this unit in 2021/22 is \$378,000, \$15,000 less than the budget allocation for 2020/21.

Mr. Chairman, the unit also manages the relationship with credit rating agencies and is responsible for government's debt management policy. The unit constantly reviews our debt management policy in order to take advantage of favourable market conditions. When financing the deficit, the Ministry's most important objective is to provide the government with stable financing at minimal cost, under the prevailing market conditions.

The Economic and Financial Intelligence Unit therefore maintains a relationship with both domestic and international banks in order to be kept abreast of capital market developments which will provide an opportunity to either refinance current government debt at less expensive rates and/or to provide the best opportunity in which to finance the current year's fiscal deficit.

As mentioned in the 2021/22 Budget [Statement], government will not incur any new borrowing as the government borrowed additional funds in fiscal 2020/21 to cover the deficit. However, the unit will consider whatever makes financial sense in fiscal year 2021/22 to refinance government debt that is due to mature in 2022.

Mr. Chairman, the unit also provides advice to various government boards and is closely involved in the administration of numerous customs duty relief regimes, including duty relief provided to hotels, restaurants and retailers. In addition, this unit oversees the public pension funds, along with the Bermuda Public Funds Investment Committee and is responsible for banking and FinTech initiatives that require Ministry of Finance input.

Mr. Chairman, the investment of the public sector pension plan continues to perform well. I can report that, as of December 31<sup>st</sup>, 2020, the Contributory Pension Fund (the CPF) had assets totalled \$2.1 billion, versus \$1.95 billion in 2019. Meanwhile, the Public Service Superannuation Fund's (the PSSF) assets totalled \$689.1 million in 2020 versus \$622.1 million in 2019. For 2020, the contributory and superannuation plans both posted returns of 11.5 [per cent] and 11.7 per cent, respectively. The CPF and the PSSF both performed better than the policy index by 0.1 per cent and 0.4 per cent, respectively.

Mr. Chairman, in early April of 2020, the unit engaged the Caribbean Region Technical Assistance Centre (or CARTAC), which is an offshoot of the IMF, to provide assistance on forecasting the potential impact of the COVID-19 pandemic on Bermuda's GDP. As a result, the unit was able to update its GDP forecasting model and provide the Government with an early indication of the potential economic impact of the pandemic. Given that there was little information available in which to build a credible model, a month later the unit made refinements to the statistical model using various statistical techniques and using updated information sourced from reputable organisations such as the IMF, the Bank of England and consulting firms. The results from the refinement have been used to guide the Government in building an economic recovery plan as well as have been used for financial planning purposes.

Mr. Chairman, in May of 2020 the unit worked closely with the Economic Advisory Committee [EAC], a group empanelled by the Minister of Finance for their insight and expert advice aimed at protecting and growing jobs and stimulating economic activity during and after the pandemic. The EAC played a vital role in providing the Government with knowledgeable advice helping us to design a recovery plan.

Mr. Chairman, the Economic and Intelligence Unit will continue to work with various stakeholders on legislation that will expedite the expansion of the banking sector. Having, in 2018, made amendments to the Banks and Deposit Companies Act 1999, allow-

ing for different licences or classes of banks to facilitate financial institutions that can not only create additional jobs, but also provide FinTech businesses with banking services, the next step will be to determine if the amendments were adequate enough or too restrictive and thus hampering rather than encouraging new quality entrants.

Mr. Chairman, in my Budget Statement I mentioned that the Government will look to work with a local banking partner to deliver a mortgage guarantee programme that will provide lower financing costs to middle-class families. The unit will be a key driver behind making this a reality.

Mr. Chairman, other important initiatives to be actioned by the Economic and Financial Intelligence Unit in the upcoming financial year include playing a critical role in the implementation of Government's economic recovery plan by:

1. regularly updating the economic model, underpinning the ERP;
2. determining the impact of the ERP on related processes such as the budget;
3. monitoring how implementation is feeding through into underlying economic indicators, for example, tax revenues;
4. approving and monitoring the investment allocated to priority policy initiatives; and
5. continuing to work with the Government's external consulting firm on improving the sustainability of the Government's funds. That is both PSSF and the Contributory Pension Fund. Work is currently being done on strategies that will help to ensure the sustainability of the funds, and this will be followed by stakeholder (this includes employees, unions and taxpayer) engagement to discuss the various options and to collectively agree on a way forward.
6. performing a debt sustainability analysis to determine if revenues and expenditures, as well as the Government's debt strategy is sufficient to ensure the sustainability of servicing the debt going forward;
7. continuing to work on the development of econometric models for the forecasting of key economic indicators in Government medium term fiscal data;
8. working with major revenue and data collection firms, Bermuda data collection departments, that will be the OTC, Customs, ROC, and Statistics to integrate data with the aim of creating key and timely information through the use of technology to analyse revenue data and provide a more robust analysis of the economy;
9. work with the Cabinet Office on the Bermuda National Digital Bank Initiative.

10. continuing the review of all Government pension plans to determine sustainability of the funds and to work with the Ministry of Health on the financing of health care reform.

Mr. Chairman, the salary provision of \$289,656 accounts for approximately 77 per cent of the Economic and Financial Intelligence Unit's allocation in 2021/22, and covers two posts, including the Assistant Financial Secretary for Economics and Finance and the Economic Advisor.

Cost centre 20040, Treaty Management and Administration. We saw a decrease of \$18,000. Mr. Chairman, the budget for the unit in 2021/22 is set at \$999,000, a modest decrease of \$18,000 from last year's budget. The decrease is this unit's contribution to lowering funding requirements.

Mr. Chairman, the work of this unit continues to diversify from the original core activity that led to its creation, for example, negotiation and processing, international tax cooperation on the by-request basis.

Mr. Chairman, the Treaty Unit is now responsible for the following core areas in a budgeted cost of \$204,167, excluding salaries and software upgrades. These activities include negotiating tax information exchange agreements, otherwise known as TIEAs, and other agreements relating to tax information exchange, and associated agreements with member countries of the EU, G20, OECD, and other countries. Because of this negotiation experience and exchange of tax information agreements, the unit several years ago was requested to negotiate an agreement between Bermuda and the United Kingdom, and Northern Ireland for the exchange of beneficial ownership information for criminal investigation purposes as opposed to for tax purposes. Annually thereafter the UK completes a review of the beneficial ownership agreement. For practical purposes this operation is carried out by the BMA with oversight by the Ministry of Finance Treaty Unit.

The Unit is also responsible for relationship management regarding tax matters with the EU, Member States of the EU, the OECD, and with the United States of America. The Unit is also responsible for administering requests for exchange of tax-related information on the by-request basis, otherwise known as EOIR with Bermuda's over 100 partner countries and on the automatic exchange of tax-related information basis, AEOI, also with Bermuda's over 100 partner countries.

Mr. Chairman, the most pressing threat facing Bermuda's international business sector in the last fiscal year and the continuing fiscal year is the G20 OECD initiative to counter what has been classified as base erosion and profit shifting by large corporations allegedly taking advantage of increasing tax complexity challenges arising from the digitisation of the global economy. The OECD's common reference "base erosion and profit shifting" is the acronym, BEPS.

Mr. Chairman, BEPS seeks to curtail countries and companies' practices that are perceived to cause the base erosion of other countries' tax revenue base because of activities such as profit shifting. The magnitude of the BEPS threat during 2021 is highlighted in media reports with information derived from the EU tax regulatory officials breaking ranks of solidarity with the G20 and the OECD, although both global bodies have leading EU Member States among their long-standing memberships.

In these media reports, it has been noted that the EU has announced its ultimatum to the OECD that the EU will move to implement an EU unilateral digital tax against, in particular, the Internet technology giants if the OECD, which is operating under the mandate of a G20, does not succeed in reaching consensus among the 137 countries negotiating on (1) BEPS Pillar 1, which alters the several decades old international taxing rights so as to include taxing income on all business sectors and industries earned from the digitisation of the global economies whereby such income is perceived to fall outside the current international taxing rights framework; and (2) BEPS Pillar 2, seeks to implement a global minimum corporate income tax rate anticipated to be 12.5 per cent, irrespective if companies are located in jurisdictions that currently do not apply a corporate tax rate of at least 12.5 per cent.

Mr. Chairman, the risk posed from recent OECD proposals on corporate tax was clearly laid out in the 2020/21 Pre-Budget Report in advance of the 2020/21 Budget. It was noted a year ago, and I quote, "The Base Erosion and Profit Shifting [BEPS] Pillar 2—calling for a minimum global tax rate for corporations has been mandated by the G20 to be effective by or before the end of 2020 and to operate in tandem with BEPS Pillar 1, which involves the sharing of taxing rights between countries. While both the timing and implementation of any such measures remains highly uncertain, the direction of travel seems clear, and raises medium-term concerns on the potential impact on Bermuda's attractiveness as a base for international corporates."

Mr. Chairman, the OECD has needed to amend its timeline to that of mid-2021 to achieve consensus on this project which is very contentious among the large income tax countries seeking their share of the new income tax revenue expected to be generated from BEPS. In such a climate small jurisdictions, especially with low and no income tax jurisdictions, could become collateral damage if we are not careful.

Mr. Chairman, the Treaty Unit is working in close consultation with several industry stakeholders on the BEPS-related threats, including threats from the EU and the USA. We would further note that the Government was in close contact with the former Governor regarding these international threats and is continuing the dialogue with the current Governor on

this matter. As well, there is engagement taking place with the OECD and with targeted countries.

Mr. Chairman, corporations in scope of the two BEPS pillars are those multinational enterprises with a global annual consolidated revenue greater than €750 million. Accordingly, special thanks are extended to the Association of Bermuda International Business companies, that is ABIC; the Association of Bermuda Insurers and Reinsurers, ABIR; the Bermuda International Long-Term Insurers and Reinsurers, BILTIR. Representatives of international tax experts have volunteered considerable assistance and support to the Treaty Unit in addressing these threats.

Mr. Chairman, it is also noteworthy that the two OECD global regimes for exchange of tax-related information which I previously referred to as EOIR and AEOI have been used by the EU as reason to blacklist on the EU non-cooperative tax blacklist any country that the OECD assessment rate is less than a rate of *largely compliant*.

Mr. Chairman, Bermuda has a *largely compliant* rating and is currently on the EU whitelist. However, it is also likely that the G20 and the OECD will at some point in the future also blacklist a country that has an unacceptable OECD rating in EOIR or AEOI. The OECD's EOIR regime comes under annual review until all OECD recommendations have been satisfied. Currently the Treaty Unit is working with the Registrar of Companies and the BMA to ensure that all recommendations arising from Bermuda's last review are addressed this year with a final detailed progress report which hopefully will see the end the current OECD annual review.

Mr. Chairman, therefore, the decrease of \$18,000 to the Unit's budget is modest, as much activity is anticipated in the fiscal year ahead in addressing these international tax threats against low and no tax jurisdictions like Bermuda.

The Unit has a budgeted staff allocation of four, and an aggregate budget annual salary cost of \$424,026. Additionally, \$370,000 is allocated to the Unit's core administrative function related to the addition of the necessary services of the Ministry's international tax reporting portal to keep its software updated at the OECD standard for AEOI. This includes upgrading the portals operating software schema that interfaces with the OECD's receiving portal. This is as a result of the OECD updating the OECD's portals software operating schema.

Mr. Chairman, cost centre 20070, Pension Commission, which has a grant of \$800,000, a decrease of 5.8 per cent. The Pension Commission, Mr. Chairman, is a corporate body established under the National Pension Scheme (Occupational Pensions) Act 1998 and has the following functions:

- to administer the Act and the Regulations;
- to consider and determine applications for the registration of pension plans;

- to consider and determine financial hardship withdrawal applications;
- to promote and ensure compliance by pension plans with the provisions of the Act and the Regulations;
- to monitor the administration and funding of pension plans;
- to enforce the provisions of the Act and Regulations in respect of such administration and funding;
- to verify the payment of benefits of the pension plans;
- to promote public education of pension plans and their benefits;
- to advise the Minister on any matter related to pensions including development and laws related to pension plans;
- to provide such information relating to its functions as the Minister may require;
- to investigate complaints relating to a pension plan and a pension fund; and
- to perform any other functions provided for in or under this Act.

Mr. Chairman, the Commission also has responsibility for the administration of the Pension Trust Funds Act 1966 and pension trusts established and administered under this Act.

Mr. Chairman, the proposed Grants on page B-113 under Head 10, 1002, Grants, with the Commission for 2021/22 is \$800,000, an approximate 5.88 per cent decrease from the original \$850,000 in the 2020/21 budget. However, the Commission's Grant was further reduced in 2020 to \$765,000. The Commission anticipates making up for the reduced grant income from its regulatory fees that are now payable to the Commission from plan administrators.

Mr. Chairman, during the past fiscal year the Commission's operations were significantly impacted by the COVID-19 pandemic as its offices were closed to the public and it had to switch temporarily to conducting its work remotely. The Commission's staff issued a return-to-work order on a rotational basis in May of 2020 and subsequently all staff returned to the office soon thereafter. The Commission's focus throughout 2020 was primarily on advising COVID-19-related relief amendments to the Act and the subsequent implementation and administration.

Mr. Chairman, recognising the significant economic impact that the COVID-19 pandemic caused in the domestic economy, Government introduced a number of amendments to the Act in 2020 to provide for the temporary suspension of contributions by both employers and employees and to provide plan members and retirees additional access to their pension funds. In particular, the following refunds were granted:

1. temporary refunds up to \$12,000 for persons under the age of 65;

2. small pension refunds for those reaching retirement age of 65 with \$50,000 and under in the pension fund balances;
3. lump sum refunds for those reaching normal retirement age up to 25 per cent of an applicant's pension fund account balance.

Mr. Chairman, these additional refunds have provided timely and substantial financial support to Bermudians, and I am pleased to provide the following summary of approved refund payments up to the 31<sup>st</sup> of December 2020:

- temporary refunds—\$117.8 million;
- small pension refunds—\$3.05 million;
- 25 per cent lump sum refunds—\$15.5 million.

Mr. Chairman, in relationship to other areas of activities and responsibilities of the Commission, I am also pleased to advise the following:

- During 2020, the Commission wound up 28 plans compared to 39 in 2019.
- They registered 57 plan amendments compared to 42 in 2019.
- They approved four plan trustees in comparison to zero in 2019.
- They initiated four civil actions against delinquent employers and their directors and officers compared to 11 in 2019.
- They conducted 30 compliance meetings with employers and plan members compared to 86 in 2019.
- They held two compliance meetings with plan administrators compared to 26 in 2019.
- They participated in 15 public and/or advisory committee meetings compared to 27 in 2019.
- They completed three transactions under the Pension Trust Fund Act 1966 compared to 38 in 2019.

Mr. Chairman, as of 31 December 2019, the most recent date for which statistics have been provided by plan administrators, the National Pension Schemes contained an estimated 27,961 plan members.

There were a total of 3,126 employer plans and 3,111 of these were defined contribution and 15 were defined benefit.

The total value of assets under the National Pension Scheme was estimated \$3.95 billion, consisting of approximately \$3 billion in employer plans and \$950 million in approved local retirement products.

There are an estimated 303 self-employed plans. As of 31 December 2020, \$1.58 million of plan assets were transferred to overseas retirement vehicles compared to \$633,000 in 2019.

Mr. Chairman, Honourable Members will recall that the National Pension Scheme (Financial Hardship) Regulations 2010 were introduced to help Bermudians with a the real financial need to get access to a portion of their private sector pension funds based on prescribed criteria for hardship. Regulations

were further amended in 2011 to permit rental arrears as an additional category of financial hardship. Additional hardship refund for funeral expenses was added effective the 2<sup>nd</sup> of January 2020.

Mr. Chairman, in 2012, the Commission also became responsible for the administration of financial hardship applications for civil servants under the Public Service Superannuation Act 1981. Accordingly refunds for the following five circumstances of financial hardship are permitted:

- a. eligible uncovered medical expenses;
- b. threat of loss of principal residence due to debt default;
- c. threat of an eviction from home due to arrears of rent;
- d. eligible fees payable for tertiary education;
- e. eligible funeral expenses currently only for private sector plans.

Mr. Chairman, I would like to point out that effective 2 January 2020, the previous restrictions on retirees for applying for a hardship refund was removed. In addition, they are also exempted from having to pay the \$100 application fee.

Mr. Chairman, I am pleased to provide a summary of the financial hardship application statistics provided by the Commission from inception of this initiative up to 31 December 2020. They are as follows:

- With respect to financial hardship applications, there were 6,291 financial hardship withdrawal meetings.
- Total applications received since August 10, were 3,558.
- Approved applications were 2,906; declined applications were 520; applications pending and/or withdrawn, 132; and total amount approved \$32.82 million.

Mr. Chairman, with respect to hardship applications by type for eligible educational expenses there were 1,109. For imminent threat of loss of principal residence, there were 468. For imminent eviction for rent in arrears was 1,138. Eligible medical expenses, 190. Funeral expenses, there was one.

Mr. Chairman, for the upcoming year the Commission has a number of goals that include:

1. Review and recommend further enhancements to the National Pension Scheme (Occupational Pensions) Act 1998 and Regulations made thereunder.
2. Finalise its additional human resource requirements to be able to respond to the additional responsibilities resulting from the 2019 and 2020 legislative amendments. In particular, the amendments provided for greater oversight of occupational pension plans, the imposition of monetary sanctions on plan administrators, approving plan trustees, satisfying fit and proper criteria as specified in the

Act, and greater onsite inspection of employers in order to ensure that they are compliant with legislative recordkeeping requirements. The introduction of additional pension refunds will also require increased staffing resources.

3. Expand its enforcement programmes against delinquent employers as well as plan service providers that fail to meet the required standards under the Act.
4. Introduce a financial awareness campaign to better educate employees on the importance for saving for retirement and the many options and approaches that are available.
5. Update its information technology applications and resources, including revamping its website to more effectively and efficiently communicate with plan administrators, employees, employers, and members of the general public.

Mr. Chairman, the Commission's projected total revenue for the year is \$2,170,000 which consists of a government grant of \$800,000 and regulatory fees of \$1,370,000. Mr. Chairman, the Commission's total budget expenses for the year is \$2,115,000, consisting of \$1,675,000 for salaries and related benefits; \$190,000 for office expenses, \$110,000 for office rent; \$60,000 for promotion, education and advertising; \$50,000 for legal and consulting; and \$30,000 for professional development.

**The Chairman:** Minister, can I interrupt at this time?

There is supposed to be a change in the Chair. So, MP Kim Swan, I would like him to acknowledge that he is available, please.

*[Mr. Hubert (Kim) E. Swan, Chairman]*

**Mr. Hubert (Kim) E. Swan:** Thank you, MP Tyrrell.  
Continue on, Minister.

**Hon. Curtis L. Dickinson:** Thank you, Mr. Chairman.

The resulting projected position in net income is \$55,000.

Cost centre 20100, the Office of the National Anti-Money Laundering Committee has an increase of \$160,000, or approximately 16 per cent.

Mr. Chairman, the purpose of the Office of the National Anti-Money Laundering Committee (or the Office of NAMLC) is to provide secretariat support to NAMLC in order to enable the Ministry of Finance to achieve the objective of advancing the Government's AML/ATF policy initiatives, support legislative development, as well as to coordinate measures to enhance Bermuda's AML/ATF [anti-money laundering and anti-terrorist financing] regime. This requires the Office to be responsible for the administration of NAMLC's national initiatives such as the assessment of Bermuda's national money laundering and terrorist financing risk and managing the reviews of Bermuda's

anti-money laundering anti-terrorist financing regimes by external bodies.

The Office works with NAMLC member agencies to ensure that Bermuda has a strong, effective regime to combat money laundering, terrorist financing and the financing of proliferation and to support international counterparts in efforts to help address these issues on a global scale.

Mr. Chairman, the Office of NAMLC's budget for the fiscal year 2021/22 is \$1,116,000, representing an increase of approximately \$160,000 over the 2020/21 allocation. The NAMLC funding required to achieve the provision of secretariat services to NAMLC and to meet the national obligations to the CFATF is approximately \$711,000. While this amount is similar to previous years, that allocation of core secretariat services in previous years did not factor into the cost of CFATF membership in that package.

NAMLC has also reduced the cost of their overall project operations compared to 2020/21. This is partially attributable to NAMLC adjusting the majority of its consultancy engagement and project activities into a virtual model. Accordingly, the additional new allocation to NAMLC is only required to fund the majority of the cost of hosting the CFATF biannual plenary which is to be held in Bermuda in November of 2021 when Bermuda assumes the CFATF chairmanship.

Mr. Chairman, over several fiscal years NAMLC's critical focus has been on the achievement of excellence in compliance with the FATF technical standards and on ensuring the effectiveness of Bermuda's AML/ATF framework. A significant component of this was also to be able to clearly communicate those accomplishments to the assessors and the CFATF membership as part of the mutual evaluation. As a result, Bermuda's Mutual Evaluation Report which was published by the FATF in February of 2020 appropriately presented a picture of AML/ATF excellence which confirms Bermuda's long-standing position as a world-class jurisdiction.

Given the continued importance to Bermuda's ongoing economic success of sustaining this achievement, the key focus of the Office of NAMLC during the fiscal year 2020/21 was the completion of Bermuda's second terrorist financing national risk assessment, otherwise known as a TFNRA, and the commencement of the third money laundering national risk assessment, otherwise known as the MLRNA. These internal national assessments of risk are a foundational requirement of the FATF standards and accordingly are enshrined in the National AML/ATF policy as a requirement for update every three years. The updated understanding of risk gained from these exercises undergirds the national strategy to counter both money laundering and terrorist financing.

The 2020 TFNRA commenced during the 2019/20 fiscal year and was completed in June of 2020. The proposed action plan which was developed

from the findings of the NRA was submitted to Cabinet in August of 2020 for approval along with a full report of the NRA findings. The money laundering NRA then commenced in November of 2020 and is currently underway with an expected completion date of June of 2021. These additional projects which require extensive collaboration, data gathering and analysis, as well as outreach and engagement to other public sector and private sector stakeholders have taken place substantially through virtual meeting platforms to accommodate for the impact of the pandemic.

Mr. Chairman, as previously noted through the work of NAMLC, Bermuda has achieved an excellent Mutual Evaluation Report in 2020. However, Bermuda cannot now sit on its laurels. Therefore, NAMLC's focus continues to be to ensure that Bermuda maintains its position as a global leader in the fight to combat money laundering, terrorist financing, and proliferation financing, especially in the face of periodic changes made by FATF to the international standards. Therefore, in accordance with the National AML/ATF policy, action plan and strategy Bermuda's AML/ATF programme will continue to be advanced during this period. The key initiatives that the Office of NAMLC will be working on in financial year 2021/22 are as follows:

1. To coordinate and manage the timely completion of the National Risk Assessment on money laundering which is now underway and scheduled to be completed in June of 2021. The completion of this project will also be followed by the preparation and publication with the approval of the Cabinet on a consolidated report on the outcomes of the MLRNA and the TFNRA which was completed in 2020.

2. To lead and coordinate the preparation by all NAMLC agencies of written submissions to CFATF by November of 2021, reporting on all of the progress made by Bermuda to address the recommendations made by the CFATF assessors in Bermuda's 2020 Mutual Evaluation Report. Bermuda will also be subject to automatic rerating in relation to FATF recommendations which the FATF have updated since the end of Bermuda's assessment review period. Accordingly, this project will also necessitate preparation of detailed submissions addressing Bermuda's compliance with all of the relevant new technical requirements on which Bermuda will be rerated.

3. Continue to coordinate, lead, or participate in a technical work of the various permanent working groups of NAMLC.

4. Lead and coordinate the review and update of the National AML/ATF action plan and strategy and the submission of same to Cabinet for approval, taking into account any changes made to the National Policy, a project which is now being finalised. The update on the Action Plan Strategy will also take into account the work outputs of NAMLC's permanent working groups, the findings of the TFNRA and the MLNRA and any outstanding recommended actions in

the MER, (that would be the Mutual Evaluation Report). Once approved by Cabinet work then has to be done to ensure that NAMLC agencies are kept accountable for implementing the National Policy and Action Plan within their internal agency strategies and plans.

5. To collaborate with the CFATF secretariat to plan the November 2021 biannual CFATF plenary and manage all of the logistics associated with the execution of Bermuda's responsibilities for hosting the plenary. The Office of NAMLC is mindful of continuing concerns associated with COVID-19 and will proactively engage with key local stakeholders such as the Ministry of Health, Bermuda Tourism Authority, the Department of Immigration, and the Department of Customs to identify all extant issues as the year progresses and support the determination of whether the hosting of an in-person conference of this nature in November of 2021 will be feasible.

6. Organise and execute relevant training for NAMLC member agencies to ensure that their teams are aware of developments in or changes to international standards and/or in relation to AML/ATF best practices.

7. Carry out the normal secretariat responsibilities to support NAMLC and the NAMLC chair. Manage all NAMLC meetings including the sub-working groups. Prepare and circulate minutes. Provide technical AML/ATF input on draft guidance notes. Draft legislation, Cabinet memoranda and other technical requests to NAMLC. Respond to PATI requests and reviews. Update members on FATF and CFATF initiatives. Coordinate their responses, if necessary, among other things.

8. Assist in the implementation and advancement of any of the national initiatives specified in the revised National Strategy and Action Plan.

Mr. Chairman, in order to progress all of these initiatives, the Chair and Office team will continue to work closely with the National Anti-Money Laundering Cabinet Committee, NAMLC member agencies, and other stakeholders.

Mr. Chairman, the Salary provision for the Office of NAMLC in 2021/22 is \$480,564.93, representing approximately 43 per cent of the allocation. It is a reduction of about \$40,000 from the previous year. The allocation for Expert Overseas Consultants is \$75,000, compared with \$125,000 in 2020/21, [and] is to facilitate a number of NAMLC projects including the provision of technical support to complete the National Money Laundering National Risk Assessment by June 2021. Overseas consultants will also support the preparation of Bermuda's first follow-up report to the CFATF in November of 2021 and the commencement of ground work in the first quarter of 2022 to prepare for Bermuda's delegation to attend the CFATF plenary to defend the follow-up report.

Local training allocation has been increased to \$46,000, up from \$40,500, to allow the Office to

facilitate training to the NAMLC member agencies and in the event that partial in-person meetings are restored to manage and execute the many workshops that will be required in the preparation of the follow-up report and, later in 2022, to prepare to attend the CFATF plenary to defend the report.

The other major recurring item of cost in this unit, the Office of Chair of NAMLC, is the continued professional development of the office team and for travel for attendance in international conferences, including the CFATF plenaries and the FATF plenary if or when these resume in person.

The Office of NAMLC's allocation also covers the cost of Bermuda's annual membership contribution to the CFATF which has been discounted for 2021 to \$57,400, down from the annual amount of \$68,357.

Mr. Chairman, that concludes the submission in relation to Head 10. And I wish to thank all the members of the Ministry Headquarters for the work that they have done to help Bermuda through these challenging times.

I now move to Head 11, which is the Accountant General's Department.

## HEAD 11—ACCOUNTANT GENERAL

**Hon. Curtis L. Dickinson:** Mr. Chairman, I now present the budget for Head 11, the Accountant General's Department found on pages B-1116 through B-1120 and C-11 of the Budget Book.

Mr. Chairman, the Accountant General's Department was established under section 4 of the Public Treasury (Administration and Payments) Act 1969. The department's mission statement is *to develop and maintain quality financial reporting, employee health insurance, Treasury function, internal control and effective use of technology to aid in decision-making*.

The core functions of the department are as follows:

1. Accounting and reporting of the following funds:
  - Consolidated Fund;
  - Contributory Pension Fund;
  - Government Employees Health Insurance Fund;
  - Public Service Superannuation Fund;
  - Ministers and Members of the Legislature Pensions Fund [MMLPF];
  - Government Borrowing Sinking Fund;
  - Confiscated Assets Fund;
  - Government Reserves Fund; and
  - Unemployment Insurance Fund.
2. Cash management and forecasting, administration of investments including monitoring of pension funds under investment, which has a total asset at the moment of approximately \$2.8 billion;

3. Reconciliation of government's bank accounts;
4. Execution of payments for purchased good and services;
5. Receiving of government revenues including fees and taxes;
6. Administration of government employees health insurance scheme;
7. Risk management and insurance;
8. Management of government's accounting platform;
9. Representing the Minister of Finance on the Government Employees (Health Insurance) Management Committee and Bermuda Public Funds Investment Committee.

Mr. Chairman, the current account estimates can be found on pages B-116 and B-117, while the capital information is provided on page C-11. Key information is as follows: The current account has an expenditure of \$72.26 million, total revenues of \$2.0 million. Capital account, capital acquisitions \$100,000; capital development, zero. The comparison of the 2020/21 original estimate versus the 2021/22 estimates show the following:

- Current account (and this would be the Consolidated Fund), the 2021/22 estimate is \$5.534 million, a \$596,000, or 10 per cent, decrease from the 2020/21 original estimate of \$6.13 million.
- Fund administration—this is employee benefits costs—the 2021/22 estimate is \$66.727 million, a \$13 million, or 16 per cent, decrease over the 2020/21 original estimate of \$79.72 million.
- Capital, the 2021/22 estimate is \$100,000, a \$106,000, or 51 per cent, decrease over the 2020/21 original estimate.
- Revenue, the 2021/22 estimate is \$2 million, a \$67,000, or 3 per cent, decrease over the 2020/21 original estimate.

Mr. Chairman, employee numbers are as follows: There are 42 established posts at the department, broken out as follows: 33 Bermudians, two spouses of Bermudians and seven vacant posts. And I would note, Mr. Chairman, that among those vacant posts are the posts of the Account General and one Assistant Account General.

Mr. Chairman, the functions and responsibilities of the department are critically important in their role of governance. The department is key in helping to undergird management and controls and processes that are in place with respect to the management of the public purse. While the department does not itself carry out or receive procurement, systems measures have been implemented to assist the ministries and departments, and controls continue to be refined. Financial Instructions and applicable legislation are regularly reviewed and updated.

Mr. Chairman, the department is divided into two programme centres, as follows:

- the Consolidated Fund Administration, which oversees all of the activities of the Consolidated Fund; and
- the Fund Administration, which represents the government's share of employee benefits programmes, namely, Public Service Superannuation, Social Insurance Contributory Pension, Government Employee Health Insurance, and Ministers and Members of the Legislature Pensions.

Mr. Chairman, I would like to now spend some time giving an explanation of significant programme expenditures and the changes for unit 1101, which is shown on page B-116, Consolidated Fund Administration. There has been a \$5.53 million allocation, a decrease of \$196,000, or 10 per cent. The current year's request reflects a decrease of \$196,000, which reflects payroll austerity measures which will expire in July 2021. The department continues to operate at staffing levels below its complement, reflective of the seven vacancies highlighted previously, and persists in efforts to identify efficiencies within its approved organisational structure.

It should be noted that the items that drive the department overall expenditures are salaries, professional services, repairs and maintenance, and rent.

Line 1102, which can be found on page B-116, Benefit Fund Administration, allocation is \$66.72 million, a decrease of \$12.99 million, or 16 per cent. This programme represents the government's cost of employee benefits. These costs are a function of the number of government employees and the rates relating to the respective benefits—employer overhead. For example, the contributory pension (or social insurance) is directly related to the national contributory pension rate of contribution. Requested funding for each of these components of this programme for 2020/21 is discussed further.

Superannuation fund, \$19.5 million, a decrease of \$9.28 million, or 32 per cent. As the employer, the government ordinarily matches its employees' contributions to the Public Service Superannuation Fund (PSSF). Contributions are invested for the purpose of funding the future of pension payments for the vested retired government personnel. The rates of contribution are 9.5 per cent of salary for uniformed services personnel, and 8 per cent salary or wages for all other government employees. The decrease in the 2021/22 estimates is primarily due to the suspension of government's matching contribution as the result of the austerity measures.

The government, as the employer, matches its employees' social insurance contributions to the contributory pension fund. The fund invests the contributions for future payment of contributory old age pensions. The current combined employee/employer contribution for the contributory pension is \$71.84 per



employee per week. Decrease in the 2021/22 estimate is primarily due to the suspension of government's matching contributions as a result of the austerity measures. And that allocation was \$6.4 million, or a decrease of \$2.59 million, or 29 per cent.

The next line is 21030, which is Government Employees Health Insurance, which has an allocation of \$39.8 million, a decrease of \$892,000, or 2 per cent. As the employer, the government matches its employees' contributions, or their premiums, under the Government Employees Health Insurance scheme—with the exception of police, corrections and the regiment, for which government pays both the employer and employee share. The fund utilises the contributions to pay the health claims of government employees, retirees and enrolled dependents. The rate of contributions for, and benefits offered under, the government's employee health scheme may be impacted by upcoming changes to Bermuda's national health industry, but the effect of those changes cannot be quantified at this time. The 2021/22 estimates have been reduced to align with the current year's actual expenditure.

Page B-116, line item, 21040—Ministers and Members Pension, \$1.01 million, a decrease of \$240,000, or 19 per cent. The government as the employer matches the Ministers' and Members' contributions to the Ministers and Members of the Legislature Pension Fund. Contributions are invested for the purpose of funding future payment of pensions to all eligible Ministers and Members. The rate of contribution is 12.5 per cent of salary for the Ministers and Members. A decrease in the 2021/22 estimate is primarily due to the suspension of government's matching contributions as the result of the austerity measures.

Capital estimates, which can be found on page C-11, line item 76805—ERP [Enterprise Resource Planning] Project, \$100,000 a decrease of \$50,000. Technical support and ongoing maintenance are required for the 2021/22, as the JD Edwards Enterprise Resourcing Planning system is continually enhanced to improve the business processes and other important services provided. Development work will be done to facilitate the interfacing of the system with the TalentLink software used by the Department of Employee and Organisational Development. The installation of the latest toolset is planned for the 2021/22 fiscal year, which will result in the automation of some manual processes.

Mr. Chairman, I will now provide an analysis of the various object codes of the department. So 2020/21 original budget versus 2021/22 estimate—key changes on page B-17. The current year's budget allocation is reflected by the reductions resulting from the payroll austerity measures and the Government's mandate to decrease the budgetary allocation by 5 per cent. This has resulted in a \$13.58 million, or 16 per cent, reduction over the prior year's funding

level. Explanations for significant differences are as follows:

Salaries a \$462,000 decrease, or 12 per cent. This is the result primarily from the 10 per cent pay cut, which remains in place until July of 2021.

Employer overhead saw a decrease of \$12.78 million, or 16 per cent. Employer overhead represents the government's portion of various employee benefits—that is, payroll tax, social insurance, GEHI and pensions. The \$12.78 million decrease is primarily due to the government's suspension of its matching contribution to the pension plan.

Other personnel costs are a decrease of \$223,000, or 29 per cent. Other personnel costs mainly include Ministers' and Members' pensions that were earned before the Ministers' and Members' funds were established, and ex gratia pensions that are also paid from the Consolidated Fund. The \$223,000 decrease in estimates aligns the budget with the current year's actual expenditure.

Departmental information . . . I will talk about controls first. As stated previously, Government has a robust system of controls. Government's Financial Instructions provide the basis of the Financial Controls, processes and procedures by which the government operates. The controls under Financial Instructions require the accounting officers, generally permanent secretaries and the department heads, to ensure payments made in respect of purchased goods and services, and capital projects are based on duly executed contracts, appropriately authorised invoices and other supporting documentation. The department continues to enhance and strengthen the internal control environment to improve Financial Instructions and reporting systems. As a result, these stringent controls are of a higher quality, provide greater transparency and are intended to reduce financial and operational risk.

In addition, the processing of financial transactions and the provision of information have become more streamlined as a result of revisions to business processes made possible by the features now available in the current ERP system.

Location. The Accountant General's Department is located on the third and fourth floors of Andrews Place at 51 Church Street. The Revenue Receiving Section, which includes the cashiers and debt collectors, is located on the ground floor in the Government Administration Building.

Business bodies. Mr. Chairman, Government Employees Health Insurance, the closing of the country's borders and the other measures put in place to mitigate the impact of the COVID-19 pandemic positively impacted the claims experience of the GEHI scheme. Total claims paid in the calendar year will approximate \$40 million in March 2021. This is \$23 million less than the \$63 million paid in the previous year. Over 95 per cent of claims were paid within 30 days, including all electronically submitted claims. The

section continues to strive towards 100 per cent of claims being paid within 30 days, including efforts to increase electronic claims submission by service providers. The cost of local and overseas medical care continues to rise, and GEHI continues to provide quality health insurance coverage for its employees and retirees.

Compliance and disbursements make all third-party payments to government suppliers and service providers. All payment requests are fully authorised by the requested government department prior to submission to the section. Payments are made primarily via electronic funds transfer, more efficient and secure than payment by cheque. Over 95 per cent of outgoing payments continue to be made electronically, which is a target for this section. The section processed over 70,000 total payments within an average of five days of receipt on the authorised request during the year. The average turnaround time for adding new vendors and making changes to existing vendor record is three days from time of submission of the request.

Additionally, this section processed and made payments to over 10,000 persons, totalling \$56.8 million under the unemployment benefit programme. There was no decrease in service level arising from the impact of the COVID-19 pandemic.

Financial Reporting Section. The March 31, 2020, Financial Statements for the Consolidated Fund were signed off by the Auditor General with a date of December 9, 2020. The department continues to work with the Office of the Auditor General to bring the outstanding historical years' Financial Statements for the other funds up to date, including the Government Borrowing Sinking Fund, the Government Reserves Fund and the Ministers and Members of the Legislature Pension Fund, the Contributory Pension Fund, the Public Service Superannuation Fund, the Government Employees Health Insurance Fund, Unemployment Insurance Fund and the Consolidated Assets Fund.

The status of the last audited statements for the public funds are as follows:

- Unemployment Insurance Fund, the last reports were 2019;
- Government Reserves Fund, 2019;
- Government Borrowing Sinking Fund, 2015;
- Ministers and Members of the Legislature Pension Fund, 2014;
- Public Service Superannuation Fund, 2012;
- Contributory Pension Fund, 2012;
- Government Employees Health Insurance Fund, 2012; and
- Confiscated Assets Fund, 2010.

Mr. Chairman, general accomplishments in 2020/21 are as follows: The Accountant General's organisation worked closely with the Office of the Auditor General. Financial Statement audit review of the Consolidated Fund was completed and signed off in December 2020. While this was outside the timing for

the borrowing covenants, it was in compliance with extensions approved by the noteholders. Treasury functions and operational service levels were maintained during the year. Vendor and employee payroll and benefits were paid on a timely basis, and with accuracy, notwithstanding staffing challenges during the year. [The organisation] worked with the Ministry of Finance to make timely payments under the unemployment benefit.

Mr. Chairman, the key initiatives plan for the Accountant's General's Department for fiscal year 2021/22 are to (1) complete the audited Consolidated Fund Financial Statements for the year ending March 31, 2021, no later than November 20, 2021; (2) to continue to clear the backlog of outstanding financial statement audits of the public funds, and continue to complete the public funds financial statements within six months of their respective year ends; (3) continue to deliver scheduled Financial Instructions training in conjunction with the Department of Human Resources and to work and coordinate with the ongoing digitisation and government revenue collection modernisation efforts.

Mr. Chairman, I would like to extend my appreciation for the work undertaken by the Accountant General to the entire management and staff of the department.

Thank you, Mr. Chairman. This concludes my remarks on the Accountant General, and I will now move to Head 38 Head 28, Department of Social Insurance.

## HEAD 28—SOCIAL INSURANCE DEPARTMENT

**Hon. Curtis L. Dickinson:** Mr. Chairman, the Director of Social Insurance along with the staff are responsible for the day-to-day administration of the Bermuda Government's contributory pension scheme, as well as for benefits to Bermuda's veterans of the Second World War. The department's mission is to ensure that every beneficiary receives a benefit that meets their basic needs.

Mr. Chairman, the Department of Social Insurance is responsible for administering the government's social insurance programmes in accordance with the following:

(1) The Contributory Pensions Act 1970. Under this Act all employed and self-employed persons over age 18 (or age 26 if they are full-time students) who work for more than four hours per week are required to pay contributions. There are two major classes of benefits paid out of this scheme: (a) contributory benefits for old age pensions and gratuity, widow and widowers allowance and gratuity, and disability pensions; and (b) non-contributory benefits for old age pensions and disability pensions.

(2) The Pensions and Gratuities (War Service) Act 1947. Under this Act benefits are payable to Bermudian war veterans and their survivors who served

during World War II. Currently there are 108 persons enrolled in this programme. With respect to the 2020/21 Budget, key information in relation to this department can be found on pages B-122 to B-124.

Mr. Chairman, the contributory pension operations within the department are 100 per cent funded by the Contributory Pension Fund. Expenditures are paid through the Consolidated Fund and recharged to the Contributory Pension Fund in accordance with section 3(3) of the Contributory Pensions Act 1970. War pensions and gratuities are 100 per cent funded by the Consolidated Fund. Mr. Chairman, the department operates under five main cost centres. They are as follows:

Cost centre 38000, which is Senior Management and Administration. The Administration section provides overall direction and management of the Department of Social Insurance. The budget estimate for this cost centre is \$1,907,800, which is a reduction of \$113,600 of the 2020/21 original estimate of \$2,021,400. The reduction is due to the funding of one vacant post, as well as a 10 per cent reduction in salaries up to June 30, 2021.

Cost centre is 38010, which is War Pensions and Gratuities. The War Pension section is responsible for the administration of benefits to war veterans under the Pensions and Gratuities (War Service) Act 1947. The budget estimate for the 2021/22 financial year is approximately \$4.6 million, which is \$364,000, or 7 per cent, less than the previous year. Based on experience, average deaths are around nine war veterans, 7 per cent of total deaths per year. Pension awards and medical expenses are therefore reduced by approximately 7 per cent for 2021/22.

Currently the major benefits under the programme are as follows: All veterans receive a monthly pension of \$1,000. Medical benefits are covered 100 per cent, which includes FutureCare insurance premiums, hospital visits and hospitalisation, all tests at KEMH, air ambulance and prescription drugs over the \$2,000 covered by FutureCare. Palliative care and long-term care are covered up to \$7,000 per month. And \$5,000 for funeral expenses is refunded to their estate. Regular and specialist visits have small co-pays, which are reimbursed by the programme.

Cost centre 38025, Benefits. The Benefits section is responsible for the administration of benefits to members of the Contributory Pension Fund under the Contributory Pensions Act 1970 and the Contributory Pensions and Workmen's Compensation (Reciprocal Agreement) Act 1970. The budget estimate for this cost centre is \$436,000, which is an increase of \$29,400 over the 2020/21 original budget of \$406,600. Total benefits paid for April to December of 2020 were \$133,732,000 compared to \$129,719,000 in 2019, which is an increase of \$4,013,000, or 3.1 per cent. This is in line with average annual expected growth and was not affected by the coronavirus pandemic.

In 2019/20, a total of \$177,062,780 was paid. The sum of \$145.9 million, or 82 per cent, was paid for contributory pensions; \$12.7 million, or 7 per cent, was paid for widow's allowances, and gratuities of \$7 million were paid, and \$4.9 million were paid to non-contributory pensions. The other categories the benefits made at the remaining 4 per cent of benefits paid for the period. (Let me repeat that; I am sorry.) So \$145.9 million, or 82 per cent, was paid for contributory pensions; \$12.7 million, or 7 per cent, was paid for widow's allowances. Gratuities of \$7 million, or 4 per cent, were paid, and \$4.9 million, or 3 per cent, were paid for non-contributory pensions. And then the rest is the 4 per cent that I referenced earlier.

Cost centre 38040, Compliance. The Compliance section is responsible for monitoring the compliance of employers and employees according to the provisions of the Contributory Pensions Act 1970. The budget estimate for this cost centre is \$1,067,400, which is \$40,500 less than the 2020/21 original budget of \$1,107,900. Reduction is due to the 10 per cent reduction in salaries up to June 30, 2021, as well as a reduction in the projected advertising and promotion expenditure. From July 2019 to July 2020, total debt increased by \$1,874,039, from \$44,441,692 to \$46,315,731. This represents a 4.2 per cent increase over the previous year. The department continues to work with companies to establish practical ways of reducing their outstanding debt.

The Attorney General's Chambers Debt Enforcement Unit works in close collaboration with the department to assist in the collection of outstanding contributions to the Department of Social Insurance [DOSI]. In most cases the employers that the DOSI is unable to contact and who are delinquent over 90 days are ones that are referred to the Debt Enforcement Unit. Outstanding contributions collected for contribution year 2020 amounted to \$2,782,556. Mr. Chairman, the Compliance section continues to be under-resourced and experiences challenges to effectively carry out both compliance and debt collection functions as required by the legislation. However, the Department of Social Insurance continues to work with the Attorney General's Chambers Debt Enforcement Unit and the Department of Public Prosecutions to collect the outstanding debt.

Cost centre 38045, Contributions. The Contribution section is responsible for the administration of member records and accounts for employers and employees who are participating in the Contributory Pension Fund under the Contributory Pensions Act 1970. Total contributions, government and non-government, received from April to December of 2020 amounted to \$55,989,600 compared to \$87,576,900 in 2019, which is a decrease of \$31,587,300, or 36 per cent.

This decrease resulted from the reduction in employment from March to July of 2020 due to the coronavirus pandemic, along with the suspension of contributions from July the 1<sup>st</sup>, 2020.

Mr. Chairman, I now present an analysis of the Current Account estimates for 2021/22 versus 2020/21.

Salaries and wages are decreased \$106,000, which reflects the defunding of vacant posts which are not expected to be filled in the next fiscal year. Professional services are decreased \$326,000 due to the decrease in war vet medical claims due to reduction in the number of veterans. And then receipts credited to the programme—this amount represents the cost to operate the Contributory Pension Fund [CPF], which is initially paid through the Consolidated Fund, but recharge to the CPF is made in accordance with the Contributory Pensions Act 1970, section 3(3). There is a decrease of \$151,000 in the total budget of the CPF over the prior year. This decrease is mainly the result of defunding two vacant posts in the department, along with expected reductions in spending for conferences, advertising and promotion for the 2021/22 fiscal year.

Mr. Chairman, let me provide some highlights for the operations for the fiscal year 2020/21. They are as follows: The 2017 Actuarial Review for the CPF is now complete. The review is required every three years, per section 35 of the Contributory Pensions Act of 1970. The review aims to indicate financial conditions and long-term sustainability of the fund and to investigate the potential financial implications of future contributions and benefit increases to the fund. The actuaries are currently conducting the 2020 review.

There was no increase in pension benefits in 2020. Contributions were suspended as of July the 1<sup>st</sup>, 2020, for one year in an effort to ease the financial burden of the public due to economic hardship resulting from the pandemic.

The unit participated in entrepreneurial workshops via Zoom conducted by the Bermuda Economic Development Corporation to educate the public about the benefits and rights as an employee and employer. Various Contributory Pension Fund briefing sessions were conducted for the general public and government employees, as requested.

The unit also continued to maintain effective working relationships with the Debt Enforcement Unit, DPP [Department of Public Prosecutions], Department of Immigration, the Office of the Tax Commissioner and the Transport Control Department with respect to efforts to assist in debt collection.

For the fiscal year 2021/22, the department has set the following objectives:

- to continue working with the War Pensions Commissioners to review war veteran's legislation with the intent of capping average increasing long-term care and medical costs of providing essential benefits to veterans and widows;
- to utilise the government portal to service public inquiries;

- to increase the PR campaign to raise awareness of rights and responsibilities under the Contributory Pension Fund, the UK Reciprocal Agreement and the war veteran's legislation; and
- to continue to conduct orientation sessions for newly registered employers, as these have proven to be invaluable.

Significant process changes or new initiatives.

The Department of Social Insurance intends to create a Debt Recovery Unit to specifically target the collection of outstanding contributions owed to the CPF. They intend to establish more cross-ministry initiatives to develop supportive strategies to close the existing gaps in the legislation that allow persons to avoid payment of obligations to the government. They also plan to continue to monitor the departmental strategy initiative to maintain continuity and alignment with Government's overall vision.

Mr. Chairman, the contribution's suspension is expected to end as planned on the 30<sup>th</sup> of June 2021. Completion and implementation of the new pension administration system, the PX3000, for the Department of Social Insurance will maximise economies of scale and provide more accurate and efficient processing for employers and employees. The go-live date for the system was scheduled for August 2020; however, it was delayed due to resource challenges during the coronavirus pandemic and is now planned for October the 1<sup>st</sup>, 2021.

The department will embark on a print and radio media campaign to engage the general public and raise awareness of rights and responsibilities. This campaign will also be used to highlight the major changes resulting from the implementation of the PX3000. Also, a key objective of the department will be the ongoing staff training on both current compliance monitoring and enforcement techniques.

Mr. Chairman, with the aforementioned initiatives firmly in place within the Department of Social Insurance, the following are expected to be accomplished by the end of fiscal year 2021/22:

- completion of a management consultant services review for the entire department;
- enhancement of the customer service provisions and participation in e-government customer service initiatives;
- new pension systems to be fully operational;
- provide accurate, timely and relevant information to stakeholders;
- to attain a high-level professionalism from our staff;
- to attain a culture of applying best practices; and
- to effectively use electronic archiving processes to create a more paperless office.

Mr. Chairman, I would like to extend my appreciation for the work undertaken by the Department

of Social Insurance and to the entire management and staff under the department.

Thank you, Mr. Chairman. This concludes my remarks on the Department of Social Insurance. And I will now move on to Head 38, Office of the Tax Commissioner.

**The Chairman:** Thank you very much, Minister.

We are on the Ministry of Finance. And the Minister has quite a number of items to go through.

And we appreciate your working through them very comprehensively. When you are ready, Minister, you have the floor.

## HEAD 38—OFFICE OF THE TAX COMMISSIONER

**Hon. Curtis L. Dickinson:** Thank you, Mr. Chairman.

Mr. Chairman, the OTC [Office of the Tax Commissioner] vision is to be a significant contributor to Bermuda's prosperity and stability by being a progressive, modern tax administration committed to providing superior customer service, continuous improvement and collaboration. The OTC's mission is to leverage modern technology to ensure taxpayers' compliance with quality service and effective enforcement. The core objectives of the OTC are as follows:

- to administer the collection of taxes and stamp duties in accordance with the tax legislation and to provide professional advice to the Ministry of Finance;
- to conduct responsible and effective enforcement activities, creating an environment which promotes compliance and ensures that all taxes are collected in accordance with their respective Acts; and
- to educate and advise taxpayers on matters relating to their statutory obligations under the Acts and maintain community confidence.

The primary responsibility of the Office of the Tax Commissioner is to effectively administer the timely and accurate collection of all taxes and stamp duties in accordance with applicable legislation, which includes:

- payroll tax, which is covered by the Payroll Tax Act of 1995, the Payroll Tax Rates Act of 1995 and the Taxes Management Act of 1976;
- the corporate services tax, which include the Corporate Services Tax Act of 1995 and the Taxes Management Act of 1976;
- betting duty turf, the Betting Act of 1975;
- betting duty pools, the Taxes Management Act of 1976;
- stamp duties, Stamp Duties Act of 1976;
- land tax, the Land Tax Act of 1967, the Land Valuation and Tax Act of 1967, the Financial Services Tax Act of 2017 and the Foreign Currency Purchase Tax Act of 1975;

- hotel occupancy tax, which is covered by the Miscellaneous Taxes Act of 1976;
- the cruise ship departure tax is provided by the Miscellaneous Taxes (Rates) Act of 1980;
- the passenger cabin tax, which is covered by the Taxes Management Act of 1976;
- time-sharing services tax and the time-sharing occupancy tax.

The Office of the Tax Commissioner is responsible for the largest portion of government revenue, estimated at \$571 million, or 59.6 per cent.

Mr. Chairman, payroll tax revenues are projected to decrease by approximately \$60,000 when compared to the original estimate for 2020/21. Payroll tax revenue is anticipated to decrease by \$19.3 million from the original estimate of \$467 million for the 2020/21 fiscal year. There will be no changes to payroll tax rates in the 2021/22 fiscal year. However, payroll tax relief to troubled sectors, which were implemented in 2020/21 due to COVID-19, will be continued through March 31, 2022. Payroll tax relief covers such sectors as hotel bars and restaurants, restaurants in general and some retailers. The taxi industry were provided payroll tax relief by having their annual tax amounts reduced from \$1,000 to \$500 in 2020/21 fiscal year.

The operational budget is found on pages B-126 through B-127, and page C-11. Current expenditure of \$3,685,000 represents a decrease of 4 per cent on capital expenditures of \$1,449,000, representing an increase of 114 per cent, or revenue of \$97,052 is projected a decrease of 10.2 per cent.

Mr. Chairman, I would like to present some key highlights of achievements for 2020/21. The Stamp Duty section has recruited a temporary stamp duty assistant during the year, who will assist with reducing the time taken to process applications for primary family homestead designation certificates and standard adjudications.

In addition, the OTC continues to put emphasis on debt collection and tax enforcement which is changing the tax culture in Bermuda. With the four temporary additional debt collectors, taxpayers are more apt to comply with the taxes. From April the 1<sup>st</sup> of 2020 through February 28, 2021, the debt collectors and the Debt Collection Officer have been responsible for collecting in excess of \$5.338 million in outstanding tax. The breakdown on this, payroll tax of \$4.09 million, or 76 per cent; and land tax of \$1.248 million, or 24 per cent.

In addition to this, the OTC has had a consultant company collecting outstanding arrears on land tax. These collections started as of September 2020 through the end of February 2021, for a total in excess of \$9.2 million, representing 11.9 per cent of a total outstanding land tax amount.

There were seven new cases that have been referred to the Debt Enforcement Unit during 2020/21. The use of court proceedings by the OTC and the

Debt Enforcement Unit of the Attorney General's Chambers has increased awareness of the consequences of noncompliance, resulting in more taxpayers complying with their tax obligations.

Mr. Chairman, OTC major priorities for fiscal year 2021/22 continue to be the reformation of the OTC. They are

- seeking to change from a tax type to a functions-based organisation;
- looking for the modernisation of business processes to be used, best practices in cutting-edge tax administration information system; and
- looking to broaden the tax base by identifying and registering individuals and entities that have eluded paying taxes.

The OTC has continued along the path of modernisation in 2021, as advised by the Caribbean Regional Technical Assistance Centre [CARTAC] and the Fiscal Responsibility Panel. Based on this recommendation, the OTC have made significant progress under the Tax Administration Modernisation Programme, otherwise known as TMP, with the support of CARTAC experts and the current Project Management Team.

The four key projects of the TMP programme are:

- communications and change management;
- organisational structure and processes;
- IT systems; and
- legal framework review.

The OTC is near the completion of implementing a simple database warehouse as an interim solution that will allow for data extraction from OTC's legacy systems. After successful implementation, the department will have expansive reporting capabilities that do not presently exist in-house. The key benefits from the Office of the Tax Commissioner look to gain from the TMP and the simple database warehouse are to provide and to operate more efficiently and effectively, increase compliance with tax requirements and increase revenue for the Government of Bermuda. For the upcoming year, the plan is to roll out the next phase of the mandatory e-filing to all taxpayers with remuneration over \$200,000 per annum.

Mr. Chairman, I would like to extend my appreciation for the work undertaken by the Office of the Tax Commissioner and to the entire management and staff of the department.

Mr. Chairman, this concludes my remarks on the Office of the Tax Commissioner. And I will now move on to Head 39, the Registrar of Companies.

**The Chairman:** Thank you, Minister.

We are debating the Ministry of Finance. We are moving on to Head 39, which can be found on page B-129.

Over to you, Minister.

## HEAD 39—REGISTRAR OF COMPANIES

**Hon. Curtis L. Dickinson:** Mr. Chairman, the Registrar of Companies [ROC] has been allocated a total budget of \$4,817,000, which is up 10 per cent over the previous year. Revenue is estimated to be \$73.4 million for 2021/22.

Mr. Chairman, the Registrar of Companies Department continues to evolve from its role as a repository of information related to companies registered in Bermuda to emerging as a bona fide corporate regulator. This new role is impacted by the international obligations placed on Bermuda and executed by the ROC. The requirements, which must be adhered to, emanate from FATF [Financial Action Task Force], CFATF [Caribbean Financial Action Task Force], the OECD [Organisation for Economic Co-operation and Development] and the EU [European Union] to meet prescribed best practices as it pertains to compliance over the various compliance regimes, whether it be AML/ATF [anti-money laundering/anti-terrorist financing], economic substance, beneficial ownership and corporate.

This department is pivotal to the continued success of the international and domestic business sectors in Bermuda and plays a key role in stemming the risks related to the EU's Annex I, otherwise known as *the blacklist*.

As an explanatory point, the jurisdictional risk posed by the EU and the OECD is tangible. While Bermuda remains on the EU whitelist, jurisdictions like ours have been placed under constant pressure by the EU and the OECD to mitigate their perceived concerns with tax transparency and profit shifting to low- or no-tax jurisdictions. Acutely, from an ROC perspective, this has manifested in a really fine focus on economic substance, beneficial ownership and corporate compliance. This has seen the ROC undertaking an unprecedented level of engagement with these international bodies, as it has and continues to address through dialogue in various assessments the risk affiliated with a return to the blacklist.

Mr. Chairman, the EU, the OECD and FATF have been unequivocal in their expectations of what the relevant compliant regimes should look like and operate like. As important as the ROC's level of international engagement is, equal emphasis has also to be placed on the redesign and retooling of the ROC as a contemporary corporate regulator to avoid falling afoul of the expectations of these bodies. With the introduction of the Registrar of Companies (Compliance Measures) Act of 2017, the Economic Substance Act 2018 and subsequent amendments to the Companies Act of 1981 and the Proceeds of Crime (Anti-Money Laundering and Anti-Terrorist Financing Supervision and Enforcement) Act 2008, the ROC has either supervisory or compliance oversight of every entity, approximately 15,000, on the Corporate Register. This has resulted from the requirements imposed

by these international bodies, which require jurisdictions to have a robust and comprehensive risk-based compliance framework with adequate resources to give it full effect.

Mr. Chairman, in step with this Government's modernisation effort, the department introduced its online Economic Substance Declaration platform in May of 2020, allowing for the paperless submission by in-scope entities of required economic substance data. This is the first phase of implementing its full online registry system scheduled to be launched in May of 2021, which will provide real-time access to publicly accessible company data and will streamline the registration process.

Additionally, the Registrar has commenced a review of the department's corporate fee structure and identified potential fee changes that will expand its revenue base. The need for the expanded revenue base has been driven by the international requirements that the ROC has sufficient resources to fulfil its compliance obligations. Consequently, it is anticipated that the expansionary cost base of the ROC in the area of compliance will be offset by a revised corporate fee structure. The department is presently consulting with key industry stakeholders in conducting its due diligence to assess the reasonableness of these proposed changes. It is anticipated that some of these fee changes can be introduced by October 2021.

Mr. Chairman, the Registrar is committed to the sound regulation of the industry and the delivery of efficient and effective service emphasising a client-centred approach. Its designated objectives can be found on page B-129 and are as follows:

- to maintain the Registrar of Companies and ensure the provision of current and accurate registry information;
- to ensure compliance with the Companies Act of 1981 and related legislation in a consistent, fair and judicious manner;
- to collect company fee revenue pursuant to the Companies Act 1981 and other associated legislation in accordance with financial instructions and in a timely, accurate and efficient manner;
- to process all company applications from the private sector in a timely, efficient and professional manner;
- to provide technical advice to the Ministry of Finance and other government departments in a timely manner;
- to provide guidance or direction to the public on matters related to the Companies Act of 1981 and related legislation in an accurate, timely and professional manner;
- to diligently administer court-appointed company liquidations and personal bankruptcies in a prudent and professional manner, ensuring compliance with the Companies Act 1981 and the Companies (Winding-Up) Rules 1982;

- to promote and ensure compliance with the Companies Act, the Economic Substance Act, Partnerships Acts and Limited Liability Company Act through active compliance monitoring and enforcement, in accordance with EU, OECD and FATF recommendations;
- to promote and ensure compliance with the Real Estate Brokers Licensing Act through active compliance monitoring and enforcement, in accordance with FATF recommendations;
- to provide AML/ATF supervisory oversight and ancillary support to other agencies with respect to legal persons, real estate and dealers in high-value goods, in accordance with FATF recommendations.

Mr. Chairman, the total number of new companies and partnerships on the Register showed marginal growth in 2020, ending with the year at just over 15,000. A review of the register shows that we continue to attract exempt companies, with more than 500 new registrations annually. Conversely, we have a similar number removed from the register each year due to dissolution or strike-off.

Mr. Chairman, beyond the obvious function of as a repository of corporate information, the Registrar of Companies is responsible for corporate compliance with the relevant Acts, compliance by the real estate and dealers of high-value goods sector, insolvencies and liquidations, licence vetting and approvals, and the collection of approximately \$70 million in government revenue. In strengthening the Registrar's regulatory responsibilities, the department has revised existing positions and added seven full-time equivalents which has had the impact of increasing the resources dedicated to the compliance function, in addition to providing key technical and administrative support across the other functional areas of the department. Consequently, the budget for the department for the Registrar of Companies is set out under six cost centres. They are:

- Policy Planning and Administration;
- Finance and Revenue;
- Entity Registration;
- Insolvency and Liquidations;
- Real Estate and Licences; and
- Compliance.

The total current account expenditure, found on page B-130, is estimated to be \$4,817,000 for 2021/22. This represents an increase of \$430,000, or 10 per cent more than the original budget of 2020/21. This increase is primarily due to the additional resources required by the registry in support of its extended role to enforce compliance under the Economic Substance Act and other relevant Acts, in addition to the establishment of an Insolvency and Liquidation Unit.

Mr. Chairman, the Policy Planning and Administration cost centre includes planning, strategic direction, administration and other activities associated

with the daily operation of the Registrar of Companies Department. Information technology, financial and administrative support, budget development, accounting, personnel administration and general office administration are also included in this cost centre. Expenses under this cost centre include the salary of the Registrar and all operational costs of the department, including communications, training, transport and travel, contractor payments, office supplies, repairs and maintenance, consulting services, bank fees and storage expenses. The budget increase of \$23,000 for this cost centre for the fiscal year 2021/22 is marginal.

Mr. Chairman, the Finance and Revenue cost centre is responsible for the collection of the annual fees submitted by companies in accordance with the Companies Act 1981, the Segregated Accounts Companies Act 2000, the Partnership Act, the Limited Liability Company Act of 2016 and the Real Estate Brokers' Licensing Act 2017. The Registrar of Companies collects approximately \$70 million in annual revenue. To ensure adequate controls around completeness, accuracy and timeliness of collecting revenue, the section staff and process come under the direct oversight of the departmental comptroller.

Expenses under this cost centre include the departmental comptroller, a systems administrator, the office manager, two revenue agents, one temporary additional revenue agent and one customer service representative. The estimated revenue of this cost centre, reflected on page B-131, is \$72,999,000, or 99 per cent of the total revenue of \$73,413,000 anticipated for the department. The balance of the revenue, \$414,000, is derived from licences general in the licensing and insolvency cost centre, which I shall discuss in due course.

Mr. Chairman, the Entity Registration unit. This cost centre includes the registration of companies and the processing and maintenance of statutory and legal documents which must be registered and available for public inspection in accordance with the prevailing legislation. Expenses under this cost centre include the salaries of one assistant registrar, one supervisor of registration, five registration agents, two search administrators and one temporary additional registration agent.

The next cost centre is 49040—Insolvency and Liquidations, which can be found on page B-130. This cost centre is responsible for the execution of court orders to administer liquidations in accordance with the Companies Act 1981, the Companies (Winding-Up) Rules 1982 and the provision of the Bankruptcy Act 1989 relating to personal bankruptcies. This function is being provided by two consultants. The department is currently in the process of recruiting an assistant official receiver, and a chief insolvency officer required to administer court-appointed corporate liquidations and personal bankruptcies. The estimated cost reduction at \$133,000 in this cost centre is being driven by a re-allocation of a compliance resource

from the Insolvency and Liquidations Unit to the Compliance Unit, which will be addressed in a later section of this submission.

Cost centre 49050 is Real Estate and Licences, which we may find also on page B-130. Mr. Chairman, this section is responsible for the processing and issuance of licences and permits to exempted local and overseas companies who carry on business in Bermuda; the processing and issuing of licences to and the regulation of real estate brokers and agents in accordance with the Real Estate Brokers' Licensing Act 2017; and ensuring industry compliance through active monitoring and enforcement. Expenses under this cost centre include the salaries of one assistant superintendent of real estate, one technical officer and one administrative assistant.

Cost centre 49080 is Compliance, again found on page B-130. Mr. Chairman, the Compliance cost centre is responsible for ensuring and encouraging compliance under the Registrar of Companies (Compliance Measures) Act 2017, and other relevant Acts, most notably the Economic Substance Act of 2018, including ensuring adherence to the filing, registration and other corporate governance requirements of the relevant Acts. The team is also required to inspect registered entities for the aforementioned purposes and to investigate instances of a registered entity's failure to comply with the provisions of the Registrar of Companies (Compliance Measures) Act of 2017 and/or any other relevant Acts.

The Compliance Unit is being enhanced as a consequence of requirements placed on Bermuda by the European Union and the OECD. As noted previously, it is the expectation of these international bodies that Bermuda not only has sufficient people resources to fulfil its compliance requirements, but that these people resources have adequate prerequisite skills and training. Consequently, the existing compliance posts have been amended to recruit more technically proficient individuals, and seven additional compliance posts have been added to the unit, bringing total FTEs to 17. Expenses under this cost centre include one head of compliance, one compliance lawyer, five senior compliance officers, three compliance officers and seven junior compliance officers.

Mr. Chairman, I now refer you to page B-130. There is an increase of \$613,000 in salaries related to costs as a result of the previously mentioned expansion of the department's compliance function. Professional services has also seen a net increase of approximately \$57,000 as the result of increased policy development costs associated with the interpretation and implementation of activities related to the ROC's compliance finance regime. Mr. Chairman, there are no significant changes between the budget estimates for 2020/21 and the 2021/22 fiscal years.

I now turn your attention to page B-131, which is Revenue. Now I touch on the revenue generated by the ROC. The department is forecasting overall reve-



nue just over \$73 million. This is a \$2.8 million, or 4 per cent, increase in projected revenue over the original revenue estimate for 2019/20, which was \$70.6 million. This increase is directly related to the proposed fee changes which the department estimated would be implemented in October of 2021.

Mr. Chairman, the department's budget supports an establishment of 41 full-time equivalent positions. With the increased need for monitoring and enforcement of Bermuda's registered entities, the department has enhanced its compliance unit and increased its compliance functionality in other areas of the department to ensure Bermuda's corporate citizens are in compliance with Bermuda legislation related to the carrying on of business in Bermuda and from within Bermuda. Additionally, roles that were previously performed by consultants in managing consultancies and liquidations were converted into substantive posts, generating greater operational oversight, efficiency and cost savings.

Mr. Chairman, I would now like to turn to the new electronic registry system which will be replacing the existing, outdated, obsolete systems (a bit redundant there) which are no longer supported by vendors. The new electronic registry system build commenced in the last quarter of fiscal year 2018/19, and a substantive build phase occurred in fiscal year 2019/20. The department introduced its online economic substance declaration platform in May of 2020 and will be implementing its full online registry system scheduled to be launched in May of 2021, which will provide real-time access to publicly accessible company data and streamline the registry process.

The Registrar of Companies has been allocated \$1 million from capital funding for this project to be used to complete development of the new system. This system is envisioned to provide the following:

- It will increase the Registrar's ability to monitor and enforce compliance with Bermuda's legislation related to the carrying on of business in and from within Bermuda.
- It will facilitate the collation and analysis of data required for economic substance.
- It will improve online business service offerings.
- It has new and improved reporting options for registry users.
- It will simplify and streamline business interactions for electronic registry users.
- It will enable registry staff to devote more time to enforcement and regulatory activities.
- It will provide increased customer satisfaction with an easier and faster framework to comply with regulatory filings.

Mr. Chairman, it is proposed that the new system will be similar to those already used in other jurisdictions and will assist in maintaining Bermuda's competitiveness with other offshore registries.

Mr. Chairman, the department has been active in this fiscal year. Some highlights include the following: The Economic Substance Department successfully implemented its online economic substance declaration portal, facilitating industry submissions and exchange of information requirements stipulated by the OECD. The department also successfully navigated Bermuda through the fully equipped monitoring mechanism (otherwise known as FEMM, FEMM assessment), conducted by the OECD in October 2020. The assessment pertained to the municipality to enforce the economic substance regime. It is important to highlight that, had Bermuda been unsuccessful in the FEMM assessment, there would have been a high risk of being placed back on the EU's blacklist.

Dealers in high-value goods. A business is defined as a dealer in high-value goods where it deals with jewellery; cars, boats and motorcycles; precious metals and stones; antiques and auctioneers, and who in a transaction or a series of linked transactions accept a total cash payment in any currency that is equivalent to at least \$7,500. Previously the responsibility for supervising this sector of Bermuda's economy for AML/ATF purposes rested with Bermuda's Financial Intelligence Agency. During the year, after appropriate legislative amendments, supervisory responsibility was transferred to the ROC, thereby expanding the department's corporate oversight responsibilities.

Plans for the coming year. Mr. Chairman, the department will introduce further revisions to its online economic substance declaration portal as a consequence of further feedback received from the OECD. These provisions will require greater disclosure in the economic substance declaration, thereby facilitating the ability of the ROC to demonstrate to the OECD the basis for some of its analytical review.

It is anticipated that from May to August of this year the Registrar will be subject to assessment questionnaires or peer reviews on Action 5 transparency framework conducted jointly by the OECD and EU. This review is effectively a next-level assessment of the efficacy of Bermuda's economic substance regime. This is yet another critical review and has driven some of the changes to the economic substance portal previously referred to.

The Registrar of Companies has been actively going through a transitional period. Consequently, to keep in step with the modernisation of the department, the Registrar has undertaken to do a complete and holistic review of the department's corporate fee structure. The Registrar, working with external consultants, is committed to robust industry consultation and engagement as he navigates through this process with a view to implementing recommendations by October 2021. In May of this year the Registrar will attempt to go live with phase one of an e-registration system. The system is designed to foster a paperless environment for the corporate registration and filing of le-

gal entities in Bermuda, to enhance the user experience and to generate internal efficiencies.

Phase two, which is expected in the last quarter of this fiscal year, will see the implementation of modules to facilitate case management in the real estate licensing and liquidation, and consultancy sections. The department will also continue implementation of the Registrar of Companies restructuring plan for greater efficiency and oversight across all business functions. They will also continue the implementation of the real estate superintendent's provisory framework with onsite and offsite inspections by adopting a risk-based approach to supervision for approximately 55 brokers operating in the Bermuda real estate market.

They continue with the implementation of a supervisory oversight of dealers in high-value goods in accordance with the Registrar of Companies (Supervision and Regulation) Act 2020, and will proceed with working on the development of an educational awareness strategy to facilitate continued awareness of the real estate industry and in particular real estate brokers with respect to their AML/ATF obligations. They will perform onsite and desk-based inspections of registered entities, which will include beneficial ownership queries, amongst other things. And they will work on the onboarding of all compliance units and Insolvency and Liquidations Unit personnel with a view to completion as quickly as possible.

Mr. Chairman, I would like to extend my appreciation for the work undertaken by the Registrar of Companies to the entire management and staff of the department.

Thank you, Mr. Chairman. This concludes my remarks on the Registrar of Companies. And I will now move on to Head 58, Interest on the Debt.

**The Chairman:** Thank you, Minister. Continue on.

## HEAD 58—INTEREST ON THE DEBT

**Hon. Curtis L. Dickinson:** Mr. Chairman, the 2021/22 budget allocation for Interest on Debt, Head 58, is \$127.75 million. The 2021/22 estimate of \$127.75 million represents the ongoing debt service cost for the following debt insurance:

- [There is] \$140 million of private placement notes maturing on December 4, 2022, with an interest rate of 5.73 per cent and an annual interest cost of \$8.02 million;
- On January 3, 2023, there is \$353,905,000 of unsecured senior notes maturing, with an interest rate of 4.138 per cent, which is an annual interest cost of \$14.6 million;
- BD\$50 million local bond maturing on December the 16<sup>th</sup> of 2023, with an interest rate of 4.75 per cent and an annual interest cost of \$2.375 million;

- US\$402,203,000 of unsecured senior notes maturing on February the 6<sup>th</sup>, 2024, an interest rate of 4.854 per cent and an annual interest cost of \$19.5 million;
- US\$604,624,000 unsecured senior notes maturing on the 25<sup>th</sup> of January 2027 at an interest rate of 3.717 per cent and an annual interest cost of \$22.5 million;
- US\$449,268,000 unsecured senior notes maturing on November the 1<sup>st</sup>, 2029, with an interest rate of 4.75 per cent and annual interest expense of \$21.3 million;
- US\$615 million unsecured senior notes maturing on August the 14<sup>th</sup>, 2030, at an interest rate of 2.375 per cent and an annual cost of \$16.3 million; and
- US\$615 million unsecured notes maturing on August the 14<sup>th</sup>, 2050, at an interest rate of 3.375 per cent, annual interest cost of \$22.8 million.

The remaining expense for 2021/22 relates to ongoing expenses of and incidental to the various securities such as facility trustee and exchange fees. The weighted average borrowing cost currently stands at 3.94 per cent.

Mr. Chairman, Members are advised that the annual interest expense of \$127.75 million for fiscal year 2021/22 is anticipated to be about 12.8 per cent of government revenues. What this means is that for every one dollar collected, 12.8 cents is used to pay our interest expense. As a comparison, the interest expense-to-revenue ratio for developing countries similar to Bermuda is 4.6 per cent. And the same ratio for advanced industrial countries is about 3.68 per cent. It is noted that Bermuda's ratio is far worse than the countries compared and has grown by over 500 per cent since 2009, when the ratio was 1.9 per cent.

Mr. Chairman, in August of 2020 Government issued \$1.35 billion in senior notes split evenly into two tranches—the 10-year maturity at a record low coupon of 2.375 per cent, and Bermuda's first-ever 30-year at 3.375 per cent. This was done to address the Government's borrowing requirements for the 2020/21 fiscal year due to the impact of COVID-19 and for future years. Mr. Chairman, although the Government issued a total of \$1.35 billion in new bonds, overall debt outstanding increased by approximately \$520 million as the majority of the proceeds were used to refinance the existing indebtedness, and the remainder deposited in the Sinking Fund to be used to fund anticipated deficits for the fiscal year 2020/21 and the following two years.

At the same time of the debt issuance, the Government repurchased four series of its relatively expensive US-dollar-denominated bonds. This exercise produced current annual interest savings on existing debt of approximately \$10 million, although overall interest expense will increase by \$3.1 million.

Mr. Chairman, of the \$1.35 billion that was used in the issuing debt, approximately \$400 million was deposited into the Sinking Fund for the sole purpose of funding anticipated deficits for the 2020/21 fiscal year, as well as for the next two years. However, it is important to note that although these funds sit in a sinking fund, they are totally separate from the cash in the Sinking Fund that is used to retire maturing government debt.

To illustrate this point more clearly, at the beginning of the fiscal year 2019/20, the balance in the Sinking Fund was approximately \$220 million. However, during the course of the fiscal year, two government bonds in the amounts of \$100 million and \$80 million matured, in May of 2019 and November of 2019, respectively. Therefore, the Sinking Fund was used to pay off \$180 million in maturing bonds, and the balance in the Sinking Fund thus reduced to approximately \$40 million. In August of 2020 there was an additional \$400 million that was placed in the Sinking Fund, thus bringing the Sinking Fund total to approximately \$440 million.

Mr. Chairman, although there was a total of \$440 million in the Sinking Fund, \$400 million for anticipated deficits and \$40 for debt-repayment purposes, these two amounts are treated as separate and distinct, and they are accounted for independently. Therefore, the \$400 million can only be used to finance fiscal deficits, and the \$40 million can only be used to pay down the government debt. Mr. Chairman, the Government remains committed to prevent imprudent, insensible borrowing and intends to reduce the level of indebtedness and, by extension, the interest expense once the budget is balanced over the course of the next two years.

Mr. Chairman, I wish to again thank all of the teams who are part of the Ministry of Finance for their dedication and professionalism. There have been many challenges faced over the past year, but we have persevered. This submission has highlighted the various threats facing Bermuda. We will continue to proactively address these matters to ensure Bermuda's continued stability and security. We remain committed to serving and protecting the people of Bermuda with fiscal prudence and effective management of our resources.

Thank you, Mr. Chairman.

**The Chairman:** Thank you, Honourable Finance Minister.

Would any other Member care to speak to Heads 10, 11, 12, 28, 38, 39, 58?

The debate ends at 7:33.

**Hon. N. H. Cole Simons:** At 7:33 or 8:33? Mr. Chairman?

**The Chairman:** I will—

**Hon. N. H. Cole Simons:** Is it 7:33 or 8:33? I thought it was 8:33.

*[Inaudible interjections]*

**Hon. Curtis L. Dickinson:** Three hours.

**The Chairman:** I had 7:33. There were three hours allotted.

**Hon. N. H. Cole Simons:** What time did we start?

**The Chairman:** Well, we must have started at 4:33.

**Hon. N. H. Cole Simons:** No, I think we started at 5:30.

**The Chairman:** Well, continue on, Honourable Member. And the Clerk will confirm.

**The Clerk:** Hello. Our records show that the Minister started at 4:33 pm. Thus, the debate ends sometime after 7:30.

**Hon. N. H. Cole Simons:** Oh!

**The Chairman:** Three hours from the start time when it started.

**The Clerk:** Three hours.

**The Chairman:** Yes. There were three hours allotted.

**Hon. N. H. Cole Simons:** So what you are telling me is I only have 10 minutes?

**The Clerk:** Yes.

**Hon. N. H. Cole Simons:** Thank you. Thank you very much.

First of all, I would like to . . . as this was my first foray into the Ministry of Finance, because historically as you all know, I have been involved with the Ministry of Education, I found the Minister's presentation quite informative. And it provided me with a lot of insight. So I will be capturing the Hansard when it is produced.

Okay. So I will try to go through as much as I can as quickly as I can, because I do not think the Minister will have the time to answer my questions.

Ministry of Finance, Capital Development, Bermuda Infrastructure Fund, on page C-4, at \$500,000. I would like for the Minister to address that. Why is a fund under the Capital Development? That is my first question. What is the current value of the Bermuda Infrastructure Fund as at December 31, 2020?

Zero-based budgeting. Can the Minister reconfirm that all government departments are adhering

to zero-based budgeting? (I am just picking up some notes that I have from his presentation.)

This contingency fund to cover COVID-19 expenses of \$10.8 million and external threats. The CFATF Plenary Conference, can the Minister provide how much he has budgeted for that event? The NAMLC [National Anti-Money Laundering Committee], line 2011 on page B-13, that continues with the plenary that is expected in October–November. How many people are they envisioning registering or attending this event?

There was a NAMLC assessment done. And the things that we achieved and did well—and I congratulate the team on that—can the Minister provide details from the outstanding items that we need to work on in regard to the NAMLC assessment? What outstanding issues do we still have to address?

Grants on page B-113, Grant 102, the National Pension Commission. Can the Minister provide details on the number of employers on record in regard to outstanding delinquent amounts? And how much have we recovered to date? And how many participants are involved? Because as the Minister said, budgets are about people. And when you have a number of employers who are delinquent on the National Pension Plan contribution, it impacts individuals. So how many participants are impacted by the number of delinquent employers who have fallen behind in their contributions? And what is the outstanding delinquent amount? (I am just continuing with my notes quickly. Okay.)

Can the Minister provide details in regard . . . so I am on page . . . Grants, line item 6875. Can he provide details on the Bermuda Public Accountability Board? Who are they? And just provide further insight on what they do.

In Capital Development, line item 75343, I see that in regard to the Bermuda Infrastructure Fund, \$500,000 was allotted to it. What is the total value of that fund to date in regard to asset value? No capital acquisitions.

Okay. I am going forward. I am just going from the notes that I made during the Minister's presentation. Then I will go to my own notes afterward.

Can the Minister reconfirm that the JD Edwards Enterprise 1 is the planning system, the new planning system that is in place for the Accountant General's Office? That is line 6805, page C-11. I think it is, but I am not 100 per cent sure.

We spoke about the Confiscated Assets Fund. And that would be in the Fund Administration. What is the current balance in the Confiscated Assets Fund? And how are they applying the balance in the Confiscated Assets Fund in regard to the 2021/22 budget, and how were the fund's assets disbursed in the 2020/21 budget?

Tax Commission. We support the tax administration modernisation programme, and so we acknowledge the increase from \$542,000 to

\$1.449 [million], and that is, as I said, page C-11, item 97633.

Okay. Who is the Tax Office Commissioner? Line item on the revenue side, 8027—Land Tax. The land tax reduced by \$6.685 million.

**Hon. Curtis L. Dickinson:** What page are you on, MP?

**Hon. N. H. Cole Simons:** Page B-127. Can you give an explanation as to why you made that projection reduction? That is the land tax of \$6.658 million.

How much time do I have left?

**The Chairman:** Ninety seconds.

*[Laughter]*

**Hon. N. H. Cole Simons:** Fine. Okay. I will stop there because, you know, it is pointless to go because the Minister cannot even respond to my questions.

**The Chairman:** Minister, you have a minute if there is anything you would like to add.

**Hon. N. H. Cole Simons:** Well, I am going to say one other thing before he speaks. Because it is my time.

In regard to the Sinking Fund, there was a bond that is maturing in 2022. My question is, Why did the Minister not consider adding that to the \$1.3 billion in August? Because the 422 that comes due in 2022 will be at a much higher interest rate, as we know the interest rate environment is strengthening. If he can speak to that as well. Thank you.

**The Chairman:** Thirty seconds, Minister.

**Hon. Curtis L. Dickinson:** I will address the last question first, as that is probably the easiest one to answer.

Bermuda has evolved as a country in terms of debt issuance. When it started borrowing money, it went to banks or it engaged in placements in the private placement market. And these bonds that are maturing in 2022 are probably the most expensive bonds in our capital stack, but were issued probably 14 years ago. And they have provisions in them that make it very difficult for you to call them.

**Hon. N. H. Cole Simons:** Okay.

**Hon. Curtis L. Dickinson:** Our strategy from that—

**The Chairman:** Thank you, Minister.

*[Inaudible interjection and laughter]*

**The Chairman:** You can move your Head now.

**Hon. Curtis L. Dickinson:** I was getting my flow!

*[Laughter]*

**Hon. Curtis L. Dickinson:** Okay. We can talk offline, Cole.

**Hon. N. H. Cole Simons:** Thank you very much.

**The Chairman:** Minister, can you move those Heads, please?

**Hon. Curtis L. Dickinson:** Mr. Chairman, I move that Heads 10, 11, 12, 28, 38, 39 and 58 be approved as printed.

**The Chairman:** Any objections?  
No objections.

*[Motion carried: The Ministry of Finance, Heads 10, 11, 12, 28, 38, 39 and 58 were approved and stand part of the Estimates of Revenue and Expenditure for the year 2021/22.]*

**The Chairman:** Minister, move the debate on the Ministry of Finance, the three hours allotted for those six heads. And we will call on the Speaker at this time.

**Hon. Curtis L. Dickinson:** Mr. Chairman, I move that the Committee rise, report progress and ask for leave to sit again.

**The Chairman:** Thank you.

*[Motion carried: The Committee of Supply agreed to rise and report progress, and sought leave to sit again.]*

**The Chairman:** Mr. Speaker.

**House resumed at 7:33 pm**

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

## **REPORT OF COMMITTEE**

### **ESTIMATES OF REVENUE AND EXPENDITURE FOR THE YEAR 2021/22**

**The Speaker:** Good evening, Members.

Are there any objections to the Committee rising and reporting progress and sitting again?

There are none. That brings us to the end of the budget discussion for today. And we will now move on to the next item on the Order Paper.

Are we correct in assuming that [Order No.] 3 and [Order No.] 4 are going to be done this evening?

**Hon. E. David Burt:** Yes, Mr. Speaker.

**The Speaker:** [Order] No. 3, the second reading of the Motor Car (Driver's Licence Renewal) Amendment Act 2021 in the name of the Minister of Transport.  
Minister.

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

Mr. Speaker, I move that the Bill entitled the Motor Car (Driver's Licence Renewal) Amendment Act 2021 be read now the second time.

**The Speaker:** Any objections?  
No objections.  
Continue, Minister.

## **BILL**

### **SECOND READING**

#### **MOTOR CAR (DRIVER'S LICENCE RENEWAL) AMENDMENT ACT 2021**

**Hon. W. Lawrence Scott:** Mr. Speaker, the purpose of this Bill is to amend the Motor Car Act 1951 to increase the frequency of submission of certificates of physical fitness and to raise the age at which further practical driving examination is required to renew a driver's licence.

Mr. Speaker, the purpose of the Bill I present to this Honourable House today is to provide new legislative provisions for the renewal of Bermuda driver's licences, in part as follows: A certificate of physical fitness will now be required at every licence renewal, and the mandatory practical driving examination will now be moved from age 65 to 70 years of age. Mr. Speaker, currently the holder of a Bermuda driver's licence is required to undergo a practical driving or riding examination to renew their driver's licence at 65 and 70 years of age. At and after the age of 75, a driving test every two years is mandatory in order to renew a driver's licence.

Mr. Speaker, section 86 of the Motor Car Act 1951 specifies the duration and renewal of a driver's licence. In short, licences are to be renewed every 10 years after issue without production of a medical certificate of physical fitness. This set of conditions proved problematic, because it meant that an individual who acquired their Bermuda use licence at 16 years of age is not compelled to produce another medical certificate until the age of 65. This Bill includes the provision that a medical certificate of physical fitness must be produced every 10 years when renewing one's licence.

Mr. Speaker, given improvements in Bermuda's populations' life expectancy, the Ministry took the view that it was both appropriate and timely to amend the provisions relating to renewing of driver's licences. Not only are people living longer, they are also working longer. Between 2010 and 2018 life expectancy moved from 82.3 years to 85.1 years for women, and

76.9 years to 77.5 years for men. Adjusting the age for licence renewals creates the benefit of delaying unnecessary driving and riding examinations. Also, eliminating driving and riding tests for 65-year-olds makes more appointments available to other persons, thus lessening the waiting time for exams and enhancing the level of service offered by the Transport Control Department.

Mr. Speaker, for clarity, we will now have to produce a medical certificate and take a practical driving examination every time we renew our licence, up to 70 years of age, instead of at 65. Notwithstanding this, the discounts seniors receive for their car licensing fee at age 65 will not be affected by these amendments. Thank you, Mr. Speaker.

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

Does any other Member wish to make a contribution at this time?

**Mr. Scott Pearman:** Thank you, Mr. Speaker. MP Pearman.

**The Speaker:** MP, you have the floor.

**Mr. Scott Pearman:** Thank you, Mr. Speaker. I can be very brief on this Bill.

As the Minister has said in his presentation, it effectively does three things. One is that there is now going to be a need for a certificate of physical fitness every renewal, and each renewal is 10 years. The second thing is the exam is now going to be up to 70. And as they say, 70 is the new 40. So we can understand how 70 is young these days. And thirdly, the renewals will be every 10 years, expiring on the birthday until 70 years old to harmonise with the 70-year-old exam.

All of that makes good sense, Mr. Speaker, and I am delighted that the Minister also confirmed that this deferral is not going to impact on the registration discount, which I understand starts at 65 and will not change to 70, notwithstanding the licensing changing to 70.

Mr. Speaker, that is all the Opposition has to say. Thank you very much.

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

Does any other Honourable Member wish to make a contribution?

**Mr. Neville S. Tyrrell:** Mr. Speaker.

**An Hon. Member:** Yes, Mr. Speaker.

**The Speaker:** Yes. I hear two voices. I am not sure who.

**Mr. Neville S. Tyrrell:** Mr. Speaker, it is Tyrrell.

**The Speaker:** MP Tyrrell, yes.

**Mr. Neville S. Tyrrell:** Mr. Speaker, very, very briefly, as the Opposition has lent their support already to this Bill, I certainly want to also lend my support to the Minister as well.

There is one thing that I really want to bring out, [and that] is that I see some benefit in this Bill, the fact that, as the Minister already said in his brief someone at 16 years old would not probably have to provide a medical certificate up to the age of 65. I see that as a benefit to the population because we all know that there is a pervasiveness of diabetes and dementia in this country. And that means that we can spot these things at a very young age because obviously these things tend to cause blindness. And if a person is driving with these sort of symptoms, then I see a danger to everyone else on the road.

So I support the Bill in total. And I will just leave it at that, because this report of the operations portion of the Road Safety Council, I think the Chairman showed that this was positive and necessary.

Thank you very much, Mr. Speaker.

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

Does any other Honourable Member wish to make a contribution?

**Mr. Dennis Lister III:** Yes, Mr. Speaker.

**The Speaker:** I hear . . . is that the Honourable Member from constituency 28?

**Mr. Dennis Lister III:** Yes, it is, Mr. Speaker.

**The Speaker:** Honourable Member, you have the floor.

**Mr. Dennis Lister III:** Okay. Good evening, Mr. Speaker. Good evening to my fellow colleagues. Good evening to the listening public.

I am just going to keep my comment brief here, Mr. Speaker. I too have standing support of the Minister for bringing this legislation to the House. I had two points. One was definitely coming at it from the road safety aspect. And that is with the requiring a medical certificate, the physical [fitness] certificate every time we go to get our licence renewed. As has been mentioned by the previous speakers before me, it will detect any changes in a person's physical condition from the time they first get their licence to the next time they have to go. So that is a safety aspect because they will detect any physical changes and overall safety, for road safety.

And the second aspect, Mr. Speaker, is in regard to (this was also mentioned before) . . . life expectancy has been longer. As was mentioned, 70 is the new 40. So seniors are living longer and they are still fit. So it is just common sense to extend the age to

70 and then from there on to require a test every so often after that. So it is up to them.

So, Mr. Speaker, I stand in support of the Minister. Those are my brief comments. Thank you.

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

Does any other Honourable Member wish to make a contribution?

Minister.

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

I just wanted to add before we go to Committee, that we have been working very closely with the last speaker who just took his seat, as he is the Chairman of the Road Safety Council. And this Bill emanates from the Operation Caution. This is the country's Road Safety strategy, and it covers us from 2018 to 2023 with one of the aspects being that the Road Safety committee and TCD [Transport Control Department] will conduct assessments of road safety legislation that recommend and implement changes as required. That is in phase two. So that is where we are now. That is where this came from.

And I move that the Bill now be committed.

**The Speaker:** Thank you, Minister.  
Deputy Speaker.

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

### House in Committee at 7:43 pm

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

## COMMITTEE ON BILL

### MOTOR CAR (DRIVER'S LICENCE RENEWAL) AMENDMENT ACT 2021

**The Chairman:** Honourable Members, we are now in Committee of the whole [House] for further consideration of the Bill entitled the [Motor Car \(Driver's Licence Renewal\) Amendment Act 2021](#).

Minister, you have the floor.

**Hon. W. Lawrence Scott:** Thank you, Mr. Chairman.

Mr. Chairman, this Bill seeks to amend the Motor Car Act 1951 to provide that a medical certificate of physical fitness be submitted on the renewal of a driver's licence every 10 years, to change the age for requiring a further driving examination from 65 years to 70 years, and to change the period of a driver's licence renewal from initial issue for every 10 years until the age of 70 years to reflect the change in the age for the requirement of a further driving examination.

Mr. Chairman, I would like to move all clauses, clauses 1, 2 and 3.

**The Chairman:** Continue.

**Hon. W. Lawrence Scott:** Clause 1 is the short title of the Bill to be introduced as the Motor Car (Driver's Licence Renewal) Amendment Act 2021.

Clause 2 of this Bill amends section 86 of the Motor Car Act 1951 to require that when applying for the renewal of a driver's licence every 10 years, a person has to submit a certificate of physical fitness (from a registered medical practitioner) to renew the driver's licence; to increase the age a person is required to take a second (further) driving examination for a private motor car from 65 to 70 years of age; and to increase the overall renewal period of a driver's licence from initial issue to age 65 years, to initial issue to age 70 years.

Clause 3 provides for the commencement date of this Bill.

Those are the only three clauses, Mr. Chairman.

**The Chairman:** Yes. Okay.

Any further speakers?

**Mr. Scott Pearman:** Nothing from us, Mr. Chairman. Thank you.

**The Chairman:** Minister, will you move the clauses?

**Hon. W. Lawrence Scott:** I would like to move all clauses from clause 1 through 3.

**The Chairman:** You move that the clauses be approved.

**Hon. W. Lawrence Scott:** Yes. I move that the clauses be approved.

**The Chairman:** Are there any objections to that?  
There appear to be none.  
Approved.

*[Motion carried: Clauses 1, 2 and 3 passed.]*

**The Chairman:** Move the preamble.

**Hon. W. Lawrence Scott:** 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. W. Lawrence Scott:** 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?

There appear to be none.

Approved.

The Bill will be reported to the House as printed.

I will ring the bell for Mr. Speaker.

*[Laughter]*

**The Chairman:** Ding-dong.

*[Motion carried: The Motor Car (Driver's Licence Renewal) Amendment Act 2021 was considered by a Committee of the whole House and passed without amendment.]*

**House resumed at 7:47 pm**

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

## **REPORT OF COMMITTEE**

### **MOTOR CAR (DRIVER'S LICENCE RENEWAL) AMENDMENT ACT 2021**

**The Speaker:** That is your bicycle bell, is it?

**Hon. Derrick V. Burgess, Sr.:** Yes, yes.

**The Speaker:** Thank you, Deputy.

Members, are there any objections to the Bill, the Motor Car (Driver's Licence Renewal) Amendment Act 2021 being reported to the House as printed?

No objection. The Bill has been reported and received. That brings that matter to a conclusion.

At this point, we now move on to the second item, which is the second reading of the Motor Car and Auxiliary Bicycles (Validation and Amendment) Act 2021, again in the name of the Minister of Transport.

Minister.

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

Mr. Speaker, I move that the Bill entitled Motor Car and Auxiliary Bicycles (Validation and Amendment) Act 2021 be now read the second time.

**The Speaker:** Are there any objections to that?

No objections.

Continue, Minister.

## **BILL**

### **SECOND READING**

### **MOTOR CAR AND AUXILIARY BICYCLES (VALIDATION AND AMENDMENT) ACT 2021**

**Hon. W. Lawrence Scott:** Mr. Speaker, the purpose of this Bill is to amend the Motor Car Act 1951 and the Auxiliary Bicycles Act 1954 to retroactively allow for the relicensing of privately owned vehicles with the mandatory roadworthiness examination during a national emergency.

Mr. Speaker, the purpose of my brief today is to introduce a Bill designed to retroactively address a provision offered by the Transport Control Department which allowed the relicensing of privately owned vehicles without the required roadworthiness examination. Mr. Speaker, the COVID-19 pandemic caused the world to make adjustments which altered the way we largely conduct business. All government offices, including TCD, closed their doors on or about March 18, 2020. Unfortunately, the closure left many vehicles unable to be examined prior to relicensing. These vehicles included those owned by persons whose birthdays fell during the closure, and motorcycles and auxiliary bicycles that expired at the end of March and April.

Mr. Speaker, section 54(1) of the Motor Car Act 1951 states, "a motor car licence shall not be issued in respect of a motor car unless the motor car, at a date within such period as shall be prescribed before the date on which the licence is to come into force, has been examined by an examiner or inspector and has been certified by the examiner or inspector to be fit for the purpose for which it is to be licensed." A similarly worded provision is contained in section 18(1) of the Auxiliary Bicycles Act 1954.

Mr. Speaker, although TCD was closed, the online licensing facility was still in operation. However, registered owners could only relicense their vehicles online if their vehicles were either exempt from the examination or had already been examined prior to the closure on March 18<sup>th</sup>. Mr. Speaker, in an effort to find a solution, TCD management team contacted the Bermuda Police Service. Following discussions, it was agreed by both parties that it would be in the motoring public's best interests to refrain from issuing tickets for using an unlicensed vehicle until the TCD reopened.

To complete the search for a solution, further discussions were held with the four major motor insurers. Each company was asked if they could still honour insurance policies in the event of a claim due to a collision which occurred during TCD's closure. Unfortunately, one insurance provider chose not to cooperate and adopted the position that it must adhere rigidly to section 8 of the Motor Car Insurance (Third-Party Risks) Act 1943. In short, this legislation states that an insurance policy is only activated after the insured vehicle is licensed. The refusal created a major problem for this company's insureds and left the matter unresolved. Mr. Speaker, therefore, another



solution had to be quickly found because clients of this insurer were now vulnerable.

Also, although the focus was finding protection for these private vehicle owners, an additional problem was that the expiration date for the over 3,000 heavy trucks is March 31<sup>st</sup> of every year. Mr. Speaker, to address the former issue, the decision was taken to reprogramme the TCD computer system to temporarily allow vehicles to be relicensed online for a period of three months only without being examined. This adjustment addressed the concerns of the one holdout insurance company and provided protection to hundreds of motorists operating unlicensed privately owned vehicles. Notwithstanding, allowing vehicles to be licensed without being examined was still in contravention of the aforementioned Act.

Mr. Speaker, TCD can only legally provide this service to the motoring public, licensing vehicles without the mandatory examination, if the two Acts are amended to allow for the abbreviated licensing process as the Minister deems necessary. Mr. Speaker, this Bill affords the Minister of Transport the authority during a national emergency by Order published in the *Gazette* to defer the examination of privately owned vehicles—for example, private motor cars, motorcycles and auxiliary bicycles—and allow each category to be licensed for a period specified in the Order. The Minister will also be authorised to extend the period if necessary and appoint the period within which privately owned cars shall be examined.

Thank you, Mr. Speaker.

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

Does any other Honourable Member wish to make a contribution at this time?

**Mr. Scott Pearman:** Mr. Speaker, MP Pearman.

**The Speaker:** MP, you have the floor.

**Mr. Scott Pearman:** Mr. Speaker, you will be delighted to know that I can be even briefer than [I was for] the last Bill.

**The Speaker:** Thank you.

**Mr. Scott Pearman:** In effect, the retroactive validation of action is already taken. And for any members of the public out there who might have had a car expiring between the 18<sup>th</sup> of March 2020, or the three-month period running from the 4<sup>th</sup> of May 2020, which takes us to the 3<sup>rd</sup> of August 2020, if you happened to get stopped for any reason or get a ticket, this is your get-out-of-jail card. So this is a three-month grace period for the seven weeks that licensing was not possible. It is retrospective, retroactive even. And the validation makes sense.

I have but one question for the Minister. And perhaps I did not hear him correctly, but he just men-

tioned that there was an insurance issue that was fixed. And I did not see anything about that in the Bill. So perhaps if he could just explain again how that was fixed. It might have been fixed by an administrative change.

Thank you, Mr. Speaker.

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

Does any other Honourable Member wish to make a contribution at this time?

**Mr. Neville S. Tyrrell:** Mr. Speaker.

**The Speaker:** MP Tyrrell.

**Mr. Neville S. Tyrrell:** Thank you, Mr. Speaker.

Again, I will be very brief myself, especially since the Opposition has supported it. But I do want to support the Minister on this one.

There is a point that I really want to make to show that we are a caring government because in March last year when a lot of clients, or people, were worrying about how they were going to get their car licensed and insured, the Minister listened. And hence we have this Bill today recommended.

Thank you very much, Mr. Speaker.

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

Would any other Honourable Member wish to make a contribution?

None.

Minister.

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

Just to address the question that Honourable Shadow Minister Pearman brought up. The fix came about when we changed the computer system. And once we changed the computer system, that allowed us to license cars without the need of the insurance at that time.

And with that, Mr. Speaker, I move that the Bill now be committed.

**The Speaker:** Thank you.

Deputy.

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

**The Speaker:** Thank you, sir.

**House in Committee at 7:56 pm**

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

## COMMITTEE ON BILL

**MOTOR CAR AND AUXILIARY BICYCLES  
(VALIDATION AND AMENDMENT)  
ACT 2021**

**The Chairman:** Honourable Members, we are now in Committee of the whole for further consideration of the Bill entitled the [Motor Car and Auxiliary Bicycles \(Validation and Amendment\) Act 2021](#).

Minister, you have the floor.

**Hon. W. Lawrence Scott:** Thank you, Mr. Chairman.

The purpose of this Bill is to amend the Road Traffic Act 1947 and the Auxiliary Bicycles Act 1954, (the Acts), by granting the Minister of Transport the authority during a national emergency to (1) defer the examination of privately owned vehicles; (2) appoint the period within which said vehicles shall be examined; and (3) extend that period as and when necessary.

Mr. Chairman, I would like to move all of the clauses, which would be clauses 1 through 4.

**The Chairman:** Well, yes, go ahead.

**Hon. W. Lawrence Scott:** Thank you.

Clause 1 is the short title of the Bill to be introduced as the Motor Car and Auxiliary Bicycles (Validation and Amendment) Act 2021.

Clause 2 validates the deferral of [examination of] private motor cars, motorcycles and auxiliary bicycles between March 18 and May 4, 2020, when the TCD was closed due to the public health threat caused by the COVID-19 pandemic.

Clause 3 of the Bill amends the Motor Car Act 1951 to insert after section 53A a provision that grants the Minister of Transport the power to allow for the licensing of motor cars without an examination during a national emergency. Clause 3 also describes the three new powers afforded to the Minister of Transport and provides the definition of a "national emergency."

Clause 4 amends the Auxiliary Bicycles Act 1954 and is identical to that of clause 3. This clause inserts after section 17A a new provision, section 17B, that grants the Minister of Transport the power to allow for the licensing of auxiliary bicycles without an examination during a national emergency. Clause [4] also describes the three new powers afforded to the Minister of Transport and provides the definition of a "national emergency."

**The Chairman:** Thank you, Minister.

Any further speakers?

Mr. Pearman.

**Mr. Scott Pearman:** Thank you, Mr. Chairman. We have no comments in Committee. Thank you.

**The Chairman:** Thank you.

Minister, do you want to move the clauses?

**Hon. W. Lawrence Scott:** Thank you, Mr. Chairman.  
I move that the clauses be approved.

**The Chairman:** What are the numbers, clauses 1 through 4?

**Hon. W. Lawrence Scott:** Yes, that clauses 1 through 4 be approved.

**The Chairman:** It has been moved that clauses 1 through 4 be approved.

Are there any objections to that?

There appear to be none.

Approved.

*[Motion carried: Clauses 1 through 4 passed.]*

**Hon. W. Lawrence Scott:** Thank you, 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. W. Lawrence Scott:** 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.

Are there any objections to that?

There appear to be none.

Approved. The Bill will be reported to the House as printed.

*[Motion carried: The Motor Car and Auxiliary Bicycles (Validation and Amendment) Act 2021 was considered by a Committee of the whole House and passed.]*

**The Chairman:** Ding-dong.

*[Laughter]*

**House resumed at 8:00 pm**

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

**REPORT OF COMMITTEE**

**MOTOR CAR AND AUXILIARY BICYCLES  
(VALIDATION AND AMENDMENT)  
ACT 2021**

**The Speaker:** Thank you for that bell, Deputy.

**Hon. Derrick V. Burgess, Sr.:** Yes. It is the latest one.

**The Speaker:** Members, are there any objections to the Motor Car and Auxiliary Bicycles (Validation and Amendment) Act 2021 being reported to the House as printed?

There are none. The Bill has been reported and received.

That brings us to a close of the items that are on the Order Paper today. So now we will have to do the third readings for each of those two items.

Minister of Transport, would you like to do your third readings?

#### SUSPENSION OF STANDING ORDER 21

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

I move that Standing Order 21 be suspended to enable me to move the Bill entitled Motor Car (Driver's Licence Renewal) Amendment Act 2021 be now read a third time by its title only.

**The Speaker:** Any objections?

There are none. Continue, Minister.

*[Motion carried: Standing Order 21 suspended.]*

### BILL

#### THIRD READING

##### MOTOR CAR (DRIVER'S LICENCE RENEWAL) AMENDMENT ACT 2021

**Hon. W. Lawrence Scott:** I move that the Bill be now read a third time by its title only and passed.

**The Speaker:** The Bill has now been read the third time by its title only, and is passed.

*[Motion carried: The Motor Car (Driver's Licence Renewal) Amendment Act 2021 was read a third time and passed.]*

**The Speaker:** Minister, would you like to move on to your second item?

#### SUSPENSION OF STANDING ORDER 21

**Hon. W. Lawrence Scott:** Yes, Mr. Speaker. I move that Standing Order 21 be suspended to enable me to move the Bill entitled Motor Car and Auxiliary Bicycles (Validation and Amendment) Act 2021 be now read the third time by its title only.

**The Speaker:** Are there any objections to that, Members?

There are no objections.

Minister, continue.

*[Motion carried: Standing Order 21 suspended.]*

### BILL

#### THIRD READING

##### MOTOR CAR AND AUXILIARY BICYCLES (VALIDATION AND AMENDMENT) ACT 2021

**Hon. W. Lawrence Scott:** I move that the Bill be now read a third time by its title only and passed.

**The Speaker:** The Bill has been read a third time by its title only, received and is now passed.

*[Motion carried: The Motor Car and Auxiliary Bicycles (Validation and Amendment) Act 2021 was read a third time and passed.]*

**The Speaker:** Thank you, Minister. Thank you, Members.

Mr. Premier.

### ADJOURNMENT

**Hon. E. David Burt:** Good evening, Mr. Speaker.

Mr. Speaker, I move that this Honourable House do now adjourn until Friday, March the 12<sup>th</sup>.

**The Speaker:** Thank you, Premier.

I take it that no Member wishes to speak to that. Good night, Members. We will see you all bright and early at ten o'clock on Friday morning.

Good evening. The House now stands adjourned.

*[Gavel]*

*[At 8:03 pm, the House stood adjourned until 10:00 am, Friday, 12 March 2021.]*