



**2018/19 SESSION
of the
BERMUDA HOUSE OF ASSEMBLY
OFFICIAL HANSARD REPORT**

March 2019
Volume 1 of 2

*Sittings 10 through 14 of the 2018/19 Session
(1, 4, 6, 8, 11 March 2019)
(pages 597–1048)*

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

Disclaimer: The electronic version of the *Official Hansard Report* is for informational purposes only. The printed version remains the official record.

BERMUDA HOUSE OF ASSEMBLY**OFFICIAL HANSARD REPORT****1 MARCH 2019****10:03 AM***Sitting Number 10 of the 2018/19 Session**[Hon. Dennis P. Lister, Jr., Speaker, in the Chair]***PRAYERS***[Prayers read by Mrs. Shernette Wolffe, Clerk]***The Speaker:** Good morning, Members.*[Gavel]***CONFIRMATION OF MINUTES***[Minutes of 22 February 2019]***The Speaker:** Members, the Minutes of February 22nd have been circulated.

Are there any omissions or corrections?

There are none.

The Minutes are confirmed as printed.

*[Gavel]**[Minutes of 22 February 2019 confirmed]***ANNOUNCEMENTS BY THE SPEAKER
OR MEMBER PRESIDING****APOLOGIES****The Speaker:** There are two announcements this morning.

The first is that we have received word from Member Tyrrell that he will be absent today. Also, Member S. D. Richards has indicated that he will be absent, as well, today.

**EXTENSION OF THE
JOINT SELECT COMMITTEE ON
THE EVENTS OF THE 2ND OF DECEMBER 2016****The Speaker:** The second [announcement] is that the Joint Select Committee on the events of the 2nd of December 2016 has been given a three-month extension.**MESSAGES FROM THE SENATE****The Speaker:** There are none.**PAPERS AND OTHER
COMMUNICATIONS TO THE HOUSE****The Speaker:** There is one paper to be communicated this morning. And that is in the name of the Minister of National Security.
Minister.**Hon. Wayne Caines:** If it pleases you, Mr. Speaker.**The Speaker:** Yes. Continue.**BERMUDA IMMIGRATION AND PROTECTION
(LAND-HOLDING CHARGES) AMENDMENT
REGULATIONS 2019****Hon. Wayne Caines:** Thank you, Mr. Speaker.

Mr. Speaker, with the Governor's recommendation and in accordance with section 36(3) of the Bermuda Constitution, I have the honour to attach and submit for the consideration of the Honourable House of Assembly the Bermuda Immigration and Protection (Land-Holding Charges) Amendment Regulations 2019, proposed to be made by the Minister of National Security under the provision of section 102C(1)(a) of the Bermuda Immigration and Protection Act 1956.

The Speaker: Thank you, Minister.**PETITIONS****The Speaker:** There are none.**STATEMENTS BY MINISTERS
AND JUNIOR MINISTERS****The Speaker:** There are six Statements this morning. The first is in the name of the Premier.

Premier, would you like to present your Statement this morning?

Premier.

Hon. E. David Burt: Absolutely, Mr. Speaker. Thank you. Good morning, Mr. Speaker.**The Speaker:** Good morning.

GOVERNMENT REFORM STRATEGIC PLAN

Hon. E. David Burt: I rise this morning to inform this Honourable House that a strategic plan for Government Reform has been finalised and implementation will now commence.

Mr. Speaker, Honourable Members will recall that the former Ministry for the Cabinet Office with responsibility for [Government Reform](#) partnered with PricewaterhouseCoopers Advisory Limited (PwC) to deliver a strategic plan that, over time, is expected to change the way that Government delivers its services. PwC worked with public officers and ministers, and consulted union representatives, to produce the plan.

Mr. Speaker, the process of reform in the public service is an exceptionally complex endeavour. Successive governments have considered and actioned a series of reviews and studies by a number of external consultants and produced voluminous reports. Elements of some reports have been actioned, and others have simply been set aside.

Mr. Speaker, in accordance with this Government's commitment to improve the efficiency of the public service, as laid out in its 2017 election platform, the Government reviewed the SAGE report and evaluated its recommendations.

Mr. Speaker, there was, however, a shortcoming with that report in that there was no unifying vision, no altruistic purpose and no clear quantifiable objectives—all of which are key components of a public service reform plan. With this in mind, Mr. Speaker, I am pleased to deliver a Government Reform Strategic Plan for the public service that includes our vision and purpose, and which codifies the overarching reform objectives for the public service.

Mr. Speaker, part of realising a vision is actually having one. Our reform vision is (and I quote) "A future-forward government for the people of Bermuda." Mr. Speaker, it is the Government's intent to focus on the outcomes that society needs and wants, while managing major economic, social and technological changes. The main focus of the plan is the Target Operating Model, and an accompanying Quick-Wins Plan that lays out specific deliverables to be accomplished in the near term. The target operating model comprises five strategic areas:

1. processes—clear administrative processes and policies, and sound fiscal management;
2. platform—organisational structure, workplace and IT infrastructure designed for execution;
3. people—committed, capable, well-trained resources receiving fair benefits for their work;
4. perspective—customer service mentality embracing growth and business development; and
5. performance—culture of measuring activity and results, enabling true accountability.

Mr. Speaker, within the Quick-Wins Plan there is a significant "people" focus—consolidating the hu-

man capital function, implementing system-wide performance appraisal processes, building out our talent management and leadership development programmes, and deploying an employee wellness programme.

Our people and our systems are the cornerstones of the change process, but not in isolation. Simultaneously, we will focus on upgrading the "elements" of the public service—that is, modernising the organisational structure, and ensuring that the workplace and IT infrastructure are designed for execution.

Mr. Speaker, in the longer term, the Government will focus on the development and implementation of an operating model that enables the execution of our strategy.

To ensure success, it is important that there is a dedicated team of public officers focused on implementing the objectives which have been laid out in the strategic plan. On Monday it was announced that the Deputy Head of the Public Service, Ms. Cherie Whitter, will relinquish her responsibilities as Permanent Secretary for the Cabinet Office and will be dedicated full-time to public service reform implementation.

As a part of the project mobilisation process, we will commence the next phase of engagement with our union partners and key stakeholders. Work to embed a change-management framework in the public service will be undertaken. The service will be clear on our strategic intent and the strategic objectives which will determine what needs to be accomplished in order to achieve public service reform.

Mr. Speaker, the plan is both practical and aspirational. It builds on the reform work already undertaken or in progress, which is strategically aligned with our vision and purpose. Mr. Speaker, following the next phase of consultation with our union partners, I look forward to tabling the plan in this Honourable House.

Thank you, Mr. Speaker.

The Speaker: Thank you, Mr. Premier.

The second Statement on the Order Paper this morning is in the name of the Minister of Finance. Minister.

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

The Speaker: Good morning.

UPDATE ON THE WORK OF THE BERMUDA CASINO GAMING COMMISSION

Hon. Curtis L. Dickinson: Mr. Speaker, I am pleased to provide this Honourable House and the listening public with an update on the work of [the Bermuda Casino Gaming Commission](#) [the Commission] and also provide an update on the Government's intentions for

transferring the regulating of Bermuda's betting industry to the Commission.

Mr. Speaker, questions continue to circle regarding the challenges faced by the Bermuda Casino Gaming Commission. I wish to inform the people of Bermuda that in my short tenure as the Minister responsible for this organisation, I would like to congratulate the team for their tenacity and resilience. The team continue to forge ahead in their efforts despite challenges faced due to the delays in progressing gaming. Despite these challenges, there are fundamental priorities which the Commission is focusing on at this juncture. The first is securing a correspondent bank.

Mr. Speaker, as a high priority, the Commission has engaged in discussions with three local banks, namely, the Bank of N. T. Butterfield & Son, Ltd. [BNTB], Clarien Bank, and the Bermuda Commercial Bank [BCB], to secure a local bank with a US correspondent bank relationship that would accept the proceeds of the casino gaming operations. Further discussions will be carried out with the BMA [Bermuda Monetary Authority] as banking regulator and the US correspondent banks.

Mr. Speaker, another critical priority for the Commission is the recruitment of an executive director. I would like to address the priority and provide an update on actions taken by the Commission in filling the vacant post of executive director. It is widely known that the former executive director tendered his resignation and vacated the post in December 2017. The Commission has subsequently undertaken an extensive recruitment process, without an appointment to date. This post was advertised, both locally and overseas, as follows: August 2017; March 2018; October 2018; and January 2019.

Mr. Speaker, it has been decided to engage the services of an executive recruiter to assist with securing a suitably qualified leader for the Commission's team as soon as possible. Whilst this critical post is still being sourced and a casino [is] not yet open, the executives of the Commission have stepped up, upon the recommendation of the Board, to perform duties in an acting capacity in order to provide leadership, governance and continued development of the regulatory framework in preparation for the next stages of regulation.

STAFFING

Hon. Curtis L. Dickinson: Mr. Speaker, it is publicly known that the Commission has experienced a reduction in resources due to resignations and one redundancy. I would like to use this opportunity to provide some context. The Commission is a regulator, and any organisation in its embryonic stage is required to be responsive [in order] to ensure that it has the correct balance of skills to achieve its aims and objectives. This can be, at times, a moving target; however,

a small organisation such as this may need to change the shape and method of delivery by using external vendors to provide some expertise to respond more quickly to demands.

SUITABILITY

Hon. Curtis L. Dickinson: Mr. Speaker, whilst the aforementioned priorities are progressing, the Commission is proceeding with the Suitability Investigation Stage of the casino licensing process. Mr. Speaker, I will attempt to summarise and provide this Honourable House with a sample of that process. The first phase in the suitability investigation is a request for the applicant's corporate organisational chart. This should include the corporate structure; all ownership interests by percentage, with associates and names of owners, including those of all entities below the parent company; as well as names and titles of all officers and directors of the parent company and any subsidiaries. The Commission will then review this documentation and, based upon the outcome, will determine whether any further information request will be made. Associated entities, and those that are involved in financing or managing the casino, may also be required to submit information.

Mr. Speaker, the Commission will conduct a further review and identify the individuals or entities who are required to file application forms. Subsequent to the completion of the application, the file is assigned to an inspector or third-party firm to begin an investigation phase. This phase will involve the use of public sources and other records checks regarding issues such as bankruptcy or insolvency proceedings, litigation history, credit reports, criminal history checks, and name and company searches. In addition, a field investigation of a corporate entity will be undertaken. This requires the comprehensive review of all documents and information, and can include items such as meeting minutes, financial reports, corporate finances, policies and procedures (such as anti-money laundering), regulatory filings and corporate litigation.

Mr. Speaker, the results of the investigation will be assessed to determine any issues that could negatively affect suitability and to identify whether additional interviews are deemed necessary.

TRANSFER OF BETTING REGULATION

Hon. Curtis L. Dickinson: Mr. Speaker, it is the intent of Government to transfer the regulatory responsibility of betting shops from the Betting Licensing Authority to the Commission. In order to ensure that this sector is regulated thoroughly and to a level, or standard, equivalent to mature regulatory jurisdictions, the current legislative framework will need to be revised. The Commission is poised to complete the legislative framework, including AML/ATF [anti-money launder-

ing/anti-terrorist financing] controls for licensing and supervision of betting and other non-casino gaming activities in 2019. At present, the betting operators are licensed by the Betting Licensing Authority pursuant to the Betting Act 1975.

Consultation with the betting operators regarding the legislative changes and the pending compliance requirements is ongoing. This consultation has involved educating them [the betting operators] on the introduction of a new AML/ATF regime and the subsequent impact that this may have on resources and on their operations. The Commission will assist them in understanding the importance of adopting policies that create robust internal controls that will meet the new legislative requirements.

Mr. Speaker, the Commission is also drafting a Licensing Conditions and Code of Practice document, which will be introduced in tandem with the legislation governing the betting sector.

REGULATIONS

Hon. Curtis L. Dickinson: Mr. Speaker, the Casino Gaming Regulations, which have been drafted, cover a wide range of topics that will govern the oversight of the regulatory process for gaming operations. A dedicated draftsman from the Attorney General's Chambers has worked alongside the Commission's former general counsel to create regulations which will assist casino operators to comply with the supervisory regime. This Honourable House and members of the listening public should also be advised that the Commission has consulted with established gaming jurisdictions, well-known and respected testing laboratories, and experts to assist in the development of these regulations.

PROTECTION OF THE VULNERABLE

Hon. Curtis L. Dickinson: Mr. Speaker, in keeping with its vision, "To be recognised as a progressive, innovative and socially responsible regulatory body," the Bermuda Casino Gaming Commission continues to develop and implement a comprehensive Problem And Responsible Gaming programme. The Commission has been a member of the National Council of Problem Gaming [NCPG] since 2017. The Commission, through its Problem and Responsible Gaming Council, aims to "educate, equip and empower" the people of Bermuda to make healthy choices regarding gaming, and to train support services in caring for individuals and families who may be experiencing challenges associated with gaming.

Mr. Speaker, I would like to take this opportunity to advise members of the public that the month of March has been designated by the Commission as Problem Gaming Awareness Month. The Commission is viewed as a beacon by the NCPG to its other members for prioritising its Problem and Responsible Gam-

ing programme. To date, the following have been accomplished:

- Sixty-two counsellors have received over 40 hours of clinical training in treating problem gamblers. Our next training is scheduled for April 26 and 27.
- The Commission has facilitated an agreement between the Bermuda Addiction Certification Board [BACB] and the International Gambling Counsellors Certification Board for local counsellors to be internationally certified and registered with the Bermuda Allied Health Council under the BACB. It is planned to have counsellors ready to sit the certification exam in October of this year.
- To date, the Commission has provided over 30 hours of clinical training to more than 30 faith-based ministers/pastors and lay leaders. Trainings have focused on equipping them to triage individuals and families who seek their support to address problem gambling issues.
- The Commission has given presentations to all counsellors employed by the Department of Education, some of the private school counsellors and PTAs. Additional presentations and workshops are planned to take place.
- The Commission has selected an overseas helpline provider to provide this service to Bermuda. Negotiations to finalise this deal are ongoing.
- The Commission has commenced consultation with the betting operators to provide an introduction on Problem and Responsible Gaming, with the aim of equipping them to implement responsible gaming best practices as an integral part of their operations.

To ensure that Bermuda's clinicians and faith-based community remain up to date with the latest treatment and prevention techniques, the Commission's training programme will be ongoing. Additionally, the Commission has committed to underwrite a prevalence study on the gaming habits of Bermudians. This study will provide important empirical data that will inform its approach in how it continues to *educate, equip and empower* the people of Bermuda.

Mr. Speaker, the Commission remains committed to engaging with the community of Bermuda to promote socially responsible gaming practices.

FISCAL AFFAIRS

Hon. Curtis L. Dickinson: Mr. Speaker, since its inception, the operational costs of the Commission have been funded through a mix of government grants and loans from financial institutions. However, what needs to be echoed to the public and this Honourable House is the extreme fiscal prudence with which the Commission operates.

Mr. Speaker, I can report that for each year of operation, the Commission have been prudent and responsible with the public purse and have come in under their original budget estimates. I publicly wish to thank the Commission team for their diligence. In the 2019/20 fiscal year, the Government will provide a \$500,000 grant to cover some of the operational costs of the Commission. The Commission will seek external financing from local financial institutions to cover their additional operational costs. Mr. Speaker it is the Commission's desire to eventually become self-funding.

Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

The next Minister who has a Statement this morning is the Deputy Premier.

Deputy Premier, you have the floor.

THE BILL ENTITLED MUNICIPALITIES REFORM ACT 2019

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

Mr. Speaker, as the Order Paper indicates, I will today table a Bill in this Honourable House to start the process of much-needed [reform of Bermuda's municipalities](#). Mr. Speaker, this Bill proposes to repeal elections in the Corporations of Hamilton and St. George's, and continue these corporations as QUANGOs.

Mr. Speaker, during the debate in 2018, Government deferred the municipal elections while making a commitment that we would determine the most appropriate method to strengthen and modernise municipal governance for the betterment of Bermuda. This commitment was repeated in the 2018 Throne Speech. A repeal of the elections for this year would also realise a savings of approximately \$79,000.

Mr. Speaker, as an example, the UK Local Government Act 2000, states that every local authority in the UK was created to achieve one or more of the following: the promotion or improvement to the economic well-being of their area; the promotion or improvement of the social well-being of their area; and the promotion or improvement of the environmental well-being of their area. Mr. Speaker, we must ask the question of whether the municipalities are adequately prepared to fully achieve any of the previously stated goals. It is the Government's position that neither corporation has the financial resources or expertise to meet the stated objectives.

Mr. Speaker, the Government has published its vision for the corporations, and I must remind Honourable Members at this juncture:

For the Town of St. George's, it is envisioned that there will be a mega-yacht port and marina with enhanced infrastructure, amenities and activities. In order to achieve this vision, the following needs must be met: (a) a sustainable management plan for the

World Heritage Site; (b) a sustainable and non-seasonal industry; (c) infrastructure and amenities to address the needs of the community, in addition to the businesses, particularly the St. Regis development; (d) and general infrastructure upgrades.

For the City of Hamilton, Mr. Speaker, a "smart city" infrastructure is envisioned, with a thriving residential centre, including an entertainment hub with distinct districts to touch all aspects of city living, including a tourism interface. In order to achieve this vision, the following needs must be met: (a) the development of a multi-faceted waterfront; (b) increased city living; (c) increased use of vacant office space; (d) effective traffic management, using "smart city" technology; and (e) encouraging the development of districts (for example, financial, entertainment, restaurant, et cetera.)

Mr. Speaker, I would like to take this opportunity to address some of the concerns raised publicly:

1. There have been concerns that the rate payers within the city limits will no longer have input into the selection of the mayor and the eight councillors. While elections will be repealed, persons who reside, do business or work in each municipal area have the opportunity to participate in the selection process.

2. The Government has no intention at this time to (a) dismantle the existing operating structure of each municipality; or (b) do away with the positions of mayor or councillors. The Government intends to repeal the vote and appoint persons with the expertise and enthusiasm to implement the Government's vision. There will continue to be a mayor and eight councillors.

3. There will be no loss of jobs in either municipality. Let me repeat that. There will be no loss of jobs in either municipality. However, the Government intends to provide more support—more support—to both municipalities. This has already begun. For example:

(a) The sewerage project that is being undertaken by the Ministry of Public Works will replace the work that is being done currently, undertaken in the respective corporations, and will reduce the proposed capital outlay of \$8.5 million over the next three years for the Corporation of Hamilton, in particular.

(b) The Department of Planning is currently producing the management plan for the World Heritage Site in St. George's. The status of the World Heritage Site is under threat, in part because of the lack of a proper management plan. In addition, the Corporation of St. George's does not have the funds to undertake infrastructure repairs and has traditionally appealed for a grant from the government in an amount between \$1 million to \$2 million. As a result, the Government intends to give greater authority—I repeat, greater authority—to the Corporation of St. George's, both legislatively and financially.

4. It has been said that the crumbling assets and empty buildings have nothing to do with the stewardship of the corporations. It must be noted however, Mr. Speaker, that some of the corporations' assets are also in a state of disrepair, such as the docks. For investors to take an interest in Bermuda, they must also view our municipalities as thriving entities worth their investment. As stated in the consultation document, the corporations are, Mr. Speaker, the lifeblood of the Island, and they are a reflection of our economic and social health.

5. There have been accusations that the current administrations in both municipalities have not been allowed to continue to the expiry of their terms. Mr. Speaker, the current mayors and councillors will continue to serve until the expiry of their terms on the 13th of May.

6. There will be no "asset grab." Let me repeat that. There will be no asset grab, Mr. Speaker. This is not possible, as each municipality will remain a body corporate. Let me repeat that, because that is one of the [rumours] that I have heard repeatedly. There will be no asset grab. This is not possible, as each municipality will remain a body corporate. Mr. Speaker, as far back as 2017, the issue of the potential of the development of the Waterfront was raised with the Corporation of Hamilton, and the Minister was informed that this was not a priority for the corporation—not a priority. Similarly, the Minister raised the possibility of introducing smart city technology into the city and was informed that the city did not have the money.

Mr. Speaker, it is important that Honourable Members understand the significance of a smart city. Cities worldwide, the top five being Singapore, Barcelona, London, San Francisco and Oslo, are turning to new technology to search for new approaches and solutions that will improve city transportation, water and waste management, energy usage, and a host of other infrastructure issues that underpin the operation of cities and the lifestyle of urban citizens. Interestingly, the Corporation of Hamilton has recently announced that they are using smart city technology to improve traffic flow.

Mr. Speaker, there have been disparaging assertions that the Government has not consulted and are not listening to the opinions of those who have made submissions. These assertions could not be further from the truth. While information has been gleaned from the public meetings and surveys, I have also met with a number of stakeholders in both municipalities and have heard their concerns and ideas. While we acknowledge the achievements of both corporations, we must also ensure that [the corporations] are serving the needs of all of the stakeholders. We will also be holding town hall meetings next week. The first meeting will take place on March 5th at 6:30 pm at East End Primary School, while the second meeting will take place on March 7th at 5:30 pm at the New Testament Church of God: Heritage Worship Centre.

Mr. Speaker, as we have stated previously, the two levels of government (national and municipal) can no longer operate in the economic or decision-making silos, particularly in an island of 22 square miles with 61,000 residents. And the case for changing the status quo has been stronger in recent years. Ongoing reform is often evolutionary, and at times revolutionary. In order to rejuvenate our municipalities, we can no longer try to solve 21st century problems with 20th century or, as some have argued so eloquently, 18th century solutions. This Bill [begins] the journey towards achieving this goal.

Thank you, Mr. Speaker.

The Speaker: Thank you, Deputy.

The next Statement this morning on the Order Paper is that of the Minister of Community and Cultural Affairs.

Minister Foggo, would you like to present your Statement?

Hon. Lovitta F. Foggo: Thank you, Mr. Speaker. Good morning to the House. Good morning to the listening public.

The Speaker: Good morning.

UPDATES ON COMMUNITY AND CULTURAL AFFAIRS PROGRAMMES

Hon. Lovitta F. Foggo: Mr. Speaker, I am most pleased to rise today to provide this Honourable House with an update on the work being done at the Department of [Community and Cultural Affairs](#), and by so doing attest to the fact that the arts are alive, well and burgeoning in Bermuda.

Mr. Speaker, you will recall that the Speech from the Throne, read on November 9th, 2018, articulated this Government's commitment to "harness the creativity of Bermuda's artists and expand the community's appreciation of their work and its value" My Ministry has made good on this promise, Mr. Speaker, through a number of initiatives and programmes, which I shall now elaborate on and share with this Honourable House and the people of Bermuda.

Mr. Speaker, on February 18th the Department of Community and Cultural Affairs launched Phase I of the Art in Public Buildings, a 2018 Throne Speech initiative. Artwork by artists Meredith Andrews, James Cooper, Graham Foster, Jayde Gibbons, Diana Higginbotham, Alan C. Smith, Dr. Edwin Smith and Sharon Wilson were hung in the Dame Lois Browne-Evans Building on the second, third and fourth floors. The presence of these beautiful pieces of art, Mr. Speaker, can now be appreciated and admired by members of the public and public servants who make their way through these public areas daily. Art uplifts

and moves the human spirit, and certainly these works of art will positively impact viewers.

Mr. Speaker, again I would like to express my gratitude to those artists who were eager to support this public art initiative. Each has expressed their gratitude for this opportunity and have subsequently shared the positive feedback that they are receiving. I am extremely proud of our talented Bermudian artists, and of the variety and quality of artistic talent that we have on this Island.

Mr. Speaker and Honourable Members, it should be noted that the hanging of art in the Dame Lois Browne-Evans Building is only the start of this initiative! The Department of Community and Cultural Affairs has already issued an “open call” inviting interested Bermudian artists to submit two-dimensional works of art to be considered for other government buildings. The deadline for artists to respond to this invitation is March 8th.

Mr. Speaker, the arts not only encompass visual arts, but the literary arts as well. It has been said that, “Literature is the art of discovering something extraordinary about ordinary people, and saying with ordinary words something extraordinary.” Literary artistry demands talent, hard work, research, time and dedication. And the writing of a novel or a book of poetry is born from a desire to tell a story about the world we inhabit, in a way that holds meaning for its inhabitants. The task for Bermudian literary artists is particularly important, given the indispensable role of literature in shining a light and providing a reflective surface upon which to view a society. For the Bermudian writer, constructing our stories is a labour of love. And for those who have taken the additional step of making those stories available to the community by going through the rigorous process of editing and publication, it is really the kind of work that serves as its own reward, given a typical lack of financial remuneration for their efforts.

Mr. Speaker, as the Minister responsible for Culture, I am therefore delighted to have a mechanism through which to reward excellence in this area and to give public recognition to the writers. I am very pleased to stand before you today to recognise the winners of the 2018 Bermuda Literary Awards.

Mr. Speaker, the Bermuda Literary Awards were inaugurated by the Bermuda Government in 1999 to honour literary achievement by Bermudian writers. The competition runs once every five to six years, and books are eligible if they have been published subsequent to the previous awards cycle. The purposes of offering these awards are [as follows]: (1) to recognise significant contributions to the development of Bermudian culture; (2) to honour creative works and uphold the writer’s role in society; and (3) to preserve and promote the highest standards of Bermudian literature.

Mr. Speaker, with these goals in mind, there have been six different categories of awards where writers could compete:

- the Brian Burland Prize for Fiction, named after Bermuda’s most celebrated novelist;
- the Prize for Children’s and Young Adult Fiction;
- the Prize for Drama;
- the Cecile N. Musson Prize for Poetry, named after one of our trailblazing poets;
- the Prize for Non-Fiction; and
- the Founder’s Award.

Mr. Speaker, I am pleased to say that, for the first time, we have added a seventh category of competition, namely, the Prize for Cultural Merit. This new prize is offered for books or scripts that are notable for contributing to the preservation of Bermuda’s culture, heritage, folklife or history. Another addition to this year’s competition stems from a recognition of the importance of film as a storytelling tool in our society. As a result, the Prize for Drama is now the Prize for Drama and Screenwriting. And so, in addition to theatre and radio scripts, eligibility for this category now includes screenplays that have been made into feature-length films.

Mr. Speaker, part of what makes the Bermuda Literary Awards so significant is that publication is part of the eligibility requirement for the awards. This is noteworthy because unpublished manuscripts, no matter how promising, are not considered. Every one of the books under consideration has already gone through an editing process and been made available to the general public. This requirement is part of the Bermuda Government’s insistence on raising the bar in terms of the expectation of excellence that we wish to see in the area of our literary arts.

Mr. Speaker, given this background explanation of the prestigious nature of the Bermuda Literary Awards, it is with great pleasure that I congratulate the winners of this year’s competition, as follows:

In the category of Non-Fiction, the winning entry is *Island Flames*, by Jonathan Smith, a gripping account of the deaths and racial climate that led to the 1977 riots.

In the Drama and Screenwriting category, we have our first winning screenplay, *Me and Jezebel*, by talented filmmaker Lucinda Spurling.

The winner of the Children’s and Young Adult Fiction category is remarkable for the ways in which it makes an important historical event accessible to our young people learning about social [injustice]. The winner is *Girlcott*, by Florenz Webbe Maxwell, a member of Bermuda’s Progressive Group that brought about desegregation.

The winner of the Brian Burland Prize for Fiction is Dr. F. Colin Duerden, for his novel about the antics of Bermudian boyhood, *Fried White Grunts*—an area rarely given focus in our literature that Dr. Duerden approaches with humour and relatability.

Mr. Speaker, Dr. Paul Maddern has the enviable distinction of having been awarded the Cecile N. Musson Prize for Poetry twice in a row—in 2012 for his collection entitled *The Beachcomber's Report*, and this year for his collection entitled *Pilgrimage*.

Proving that talent often runs in families, the winner of the inaugural prize for Cultural Merit is Dr. Clarence V. H. Maxwell, for *Pembroke*, part of Bermuda's Architectural Heritage Series, published by the Bermuda National Trust. Both Dr. Maxwell and the Trust should be commended for this fine contribution to the preservation of our heritage.

And finally, the Founder's Award, which is offered for books or scripts published prior to the establishment of the Bermuda Literary Awards in 1999, has been awarded posthumously to Cyril Outerbridge Packwood, for his brave, invaluable text exploring slavery in Bermuda, *Chained on the Rock*. The National Museum of Bermuda is to be applauded for publishing a second edition of this seminal text in 2012, thus making it available to our community again.

Mr. Speaker, each winner is given a prize of \$2,000 and was honoured in a special ceremony on February 24th.

Mr. Speaker, I would like to particularly thank the judges for this year's competition: Mrs. Meredith Ebbin, Ms. Ellen Hollis, Mr. Michael Jones, Mr. Alan C. Smith, and Dr. Sajni Tolaram. Each of these judges spent a tremendous amount of time reading the entries—there were more than 60 works in total that were considered—and they analysed the strengths of the writing according to rubrics provided by the Department of Community and Cultural Affairs.

Mr. Speaker, in making these selections, the judges acknowledged that the quality of several submissions was quite high—so much so that the judges determined that they wanted to offer an Honourable Mention in each category, as follows: *Bermuda Maps*, by Mr. Jonathan Land Evans, for Non-Fiction; Mr. Dale Butler, for his plays *Sinnerman* and *Second Last Supper*; *The Great Wave of Tamarind*, by Ms. Nadia Aguiar, in Young Adult Fiction; *What We Hold In Our Hands*, by Ms. Kim Aubrey, in Fiction; Ms. Wendy Fulton Steginsky's *Let This Be Enough*, in Poetry; and *Hands On! The Art of Traditional Crafts and Play in Bermuda*, by Mrs. Shirley Pearman, MBE, [in Cultural Merit].

Mr. Speaker, I would like to once again congratulate the winners and those receiving honourable mentions in the 2018 Bermuda Literary Awards. I hope that this will encourage other Bermudian writers to strive for excellence in the literary arts.

Mr. Speaker, February is often referenced as Education Month. In keeping with this broad nomenclature, the Department of Community and Cultural Affairs has collaborated with the Ministry of Education by having researcher, Dr. Margot Maddison-MacFadyen, give talks in our public schools about one

of our most esteemed National Heroes—Mary Prince. Dr. Maddison-MacFadyen had recently been given a grant by the Department of Community and Cultural Affairs to conduct research on Mary Prince. As you know, Mr. Speaker, Mary Prince is famous for her slave narrative, *The History of Mary Prince (1831)*, which was the first account of the life of a black woman to be published in the United Kingdom. This first-hand description of enslavement, released at a time when slavery was still legal in Bermuda and the British Colonies, had a galvanising effect on the anti-slavery movement. Mary Prince is not only a National Hero in Bermuda; she achieved international acclaim for her writings, which helped to end slavery throughout the British Empire.

Dr. Margot Maddison-MacFadyen has visited a number of our public schools including Harrington Sound, Clearwater Middle School, Paget Primary, Purvis Primary, Victor Scott School, Elliott Primary, and Northlands Primary. Indeed, we are most grateful to Dr. Margot for her research on Mary Prince and for sharing her information with our young people—Bermuda's future. Dr. Maddison-MacFadyen will be giving a public lecture about her research findings on the latter days of Mary Prince to the general public in July as part of the Community and Cultural Affairs Department's Emancipation programme.

Mr. Speaker, because February is called Education Month, the Department of Community and Cultural Affairs has chosen to highlight the impact of media on black Bermudians and how the media helped shape and influence how we, as black people, viewed ourselves and were viewed by others. A forum entitled "Through a Glass Darkly: Black Bermudians in Media" took place on Thursday, the 28th of February (yesterday). It was held in honour of Mr. Montague Egbert Sheppard (better known as "Monty") for the pioneering role that he played in the arena of radio and television broadcasting. Mr. Sheppard established the Capital Broadcasting Company in 1961. This was a remarkable achievement, given that the society at the time was dominated by racism and segregation. His broadcasting company was the first to introduce colour television to Bermuda and was also the first to secure an affiliation with one of the three television networks in the United States—the ABC Network. Mr. Montague Sheppard paved the way for many journalists, especially blacks, to enter that field. Indeed, he educated and provided a helping hand-up for so many. Therefore, it was most fitting to salute Montague Sheppard for all that he has done. And I was especially honoured to present Mr. Sheppard with a plaque as a token of our appreciation for all that he has done for Bermuda!

Mr. Speaker, we as a particular grouping of people continue to "reflect on and express [our] historical . . . experience life through painting, storytelling [and] other art-forms [that] gives [us] as a people a sense of cohesiveness, a sense of having a particular

irreplaceable value in the world . . . It is our culture that makes us one people” [Regional Cultural Policy of the Caribbean]. And, as Maya Angelou said, “You can’t use up creativity. The more you use, the more you have.” The arts and creativity are flourishing in Bermuda, and may they continue.

Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

The next Minister who has a Statement down this morning is the Minister of National Security.

Minister Caines.

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

The Speaker: Yes.

DISASTER RISK REDUCTION AND MITIGATION TEAM UPDATE

Hon. Wayne Caines: Mr. Speaker, I rise this morning to update this Honourable House on the work performed by the [Disaster Risk Reduction and Mitigation \[DRRM\]](#) team during the first two months of this year and the activities scheduled for the coming months.

Mr. Speaker, the DRRM team continues its cruise ship contingency planning. During the 2018 cruise ship season, the DRRM team engaged the cruise ships and the stakeholder agencies for two exercises. The intent is that the lessons learned from these exercises will be used by the cruise ship port agencies to develop comprehensive contingency plans to respond to any major incident that could occur on a cruise ship that is visiting or passing by Bermuda. Not only is this critical for the safety and security of the cruise ships, passengers and staff, but should an incident occur, it is critical in safeguarding the reputation of Bermuda.

To develop expertise in this area, a member of the DRRM team attended a cruise ship contingency planning workshop in Miami for three days at the end of January. The trip was paid for by the UK Maritime Coastguard Agency. This team member will return to Miami for part two of this workshop later this month.

Mr. Speaker, starting at the beginning of the 2019 cruise ship season in April, the DRRM team, together with the various seaport security officers, will be coordinating a series of activities with the various stakeholders that will involve their responding to major cruise ship incidents—preparations for major cruise ship incidents. The intent is to increase all agencies’ familiarisation with and participation in what could be involved in response to a major incident aboard a cruise ship.

Mr. Speaker, at present there are no formal contingency plans should a major incident occur at one of Bermuda’s chemical facilities. To increase expertise in this area, a member of the DRRM team attended a chemical events workshop held in Miami for

two days at the beginning of February. This workshop and the travel costs were paid for by Public Health England.

Mr. Speaker, in order to advance contingency planning, the DRRM team has engaged with Sol and RUBiS, who manage the fuel farm at Ferry Reach. On January 24th, a town hall meeting was held at BIOS [Bermuda Institute of Ocean Sciences] for residents. The intent of the meeting was to encourage stakeholder engagement and to develop contingency plans. Over the next several months, plans will be developed for the residents and premises in the Ferry Reach area so that people understand what actions to take and what not to do should an incident occur. These plans will include evacuation planning for the two prison facilities in the area.

Mr. Speaker, the DRRM team will be coordinating Bermuda’s involvement in a regional tsunami exercise involving Central America, South America and Caribbean countries, on Thursday, March 14th. This will be a communications exercise between the Tsunami Centre, the Bermuda Weather Service, and Emergency Measures Organisation agencies. The exercise will allow the DRRM team to ensure that communications measures are properly functioning and fit for purpose in the event of a tsunami emergency.

Mr. Speaker, the US Department of State and US Northern Command (Military) approached the Bermuda Government to hold a counter terrorism exercise at the airport in 2020. Planning is underway with the US and Bermuda agencies for this exercise. The National Disaster Coordinator has been appointed as the lead planner for Bermuda on this initiative. It is anticipated that about 15 representatives from the US will visit Bermuda in March 2019. A table-top exercise to test the plans is being scheduled for June. The counter terrorism exercise will culminate in a live exercise in 2020, involving all agencies for up to three to four days.

Mr. Speaker, on November 6th, 2018, Cabinet approved the cybersecurity strategy for Bermuda. The Cybersecurity Governance Board has been appointed, with Mr. Ronnie Viera as Chair. The existing Government Cybersecurity Security Manager has been transferred to the DRRM team, and he is responsible for developing a number of strategies, policies and guidelines for the secure management of the Government’s information systems.

Mr. Speaker, forming part of the DRRM team is the National Events Planning Coordinator. This team member is engaged with the organisers of large public events in Bermuda to ensure that they are safely organised and professional in their approach. Active planning is underway for the safety and security of upcoming events, which include the MS Amlin Triathlon in April, Bermuda Heroes Weekend, and the Annual Cup Match holiday. These public events must be properly organised to decrease the risk of any major

incident that could possibly occur [which] could lead to injuries and jeopardise Bermuda's reputation.

Mr. Speaker, each year Bermuda diligently prepares for hurricane season. This year, a DRRM team member will visit the British Virgin Islands in late March for a workshop on the lessons learned from Hurricanes Irma and Maria. This workshop is sponsored by the British Red Cross, and members from the Bermuda Red Cross will also attend. It is anticipated that the lessons learned will be valuable to Bermuda. Our Hurricane Preparedness Week will be the last week in June, with the Emergency Measures Organisation having its first [hurricane] meeting.

Mr. Speaker, the work of the DRRM team is important in ensuring that Bermuda is prepared for any large-scale disaster. We will continue to update this Honourable House on this work and the important work of all of the departments and units within the Ministry of National Security. Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

The final Statement this morning is in the name of the Minister of Education. Minister.

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

The Speaker: Good morning.

2018/19 FINANCIAL SUPPORT FOR BERMUDA COLLEGE STUDENTS

Hon. Diallo V. S. Rabain: Mr. Speaker, I rise before this Honourable House to provide a final report on the 2018/19 Government Grant awarded to Bermuda College for the purpose of offering [financial support](#) to its students.

Mr. Speaker, let me first remind my honourable colleagues that, since the Progressive Labour Party became the Government in 2017, the Bermuda College has been given an additional \$300,000 in their annual grant specifically to provide financial support to students in need. In November 2018, I shared with my honourable colleagues the number of students who benefitted from these additional monies during fall 2018. This morning I want to provide an update on the number of students who were supported and positioned to enrol at the Bermuda College during the spring 2019 semester.

Mr. Speaker, you will recall that, from its inception, this funding initiative of \$300,000 was to be used to financially assist students enrolled in three categories of study at the Bermuda College: (1) non-programme and programme academic division courses; (2) Professional and Career Education (PACE) programmes—students enrolled in PACE programmes had not previously been eligible to receive

financial support; and, (3) bachelor's degree programmes offered through the Bermuda College.

Mr. Speaker, new students who demonstrate a financial need and current students earning a grade point average [GPA] of 2.0 or higher are eligible to receive financial support. The financial awards have ranged from 30 [per cent] to 80 per cent of a student's educational costs, with the educational costs defined as the total value of the tuition programme plus fees.

Mr. Speaker, you may remember that during the fall 2018 semester, 132 students received a total of \$223,431. Of these, 62 students registered in the academic divisions, while 70 students registered with the division for Professional and Career Education, or PACE. There were 33 students in the PACE Division who enrolled in the Bachelor of Business Administration degree, in partnership with Mount Saint Vincent University, and six students enrolled in the teacher certification programme offered in partnership with the University of West Indies. These awards ranged from \$233 to \$8,600, with an average award of \$1,693 for the semester.

Mr. Speaker, the spring 2019 semester commenced in January. A total of 66 students were awarded grants in the academic divisions. However, no awards were granted by the PACE Division for this semester, as the allocated funding to PACE was all utilised during the fall semester.

Mr. Speaker, I am most pleased to share this morning that a total of 198 awards were offered to students in financial need during the 2018/19 academic year. These awards ranged from \$233 to \$8,600, with the higher amounts awarded to students enrolled in the Bachelor of Business Administration degree programme offered in partnership with Mount Saint Vincent University and students enrolled in the teacher certification programme offered by the University of West Indies.

Mr. Speaker, reflecting over the past two years, during the 2017/18 academic year, 313 students were financially supported. This current academic year, 198 students received funding. Thus, Mr. Speaker, it gives me great pleasure to state that a total of 511 awards were granted to students who ordinarily would not have had the money to support their tertiary education at the Bermuda College. These students include those who did not meet the Bermuda College's Financial Aid criteria, but demonstrated a need for financial support, particularly non-traditional students enrolled in the PACE Division, many of whom work a job during the day and attend classes at night. The funding has also supported students who received limited funding through Bermuda College's Financial Aid package, thus, providing financial aid more reflective of the student's actual need.

Mr. Speaker, this Government was determined to create accessibility to Bermuda College for students in financial need, and this is what we have done, in addition to helping to augment student en-

rolment. The Bermuda College has expressed appreciation for the additional funding during the last two years, and is grateful that the Government has seen fit to continue the funding for the upcoming 2019/20 fiscal year.

Mr. Speaker, the Government is committed to seeing an increase in the number of Bermudians who acquire a post-secondary educational qualification, and will continue to lead the way in demonstrating the value of achieving a higher-level education to further lend to the economic landscape of this country.

Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

That brings us to a close of the Statements this morning.

ANNOUNCEMENT BY SPEAKER

HOUSE VISITORS

The Speaker: But before I move on to the next item on the Order Paper, I would just like to acknowledge that in the Gallery this morning we have from the Parks Department Mr. Roger Parris and Mr. Sam Santucci, who are supervisors of the Bermuda Skills Development Programme. But the reason we are acknowledging them is that they have visiting officers who have been in for the last two weeks doing the training programme for their staff. And I think the three officers who are with you this morning are Nick Evans, Chris and Nick Colledge. Is that correct?

And we would just like to acknowledge the fact that that you have been here assisting our Parks Department in developing their skills. Thank you.

[Desk thumping]

REPORTS OF COMMITTEES

The Speaker: There are none.

QUESTION PERIOD

The Speaker: The Question Period is on the Order Paper this morning. There is a written question from the Honourable Member Dunkley to the Honourable Premier. I understand that the response to that is actually going to be held over until Monday. It is a written response that we will receive on Monday.

That moves us on to the questions that have arisen out of the Statements that were given this morning. And we have Members who would like to put questions to Ministers based on those Statements. The first question this morning would be to the Deputy Premier. Deputy Premier . . . well, we will do the Minister of Finance [instead].

Minister of Finance, you have a question this morning from the Honourable Member from constituency 8.

Honourable Member Cole Simons, would you like to put your question?

QUESTION 1: UPDATE ON THE WORK OF THE BERMUDA CASINO GAMING COMMISSION

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

The Statement indicated that the Commission had engaged discussions with the three local banks, in regard to the Gaming Commission. Can the Minister tell us, what was achieved at those meetings and what were the measurable outcomes as a result of the meetings with the three local banks?

The Speaker: Thank you.
Minister.

Hon. Curtis L. Dickinson: Mr. Speaker, the Commission met with the banks to discuss the provision of local banking services to the casino industry. The fundamental issue around correspondent banking remains a roadblock. And I think the first step is to kind of understand whether a local bank would be prepared to work with the gaming industry. The second step, should one of those banks be interested in working with the gaming industry, would be to procure the services of a correspondent bank. That has not been achieved yet.

The Speaker: Thank you.
Member, supplementary or new question?

Mr. N. H. Cole Simons: Supplemental.

The Speaker: Continue.

SUPPLEMENTARY

Mr. N. H. Cole Simons: So, what plans do we have to address this challenge, going forward?

The Speaker: Minister.

Hon. Curtis L. Dickinson: We will continue to engage banks to work through the challenges of finding an appropriate correspondent bank. And we will update the House as progress is made.

The Speaker: Thank you.
Supplementary or new question?

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

The Speaker: Continue.

QUESTION 2: UPDATE ON THE WORK OF THE BERMUDA CASINO GAMING COMMISSION

Mr. N. H. Cole Simons: The Statement says, "Further discussions will be carried out with the BMA [Bermuda Monetary Authority] as banking regulator and the US correspondent banks." Has the commission met with any US correspondent banks at this point in time?

The Speaker: Minister.

Hon. Curtis L. Dickinson: The Commission did indeed meet with the correspondent bank as far back as November or December of 2016, when the issue around correspondent banks had been flagged to the Commission, [to] the prior chairman at that time.

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

Mr. N. H. Cole Simons: Supplementary.

The Speaker: Continue.

SUPPLEMENTARIES

Mr. N. H. Cole Simons: Which corresponding banks did they meet with, and what was the outcome of those meetings?

The Speaker: Minister.

Hon. Curtis L. Dickinson: Mr. Speaker, we met with the Bank of New York. The outcome of those meetings was that we continued to look for a correspondent bank. At the time of those meetings, which was when I was actually leading the effort as an employee at Butterfield Bank, the Bank of New York had some concerns around money laundering and terrorist financing, and saw gaming as a high-risk activity.

We discussed opportunities to revise or construct a framework for gaming that would be designed to mitigate the risks foreseen by the correspondent banks. And we still continue to work on what the framework would look like.

The Speaker: Thank you.
Supplementary or new question?

Mr. N. H. Cole Simons: Supplementary.

The Speaker: Mm-hmm.

Mr. N. H. Cole Simons: Has the issue of banking for the gaming industry been discussed with the Signature Bank of New York?

The Speaker: Minister.

Hon. Curtis L. Dickinson: Not to my knowledge.

The Speaker: New question?

Mr. N. H. Cole Simons: Are they going to pursue this avenue?

The Speaker: That was a new question, you know. Because we are going to—

[Inaudible interjections]

The Speaker: No, no, no, no. You had your two supplementaries. That was a new question. That is your third question.

Mr. N. H. Cole Simons: Okay. My third question.

The Speaker: That is your third question. So, you can let him answer it now, or you can continue with that.

Mr. N. H. Cole Simons: My third question.

The Speaker: Okay. Well, do your third question. Do your third question then.

QUESTION 3: UPDATE ON THE WORK OF THE BERMUDA CASINO GAMING COMMISSION

Mr. N. H. Cole Simons: Are you going to pursue this possibility with the Signature Bank now that they are looking at the FinTech industry?

[Inaudible interjection]

Hon. Curtis L. Dickinson: Mr. Speaker, I think that is a wonderful suggestion. I might take the Member up on that.

The Speaker: Any more questions?

Minister, you have another Member who would like to put questions to you on your Statement this morning. It is the Member from constituency 10.

Would you like to put your question, Member?

QUESTION 1: UPDATE ON THE WORK OF THE BERMUDA CASINO GAMING COMMISSION

Hon. Michael H. Dunkley: Thank you, Mr. Speaker. Good morning to you and colleagues, and those in the listening audience.

The question to the Honourable Minister of Finance; on the bottom of page 2, the Honourable Minister gives some details about the recruitment process for the vacant executive director position and that it was advertised locally and overseas four times, in August 2017, March 2018, October 2018, and January 2019. Can the Minister respond to this Honourable

ble House on how many applicants have applied each time?

The Speaker: Thank you.
Minister.

Hon. Curtis L. Dickinson: Mr. Speaker, I do not have those figures at my disposal. Can I get back to the Honourable Member with the answer?

The Speaker: Thank you.
Supplementary or new question?

SUPPLEMENTARY

Hon. Michael H. Dunkley: I accept that answer, Mr. Speaker, and I look forward to the commitment.

But, supplementary, which the Honourable Minister probably will not be able to answer. But I would ask that he get back when he does with the other answer. I assume that, since the position has not been filled, all of those applicants would be considered unsuitable. So, I would just like confirmation for that?

And another question, Mr. Speaker. Second question, Mr. Speaker.

So, I would ask a supplementary, which is, assuming that the position has not been filled—

The Speaker: Well, why do you not hold that until he gets that information back to you then?

Hon. Michael H. Dunkley: But there is a second question, which I am sure he will need to get the answer back, as well.

The Speaker: Okay.

Hon. Michael H. Dunkley: And that is, do all of the applicants lack suitability?

The Speaker: All right. So, that is your supplementary to the information he is looking for.

Hon. Michael H. Dunkley: That is correct. Yes.

The Speaker: All right. Now, put your second question.

QUESTION 2: UPDATE ON THE WORK OF THE BERMUDA CASINO GAMING COMMISSION

Hon. Michael H. Dunkley: Thank you, Mr. Speaker.
To the Honourable Minister: Can the Honourable Minister give his reasoning and understanding of why it has been so hard to attract somebody suitably qualified to the position of executive director?

The Speaker: Minister.

Hon. Curtis L. Dickinson: Mr. Speaker, I will take them in the order in which they were asked. I will certainly get back to the Member with respect to confirming why applicants were not successful in the process. It could have been either not being suitable or not deciding to pursue the process any further.

With respect to the third question, I guess I would answer it with a question: How long is a piece of string? I do not know.

The Speaker: Supplementary?

SUPPLEMENTARIES

Hon. Michael H. Dunkley: Yes, Mr. Speaker, supplementary.

Now that we have gone into the engagement process for an executive recruiter, what is the budget for that process?

The Speaker: Minister.

Hon. Curtis L. Dickinson: Mr. Speaker, as with the prior questions, I will undertake to get back to the Honourable Member with an answer to that question.

The Speaker: Thank you.

Hon. Michael H. Dunkley: Supplementary.

The Speaker: Supplementary on that one? Yes.

Hon. Michael H. Dunkley: Yes, Mr. Speaker.
Has a firm been identified as of yet?

The Speaker: Minister.

Hon. Curtis L. Dickinson: I will get back with to the Honourable Member with the answer to that one, as well.

The Speaker: Thank you.

No further questions?

We will now move on to the next Statement that there were questions for. And we will go to the Deputy Premier.

Deputy Premier, the Opposition Leader would like to put a question to you in regard to your Statement this morning.

Honourable Opposition Leader, your question to the Deputy.

QUESTION 1: THE BILL ENTITLED MUNICIPALITIES REFORM ACT 2019

Hon. L. Craig Cannonier: Yes. The Honourable Member mentioned—it is not numbered, the page, but I would say page 3, down under item 3 (b), the Honourable Member says, “The status of the World Herit-

age Site is under threat, in part because of the lack of a proper management plan." I just was curious, as they have been working with the corporation, could he shed some light on some of the other areas that have been threatening the Heritage Site, other than just proper management plans?

The Speaker: Minister.

Hon. Walter H. Roban: To be precise to the question, the overseeing of the World Heritage designation has been, not in the hands directly of the Corporation of St. George's, but [in the hands of] a committee themselves. And they had responsibilities for maintaining the requirements to maintain the plan. And they did not produce any plans. So, that is what has put the situation to where it is. In a sense, I guess they did not have the funding or the expertise to actually produce the plan, which is why the Government took over responsibility for producing the plan.

The Speaker: Thank you.
Supplementary or new question?

Hon. L. Craig Cannonier: No, new question.

The Speaker: Go ahead.

QUESTION 2: THE BILL ENTITLED MUNICIPALITIES REFORM ACT 2019

Hon. L. Craig Cannonier: Further on down, the Honourable Member states, "As a result, the Government intends to give greater authority to the Corporation of St. George's, both legislatively and financially." I can understand "financially," what they mean by that. I am assuming that this means that they will be giving . . . more monies will be available to the corporation. But, legislatively, I was wondering. What is that "greater authority" that will be given to the corporation legislatively? It is kind of vague.

The Speaker: Thank you.
Minister.

Hon. Walter H. Roban: Thank you for the question, Mr. Speaker.

We intend to give the future corporations the legal authority over the management of the World Heritage Site designation.

The Speaker: Thank you.
Supplementary?

Hon. L. Craig Cannonier: No, that is good.

The Speaker: No further questions? Good.
We will move on to the next Statement this morning.

Minister of National Security, there are actually three Members who have indicated that they have questions for you today. And the first is in the name of the Member from constituency 31.

Honourable Member Smith, you have the floor.

QUESTION 1: DISASTER RISK REDUCTION AND MITIGATION TEAM UPDATE

Mr. Ben Smith: Good morning, Mr. Speaker and colleagues.

Mr. Speaker, can I have the Honourable Minister provide what the budget is for 2018/19 for the DRRM?

The Speaker: Minister.

Hon. Wayne Caines: The DRRM does not have a budget, per se. At this present moment, Mr. Speaker, we have taken members under secondment from specific government departments. For example, a person from the Customs Department will sit in the office. A person from the Police Service will sit in the office. So, whilst we are putting together this particular department for 2018/19, we have this department that is in our office on an *ad hoc* basis until we work out some of the logistics.

The Speaker: Supplementary?

Mr. Ben Smith: Supplementary.

The Speaker: Continue.

SUPPLEMENTARIES

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

Would the Honourable Minister be able to provide an estimated amount that has been spent so far for this?

Hon. Wayne Caines: Again, so far, there is not a specific budget that has been set. There has not been a budget that was set aside. The DRRM [members] are working from the individual departments. The only thing that is different is that they are sitting in our office and working together as a team.

The Speaker: Thank you.
Supplementary?

Mr. Ben Smith: Supplementary.

The Speaker: Second supplementary.

Mr. Ben Smith: The funds, will they be taken from other departments? So, are you able to—

Hon. Wayne Caines: At this point, the salaries of each person in the DRRM come from their individual departments, yes.

The Speaker: Supplementary?

Hon. Patricia J. Gordon-Pamplin: Supplementary.

The Speaker: Supplementary, okay. Yes.

SUPPLEMENTARY

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

Mr. Speaker, considering that these individuals are actually doing work for this new entity, is it reasonable to expect that funds will be vired from these initial ministries to the now-revised ministry responsibility?

Hon. Wayne Caines: That remains a work in progress. Let us go back to the beginning and to the genesis. Over the last year, Members would remember, when we brought this concept initially to the House and we shared that the Foreign and Commonwealth Office highlighted for all of the Overseas Territories that they wanted us to put together disaster risk reduction units in our countries, we realised that it was important.

And it was being mandated for the OTs to have this department up and running. And so, rather than put it off, and rather than wait, we thought it not robbery to take everyone from their particular departments and put together a team.

Prior to this, the departments were run by the Emergency Measures Organisation, and they would come together on an *ad hoc* basis (i.e., if there was an emergency). We thought it important to put together a national disaster risk reduction strategy for the government. What is taking place right now, until we are able to regularise the budget, is that we are taking secondees from different government departments. And these secondees, all of their salaries are still appropriated and coming from their individual departments. The only thing is that, right now, they all sit in the Department of National Security Headquarters, Mr. Speaker.

The Speaker: Thank you, Minister.

Supplementary or new question?

No, you used all of your supplementaries. New question?

Mr. Ben Smith: New question.

The Speaker: Yes.

QUESTION 2: DISASTER RISK REDUCTION AND MITIGATION TEAM UPDATE

Mr. Ben Smith: I am wondering if the Honourable Minister is able to give us a breakdown of the personnel who are being used from all of the different departments.

The Speaker: Minister.

Hon. Wayne Caines: There is a principal Customs officer, Kelly Trott, representing Customs. There is a division fire officer, Mr. Furbert, who represents the fire department. There is Warrant Officer Class Two Rubaine, who represents the Bermuda Regiment. There is Mr. Steve Cosham, who is the head of the department. We have representing the Bermuda Police Service, Sergeant Lyndon Raynor, who is responsible for the policing side.

The Speaker: Thank you.

Supplementary? No further questions? Thank you.

Minister, the next individual, the next Member who indicated he had a question for you is the Member from constituency 10.

Honourable Member Dunkley.

QUESTION 1: DISASTER RISK REDUCTION AND MITIGATION TEAM UPDATE

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

Mr. Speaker, the Honourable Minister has informed this Honourable House that the members are within the Ministry of National Security, fulfilling that role. Who is fulfilling the roles and responsibilities that all of those members had in their original jobs?

The Speaker: Minister.

Hon. Wayne Caines: That is actually a brilliant question.

Hon. Michael H. Dunkley: Oh, thank you very much. But I would not go that far.

Hon. Patricia J. Gordon-Pamplin: I would.

Hon. Wayne Caines: The reason why it is a brilliant question is because that is what all of those department heads are asking. They are asking, *Who is fulfilling those roles?* Again, Mr. Speaker, and this is something that we have to understand as a country. This is something that we have to do as a country.

The Speaker: Yes.

Hon. Wayne Caines: And this was put on us at the last minute. We are putting together a team to be able

to regularise our international standards with reference to disaster risk and reduction. And this is something that is currently a work in progress.

Of course, those positions and the leaders in those particular departments want those people to have their positions to regularise because they are operating, in many circumstances, with one man down. But we have to continue to make sure that Bermuda's overall security is managed.

The Speaker: Thank you.

Supplementary or new question?

Hon. Michael H. Dunkley: Supplementary, Mr. Speaker.

The Speaker: Yes.

SUPPLEMENTARY

Hon. Michael H. Dunkley: I thank the Minister for the compliment. But the answer was really not that complete. So, supplementary question.

Are those positions full-time within the DRRM?

Hon. Wayne Caines: I really do not know how to break this down any further, you know. I have said it three times, that they have been seconded over, Mr. Speaker.

[Inaudible interjection]

Hon. Wayne Caines: Mr. Speaker, that they have been seconded over. That the positions, we are in the process of regularising that. At present, they have been seconded over, Mr. Speaker. And that is four times.

The Speaker: Supplementary?

Hon. Patricia J. Gordon-Pamplin: Yes, my supplementary.

The Speaker: Supplementary.

SUPPLEMENTARY

Hon. Patricia J. Gordon-Pamplin: Yes, thank you.

If the Minister can confirm that if they are seconded over, that presumably he is now saying that it is on a full-time basis. Then the initial premise ought to be that they must be paid. Therefore, one of the first steps ought to have been, or ought not the first step to have been to transfer the funding to ensure that they are paid, rather than to have the cost centre from which each individual member is coming being responsible for their salaries? Just accounting, from an accounting question.

The Speaker: What was your question? I am waiting for your question.

Hon. Patricia J. Gordon-Pamplin: The question was, Would it not have been appropriate to transfer the funding to pay people, who have now moved over on a secondee basis, to transfer the money from point A to point B for them to be paid under that cost centre?

The Speaker: Okay. We have got your point.

Hon. Wayne Caines: No. No, Mr. Speaker.

The Speaker: Thank you.

[Inaudible interjections]

The Speaker: Members, Members.
Supplementary or new question?

Hon. Michael H. Dunkley: Supplementary, Mr. Speaker.

The Speaker: This is your second supplementary.

SUPPLEMENTARY

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

The Honourable Minister said in answer to a previous question that he is unable to say how much money has been spent. He was unable to say how much the budget is. So, can the Minister assure this Honourable House that they have stayed within the budget for the Ministry and we will see no supplementaries during this Budget Debate?

The Speaker: Minister.

Hon. Wayne Caines: Mr. Speaker, there is an opportunity for us to understand—understand what this Government is doing. There is an opportunity for us to create a disaster risk and reduction strategy for this nation. This was thrust on this Government in the middle of the fiscal year. We did not abdicate our responsibility. We then moved around key chess pieces to ensure that this Government had the necessary personnel in place. We have had the opportunity to do so. We have done so in accordance with financial instructions.

When the opportunity presents itself, we will regularise the positions and make sure that this is done in a formal manner, Mr. Speaker. We have the opportunity to meet on a regular basis with each of the department heads in our Ministry. They have the opportunity to test and adjust their position with reference to personnel. It is always our mission and aim to make sure that each and every one of the ministries in our remit have the necessary personnel, they have

the appropriate budget and they have the direct opportunity to lead in this country.

With reference to budget, my learned friend has a copy of the headings. And at the appropriate time, we can debate the appropriate parts of this budget.

The Speaker: New question?

Hon. Michael H. Dunkley: Mr. Speaker—

The Speaker: New question?

Hon. Michael H. Dunkley: No, just to answer the question.

[Inaudible interjections]

The Speaker: Wait, wait, wait, wait, wait, wait, wait, wait, wait, wait now. Wait now. Let us understand where we are. We are on question-and-answer. You have had two supplementaries. If you want to get on your feet again, you have to put your second question.

Hon. Michael H. Dunkley: New question.

The Speaker: Thank you.

QUESTION 2: DISASTER RISK REDUCTION AND MITIGATION TEAM UPDATE

Hon. Michael H. Dunkley: Yes. The new question is, Will there be supplementaries in regard to this programme?

The Speaker: Minister.

Hon. Wayne Caines: No.

The Speaker: Thank you.

Supplementary? We have two supplementaries. Yes.

SUPPLEMENTARY

Hon. Jeanne J. Atherden: Mr. Speaker, and I preface this by saying that if I did not hear this, then I apologise in the beginning. I have not heard any indication—

[Laughter]

The Speaker: Members.

Hon. Jeanne J. Atherden: I have not heard any indication that, with all the services that are covered, there is anyone there who has been seconded with

respect to what I call the medical and social services area.

Hon. Wayne Caines: At this stage, Mr. Speaker, and I just say again, this Department of Disaster Risk and Reduction is in its genesis. There are a number of elements when we are talking about the EMO. The Emergency Measures Organisation takes key members from each part of the government ministries when there is a national disaster. This still exists. So, if we have a national disaster, all of the key elements from government come into the place.

We have taken four key elements of our Ministry, and we put them together to form the reduction team. When there is a part of our strategy that requires someone to do with medicine or other key places, they will seek the expertise from that person to work with the national strategy with reference to protecting Bermuda Government as it relates to medical and medical-related incidences.

The Speaker: Thank you.

Would you like to put your supplementary now, Member? Yes. Go ahead.

SUPPLEMENTARIES

Hon. Patricia J. Gordon-Pamplin: Yes. My supplementary is in respect of the earlier answer, Mr. Speaker. And the question is, Has there been or is there overfunding in the Ministry of National Security at the moment? Overfunding such that people coming in are being able to be paid out of the budget of National Security without having the virement from the other ministries?

Hon. Wayne Caines: Mr. Speaker, I have answered that question.

Hon. Patricia J. Gordon-Pamplin: You have not answered the question.

The Speaker: Second supplementary.

Hon. Patricia J. Gordon-Pamplin: Second supplementary.

The Minister has not answered the question. Is there funding and a funding excess in the Ministry of National Security so that that Ministry can pay people coming over? Or will there be a supplementary virement from their original ministry to the Ministry of National Security? It is just a basic accounting question, not meant to try to trap anybody. It is a pure accounting question.

The Speaker: I think the answer thus far has been no on all of the other counts.

But, Minister, would you like to clarify it?

Hon. Curtis L. Dickinson: Mr. Speaker, perhaps I can help here.

The Speaker: Minister of Finance.

Hon. Curtis L. Dickinson: There is no contemplation of any supplementals to the budget for 2018/19.

The Speaker: Thank you.
Supplementary? Yes.

SUPPLEMENTARY

Hon. Jeanne J. Atherden: Supplementary, Mr. Speaker.

Bearing in mind that the areas that have been chosen—I just cannot believe that, and I would like the Minister to indicate to me. Normally, when something constitutes a disaster, there is some sort of element in terms of people and things that have happened on such a global nature. I do not understand why there would not have been someone from what I call the medical or social services seconded to that group. Because you are planning. This is all about planning. And I just wonder if there is any reason why this group was overlooked? Or was it because they are just not part of National Security?

The Speaker: I think you are stretching the question a little bit, because it does not necessarily fall in line with his Statement. In his Statement, he spoke about the persons under his Ministry. Health is not necessarily under his Ministry. So, he is speaking to what he has put in place under his Ministry with his personnel. Okay?

[Pause]

The Speaker: Do you want to adjust your question? No? All right.

Minister, you still have another Member who has a question for you, though. We have the Member from constituency 8.

Honourable Member Simons.

QUESTION 1: DISASTER RISK REDUCTION AND MITIGATION TEAM UPDATE

Mr. N. H. Cole Simons: I acknowledge that the Minister is in transition in regard to the DRRM team. But my question is, in the interim, what cyber protocols and procedures are in place for each Ministry?

The Speaker: Minister.

Hon. Wayne Caines: Mr. Speaker, I have been in the House and I have done at least three Ministerial Statements with reference to what we are doing in cybersecurity, [in my] Ministerial Statements. I would

urge that Member to have a listen the next time we give it. But I will give it again.

The Speaker: Now, now, now, just stick to the facts. Keep it to the facts.

Hon. Wayne Caines: Mr. Speaker, with the greatest of respect, we have shared with the House that we have a cybersecurity ministerial subcommittee that meets on a regular basis. There was another person on our team. We have a person who specialises in our cybersecurity strategy. His name is Stewart, and his last name escapes me. He is putting together the cybersecurity plan for each government department. The cybersecurity strategy is something that has been a work in progress for the last 18 months. And that is robust, and that indeed is looking at plans with patching, with plans for training, for plans for development, and looking at the government infrastructure with reference to protecting the IT biosphere.

The Speaker: Thank you.
Supplementary or new question?

Mr. N. H. Cole Simons: Supplementary.

The Speaker: Go ahead.

SUPPLEMENTARIES

Mr. N. H. Cole Simons: So, what international benchmarks are the plans and the protocols measured against?

The Speaker: Minister.

Hon. Wayne Caines: There is a global standard that is put together by NIST [National Institute of Standards and Technology]. NIST is a national organisation that is responsible for cybersecurity. We also have the Commonwealth Telecommunications Organisation, which has worked with Bermuda to put together the National Cybersecurity Strategy.

I have shared with our House the National Cybersecurity Strategy on previous occasions, setting out in a Ministerial Statement the part for the National Cybersecurity Strategy. Each of the elements are there. They rise to global standards. And indeed, [with] each government department working with the Ministry, we have a National Cybersecurity plan that is now in the public domain.

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

Mr. N. H. Cole Simons: Supplementary.

The Speaker: Second supplementary.

Mr. N. H. Cole Simons: So, with that in place, when can the Minister assure the government employees that all departments will be fitted with the National Cybersecurity Strategy? I know he is working on it. When does he envision having it completed for each department?

The Speaker: Minister.

Hon. Wayne Caines: I did not get the question. Can you help me?

I apologise, Mr. Speaker. Can you repeat the question for me, please?

The Speaker: He is looking for a timeline as to when it will be completed for each department.

Hon. Wayne Caines: Each department has a strategy. Each department has the parts of the strategy that are key for their ministry. It has been distilled down for that ministry.

Let us just talk about training, for a second. The biggest part that we have seen was the training and preparation for understanding the cybersecurity in each department. The training is taking place where each member of government, every month, has a cybersecurity plan that they have to answer, and security questions that they have to answer. There are specific people in each department through the ITO [Information Technology Office] who understand their remit for the specific infrastructure that they are in charge of.

So, there are two [*sic*] parts to this strategy. The first part of the strategy is the ITO department. The ITO department has the key personnel who are, overall, responsible for running the government's programme. Within the Ministry, we have a cybersecurity manager, Stewart. Stewart's responsibility is for managing the overall government strategy. He then polices the people at ITO, making sure that they are putting on the patches, that the government cybersecurity strategy is being enacted.

Yes. The third part is everybody who works in government having an understanding their part that they have to play with keeping their desktop or their servers together. That has been cascaded down to each government department with a security survey and a test that is given once per quarter to each government official.

So, three parts, Mr. Speaker. The three parts are the government has a cybersecurity manager who is within the DRRM. He is responsible for the overall cybersecurity strategy. Then you have the ITO department of managers, who cascade down and are responsible for each department and the cybersecurity team. Then you have the third layer, which is all of the 5,000 government employees, who are responsible for making sure that the cybersecurity on their

desktop or on their tablet, making sure they are responsible for that. I hope that is helpful, Mr. Speaker.

The Speaker: Thank you.

Any further questions?

No further questions.

Minister, that completes the questions to you.

The last Statement this morning which Members have indicated that they have questions for is that of the Minister of Education.

Minister, the Honourable Member from constituency 8, Honourable Member Simons, would like to put a question to you regarding your Statement.

Member.

QUESTION 1: 2018/19 FINANCIAL SUPPORT FOR BERMUDA COLLEGE STUDENTS

Mr. N. H. Cole Simons: Just one simple question. The Statement indicates, and I quote, "The financial awards have ranged from 30 [per cent] to 80 per cent of a student's educational costs . . ." How does the awards committee define whether a student will get 30 per cent of the costs or 80 per cent of the costs? And what criteria do they use?

The Speaker: Thank you.

Minister.

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

Mr. Speaker, just as the way students apply for financial aid, they apply for access to these financial funds. It is the Bermuda College Admissions who will then determine whether their financial need is such that they can get some of these funds.

The Speaker: Thank you.

Supplementary? Supplementary?

SUPPLEMENTARIES

Hon. Patricia J. Gordon-Pamplin: Yes, just a quick supplementary.

Could the Minister confirm whether the determination is made based on combined family income? Or is it just specific to the student's financial situation?

The Speaker: Minister.

Hon. Diallo V. S. Rabain: Mr. Speaker, I would have to endeavour to get the criteria from the Bermuda College. But I have been assured that the purpose of these funds is to ensure that students who normally would not be able to afford to attend the Bermuda College get funded.

I am unsure of why the Opposition would want to question the Bermuda College's vetting process on ensuring that these 511 people who have benefited

from this programme should have benefited from this programme. Thank you, Mr. Speaker.

The Speaker: Supplementary?

Hon. Patricia J. Gordon-Pamplin: Supplementary.

The Speaker: Yes.

Hon. Patricia J. Gordon-Pamplin: Yes. The Minister has misled. We are not questioning anything with respect to the people who—

[Inaudible interjections]

The Speaker: One second. One second. Let me hear her question out.

Hon. Patricia J. Gordon-Pamplin: —with respect to the people who have gotten the benefits of the grant. The question was, simply, Is it based on family income? We do not deny or begrudge anybody getting additional assistance. We are just trying to determine whether it is based on family income or the individual student's circumstance.

And the only reason in asking that question, Mr. Speaker, for clarity to the Minister, is just to ensure that if there is a family member who can assist, whether that is going to be considered, or whether the student's own individual, specific financial situation is the only determining criterion.

If the Minister can get that information, I would be happy to hear it. I certainly do not begrudge the students or their ability to further their education.

The Speaker: Okay.
Minister.

Hon. Diallo V. S. Rabain: Mr. Speaker, once again, I am at a loss to understand why we want to ask this question. If we are talking about a student who has no family, what are the criteria then? If you are talking about a student who may have a family who is struggling, I do not understand. I do not understand the question, period.

The Speaker: Well, let me help you out, Minister. You seem to be confused. It is simply a [question] of, Do the criteria take in just the individual? Or do the criteria take in the family, as well? That is basically what is being asked.

Hon. Diallo V. S. Rabain: And, Mr. Speaker, my reply to that is I do not see why it is relevant, but I will ask and get back to the Member.

The Speaker: Minister, Minister, Minister, Minister. I am trying to keep it where we do not get off-tone here,

right? I think it is a relevant question. That is why I am assisting. Okay?

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

The Speaker: So, no, no, no, no. I think you should take your seat, while I am talking anyway. Take your seat.

I think it is a relevant question. And you just need to answer. It is either the individual, or it is the family. And it is not belittling the student. It is not belittling the family. It is, What are your criteria?

Do you know why I am doing this? Because if one of my constituents asked me, I need to know what the criteria are. I think we are all asking for that.

Hon. Diallo V. S. Rabain: Thank you, Mr. Speaker, and I will be guided by your direction. And I will endeavour to get the criteria from the Bermuda College.

The Speaker: Thank you. Thank you.

[Inaudible interjections]

The Speaker: I missed that. I missed that. You know what? Wait, wait, wait, wait, wait. Wait. Wait! Do you know why I assisted in the question just now? Because I did not want us to go down the wrong road.

Hon. Patricia J. Gordon-Pamplin: I appreciate that.

The Speaker: I did not want us to go there. I spoke to try to keep us on a proper level. I am not going to allow us to go down the wrong track. It is early in the day, and we have got a long day ahead of us. Let us understand that. We are going to stay at a proper level this entire day. Or people are going to be leaving this Chamber. Is that clear? Is that clear?

An Hon. Member: Very clear.

The Speaker: Thank you.

Now, that brings us to a close of the question-and-answer period this morning. And we will move on to the next matter on the Order Paper.

CONGRATULATORY AND/OR OBITUARY SPEECHES

The Speaker: Member.

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

Mr. Speaker, last week, because of time constraints, I did not have the opportunity to ask that this Honourable House join me in sending condolences to the family of the late Franklyn DeAllie. You might recall, Mr. Speaker, that Frank DeAllie served on our police service for a significant period of time, having

come to Bermuda from Grenada, originally via the UK, and into Bermuda, where he had married his wonderful wife, Winifred. Frank was the husband of Winifred, the father of both Ian and Samantha. And he just was a very good family friend.

But, as the news of his death was announced, Mr. Speaker, you will recall that he was actually the officer who was duty at Government House on the night that the former Governor Sir Richard Sharples and his ADC [*aide-de-camp*], [Hugh] Sayers, and their dog, were actually shot on the grounds of Government House. And he was the sole officer on duty at that time.

Frankie also, on the lighter side of things, was actually a member of a very popular UK rock band called "Hot Chocolate." And it was very interesting the impact that his band had on music in the late 1960s, early 1970s, and actually right into the 1980s, after Frank had already actually left Hot Chocolate and come to Bermuda. So, I just ask that condolences be sent to his family.

I would also ask that congratulations be sent to the Ord Road Paget Primary School. That Paget Primary School, very recently, Mr. Speaker, this past week, in celebration of Black History Month, had a classroom exercise in which each of the classes was required to highlight a popular figure from Bermuda, where they could identify and represent them in their classroom environment to represent what those individuals contributed to Bermuda. I was actually made aware of it because my father, the late Dr. E. F. Gordon, was one of those chosen by Class 4, Smith to make a presentation and to do an exhibit. And they were absolutely first class, Mr. Speaker.

But among some of the others, we had former Premier Jennifer Smith. We had former Member Nel-etha Butterfield. We had the Talbot Brothers. We had Nicky Saunders. We had Fred Ming. We had, actually, the current Premier, David Burt. We had Hubert Smith, Sir John Swan. There was just a plethora of individuals. But the exhibits themselves, Mr. Speaker, were absolutely first class. And the little ambassadors who showed people throughout the exhibits were so enthusiastic, and they deserve our congratulations.

And finally, Mr. Speaker, I would ask that this House send congratulations to the Youth Parliament in their debate this past weekend at Southampton Princess, where they debated the worth, or lack thereof, of the sugar tax. And they did an excellent job.

Thank you, Mr. Speaker.

The Speaker: Thank you, Member.

Does any other Member wish to speak?
We recognise the Minister of Transport.
Minister De Silva.

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

Mr. Speaker, I would like the House to send a letter of condolences to the family of Mr. Alex Swan, who passed away yesterday.

Some Hon. Members: Oh, no! No!

The Speaker: Oh, oh.

Hon. Zane. J. S. De Silva: Yes. Yes. He was Valerie Dill's brother.

The Speaker: Yes. Yes.

Hon. Zane. J. S. De Silva: So, if we could do that, it would be much appreciated.

The Speaker: Include the whole House with that, I think.

Hon. Zane. J. S. De Silva: Yes. And, yes, the whole House is associated. Thank you. Thank you, Mr. Speaker.

The Speaker: Thank you.

Does any other Member wish to speak?

We recognise the Honourable Member from constituency 1 [*sic*]. Honourable Member Swan, you have the floor.

Hon. Hubert (Kim) E. Swan: Peace. Peace, Mr. Speaker.

The Speaker: [Constituency] 2, rather. Yes, 2.

Hon. Hubert (Kim) E. Swan: Thank you.

Mr. Speaker, I would like to be associated with those condolences to the family of the late Alex Swan, a cousin, and a gentleman I always admired, a silent giant behind the scenes there at John W. Swan Limited, in the real estate section. And I know that all of those persons who worked there [in the past] are mourning this gentleman's passing.

In addition, Mr. Swan was a stalwart in the football community and the club administration community, with his proud association with PHC [Pembroke Hamilton Club]. And anyone who knows the type of persons who have associated themselves with clubs like PHC knew that it was a time when my club, St. George's Cricket Club, way back in the day, needed help. And PHC's forefathers came to the rescue. This is why some might wonder why PHC has such a lovely spot at St. George's to watch Cup Match. And, certainly, this year, when we win the cup back, we will be remembering Alex when we do that triumph, Mr. Speaker.

The Speaker: I am glad you have got a good imagination.

[Desk thumping]

Hon. Hubert (Kim) E. Swan: But I certainly would like my condolences associated with the Honourable Member Zane De Silva, to go out to his family here and abroad. His brother is a Methodist minister in Canada. Valerie is . . . and one of his other brothers is a celebrated physician in Bermuda, deceased, and [condolences to] his entire family, Mr. Speaker. He has done great, great things in the business community and in the sporting world, and I am sure in other areas that I might not even be aware of.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

I now recognise the Honourable Member Commissioning.

Honourable Member, you have the floor.

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

I did not intend to get up. But after hearing of the death of Mr. Alex Swan, like the two colleagues preceding me, I had to get up and say that Mr. Swan was iconic, a pioneering figure in Bermuda's black community over the last 40, 50, 60 years. We heard this morning a fitting tribute to Montague Sheppard. Certainly, Mr. Swan belongs in that group, that generation, along with a number of others, who paved the way in terms of black business development, entrepreneurship within our community. He also had an abiding love and interest in the overall welfare of Bermuda and Bermudians. I cannot recall the number of times that Mr. Swan would pull me aside, as a good family friend—our families had a background in PHC—and would give me advice on the latest political issues of the day.

He was so multifaceted, he was a Renaissance man. And I am speaking with some emotion here because, again, I have a deep and abiding respect for Mr. Alex Swan. And that generation which he was such a part of laid the foundation for the Bermuda that we have today. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member?

We recognise the Honourable Member from constituency 28.

Honourable Member, you have the floor.

Mr. Dennis Lister III: Good morning, Mr. Speaker.

The Speaker: Good morning.

Mr. Dennis Lister III: First, I would like to send congratulations to the Purvis Primary School. Last week they held their science fair. I would also like to associate MP Tyrrell, even though he is not in the House. We both attended last week. And we were thoroughly impressed by the projects that the students in the

school came up with. It reminded me of not too long ago, when I was in school and had the same science project that we had to do. And I was thoroughly impressed.

Also, I would like to associate with the congratulations by the Honourable Member Pat Gordon-Pamplin, for the Paget Primary and their Black History Month event that they put on. Also, Mr. Speaker, while we have in the Gallery Dr. Carika Weldon, I would like to congratulate her for putting on the gala last week for the Bermuda Principles Foundation. It went over very well.

[Desk thumping]

Mr. Dennis Lister III: And I might as well associate the whole House.

Some Hon. Members: Yes.

The Speaker: Yes.

Mr. Dennis Lister III: And also associating, along with Pat Gordon-Pamplin, the Youth Parliament debate last week, Saturday, where the Proposition won their debate in support of the sugar tax. So, Mr. Speaker, I would like to send congratulations.

Thank you.

The Speaker: Thank you, Honourable Member.

I now recognise the Honourable Member Weeks.

Honourable Member Weeks, you have the floor.

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

Mr. Speaker, I would like to start off by associating myself with the remarks about Mr. Alex Swan. I did not know him when I was younger. But as a man, I was one of his colleagues at the Leopards Club and had the opportunity to learn a lot from him then, you know, not only about club life. We talked a lot about sports. I went to school with one of his daughters, so I know his family well. He was definitely a good man, and he will be a big miss.

Mr. Speaker, on a warmer note, I would like to have the House recognise the exploits of Mr. Ottiwell Simmons. Mr. Speaker, last Sunday, some colleagues and I were invited to St. Philip Church—

An Hon. Member: That little church by the sound.

Mr. Michael A. Weeks: That little church by the sound, yes.

And that church, their youth were putting on a Black History event. And the theme was celebrating Ottiwell Simmons. Mr. Speaker, I had to be there be-

cause Mr. Ottiwell Simmons has always been not only an icon to myself, but to our community.

[Hon. Derrick V. Burgess, Sr., Deputy Speaker, in the Chair]

Mr. Michael A. Weeks: When I got down to the church, I was a little late. And I was expecting to run into standing room only. We have to try to appreciate and recognise, Mr. Deputy Speaker, that those who have gone before us, well, they are still here. So, I enjoyed my time. And I know, and I saw you, Mr. Deputy Speaker, and the Honourable Minister of Education, holding hands and singing *Kumbaya*. But Mr. Simmons was definitely appreciative of all that we had done for him, Mr. Deputy Speaker. And we wish him many more years. Thank you, Mr. Deputy Speaker.

The Deputy Speaker: Mr. Simons, you have the floor.

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

I rise to associate myself with the comments made in regard to Alex Swan, Paget Primary, and Dr. Carika Weldon. I went to her event on Friday night, and I can say I left the event knowing a bit more about DNA splicing and the benefits of its application to spinal injury. It was something that I would never have gone to, but I think I grew scientifically as a result of that rewarding experience.

I would like to also send congratulations to Juliana Snelling and her charity, Support Public Schools. Last week, they had a fundraiser.

[Timer beeps]

An Hon. Member: It's not you.

Mr. N. H. Cole Simons: No.

[They had] a fundraiser. And they raised \$70,000. And Juliana also was able to get 90 second-hand computers for our schools from Lombard Odier and Fidelity International. To me, that is a worthwhile contribution from our corporate community, and I salute them for their commitment to education.

I would like to also acknowledge the fact that the charity, Support Public Schools, has donated over \$110,000 towards school supplies as of June of last year. So, again, congratulations. Keep up the good work! The community acknowledges you and praises you for your contribution. Thank you, Mr. [Deputy] Speaker.

The Deputy Speaker: The Chair recognises the Honourable Minister of Education, Diallo Rabain.

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

Mr. Deputy Speaker, first, on a sad note, I would like to have a letter of condolences sent to the Benjamin family of Loyal Hill. I associate Pat Gordon-Pamplin (I want to say *PGP*; I am sorry), who does live on Loyal Hill, as well. It is unfortunate. I spoke to the family last night. And I have met Roderick [Benjamin] numerous times [while] canvassing up there. And it was just one of those things where he was suddenly found unresponsive. So, a letter of condolences sent to that family.

And, Mr. Speaker, I do want to touch on some of the things that were said previously. With Paget Primary School, this occasion happened to be their second annual Black History Museum function that they put on. They have actually outdone themselves this year. I think that one of the displays that we must pay very close attention to was the one that was done specifically by the ASD [autism spectrum disorder] classroom, which honoured the current Premier, the Honourable David Burt. It was a phenomenal display put on by these young children, who range in age from P3 all the way up to P5.

With that I would also like to join my colleague in congratulating Purvis Primary for their science fair. This is the third time I have attended their science fair, as well. And it is something that is an annual event. It is something that I also look forward to.

I also want to give congratulations to all of the students who put artwork into those annual primary school artwork displays, which is currently happening at City Hall. And if anyone out there has not yet visited, I encourage you to go and visit and see what some of our people are doing.

Again, joining my colleagues with the performance put on by St. Philip AME YPD [Young People's Division] this Sunday. And what he did not mention is that the Deputy Speaker took part in the display and he was actually part of the skit that they put on, which was a bit of a surprise for us, as well.

Going on with the congratulations, congratulations to ABIC [Association of Bermuda International Companies], Mr. [Deputy] Speaker, who have been working with the Department of Education to develop an international business curriculum with our middle schools. We had all of the middle schools out this week, visiting various companies around Bermuda. I dropped in on the Dellwood Primary when they were at Chubb on Monday.

And lastly, Mr. [Deputy] Speaker, along with Mr. Cole [Simons], I want to congratulate Juliana Snelling and the efforts that she has done. I associate Minister Wilson, as well, with that. Juliana is passionate about what she does. And what we can say is that when I sat down with her and we talked about Plan 2022, which also incorporates reaching out to the corporate sector to get them to donate to public schools, she had taken that on with a passion. And everything that she does ties directly back into Plan 2022, which

should serve notice to the public how wonderful that actual plan is and how it reaches all of our community.

She is not a registered charity. It is different the way they operate. They literally collect no money. They just get people to donate supplies, which go to the schools. And they reach out to the schools and ask the schools what it is that they actually need so that they are not bringing anything that will not be utilised. So, congratulations to them. They had deliveries this week to all of the primary schools, all 18 of them, over the course of three days, where they delivered, as Mr. Cole [Simons] said, almost \$70,000 worth of supplies in this week alone. Thank you, Mr. Deputy Speaker.

The Deputy Speaker: The Chair will recognise the Honourable Ben Smith.

Mr. Ben Smith: Good morning, Mr. Deputy Speaker.

I would like congratulations to be sent to the Bermuda Girl Guides. Last Sunday, I was able to attend their Thinking Day, which actually was their celebration of 100 years in Bermuda. Participating in that, it was important to see how many young girls and women are participating in that programme—

[Inaudible interjection]

Mr. Ben Smith: I associate.

—Important leadership qualities are being shown to our young women in the country by this programme. And I would like to make sure that the leaders of the Rainbows, Brownies, Girl Guides and the Rangers are all part of that congratulations. Thank you.

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

The Speaker: Thank you, Honourable Member.

Does any other Member wish to speak?

We recognise the Honourable Member from constituency 32.

Mr. Scott Simmons: Thank you, and good morning, Mr. Speaker. And good morning to colleagues.

The Speaker: Good morning, Member.

Mr. Scott Simmons: Mr. Speaker, I rise today just to recognise . . . this week I had the opportunity to attend the Southampton Preschool following an invitation from the Administrator, Ms. Karen Joyiens. And, Mr. Speaker, I ask that we send them our absolute congratulations on their Bermuda Black History Week. It was an excellent time that was had by all who were present. Mr. Speaker, the teacher, I believe it is Ms. Durrant, Ms. Katuska Durrant. We had a great time. Black History Week is an important time in our history. And to see our young people, to see our preschool

students expressing such energy and the excitement they presented! They are preschool students, but they expressed so many good questions to me as it related to the job that I do, what I am doing in the community, and also as a parliamentarian. And they were excited. And the teachers and all of us had a great time.

I had also an opportunity while I was there to visit the classroom. So, Mr. Speaker, I rise on this occasion to wish them all the greatest of congratulations and to wish them well as they begin this tradition of annually recognising this particular time.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

I recognise the Honourable Member, Minister Simmons. You have the floor.

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

I rise to my feet today to give congratulations for Dalton E. Tucker Primary's P6 class for the completion of their *Random Acts of Kindness* initiative. Mr. Speaker, early in February, Ms. Daniels, from constituency 33, and I were given the opportunity to judge the list of *Random Acts of Kindness* that the class wanted to participate in in the community. And, from the list the children produced, they identified the following things that they would do. And they went out on the 28th, the last day of February, and did community work at the Port Royal Golf facility, the Dr. Cann residential Park, Telford Nursing Home and at the Port Royal Fire Station. I think that the commitment of the teachers and the parents, and all who were involved in this initiative, in getting our children to understand giving back to the community, and the enthusiasm that was displayed by the children who participated, was unparalleled. And I send commendation to everyone involved.

Mr. Speaker, I would also like to extend congratulations to the Bermuda Economic Development Corporation, which last week hosted an event celebrating all who helped to make the year 2018 successful. Mr. Speaker, the work being done at the Bermuda Economic Development Corporation is outstanding. The team who have been placed there have been doing a phenomenal job to move the dial in terms of expanding entrepreneurship and making the path to business ownership, and access to capital, much easier. And their work should be commended.

And finally, Mr. Speaker, on a sad note, I neglected to [note it], if it has been mentioned before, I would like to be associated with the remarks. But if not, I would like condolences sent to the family of Ms. Eleanor "Lolly" Simmons, a stalwart Hog Bay Level. She was a woman who lost the use of her arm in 1978 in a traffic accident and waged an epic case to actually get justice for herself. Despite her disability, she . . . And also, before having the accident, she was one of Bermuda's first black female traffic wardens and was

a trailblazer in many ways. But what I remember her for, the last time I saw her, was her little dog. She had to tell you that he did not bite, because he was a little nipper. And [I remember] her for claiming possession of every PLP paraphernalia I could take off when I came by the house. If it was a wristband or a lanyard, anything, it was not leaving the house.

So, Mr. Speaker, she is missed. She had a beautiful homegoing ceremony at Fort Scaur, which the outpouring of love from the community and the number of people who came out—family, friends, neighbours alike—truly showed the impact that she had that went beyond the public note and the things that she was noted for, but to the connections she made with everyone in the constituency and the community at large.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member?

We recognise the Honourable Member from constituency 19. Yes.

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

Mr. Speaker, I would like to have congratulations sent to the Leopards Club, who, over the weekend, celebrated their 70th anniversary. And I must admit, Mr. Speaker, it was very good to see the installation of the new executive, because I was impressed by not only what I call the youths, as well as the elder statesmen, but also the number of women, as well. So, Mr. Speaker, they have a long history and they should be congratulated.

The Speaker: Thank you.

Any other Member wish to speak?

We recognise the Deputy Premier.

Deputy Premier, you have the floor.

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

I wish, of course, to be associated with the condolences message to the family of Mr. Alex Swan. I would also like to ensure that the record notes the congratulatory message for the group Hindsight, who last week had a musical revue at the Spinning Wheel nightclub, bringing much wanted activity to the north of Hamilton, assisting in our efforts to bring new life and rejuvenation to parts of the city. They not only featured themselves, but also featured a number of local artists in their own effort to advance and increase the opportunities for local musicians. This is a very passionate cause that the Hinds brothers and their musical group are working on.

I believe this revue was a tribute to Stevie Wonder. And their next one is likely to be a tribute to Motown. So, all persons are encouraged to follow and attend their next event. They are one of Bermuda's top music bands; they have travelled the world. But their desire is to see the lot of musicians and music in

Bermuda move forward and to improve back to, and in tribute to, some of the days in the past when we had many more things happening for musicians. So, congratulations to them and their efforts to advance musicians and the cause of music in Bermuda.

The Speaker: Thank you, Deputy.

Does any other Member?

We recognise the Honourable Member from constituency 4.

Honourable Member Furbert, you have the floor.

Mrs. Tinee Furbert: Thank you, Mr. Speaker.

I would like to congratulate the Bermuda Special Olympics Team, who will be on their way to the UAE [United Arab Emirates], March 14th to the 22nd, where they will be representing Bermuda in various sporting events, such as track and field, tennis, bocce, bowling and equestrian. And I would just like to call out their names: Kristopher Trott, Kirk Kemari Dill, Del-Che Landy, Damon Emery, Solay Thomas, Danielle Gibbons, J'Naysha Maloney, Bridget Marshall, Micah Lambert, Tiannai Lowe, Wayne Smith, Carlton Thompson, and Eden Woollery. And for anyone who is interested, we should have the opportunity to take the time to view the opening ceremony, which will be aired on the Sporting Channel, 8:00 am our time, on March the 14th.

The Speaker: Associate the whole House with that, Member.

Mrs. Tinee Furbert: I would like to associate the whole House with that, Mr. Speaker.

And I would also like to thank this Government, the many other sponsors, coaches, volunteers and families who have assisted in making this opportunity possible. And hopefully, when they return, we can congratulate them with any awards or medals that they have won.

The Speaker: Yes.

Mrs. Tinee Furbert: I would just also like to be associated with the Black History Month exhibit at Paget Primary. I believe the Minister of Education specifically spoke about the ASD classroom, in which they did a phenomenal exhibit on our Premier, David Burt. It was actually quite awesome. They did a fabulous tour for whoever went to the classroom and toured the classroom. And it really, really represented an awesome exhibit and museum style. So, I want to say congratulations to the whole of Paget Primary and the ASD programme, who did a phenomenal job in that aspect.

Thank you, Mr. Speaker.

The Speaker: Thank you.

Does any other Member wish to speak?

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

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

Mr. Speaker, I would like to be associated with the remarks on the esteemed Alex Scott—Alex Swan, sorry.

[Laughter and inaudible interjections]

The Speaker: Have you checked this morning with Lawrence?

Hon. Derrick V. Burgess, Sr.: Yes, yes. No, Lawrence is okay.

Mr. Swan—every time I visited his house, we sat down and we had a good rap. And I always left that house with words of wisdom and some things to do. So, I know he will be sorely missed by his family, friends and everyone who knew him.

Also, Mr. Speaker, I would like to send condolences to the family of Mr. Henry “Beardy” Smith, who was eulogised last week in Hamilton Parish. He also will be sorely missed by his family.

Mr. Speaker, I would like to be associated with the remarks concerning the Honourable Ottiwell Askew Simmons. Mr. Speaker, everybody in this country has benefited from the work and the commitment of Otti Simmons—everybody, every job, regardless of what you have. In fact, it was Mr. Otti Simmons, under his leadership, that the health and safety standards in the workplace—he achieved that for the workers. You know, once upon a time, you would go up on a scaffolding on the outside of a building, just some two-by-fours and two-by-twelves, and that was it. No netting or anything. Today, you see it different when they go on high roofs.

Also, I must say that Mr. Simmons is probably one of the most honest people I ever met. I can recall one time, sitting in his office. And he received a call from a supplier from overseas. And he had it on the blower.

And the guy said, *Do you want me to doctor the invoice down so you pay less money in taxes?*

Mr. Simmons said, *Let me tell you, sir. I don't mind paying my taxes. Whatever it costs, that is what I want to be shown on the invoice.*

So, Mr. Speaker, I have learned a lot from the Honourable Otti Simmons, and I am so glad that he is still with us. And I hope he sees many, many more years in this country.

Thank you.

The Speaker: Thank you, Deputy.

I recognise the Honourable Member from constituency . . . oh, okay. I was going to call one of them, but they both sat down.

Premier, the floor is yours.

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

Mr. Speaker, I would like to rise this morning on a very sad note. And I want to ask that this Honourable House send a letter of condolences to the family of the late Mr. Henry Junior Smith. And I will associate all Members of this Honourable House with that. Mr. Henry Smith, the husband of the late Gloria Smith and loving father to Shawn Smith, who is married to Janell Smith; and also Shawnette Perott, who is married to Terry Perott. I knew Mr. Smith. I had known him my entire life, Mr. Speaker. As he was a member of the Breakfast Club, and my father is a member of the Breakfast Club, as well. So, I have known him throughout my entire life.

He was our family plumber. He was a very experienced plumber and worked not only in his profession, which he passes on to his family with his son and also his grandson, but in addition to that, he was a musician and a well-known musician. And so, he was in the Bermuda Regiment Band for a very long time. He was also a member of the Blues Beat Band, a member of the Ex-Artillerymen's Association. And I mentioned the Breakfast Club, and also the Man Cave/Woman Cave Crew.

He was in his 80th year. He will be recognised in a homegoing service tomorrow afternoon. But I wanted to make sure that we could at least extend condolences up here, Mr. Speaker, as he is another stalwart who has gone on to glory.

Mr. Speaker, I would like to associate with the remarks of which have already been given today, for Dr. Carika Weldon, and the Bermuda Principles Foundation, on the success of their third annual conference, which took place here. Dr. Weldon, as I see her, she came to visit me in the office yesterday. And I think she might have actually been up here earlier.

The Speaker: Just left. She just left.

Hon. E. David Burt: And I tell her, Mr. Speaker, that she inspires me. She inspires me to continue to do the work of service, because she does not hold any position and/or rank. But the work of which she has done for our young people, the vision of which she has had by watching a BBC documentary, finding out about Bermuda Principles and starting this foundation exposing our young people to Nobel Prize-winning scientists. And some of the best scientists and geneticists in the world find their way to Bermuda on an annual basis because of her vision. It is something that the Government is proud to support, and I know that Members of this Honourable House supported her in her work and her effort. I think that, last week or the week before last, as she has mentored Ms. Kameron Young to go ahead and . . . and Ms. Kameron Young, I should also extend congratulations to her, as she actually presented at Bermuda Principles as a result of her research.

The Speaker: Yes.

Hon. E. David Burt: It is excellent stuff, and this Government wants to make sure that we continue to recognise her and to hold her up.

Finally, Mr. Speaker, I want to be associated with the remarks for the congratulations that were given to Paget Primary on their annual Black History Month Museum. It was especially poignant for me. I was surprised that my mother was able to keep as many mementos as she did. But I think that it was a fitting tribute. But I think what was also impressive, Mr. Speaker, is that it was the ASD programme. And what this shows is that we can be inclusive, and all of our students can participate and can demonstrate their talents to the country.

So, thank you, Mr. Speaker.

The Speaker: Thank you, Mr. Premier.

I recognise the Honourable Member Moniz.
You have the floor.

Hon. Trevor G. Moniz: Thank you. Thank you, Mr. Speaker.

I just rise to my feet to be associated with the condolences that were given to the family of Eleanor Simmons. I just wanted to elucidate a little bit on that. I have a long association with Ms. Simmons. She was a wonderful person. I represented her as her attorney for many, many years. And it was I who took her case to the Judicial Committee of the Privy Council when she was injured in a traffic accident where the person who hit her was uninsured. And we took that case to the Privy Council. And that case was one of the factors that led to the creation of the Motor Insurance Fund, which is the fund that we all contribute to that covers people who are injured by uninsured drivers.

And I just say I represented her for many years. And she was a most marvellous person. Unfortunately, I was unable to get to the event at the time of her passing. But I would just like to send my condolences to her family. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Now I recognise the Minister.
Minister Caines.

Hon. Wayne Caines: Thank you, Mr. Speaker.

Mr. Speaker, I would like to associate myself with the congratulations to the Leopards Club. I had the privilege of being the keynote speaker for the event. It was indeed a privilege to be chosen.

Mr. Speaker, I would like to give my congratulations to Bermuda's Under-16 Netball Team. And although they are due to head out quite soon to take part in a tournament, Mr. Speaker, these are young ladies who have been chosen from around our high schools. And these are the best of the best that we have in Bermuda. They are due to go to play in the

Caribbean later this week. And we are wishing them well. But, most of all, we are really excited for their accomplishment. One of their proud mothers is here in the Gallery this afternoon. We would like to acknowledge her, as well.

Mr. Speaker, on a sad note, I also would like to offer condolences to the family of Ms. Hilda Place. Mr. Speaker, Ms. Hilda Place was 97 years old. She was the daughter of Mr. A. B. Place of the *Recorder*, a long-time resident of Shelton Road, and a member of the Hamilton Seventh-day Adventist Church and a stalwart member of our community. I would like to offer my condolences to her family.

The Speaker: Thank you, Minister.

Does any other Member?

We recognise the Honourable Member from constituency 36.

Honourable Member, you have the floor.

Hon. Michael J. Scott: Good morning, Mr. Speaker.

The Speaker: Good morning.

Hon. Michael J. Scott: Mr. Speaker, may I ask that congratulations be sent, firstly, to the organisers of *Keeping Bermuda Culture Alive*. This was an event again held at one of our institutions that has been mentioned a number of times this morning, the Leopards Club. The speakers who were celebrating our cultural literary giants included our own Minister, the Honourable Walton Brown; Dr. Radell Tankard; and young teacher, Mr. Junior Burchall (he told me not to call him Colwyn. It seems like he wants to be known as Junior.) To be associated is my honourable friend, Mr. Michael Weeks, the Honourable Michael Weeks.

Sir, I would also like congratulations of this House to be sent to the most recent inductees to the Honorary Fellows of the Bermuda College. This year, they were . . . and the Honourable Member and Minister of Health, Ms. Kim Wilson, would like to be associated with these congratulations, to Mr. Andrew Banks, Dr. Wilbert Warner and Mr. Peter Durhager.

Mr. Speaker, very quickly, on a sadder note, in the Somerset and north area, we lost Mr. Calvin Lynch over the period. And Minister Wilson and I would like to be . . . I would like to associate the whole House.

The Speaker: Yes.

Hon. Michael J. Scott: A very dynamic, decent Bermuda citizen, cut his path in broadcasting behind the camera, Calvin Lynch. We ask that condolences be sent to his entire family.

Mr. Speaker, I also would like condolences to be sent to the family of another constituent, the family of Mr. Adrian Hassell, a young man who lost his life tragically in a tragic accident over the last month or

so. Young Adrian was a dynamic student at the Berkeley. And his principal, Ms. Gabasi, was there, in great lamentation over [this]. Mrs. Simmons was there lamenting the passing of this young man, because she recalled what a great leader he was and what a great figure and presence he was at the Berkeley Institute. So, to his family, on the sadness of this occasion, we offer the House's condolences.

Thank you.

The Speaker: I recognise the Honourable Member Dunkley.

You have the floor.

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

Mr. Speaker, I would like to be associated with the congratulations sent to Dr. Carika Weldon, but also add that one of my colleagues, the Honourable Cole Simons, pointed out that she had just been nominated and [she has] accepted an invitation to join the Royal Society of Biology in the UK, which has over 18,000 members. So, it is clear that Bermudians continue to do great things around the world.

[Desk thumping]

The Speaker: Yes.

Hon. Michael H. Dunkley: Mr. Speaker, I would like this Honourable House to send congratulations and a thank-you to Pat Phillip-Fairn, who, I believe, is moving on from the BTA [Bermuda Tourism Authority] at the end of April. Pat has done a tremendous job and should be thanked.

To Lamont Marshall, a constituent of mine, who broke the Bermuda record again in the 5,000 metres just recently in a race overseas.

And to firefighter Haynes on being nominated and receiving the Firefighter of the Year, named after a wonderful firefighter, [William] Glasford.

I would like to be associated with the condolences sent to constituents of mine, and close constituents of mine, Henry Smith and the Benjamin family, on their [losses].

And also, I ask that the House send condolences to Mr. Frank Flood's family on his passing in early December.

To the Paiva family on the most tragic passing of their daughter by way of suicide.

To the Minors family on the passing of Norman Minors, who loved to talk about everything, especially golf. And my colleague, the Honourable Jeanne Atherden, would like to be associated with that.

Recently, the passing of Cecil Latham, who used to work up in Somerset and was a manager of, I believe, one of the MarketPlace stores. Cecil knew everyone in Bermuda, and he died after a short illness.

And finally, to the family of Shustan Barendock, who passed recently. And I think the Honourable Member from constituency 3 would like to be associated, as well as Honourable Members in this House. She was a young lady who inspired people with her perseverance and her can-do attitude, and she always had a smile on her face. And she will be missed by family and friends. I know all of her family at the ACE group of companies.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

We now recognise the Honourable Member from St. George's.

Honourable Member Ming, you have the floor.

Mrs. Renee Ming: Good morning, Mr. Speaker and listening audience.

First of all, Mr. Speaker, I would like to be associated with the comments for Mr. Alex Swan. And I would also like to extend thoughts and prayers to the family of Mr. David Parsons, formerly of Bermuda, now in Canada. His daughter, Fiona, works with me. And I know that this has been a difficult time for her. So, I am just letting them know that they are in our thoughts and prayers.

And on a happier note, Mr. Speaker, I would like to congratulate the St. George's Parish Council. They are one of our staples within our St. George's community. And this past week, they hosted their annual public meeting, which they are required to do. But they always do it with finesse. They always make sure that they have something that is interesting to the public, so that when the public comes out, they are engaged.

And this year, they actually had the information commissioner. And I was shocked to see that so many people wanted to actually come out to hear what the information commissioner had to say, because sometimes when you speak about certain things, people are like, *Aah, I don't want to go*. But this time, they had a crowd of, I think I counted just about 20 people. And there were a lot of relevant questions that were being asked about the information commissioner and what her office does.

So, I commend them for continuing to look for ways to engage and interact with the public. And also, for their chairperson, Ms. Roslyn O'Brien, who has served on the council for many years. And she continues to invest so much of herself into the St. George's community and so much into the St. George's Parish Council.

So, on that note, Mr. Speaker . . . and just a big shout-out to Mr. Stanley Morton, because I know he is out there listening today. I just want to let him know that we are thinking about him, as well.

Thank you, Mr. Speaker.

The Speaker: Thank you.

Any other Member?
I recognise the Minister.
Minister Burch.

Lt. Col. Hon. David A. Burch: Mr. Speaker, good afternoon now.

The Speaker: Yes, it is.

Lt. Col. Hon. David A. Burch: I would like to be associated with the condolences to the families of Alex Swan and Henry Smith. I, of course, found Henry Smith in the Bermuda Regiment when I joined. And I left him there when I retired, I will say.

Mr. Speaker, I would also like for condolences to be sent to a constituent of mine, the family of Catherine Virginia Marilyn Fisher. Mr. Speaker, anybody who went on Cedar Hill would know the Fisher family.

The Speaker: Yes.

Lt. Col. Hon. David A. Burch: And, certainly, Mrs. Fisher, who loved to cook and provide goodies. And so, she did not have to worry about me coming to canvass. Because whenever I smelled baking, whether it was her turn or not, I would swing by. And so, I would ask that condolences be sent to her husband, Mr. Freeman Fisher, and her four daughters.

Mr. Speaker, thank you.

The Speaker: Thank you.

Does any other Member wish to speak?

No other Member. That brings us to a close of the condolences and congratulations this morning. And we will move on to the next item.

MATTERS OF PRIVILEGE

The Speaker: There are none.

PERSONAL EXPLANATIONS

The Speaker: There are none.

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

The Speaker: There are none.

INTRODUCTION OF BILLS

GOVERNMENT BILLS

The Speaker: Yes. We have five Bills that are going to be introduced this morning. Actually, all of them are

in the name of the Minister of Finance, except for that last one.

Minister of Finance, would you like to move yours? And then . . .

[Inaudible interjection]

The Speaker: Yes. You can move yours, put your Bills in. Go ahead. Go ahead. Go ahead on.

Okay. Go ahead, Minister of Finance.

FIRST READINGS

LAND TAX AMENDMENT ACT 2019

Hon. Curtis L. Dickinson: Mr. Speaker, I am introducing the following Bill, which, according to section 36(3) of the Bermuda Constitution, requires the Governor's recommendation, so that it may be placed on the Order Paper for the next day of meeting: Land Tax Amendment Act 2019.

FINANCIAL SERVICES TAX AMENDMENT ACT 2019

Hon. Curtis L. Dickinson: Mr. Speaker, I am introducing the following Bill, which, according to section 36(3) of the Bermuda Constitution, requires the Governor's recommendation, so that it may be placed on the Order Paper for the next day of meeting: Financial Services Tax Amendment Act 2019.

Mr. Speaker, can I just give all five, six names sequentially? Or do I need to introduce them individually?

The Speaker: You have to name them individually, but I will let you do them all together. How is that? Rather than get up and down.

Hon. Curtis L. Dickinson: Perfect. In the spirit of efficiency, which this Government is promoting positively.

FOREIGN CURRENCY PURCHASE TAX AMENDMENT ACT 2019

HOTELS (TEMPORARY CUSTOMS DUTY RELIEF) AMENDMENT ACT 2019

RESTAURANTS (TEMPORARY CUSTOMS DUTY RELIEF) AMENDMENT ACT 2019

Hon. Curtis L. Dickinson: Mr. Speaker, I am introducing the following Bills, which, according to section 36(3) of the Bermuda Constitution, require the Governor's recommendation, so that they may be placed on the Order Paper for the next day of meeting: in this case, the Foreign Currency Purchase Tax Amendment Act 2019; the Hotels (Temporary Customs Duty Relief) Amendment Act 2019; and the Restaurants

(Temporary Customs Duty Relief) Amendment Act 2019.

Thank you, Mr. Speaker.

The Speaker: Thank you. I think the next Bill is in the name of the Deputy Premier.

Deputy Premier.

MUNICIPALITIES REFORM ACT 2019

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

I am introducing the following Bill for its first reading so that it may be placed on the Order Paper for the next day of meeting: Municipalities Reform Act 2019.

The Speaker: Thank you, Deputy.

OPPOSITION BILLS

The Speaker: There are none.

PRIVATE MEMBERS' BILLS

The Speaker: There are none.

NOTICES OF MOTIONS

The Speaker: There are none.

ORDERS OF THE DAY

The Speaker: Members, as you know, the major item today is [Order] No. 1 on the Order Paper, which is the resumption, or the Reply to the Budget Debate. And, as the clock is so close to that magical time of 12:30, I am going to suggest that we rise now, have lunch and be back at two o'clock. And we can start with the Reply from the Opposition to this year's Budget [Statement].

Are there any objections to that?

Okay. We will now stand adjourned until 2:00 pm.

[Gavel]

Proceedings suspended at 12:24 pm

Proceedings resumed at 2:02 pm

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

The Speaker: Good afternoon, Members.

We are ready to resume the rest of the day's sitting.

[Gavel]

The Speaker: Members, we are going to start with the first Order of the items today, which is the Reply from the Opposition in regard to the Budget Statement that was read out to us last week.

And, as we know, the Shadow Finance Minister sits in another place, so on his behalf we are going to have the Shadow Minister of Health, Mrs. Gordon-Pamplin, deliver the Reply this [afternoon].

[Inaudible interjection]

The Speaker: Yes, yes. While we are getting settled, I am just giving everybody the update as to where we are. The Shadow Minister of Health will give the Reply on behalf of the Opposition this afternoon.

And with those few comments, Minister, would you like to lead us into it?

MOTION

APPROVAL OF THE ESTIMATES OF REVENUE AND EXPENDITURE FOR THE YEAR 2019/20

Hon. Curtis L. Dickinson: Good afternoon, Mr. Speaker.

The Speaker: Good afternoon.

Hon. Curtis L. Dickinson: Mr. Speaker, I move that the Estimates of Revenue and Expenditure for the year 2019/20 be approved.

The Speaker: Any objections? Not approved . . . not approved . . .

[Inaudible interjection]

The Speaker: "Resumed."

[Inaudible interjection and laughter]

An Hon. Member: It's a good try.

[Laughter]

Hon. Curtis L. Dickinson: I read from the scripting and the scripting is clearly incorrect . . . "resumed."

The Speaker: It has been taken under consideration . . . the consideration of the motion for the approval for the Estimates of Revenue and Expenditure for the year 2019/20 . . . together with the Budget Statement.

Okay? You are good?

All right.

Hon. Curtis L. Dickinson: I agree, Mr. Speaker, with your learned advice.

The Speaker: You are smart to agree, how is that?

Hon. Curtis L. Dickinson: Clearly, the copies I got were incorrect.

The Speaker: Thank you.

Hon. Curtis L. Dickinson: I apologise for that.

The Speaker: Thank you for your comments.
Shadow Minister?

THE OPPOSITION'S REPLY TO THE BUDGET STATEMENT 2019/20

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

Mr. Speaker, may I first beg the indulgence of the House to address the errata on the cover page of the Reply which should have read "delivered by the Honourable Patricia Gordon-Pamplin for Senator Nick Kempe, who is the Shadow Minister of Finance."

Mr. Speaker, the One Bermuda Alliance believes that cultivating attitudes of acceptance and tolerance, recognising that Bermuda's strength resides in its plurality and building on our status as a part of the global economy are the keys to economic growth. Furthermore, we believe that improving standards in education as well as providing mechanisms to anchor job creators to Bermuda together with facilitating resident savings to be deployed in the local economy are fundamental to ensuring that growth is inclusive and sustainable.

Bermuda faces a number of systemic economic challenges, many of which every Finance Minister has had to grapple with for the last 15 years:

- external impacts;
- our accumulated debt and the related repayment costs;
- ongoing annual deficits (Government overspending);
- an antiquated immigration system;
- the rising cost of health care;
- an ageing population;
- shifting hostile global compliance standards; and
- a narrow economic tax base.

This Government and those before it have a somewhat limited toolkit with which to tackle these challenges. Those tools consist primarily of taxation, management of Government spending, as well as legislation and policy.

EXTERNAL CONTEXT

Hon. Patricia J. Gordon-Pamplin: Mr. Speaker, Bermuda's economy is one of the most open in the world. As such, we are widely exposed to external shocks. Bermuda's long-standing comparative tax advantage with the United States was affected when

the US lowered its corporate tax rate for tax years beginning from January 1, 2018. Our relatively high cost of living was never enough to offset the comparative tax advantage for businesses operating from our shores. Whilst the combined federal and state US corporate tax rate dropping from 40 [per cent] to 24.9 per cent has not noticeably impacted our re-insurance and insurance business, it becomes even more important that we focus on reducing the cost of living as well as maintaining the integrity of our other jurisdictional advantages as a business centre.

Trade wars and the recent raising of tariffs for many goods imported via the US will have a knock-on effect for the cost of goods in Bermuda. The United States is our largest and closest trading partner so it will be very difficult to change our buying patterns enough to avoid the increased cost of physical imports.

EU substance requirements has a yet to be determined effect on our economy. There are clear and obvious negative effects for many businesses that currently are based in Bermuda and for those companies that service them. The reports that have been done to date conclude that the legislation's effects will be both significant and negative for our economy. Whilst there is some hope that some positive employment effects will come of this legislation, it is paramount that Government prepares to confront the upcoming fiscal year with an abundance of caution.

DEBT

Hon. Patricia J. Gordon-Pamplin: Mr. Speaker, the public debt will continue to erode the prosperity of Bermudians for at least another generation. There has been a narrative pushed by the Government to attribute the debt to the OBA's short time in Government that attempts to deflect from the real causes of the debt predicament we find ourselves in today.

We do a disservice to the people of Bermuda by not engaging this topic with intellectual honesty. Those who cannot remember the past are doomed to repeat it.

How we got here: The 7 years of plenty between 2001/02 and 2007/08

Hon. Patricia J. Gordon-Pamplin: During each of the seven years of plenty, Bermuda was in an ideal situation benefitting from increasing GDP and Government revenue. Despite this excellent economic context, the Government's operational (current account) spending outgrew the yearly increases in revenue.

The real damage was done due to uncontrolled capital expenditure and an addiction to borrowing to pay for this appalling fiscal management. The OBA believes that Government should be prudent and save when the economy is growing.

Competing with the private sector, especially for construction projects, only drives up costs and overheats the economy. Prudent management of surpluses (that should have happened when Government revenues had sustained growth) allows for those savings to be deployed back into the private sector during recessions to stimulate the economy and to avoid going deeper into debt.

The PLP did the exact opposite of best practice. Capital expenditures grew along with the yearly deficits as did the incessant borrowing and related interest costs on the debt. From 2001/02 to 2007/08, Government revenues grew each year by 6.8 per cent on average; however, the public debt grew by 116 per cent, from \$128 million to \$277 million. This reckless management of the people's money was a recipe for disaster waiting to happen.

With the seven years of plenty, Mr. Speaker, what would you think if your cousin got a raise every year and still went deep into debt?

The mismanagement in times of plenty made it extremely difficult to protect Bermudians when, from 2008, the global economy went into recession coupled with continued Bermuda-specific mismanagement. The PLP had created a Government machine built on overspending so it did not take much for the excesses during times of plenty to be felt subsequently.

How we got here: The 7 years of famine (2008/09 to 2014/15)

Hon. Patricia J. Gordon-Pamplin: Seven years of plenty were followed by seven years of famine. Despite moderate Government revenue growth in 2008/09, the out of control spending outpaced even growth that year causing an operational deficit (current account shortfall) of \$14 million. The full deficit was \$241 million that year, but we will explore why later.

There was no rainy day fund as there had not been a surplus since 2003 and it was impossible to slam the brakes on Government spending without casting hundreds of people into the streets. Desperate for revenue, in 2010, the PLP hit the business community with a 15 per cent increase in payroll tax without any consultation. This surprise increase to the cost of business in Bermuda was a breach of trust between the Government and International Business and accelerated the on-shoring of back office functions. In fact, in the two years following this move, 1,550 work permit workers left our shores and another 1,250 local workers lost their jobs.

Despite a misguided belief by the PLP Government of the time that "Bermuda was another world"—immune to the effects of a sustained debt addiction—when the global economy entered into recession our homegrown problems caused us to suffer more and for longer than our economic neighbours.

Mr. Speaker, 2009/10 was a particularly bad year as the public debt doubled in one single year from \$335 million to \$666 million.

During the seven years of famine, Government revenues decreased on average by 1 per cent and expenditure grew on average by 1 per cent. The effect of debt repayment started to be felt as public services started to get crowded out in order to pay back the indulgences [procured] during the times of plenty.

During the seven years of famine our debt grew by 512 per cent, or six-fold, from \$335 million to \$2.050 billion.

The preceding examples are highlighted not just to cast blame, albeit well deserved, but so as to frame the realities of that time as the debt created from the mismanagement of projects and operational overspending under the last PLP administration continues to haunt us to this day.

How we got here: The OBA Effect

Hon. Patricia J. Gordon-Pamplin: Mr. Speaker, the OBA was elected in late December 2012, right before the close of the 2012/13 fiscal year in March. Unfortunately, one cannot stop a moving train wreck in its tracks and there was little to be done about the 2013/14 budget already well in motion. Minister Richards looked "under the hood" as promised. A plan consisting of economic stimulus to create jobs and disciplined reduction was followed by a determined effort to reduce the deficit.

Of course, money had to be borrowed (as there was a massive inherited deficit) while the stimulus programme took effect and Government spending was reduced gradually in an effort to avoid mass redundancies of civil servants. The OBA determined the debt ceiling required to clean up the mess and set it at \$2.5 billion. The OBA inherited a machine running an operational deficit of \$101 million and an overall deficit of \$299 million in 2012/13. The OBA handed over a Government running an operational surplus of \$166 million and an overall deficit of only \$8 million (if you do not include the Sinking Fund contribution) in 2017/18.

For those Honourable Members wishing to make political points with the debt, it is worth noting that during the last five fiscal years of PLP Government (2008/09 to 2012/13) the debt grew by 320 per cent from \$335 million to \$1.408 billion. From the start of the times of plenty in 2001/02 until the year of the election in 2012/13, the debt had grown by 1,045 per cent or eleven times over!

The OBA returned the Government to current account surpluses after only two years at the helm by successfully bringing the Government overspending machine under control. This was the first time that the Government achieved a current account surplus in over eight years. The OBA was on target to deliver a

balanced budget and cap the growth of debt in fiscal year 2018/19, that is, this past fiscal year.

DEBT SERVICE

Hon. Patricia J. Gordon-Pamplin: The problem with public debt, Mr. Speaker, is not just its effect on crowding out public services and driving up taxes, but the fact that the negative effects are not widely enough understood. The numbers at times seem so large that they are unfathomable.

If debt had not been racked up unnecessarily during years of tragic mismanagement, we would now be able to spend almost double what we presently spend on education, for example. Or we could have paid for the hospital and the airport in cash without needing to go to foreign investors. In 2019/20, the \$117 million per year in interest on debt alone makes it one of our biggest ministries along with National Security (\$135 million); Education (\$137 million); and Health (\$190 million); plus \$51 million for Financial Assistance. The debt is very real and without aggressively paying off the debt the yearly interest will continue to take money that should be spent on education and seniors.

DEBT MANAGEMENT

Hon. Patricia J. Gordon-Pamplin: Mr. Speaker, just as bundling and refinancing personal debt, credit cards, and mortgages can save money and reduce size of payments, so can careful management of the public debt. Minister Richards was the first Finance Minister to successfully tender existing loan notes to lower the overall yearly interest cost. Imitation being the sincerest form of flattery, the PLP Minister of Finance has repeated this wise precedent. Whilst there are limits to this strategy of debt management, it will have to remain for the foreseeable future nonetheless as our debt is here to stay for many years to come.

DEFICIT

Hon. Patricia J. Gordon-Pamplin: Mr. Speaker, like any household, when the Government spends more than it earns, it needs to make up the difference either by drawing down on savings or by racking up debt. Government has had no savings for a very long time. The amount that Government overspends each year is called the deficit. A balanced budget is when the Government does not spend more than it earns and a surplus is when there is money left over after balancing.

The Government earns revenue through taxation. Once you subtract the operational spending, you get the Current Account Balance which we spoke about earlier. After that you must take into account the interest on debt and the Sinking Fund contribution which is a forced savings of 2.5 per cent of outstand-

ing debt to assist at the time that debts become due. The only other consideration is capital expenditure for the year.

After all four of these expense lines are subtracted, the Government accounts will be either in a deficit, balanced, or surplus position.

DEFICIT: PLP LEGACY

Hon. Patricia J. Gordon-Pamplin: Mr. Speaker, remember the example of 2008/09, when the Government first presented a current account deficit of \$14 million, but a final deficit of \$241 million? Let's take a look at the last 20 years of capital expenditure (CapEx) in five years blocks to understand more:

- 2000/01 to 2004/05: average CapEx per year was \$69 million;
- 2005/06 to 2009/10: average CapEx per year was \$141 million;
- 2010/11 to 2014/15: average CapEx per year was \$72 million;
- 2015/16 to 2019/20 (estimate): average CapEx per year is \$62 million.

As we take a closer look at the numbers, it is clear that the additional \$73 million per year on average in capital expenditure between 2006 and 2010, when compared to the other periods, drove the deficits that played a significant part in creating the debt problems that continue to harm Bermudians to this day. At the end of 2004/05, our yearly Government deficit was \$37 million and our public debt was \$128 million. By the end of 2009/10, our debt had grown fivefold in as many years to \$666 million and the Government was now overspending by \$194 million each year! Hence, the PLP debt mountain.

Much noise was made about the amount of money invested to support one of Bermuda's signature stimulus programmes, the America's Cup. It is clear to see from historical spending that the OBA provided incredible value for taxpayer money. This investment created jobs, stimulated the economy and improved the prosperity of Mr. and Mrs. Bermuda.

The 2006 to 2010 period truly marks the height of irresponsible governance and the lowest point of trust in the PLP's ability to manage the public purse. Multiple Auditor General Special Reports were published in response to the mismanagement of money during that period—Heritage Wharf, the Berkeley, BLDC, Port Royal, GlobalHue, et cetera—and \$890 million of audits [audited accounts] were unaccounted for.

After the 2012 election, the OBA set into action its stimulus plan for the economy and then tackled the Government spending problem. Between 2014/15 and 2017/18, Bermuda's economy as a whole experienced GDP growth for the first time in six years, Government revenues grew by 4 per cent on average, whilst Government spending was reduced by 2 per cent each year. Part of the Government's revenue

growth was due to increased economic activity and part was due to new taxes.

DEFICIT: OBA RESULTS

Hon. Patricia J. Gordon-Pamplin: Mr. Speaker, the OBA believes that Government has a social contract with the taxpayers and will not tax Bermudians without both a plan to grow the economy and a commitment to reduce Government spending at the same time. The OBA was on target to deliver a balanced budget in fiscal year 2018/19. This plan was reiterated as an election promise by Minister Richards and the OBA was on track to deliver. Premier Burt repeated the promise and committed to a balanced budget by 2019; however, we have now seen that mark missed for two consecutive years if Sinking Fund contributions are considered.

IMMIGRATION POLICY

Hon. Patricia J. Gordon-Pamplin: Bermuda has been managing its immigration policy since 1956 with a tool built on the premise that we need to keep people out. In fact, the piece of legislation is called the Immigration and Protection Act.

With empty homes, stores and offices across the Island, what exactly are we protecting ourselves from in 2019?

Up until 2007/08, Bermuda's working population grew almost every year according to the annual employment briefs. That year, Bermuda's workforce was at its largest ever coinciding with both the most work permit holders and locals (Bermudians, spouses of Bermudians and PRC holders) ever employed and Bermuda was at its wealthiest. By the end of the seven years of famine, 3,377 work permit holders left our shores. Some would attempt to convince you, therefore, that Bermudians would reap the benefits and fill those jobs. The reality is that another 3,517 locals lost their jobs too. The total number of jobs in Bermuda declined by 6,894.

That is almost 7,000 fewer people earning money to spend in the stores, take taxis, et cetera. Consider the fact that when guest workers stop working, they also leave the Island. That, therefore, is 3,377 fewer people paying rent in Bermudian-owned rental apartments.

The narrative that guest workers take Bermudian jobs is also false when the economy is growing. During the seven years of plenty from 2001 to 2008, work permit holders increased under the PLP by 2,446. The increase in guest workers did not displace locals whose numbers actually increased by 325. For those who want the breakdown by race, the highest number of guest workers employed in Bermuda was in 2008, which coincided with the highest level of employment for black people, and presumably for black

Bermudians, albeit that level of detail is not available in the Employment Briefs.

The positive effect of guest workers is the inconvenient truth of our times in some quarters and the longer this issue is politicised, and decision-makers stick their heads in the sand, the longer Bermudians will struggle to find prosperity in our own land.

An excellent anecdotal example of how work permits create employment for locals comes from the Premier himself in a recent motion to adjourn. The Premier laid out the example of an unnamed entity that if it were to create a company in Bermuda it would consist of 14 work permit holders and six Bermudians. In that specific case there are over two work permits required for every one Bermudian job created.

In a jurisdiction as small as Bermuda with such a large percentage of the economy built around International Business, immigration policy and its relation to resident population is an important lever that Governments have to directly stimulate the economy.

Jobs for Bermudians was, and remains, the priority of OBA economic policy. In order to achieve this, job and wealth creators should be welcomed to our shores so that talented Bermudians presently overseas have a working economy to which they can return. Making Bermuda an attractive place to do business is a combination of jurisdictional reputation, residential know-how, cost of living, and immigration policy. Mr Speaker, we believe that a growing economy is the best way to ensure a job for every Bermudian and a welcoming immigration policy is a precursor to achieving that growth. Furthermore, after guest workers have shown their commitment to Bermuda, clear pathways to status should exist to allow resident job creators and their children the security to commit financially long-term to their and our mutual success.

Bermudians, Mr. Speaker, have a choice: Do we want jobs and prosperity? More money in our pockets, or do we want more taxes and a higher cost of living?

HEALTH CARE COSTS

Hon. Patricia J. Gordon-Pamplin: When we talk about cost of living in Bermuda, Mr. Speaker, the two main components of non-discretionary spending are now rent and health care according to Government's Consumer Price Index. However, in 2004, health care spending lagged well behind food.

In fact, from 2004 to 2012, the total spend on health care for Bermuda rose by 80 per cent.

There is major resistance by the current administration to address the root cause of unchecked provider costs and overuse of certain services.

In February 2018 the BHeC said: "Our health care system is at a breaking point. We cannot continue with the status quo and we must make bold moves to change this course." And added, "Our population is ageing which means there are less working people to

fund the health system. If we do not make impactful changes soon, the younger generations will be paying for our inaction in the future”.

Recently, the head of Bermuda's health care watchdog organisation, BHeC, was unceremoniously dismissed in a move reminiscent of the 2007 office raid and arrest of [the] financial watchdog, the Auditor General.

PATI requests have now reaffirmed the fact that the cost containment policies implemented under the OBA were not politically targeted as the PLP has alleged. The fact remains that the efforts to contain the areas of most egregious overuse were undermined by a PLP Cabinet insistent on reimbursing previously reduced diagnostic imaging fees without evidence of necessity. Spending of taxpayers' money must always be subject to taxpayer scrutiny.

Another payment that was agreed without any assessment in court was the recent compensation for victims of the unfortunate pepper-spraying incident. The payment was also made prior to the finalisation of the Parliamentary Joint Select Committee's findings and was subject to a Non-Disclosure Agreement. Lack of transparency, Mr. Speaker, evaporates trust.

DEMOGRAPHICS

Hon. Patricia J. Gordon-Pamplin: We as Bermudians are not replacing ourselves. Like many western economies, the baby boomer generation is retiring or close to doing so. From 2010 to 2016 the old age dependency ratio increased from 19 to 25, at the same time as the youth dependency ratio decreased slightly from 23 to 22. The census projections show that we are at the tipping point now and that in 2026 we are on target for the old age dependency ratio to soar to 40! Including young age dependency (under 15 years old), the total dependency ratio is set to move from 47 in 2016 to 61 in 2026.

That means that for every 100 working age individuals there will be 61 non-working age individuals. That is an increase of 30 per cent in a 10-year span. The working population in Bermuda fell by nearly a thousand people between 2016 and 2018 according to the most recent Labour Force Surveys. The dependency ratio can only be covered by increased taxes, increased premiums or aggressive regulation of the largest abusers on the cost side. The burden on Mr. and Mrs. Bermuda and the private sector needs to be considered in the stark light of demographic truths and not political rhetoric. This again speaks to the dire need for immigration reform. This trend, as it stands, is simply unsustainable.

SHIFTING GLOBAL COMPLIANCE

Hon. Patricia J. Gordon-Pamplin: There are many acronyms associated with the heightened global compliance structure, Mr. Speaker: FATCA, BEPS, AML-

ATF, KYC, et cetera, and they all bring an increased cost to businesses looking to operate and bank in the global economy. The newest layer is EU substance requirements with an OECD global standard around the corner. The largest players on the global market are looking outward to the offshore world with much more vigour than they are internally to try and address tax compliance and collection challenges in their own jurisdictions. The hypocrisy of EU substance requirements is obvious as it is only outward looking and fails to apply the same standard to Ireland, Luxembourg, Malta, and other places closer to home.

This latest salvo will fundamentally affect the ability for certain companies to maintain their presence in Bermuda in their present forms. The thrust of this legislation is for companies to prove “adequacy” or, in layman's terms, to put “boots on the ground” in Bermuda. There are some that believe that a silver lining may come from EU substance in the way of increased presence of certain companies here. Whether that will outweigh the negative effects from exiting businesses is still to be seen. It is of note that the recent EU Economic Incentive Programme was simply a rehashing of existing policies and OBA stimulus legislation. Until we have more certainty around the impact of EU substance requirements, this existential threat must be matched by increased caution in Government revenue projections and a greater resolve to control Government spending.

NARROW ECONOMIC BASE

Hon. Patricia J. Gordon-Pamplin: Almost two-thirds of Government's revenue in 2018/19 was budgeted to come from payroll tax (\$454 million) and customs duty (\$235 million). Both of these taxes are inextricably linked to our working population. When fewer people are working in Bermuda, each worker will bear a larger portion of the burden if Government does nothing to reduce spending to match a smaller worker base. There has been no attempt to resize Government to the declining population—or increase the population to match the size of Government—during the two PLP budgets since the election.

TAXES AND COST OF GOVERNMENT

Hon. Patricia J. Gordon-Pamplin: Taxing the population sensitively and spending that money efficiently are two equally important parts of the social contract that any Government has with its people.

In sports, the art of the feint is highly prized. A footballer feints like he is going left then suddenly turns right, or feints that he is going to run then suddenly stops. Such tactics are designed to fool the opponent by enticing him to expect a certain outcome, only to discover, often too late, that a different outcome is on the cards. This tactic is great in sports, but

a questionable one in finance because you sow doubt into the minds of business people.

The Government has gone out of its way to make Bermuda think that it was going to deliver a very unpleasant medicine. First, there was the Tax Reform Commission which was directed to find \$150 million in increased taxes. Then there was the Pre-Budget Report that proposed \$50 million in increased taxes. The prospect of this policy was frightening as everyone predicted that it would implode what little vitality existed in the Bermuda economy. These feints were entirely unnecessary as the budget gap that the OBA left was relatively modest and could have been closed with a very modest increase in revenues combined with further reductions in government spending.

This Government campaigned on bold tax reform, not increased taxes. What is to become of the Tax Reform Commission Report? Will we see it resurface in the next budget?

This Budget was full of sleight of hand to hide the lack of results or actual reforms for a better and fairer Bermuda, such as:

- Residential Rent Tax. Despite the outcry against the rental tax, Government is putting up land tax instead, which is worse. At least the rental tax had a carve out for people living in their own home. Also, the lowest ARVs had their land tax reduced to 0.0 [per cent]. This may sound good if you are struggling to get by in the smallest of dwellings in Bermuda, until you realise that the new \$300 flat fee is actually going to cost you far more.
 - Economic Plan and National Health Plan are superficial and almost aspirational. There is no “how” detailed and the results speak for themselves. The emperor has no clothes, Mr. Speaker.
 - Public Sector Reform and streamlining the operations of Government was promised, but there is no reduction in operational spend budgeted over the next three years.
 - The largest single increase of any cost line is the travel account at 12 per cent.
 - From the Budget Statement: “it is not prudent to raise an additional \$50 million in revenue at this time.” What was missing from that statement is that \$39 million in revenue is being raised anyway through increased taxation.
 - Increased business registrations were announced, but net numbers were not shared and revenues from IB company fees were budgeted to be lower than last year.
 - Legislated Sinking Fund contributions have been replaced with a vague “up to 75 per cent” of budget surplus. No matter how you cut it, Mr. Speaker, that contribution will be far less than the approximately \$65 million per annum mandated by the Government Loans Act. Even with Sinking Fund contributions,
- without reducing Government spending, growing the economy or imposing further tax increases, the Sinking Fund will be woefully underfunded when it comes time to retire the [\$615] million worth of notes due in 2022/23. What is the plan to retire these notes?
 - Payroll tax concessions were given to employers in International Business and only the largest select retailers; there was nothing for the rest of Bermudian business in other industries or for the smaller players in the retail sector.
 - Again this year, the Finance Minister attempts to distance the PLP from the debt it created in 2012/13 by mislabelling that year’s debt as “OBA Government” in the Budget Statement. This detail highlights a party mind-set more focused on deflection that actually taking responsibility for the financial mess Bermuda is in.
 - Sugar tax is increasing from 50 per cent to 75 per cent and will apply to more items. There was no mention of subsidies for healthy products so this measure will have a disproportionate impact on those who cannot afford healthy foods.
 - Foreign Currency Purchase Tax. This increase disproportionately hits Bermudians too. Basically, everyone earning Bermuda dollars lost purchasing power compared to those in International Business that earn in US dollars. Also, everything imported from now [on] costs that much more so this tax will drive up the cost of living for everybody.
 - Commercial land tax is going up which is yet another attack on a struggling Bermuda business market.
 - Government is going to be charging back taxpayers who pay by credit card. Unfortunately, credit card agreements prohibit businesses from doing the same thing to their customers so this is just another way that taxpayers will get squeezed in the middle. More taxes on one side and Government charge-backs on the other.
 - The Financial Service Tax is increasing so premiums on your car and bike insurance will go up too. The taxes will be passed on like any other cost of business, so for the Government to say that the fee would be the obligation of the insurer is either naïveté or they simply don’t want people to see the line item on their bill showing that it is indeed Government causing them to pay more. More sleight of hand.
 - Ministry Headquarters have large increases in the budget allocations. The question, Mr. Speaker: Are the Ministers leading by example?

It is reckless for Government to forgo the Sinking Fund contribution of \$67 million in order to claim a sense of achievement of a \$7 million surplus. Revised estimates show last year's budget projections are already on track to be missed by \$13 million which gives little confidence that this narrow target can be hit. There is no justification to celebrate a projected surplus before it is achieved given past performance. Removing the savings discipline of future Sinking Fund contributions will leave us ill-prepared to retire future debt.

It is curious that this Government sees fit to increase taxation revenue by \$39 million and yet do nothing to reduce its own expenses! The Budget Statement is quick to chastise the OBA for increasing taxes, but fails to note that the OBA handed over a Government spending of only \$908 million on a glide path of reduced spending—a trend that this Government immediately reversed. The OBA's second year in Government showed results, whilst the PLP's second year will be characterised for slippage: slippage on revenue projections; slippage on spending targets; and slippage on balanced budget promises.

In fact, Mr. Speaker, if you remove the Sinking Fund contribution from the 2017/18 actuals at the end of the OBA's term, there was only a deficit of \$8 million which the PLP regressed in its first budget in 2018/19. Despite the SAGE report providing a blueprint for efficiency and savings, additionally the taxpayer was paying for a Minister responsible for Government Reform for over a year. On top of that, an Efficiency Committee chaired by the Junior Minister of Finance spent 15 months working on a report that was submitted in September 2018. Where are the savings? Why aren't they being passed on to Mr. and Mrs. Bermuda?

Mr. Speaker, the private sector is reeling as evidenced by low levels of business confidence, months of retail sales declines, and decreases in household final consumption, and yet taxes are going up again this year, with up to \$150 million in additional tax burden being considered over the next two years.

Mr. Speaker, the Premier must start to lead by example. When Premier Burt unveiled his first Cabinet, he stated that his Cabinet was smaller than the previous OBA one and added that "fiscal responsibility must start at the top." The inference, of course, was that his Cabinet was going to cost the taxpayer less than the outgoing administration's Cabinet. This proved to be a false premise as every single member of Premier Burt's first Cabinet was on full-time Minister salaries increasing the total Cabinet cost by \$150,000. The very next year the Premier misled the public again by inferring that savings were to be had because he had reduced the number of ministries from 11 to 10. However, the number of Ministers actually increased to 12, including a Minister without Portfolio, in total costing an additional quarter million per year (for the two additional Ministers). While the number of

ministries may have decreased, we have not yet heard of any corresponding reduction of civil servants or Government spend either. The Premier's own personal entourage increased at the same time that he dropped the Portfolio of Finance.

Whilst the entire PLP Cabinet is claiming full-time ministerial salaries, many of those that have actually filed Register of Interests forms (as they are required to do) note that they are being paid from other jobs. This is inconsistent with the leadership of a Government that is missing spending targets, forgoing Sinking Fund contributions to balance the budget, inconveniencing the public with austerity measures such as once weekly trash collection, and raising taxes on everyday Bermudians. Why isn't the PLP reducing its spending instead of squeezing more and more out of Mr. and Mrs. Bermuda? It would appear that doing less with more has replaced the old campaign promise of doing more with less.

STIMULUS

Hon. Patricia J. Gordon-Pamplin: Mr. Speaker, the OBA worked quickly in Government to identify achievable short-term sources of economic stimulus and direct foreign investment as putting Bermudians to work was our number-one priority. The America's Cup, the airport project, and the various hotels created jobs, many of which, thankfully, continue to this day. The BTA has created a new life to tourism and the growth also continues to this day. Imagine how much worse our economy would be 18 months into this PLP Government if the economy was missing those jobs as well. Construction jobs, taxi fares, hotel and restaurant jobs as well as many others. Government's own statistics office confirms this. The economy still needs diversification to mitigate external shocks, but short-term private sector construction and tourism-related growth provides much-needed runway while Bermuda aggressively searches for new pillars. Imagine how much worse it will be when the airport and the hotels finish construction if the PLP still has not found their stimulus programmes.

Mr. Speaker, in a town hall meeting on the Pre-Budget Report, the Finance Minister lamented, "I cannot predict that an America's Cup will happen next year so in the meantime I have to work with the hand that I was dealt." This comment both acknowledges that the Cup had a positive influence on Bermuda's economy as well as recognises that his Cabinet colleagues have not yet been successful in identifying or successfully securing a new source of stimulus.

INFRASTRUCTURE FUND

Hon. Patricia J. Gordon-Pamplin: Mr. Speaker, in May of last year, the Bermuda Infrastructure Fund was unveiled with the Premier stating, "The fund is important for Bermuda on two fronts: it supports the

modernisation of Bermuda's ageing infrastructure and will provide jobs for Bermudians in the months and years to come." There is no mention of the fund in this Budget Statement. The OBA would appreciate an update on what projects have been completed to date, how many jobs those projects have created, and how much has been paid in fees by the Government for the management of this fund thus far.

TOURISM

Hon. Patricia J. Gordon-Pamplin: Mr. Speaker, the America's Cup, the airport, and new hotels all mean jobs. Growth in tourism means jobs. New jobs. Jobs for Bermudians and jobs relocated here from overseas.

Our tourism industry is still ripe for more growth potential, especially as it relates to hotel development. Overseas direct investment still needs to be focused on. There are more sites that could be developed and the OBA projects will end soon. While the BTA is primarily a destination marketing entity, Government is needed to find and close deals with hotel developers. We are pleased to hear that the Government has heeded our calls for an Event Authority which should have happened in the immediate aftermath of the America's Cup. A Bermuda Yacht Agency for supporting superyachts is another legacy stimulus from the America's Cup that could have been embraced had this Government not been so focused on dismantling OBA successes.

If it were not for the PLP's toxicity towards the America's Cup, Bermuda could now be benefitting from the presence of a Sail GP team and a circuit stop.

INCREASED WORKING POPULATION

Hon. Patricia J. Gordon-Pamplin: Mr. Speaker, economically, an increased residential working population contributes to alleviating every single one of the systemic issues addressed at the beginning of this Budget Reply:

- Debt, debt service and deficit. More working people [in Bermuda] means greater payroll tax collection and more local consumption which increases customs duty. A greater residential population creates a multiplier effect on our two biggest buckets of tax.
- Health care costs. Guest workers are generally younger and healthier than our average resident. Increasing the number of guest workers massively improves the sustainability of our health care system.
- Ageing population. Increasing [the] working age population, with all else staying the same, directly reduces our maintenance ratio. Total health care costs and ageing population are closely intertwined.

- Global compliance requirements. Many companies are going to have to do more to justify presence in Bermuda under new tax regimes. We are competing with other jurisdictions on this front and must present a welcoming attitude.

- Narrow economy. More working age people on Island decreases the tax load per person.

Whilst it would be nice to think that all that growth can happen from returning Bermudians that went overseas during the seven years of famine, recent history does not support that happening without also increasing the number of guest workers.

ECONOMIC DEVELOPMENT POLICY

Hon. Patricia J. Gordon-Pamplin: It is the OBA philosophy that Government's job is not to create industries, but rather to create the conditions in which business creators can thrive. That philosophy appears to differ from that of this Government.

The Premier is attempting to directly create new markets in Bermuda, such as FinTech. A "new silicon valley" was promised at Southside followed by backtracking to a hub in town and then more recently something to be explored by the private sector. Herein lies another major difference in approach to business development between the OBA and the PLP. The OBA approaches an opportunity or an obstacle, assesses the challenges, sees what the private sector can do and then what Government can do to assist. The PLP, on the other hand, sees the same opportunity or obstacle, promises that Government will do it, then assesses the challenges, determines that it cannot actually execute its promise and only then turns to the private sector. We question whether the desire to find validation and credibility has led to many unfounded announcements of success—promises that have not been fulfilled. Bermuda has been subjected to a PLP pattern of overpromising and underdelivering on this front.

Jobs were announced in June 2018, but then backtracked a few months later. A FinTech bank was foreshadowed in an announcement at Davos, but then the timeline "corrected" upon return to Bermuda. In June 2018, the Premier stated, "I'm relatively certain that within the next two months you'll begin to see more companies that will sign leases, that will begin hiring, that will begin setting up, and will begin their philanthropic efforts here in Bermuda."

The number of FinTech MOUs that have been signed promising tens of millions of dollars do not yet seem to have come to fruition. The hundreds of jobs promised last year have not come to fruition either. How many jobs have actually been created, Mr. Speaker? Surely, this Government must know from payroll tax returns! This is the Government's flagship economic programme. If there actually were any successes, they would be promoted far and wide just like

the MOUs that never happened. We understand that the FinTech umbrella covers many business models, some more legitimate than others. We hope that the Premier's zealousness does not cause Bermuda to engage with [organisations] that could bring our jurisdiction's reputation into disrepute. It is clear that banking is a major challenge for the development of FinTech and we wish the Premier the best of luck on that front.

We also look forward to hearing progress reports this session on the following MOUs:

- Arbitrade promised: \$1 million donation to the incubator at Park Place; \$45,000 donation to the gang rehabilitation chicken farm; \$25,000 donation to Mirrors; and \$25,000 to the Family Centre.
- Shyft promised: \$10 million investment in Bermuda to create new jobs, re-skill workers, invest in local businesses, education and infrastructure.
- Binance promised: 40 jobs (30 of which were Bermudian); \$10 million in university sponsorship for Bermudians; \$5 million investment in Bermudian blockchain companies.
- Medici Ventures promised: 30 jobs in Bermuda.
- Omega One promised: 20 jobs for Bermudians and 10 per cent of a token sale to be donated to sport and community clubs in Bermuda.

Mr. Speaker, despite bullish optimism by the Premier, we caution that the employment potential and other benefits of FinTech not be overhyped to the public.

Mr. Speaker, another industry where we believe it is Government's job to create conditions for success, but not get directly involved in the industry creation, is bank financing.

The Minister said, "Government will, in conjunction with private sector banks, pilot a mortgage guarantee programme in return for a reduction in interest rates charged to Bermudians for their mortgages." Mortgage loans, like all loans, are based on the borrower's ability to repay, as opposed to the quality of the collateral. Local banks have a large book of impaired mortgages. Mortgages get into trouble because of the borrower's inability to maintain the repayment schedule. This plan appears to be an invitation to the banks to lay off their impaired mortgages onto the Government. What administrative resources does the Government have to manage such impaired assets? This plan will only serve to increase the civil service and not have much of an effect on overall interest rates.

One of the most troubling proposals contained in the Minister's Budget Statement is, "Government will create a government-backed mortgage lender," to provide mortgages to civil servants.

The first question that arises is, Why does this government see it fit to use taxes paid by everyone to benefit only the civil service? Another question that arises is, With what?

Mr. Speaker, the Government itself is a net debtor to the tune of about \$2.5 billion, meaning that it has no real money of its own. Is the Minister's intention to use borrowed money to fund this entity, first with equity capital and then with debt capital to lend to would-be borrowers? How can a government that doesn't even have enough money to meet its Sinking Fund obligations even consider such a move?

Perhaps there is another source the Minister has in mind. Is the Minister planning to raid the Public Sector Pension Funds, the Contributory Fund, or the Public Service Superannuation Fund, to fund this venture? Both of these funds are underfunded. This would be a major departure from a long-held policy of segregating pensioners' funds from Bermuda-based risks and could be the thin edge of the wedge for further local investment adventures with pensioners' money. It should be borne in mind that the public sector pension assets do not belong to the Government—they belong to Bermuda's pensioners—both private and public sectors.

Government's role is one of prudent stewardship. Such a use would violate any notion of prudent stewardship.

Also, Mr. Speaker, where would the Government acquire the lending expertise? There certainly is none within the civil service at this time. Clearly, such expertise would have to be poached from the banking sector, thereby increasing the ranks of the civil service. And what would be the lending criteria? Where would the accountability lie? How does the Government discipline a poorly performing civil servant if his termination will result in a non-performing mortgage loan for the Government?

And we are not talking about insignificant numbers either, Mr. Speaker. Mr. Speaker, providing 2,000 civil servants with \$500,000 mortgages will result in a \$1 billion mortgage portfolio.

Lastly on this subject, what will the unleashing of all this credit on the local property market mean to property prices? This proposal is a non-starter if Government cannot answer all of these questions satisfactorily.

GROWTH-FOCUSED IMMIGRATION POLICIES

Hon. Patricia J. Gordon-Pamplin: Mr. Speaker, is immigration Bermuda's Brexit? Brexit has divided a country, divided political parties and is driving business from Britain's shores as economists are predicting a Brexit recession. It is well known that members of this Government are stating in meetings with International Business that they recognise the need for increased immigration. This is in stark contrast to much of their public political messaging. Like Brexit,

will immigration split a political party? Unlike in the UK, will a leader emerge in this government to unite the country around this issue in the name of Bermuda's prosperity?

A recent article in Dowling & Partners' *IBNR Weekly* had the following assessment of Bermuda, "We agree that Bermuda has a history of reinventing itself, but the current environment brings new challenges as the island has to deal with the bloated government, high levels of debt, high costs of living and no free flow of people (foreigners can't own local businesses, can't buy commercial real estate, can only buy high-end residential properties and have very high hurdles to become a resident)."

The fundamental inhibitors to growth remain the same from the OBA's time in Government. A clear and welcoming immigration policy is needed to ensure that we can attract the global expertise and capital needed to grow our stagnant economy and drastically increase our working population. Furthermore, it is essential that we arrest the exodus of long-term contributors to our economy.

The answers to immigration reform that have been backed by the various working groups are essentially the same as those proposed at the time so we welcome any action on this issue. We fully expect to see Pathways to Status presented repackaged with a different name. It is long overdue.

The Fiscal Responsibility Panel stated in its 2018 Annual Report that: "A precondition for faster growth is to increase the island's workforce. It is the only realistic counter to the island's demographic challenge from a rapidly shrinking and ageing population. Immigrants and returning Bermudians with the right skills will help to create jobs, not displace them."

This, Mr. Speaker, is a pivotal moment in Bermuda's history and this issue cannot be avoided any more as it is presently being subjected to a slow death by committee. The Premier purports to [be] able to pass Immigration Reform because he feels he has the people's trust. The OBA welcomes him to move ahead.

DEBT MANAGEMENT

Hon. Patricia J. Gordon-Pamplin: The OBA recognises the Minister's premise as relates to the Sinking Fund that borrowing to save can cost more due to negative carrying costs (that is, the difference between borrowing and saving interest rates). However, given the severity of the debt burden and fact that the margin of the projected surplus exceeds the amount by which the last budget missed its original estimates, we fear that the departure from savings discipline, coupled with the political temptation to spend away surpluses, will hinder our ability to retire future debt. The non-committal objective of dedicating "up to 75 per cent" of budget surpluses to debt re-purchases and/or Sinking Fund Contributions is an entirely un-

derwhelming alternative to [the] existing Sinking Fund solution. For example, what happens to the other 25 per cent of the surplus?

Even the Sinking Fund contribution of \$65 million is not enough to drastically reduce the debt, and this up to 75 per cent of surpluses contributes far less. Realistically, without contributing \$100 [million] to \$150 million per year towards paying off the debt (including Sinking Fund and surplus), Bermuda will continue to have services for Bermudians crowded out by interest payments for generations to come. Without growing the economy to increase Government revenues at the same time that Government spending is reduced through reform and new efficiencies, those yearly debt repayment targets will not be met. Looking to grow Government surpluses entirely with more taxation will only increase the cost of living, reduce Bermuda's competitiveness as a jurisdiction and strangle any hope for local businesses.

RESIDENT LIQUIDITY

Hon. Patricia J. Gordon-Pamplin: Like immigration, the historical context by which we approach capital is antiquated. The 60/40 rule was created to keep foreign capital out in a time when Bermudian capital controlled all the means of production. Bermudian capital is not what it once was and Bermudians no longer own the banks or the telecoms. There is still plenty of wealth being created in Bermuda and the OBA believes that coupled with Pathways to Status and a more aggressive approach to attracting innovators, redefining the 60 per cent ownership rule from "Bermudians" to "residents" would allow all people working here to invest in companies and drive innovation in areas outside of their work permit categories.

Mr. Speaker, increasing the amount of capital to invest in the local economy would assist entrepreneurs struggling to find financing through the banks. A more liquid local capital market could also invigorate the Bermuda Stock Exchange which is sorely underdeveloped and the trend has been one of a diminishing presence of non-finance companies. We send large amounts of capital overseas by way of repatriated savings of guest workers and pensions of employees in the local economy. We believe that we need to take concrete steps to ensure that more of the savings generated in Bermuda flow through our economy.

Mr. Speaker, there are many people that have been employed and have lived in Bermuda for over a decade. Their link to Bermuda is strong, however, they are forced to keep one eye on the door and accordingly will invest their savings overseas, usually in the form of the purchase of a home. At some point we must allow workers and their children, who have an extended period of employment or residence in Bermuda the ability to fully formalise their relationship through some sort of mechanism. Not only will this help anchor the key value creators who have already

passed through various rounds of work permit control to fully commit to Bermuda, but it will also provide the incentive to direct their savings toward investing in Bermuda instead of from whence they have come.

PRIVATISATION—MUTUALISATION

Hon. Patricia J. Gordon-Pamplin: Mr. Speaker, the OBA supports the Premier's belief that privatisation of certain Government services would inject "much-needed innovation" into the economy. In his first Budget Reply as Junior Finance Minister in 2011, now Premier Burt told the Senate that candidates to privatisation should include public transport, postal services, waste collection, waste treatment, water and recycling. Premier Burt also said that he believes that "governments are not known to be the most efficient organisations." He went on to say that "the new entities will have a stable income stream that will allow them to expand and reinvest, thereby creating additional employment in our economy."

For whatever reason, Mr. Speaker, that support changed to opposition to the idea when Minister Richards sought to move forward "mutualisation." We can only assume that the Premier was opposing the messenger for the sake of opposing instead of engaging with the idea and the process. Now, we believe, is the time to deliver on ideas that are good for Bermuda. The OBA will not oppose this process just because the Government gets the credit. We believe that there is common ground to be had here and would welcome progress on this much-needed shift in delivery of public services.

EDUCATION

Hon. Patricia J. Gordon-Pamplin: Mr. Speaker, promoting opportunities for Bermudians who want to work in International Business will require a fair immigration system. Of equal or greater importance is that our schools empower our children with the right tools to compete on the global stage.

Ensuring that education remains a priority focus is paramount.

With a declining youth population, rationalisation of infrastructure will allow more funds to be dedicated towards teacher hiring and development. The Hopkins report focused its findings on the quality of teaching, reforming the Ministry and strategic management.

Whilst we recognise the importance of allocating financial support to students through scholarships and grants, the OBA believes that funding continued professional development for teachers is of equal importance.

We believe that consistent and increased accountability as well as removing the mid-term changes in direction caused by political cycles are integral to improving the outcomes. We therefore repeat our

support for the transition of the management in Education from the convoluted array of Minister, Permanent Secretary, Commissioner, Department and Board that presently oversees our public education system with an Independent Education Authority. Education needs to prepare Bermuda for our current and future economy. Mr. Speaker, how are we Bermudians going to benefit from employment with the global players on our shores when only 60 per cent of our graduates are earning an internationally recognised credential upon graduation?

BUSINESS DEVELOPMENT

Hon. Patricia J. Gordon-Pamplin: The OBA believes we should continue to support our business development agencies' efforts to create an environment that is attractive to foreign investors that will grow our existing industries or develop new industries that will diversify our economy and mitigate our exposure to external shocks. New hotel development is one such example of the OBA's competence in resolving long-standing problems. FinTech is one such example where a regulatory framework reflective of innovators' needs could lead to new industries developing in Bermuda. We see merit in advancing legislation to that end, although it should not be seen as the only path to diversification.

Our business development groups must be allowed to do their job promoting Bermuda as a welcoming jurisdiction that is open for business. Growing our economy should not be myopic in its focus and Ministers should provide oversight but not interfere. Undermining the independence of the Gaming Commission, for example, has effectively killed any hopes of the industry getting banking approval.

NOTIONAL SALARIES

Hon. Patricia J. Gordon-Pamplin: We believe also, Mr. Speaker, that notional salaries should be assessed and enforced. It is not fair that Owner-Managers pretend that they not work at the company in order to take all their pay as tax-free dividends. The counter to that enforcement, of course, is that after paying payroll tax on notional salaries, dividends for smaller Bermudian-owned businesses should be tax-free just like publicly listed companies and exempted companies. Not only does the recent dividend tax unfairly affect Bermudian owned companies, but it also runs afoul of the "ring-fencing" criteria used to assess tax havens.

OUR CONCLUSIONS

Hon. Patricia J. Gordon-Pamplin: Mr. Speaker, we are concerned, as are many in the community, that this Government has no plans to grow the economy. Everything the OBA did during its tenure was vehe-

mently opposed. In some cases, due to actual differences in political philosophy, but in most cases simply because the PLP could not accept the fact that it was not in power and refused to participate in any Bermuda successes that were delivered by the OBA.

The PLP has had the benefit of its first year in Government essentially unopposed, an abundant two-thirds majority in Government and yet has achieved very little. The economy is stagnant, buoyed mainly by the airport. Retail sales are sliding. Balanced budget promises have been broken. There has been no progress made on controlling Government spending and taxes have been going up every year with significantly more being considered for the next two years.

The economy is not growing and yet the Ministry of Economic Development has been done away with. The Ministry of Government Reform and the Efficiency Committee have produced a reduction of zero dollars in Government spending and yet the PLP keep asking Bermudians and the private sector to contribute more. The cost of Cabinet and the burden of consultants and advisors only ever grow, and yet there still is no clear direction, just plans to make plans.

This Government, as Opposition, fought tooth and nail against every stimulus initiative of the OBA yet as Government has provided little to nothing of substance now that the shoe is on the other foot. The America's Cup legacy has been squandered entirely due to political hubris. The airport project and the St. Regis are no longer framed as the epitome of evil now that it's the PLP that gets to stand at the press conferences and smile.

Mr. Speaker, it is unfortunate that this Government puts the pursuit of power over providing for the people. Gaming has been all but killed due to the injection of political interference clauses and yet the same interference can be seen with the BTA, the BHeC, and the corporations.

The OBA will support beneficial policies for Bermuda and will not let the party or the person that gets it over the line affect that support. Something that is good for Bermuda will take precedence—

The Speaker: Members.

Hon. Patricia J. Gordon-Pamplin: Something that is good for Bermuda will take precedence over political kudos. The OBA will also question, where needed, to ensure that all perspectives are considered and will oppose when legislation is brought forth that we feel is detrimental to Bermuda's best interests.

This is in stark contrast to the manner in which the PLP behaved in response to the job creating stimulus programmes the OBA sought to move forward for Bermuda. Imagine where Bermuda would be if the PLP had put Bermuda first, rather than putting themselves and their partisan politics first.

Thank you, Mr. Speaker.

[Desk thumping]

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

We recognise the Honourable Member from constituency 6. Honourable Member Furbert, you have the floor.

DEBATE ON THE BUDGET STATEMENT AND REPLY TO THE BUDGET

Hon. Wayne L. Furbert: Mr. Speaker, I have been in this House for a very long time and it is probably the worst Reply I have heard.

[Laughter]

Hon. Wayne L. Furbert: It is probably the worst Reply I have heard since . . . I am sure, Mr. Speaker, you will agree with me.

The Speaker: No, I am neutral.

Hon. Wayne L. Furbert: Mr. Speaker, it is clear that the OBA are the past and the Progressive Labour Party are the future.

[Desk thumping]

Hon. Wayne L. Furbert: Mr. Speaker, the Honourable Member stood up and said that the Honourable Member Senator Nick Kempe . . . it should not say [anything] as far as who delivered it, but I am assuming that the Honourable Member, the Senator, wrote this Reply.

[Inaudible interjection and laughter]

Hon. Wayne L. Furbert: But the Honourable Member, Mr. Speaker, should be made aware that in this House we do not mislead Members. On page 16, Members . . . on page 16, Mr. Speaker, the Honourable Member said that the OBA handed over a Government spending of only \$908 million.

Mr. Speaker, here are the facts. I am assuming that Mr. Trump had something to do with this.

An Hon. Member: Fact check!

[Laughter]

[Gavel]

Hon. Wayne L. Furbert: That the actual amount that the OBA handed over to the expenditure for this Government was \$923 million . . . 4-9-1.

So I would ask the Honourable Member who speaks for that side to check her facts.

Hon. Patricia J. Gordon-Pamplin: I think it was \$893 [million].

Hon. Wayne L. Furbert: [It was] \$923 million!

Mr. Speaker, in this House it is known as misleading this House.

[Inaudible interjection]

Hon. Wayne L. Furbert: What they were trying to say . . . the Honourable Member who speaks for [constituency] number . . . wherever he speaks for, but Conyers, Dill & Pearman. He was trying to say that they handed over lower expenses of \$908 million. That was what he was trying to say. But the expenses were much higher.

I know you are a lawyer, so you have to ask the Honourable Member who is an accountant.

So, guess what, Mr. Speaker? They handed over \$923 [million], but the actual amount after handing it over to us, Mr. Speaker, was \$970 million. It was this party that took it down to \$970 million.

Mr. Speaker, they handed over interest on debt [of] \$124 million. It was this party that took it down to \$117 million.

Mr. Speaker, I would ask them to check their facts.

An Hon. Member: That's right. That's right.

Hon. Wayne L. Furbert: Mr. Speaker, I could spend all of my allotted time—one hour—given me during this economic debate to speak about how the workers of the government were not even given a salary increase for five years. But I [will] not.

Mr. Speaker, I could speak about how they took away salaries from the employees of this government which cost them somewhere between \$5,000 and \$6,000 per month, for 18 months, and then produced a party at the America's Cup. But I [will] not.

Mr. Speaker, I could speak for an hour about the pain they inflicted on our seniors and how they did not give them an increase for five years. Recognising that they were coming up to an election they started to say, *Oops! There's an election, let me give them an increase.*

An Hon. Member: Money don't grow on trees.

Hon. Wayne L. Furbert: Mr. Speaker, I could speak about how the former Minister told our seniors that money does not grow on trees.

Some Hon. Members: Yes. Yes.

Hon. Wayne L. Furbert: But Mr. Speaker, I [will] not.

[Laughter and inaudible interjections]

[Gavel]

Hon. Wayne L. Furbert: Mr. Speaker, I could speak about how the former administration increased taxation from \$866 million in 2013 to \$1.52 billion in March 2018, which represented \$185 million, or a 21.4 per cent increase.

Mr. Speaker, I could take time out, but I am not going to do that.

An Hon. Member: Don't do it! Don't do it! Don't talk about that!

[Inaudible interjections and laughter]

Hon. Wayne L. Furbert: Mr. Speaker, during this period, GDP growth averaged a moderate 0.1 per cent. And Mr. Speaker, it mainly came from tax increases. I am not going to take my time to speak about that.

Mr. Speaker, I could speak about how the Government was going to increase revenue—payroll tax—significantly in 2019/20. That is what their plans were, to tax labour, Mr. Speaker. We have not increased labour—payroll tax—since then.

Mr. Speaker, I could speak about how the Government over and over . . . but Mr. Speaker, I [will] not because you know why, Mr. Speaker? In 2017, the people of this country spoke loud and clear.

Some Hon. Members: Yes.

Hon. Wayne L. Furbert: By saying *[singing]:*

So long, bye, bye.

So long, bye, bye.

Goodbye to my pain and my sorrow.

So long, bye, bye.

[Desk thumping]

Hon. Wayne L. Furbert: Goodbye to my pain and my sorrow.

Mr. Speaker, it was clear that the people of this country rejected the OBA—

An Hon. Member: Yes, yes.

Hon. Wayne L. Furbert: —regarding what they had planned to do.

An Hon. Member: That is correct.

Hon. Wayne L. Furbert: Michael Jackson said it best this way, Mr. Speaker: *They really do not care about us.*

Mr. Speaker, I want to spend my time talking about a Government that cares about the people. I want to talk about a Government that is saying, *Hold on because a change is coming. Don't worry about a thing.*

Mr. Speaker, I want to talk about a Government that says, *We can endure for a night, but joy will come in the morning.*

Mr. Speaker, they talked about how we are after one year, basically, being in office.

Mr. Speaker, they promised 2,000 jobs. I heard the Honourable Member put out lists of what FinTech was going to do.

I am assuming, Mr. Speaker, the Honourable Member did not read last night's or today's newspaper—how the Government finally was able to put together a structure or work with an entity to produce and provide service for the FinTech business.

I am assuming, Mr. Speaker, their report or their statement was written before the newscast.

Mr. Speaker, we all know the reason why we have not been able to progress as much as we want on the FinTech industry; because we did not have a bank. We had banks down here which were not willing to provide the services for this industry.

Mr. Speaker, finally—and I would like to thank the Honourable Premier and the Honourable Wayne Caines for the work they have done in this industry—and finally, Mr. Speaker, we have hope for jobs coming here to this Island.

Mr. Speaker, as I said, I am assuming the Honourable Member printed that report before they heard about the good news.

Mr. Speaker, this budget is no different from the last budget that this Government did. We consulted widely, throughout the community. First time . . . well, it is the third time, because in 2012 the Opposition (at that time) consulted about the budget. In 2018, the Government consulted about its budget pre-budget report and again this year.

Mr. Speaker, the OBA never consulted about their budget. And the reason why it was important to consult, Mr. Speaker, is to at least have the reflection of what we are thinking about doing and listening to the people at the end of the day.

Mr. Speaker, you do not see too many people mad at this Government. But Mr. Speaker, [the people] continually marched—regularly—on the OBA Government.

Mr. Speaker, we consulted with ABIC and ABIR. We had public meetings. We met with the Trade Union Congress, Chamber of Commerce, realtors, real estate professionals and, Mr. Speaker, we received about 50 emails giving advice. And Mr. Speaker, this Government is a caring and listening Government. And at the end of the day this is the result.

Mr. Speaker, it is important that we recognise that the Minister was budgeting during uncertain times. The Honourable Member said just a few minutes ago, we do not know exactly where the EU substance is going. We have planned for it. We have got Bills in place; we have got regulations in place. But Mr. Speaker, of the 11,000 companies that are

here which are affected by that industry, it could be an economic boom, Mr. Speaker—11,000. Cayman has 135,000. BVI has 450,000.

Mr. Speaker, I think we could manage 11,000. And if . . . if things go according (which we believe they will) . . . if just 5,000 of these companies, Mr. Speaker, if 4,000 or 3,000 and they each put a boot on the ground, Mr. Speaker, we can get the economic reality that we are looking for as far as payroll tax increase, increase in retail sales, and the list goes on.

Mr. Speaker, I heard the Honourable Member talk about the Government having an Efficiency Committee. And yes, Mr. Speaker, I am the Chair. And Mr. Speaker, that was the Honourable Premier who thought it was important that we not only look at aspects of the Government as far as expenses, but look at efficiencies.

Mr. Speaker, I am going to reveal some information which I think people will find very interesting, while they sat under the OBA Government.

Mr. Speaker, we had time to look at the Office of the Tax Commissioner. We have looked at the Registrar of Companies, [and the] Office of Project Management and Procurement. We have looked at and spoken to the Ministry of Public Works, the Department of Financial Assistance, the Regulatory Authority, Mr. Speaker, just to name a few as we continue to go on.

Mr. Speaker, we have found many efficiencies within Government to such a degree that this Committee has recommended 60, mid-60s, recommendations to Government.

Mr. Speaker, the major problem we found had to do with the former Government putting the squeeze on hiring, which caused things to go off the rails. The most significant area that needed immediate assistance was the Office of the Tax Commissioner.

Mr. Speaker, the most . . . the [Office of the] Tax Commissioner is the largest tax collection department in Bermuda. It collects the bulk of Government taxes, in particular, payroll tax, land tax, stamp duty on voluntary conveyances, and the list goes on. Mr. Speaker, what we found was that there were insufficient human resources to deal with audits and verifications.

Mr. Speaker, we had one person in that department who was doing audits. One person—who was not able to go through and to verify that what people were filing was correct. And that is because the Government refused to hire individuals.

Mr. Speaker, debt collection became a problem; a serious problem. Mr. Speaker, we found over 1,500 un-adjudicated stamp duties not processed, worth approximately \$8 million. Mr. Speaker, this resulted in significant revenue for the Government and increased the cost of borrowing.

Mr. Speaker, we immediately encouraged the Government to take on additional staff to process these documents. The results are as follows, Mr.

Speaker. The Government has since then collected over \$3 million in revenue, another \$2 million (roughly, \$3 million) that is still to be collected, and most of them have to do with voluntary conveyances. We are working with the department to find out how we can get this process of voluntary conveyances [done] a little differently from the conveyance process because most conveyance processes . . . the actual fees or the expense is held within law firms.

Mr. Speaker, you would be surprised to hear (and I heard the Minister say this the other day) but we found over \$330,000 worth of cheques in a drawer.

An Hon. Member: Say that again.

Hon. Wayne L. Furbert: We found over \$330,000 worth of cheques in a drawer not processed.

Some Hon. Members: Wow!

Hon. Wayne L. Furbert: And they were supposed to be good management, Mr. Speaker.

[Inaudible interjections]

Hon. Wayne L. Furbert: Now if I found it, why could they not find it? Because, Mr. Speaker, there was a lack of caring for what was going on.

[Inaudible interjection]

Hon. Wayne L. Furbert: I am going to repeat it again, Mr. Speaker, \$330,000 worth of cheques sitting in a drawer.

An Hon. Member: You won't hear about that.

Hon. Wayne L. Furbert: You will not hear that, Mr. Speaker.

[Inaudible interjections]

Hon. Wayne L. Furbert: The great Honourable Member Bob Richards, who was supposed to be doing so much good work—

An Hon. Member: Yes. A faithful steward.

Hon. Wayne L. Furbert: —the \$8 million of unstamped, adjudicated . . . the Honourable Member Trevor Moniz understands that—\$8 million!

Hon. Trevor G. Moniz: You don't want to hear me.

Hon. Wayne L. Furbert: Well, you stand up.

Hon. Trevor G. Moniz: I can tell you exactly where it came from.

Hon. Wayne L. Furbert: Mr. Speaker—

[Crosstalk]

Hon. Wayne L. Furbert: Mr. Speaker—

[Crosstalk]

Hon. Wayne L. Furbert: —we found “non-sufficient funds” cheques sitting in drawers. NSF, you know what that is—cheques that do not have any money in the account.

Mr. Speaker, most of these problems were due to a lack of staff within that Ministry.

I can report, Mr. Speaker, to this Honourable House that this Government took the effort to put people in place and now 98 per cent of those cheques that were sitting in drawers have now been collected. We are moving steadily toward collecting most of the \$8 million.

And the Honourable Member asked what we were doing in the Efficiency Committee.

Mr. Speaker, it is clear that there is a lot more work to be done, but I am going to mention a few. Government Board fees: The Committee looked closely at board fees of various Government boards, particularly those outside of the Consolidated Fund. I do not know whether the OBA Government did, but we did, and found that there was a very [significant difference] between fees received by boards outside, and so this Government is working on how to make it much more standardised. I mean, we were granting fees from \$50 a month (dare I say it?) to over \$100,000 in board fees a year.

An Hon. Member: Yes.

Hon. Wayne L. Furbert: It is this Government, Mr. Speaker, who finds that enough is enough, and we are looking at standardising those board fees.

An Hon. Member: Excellent!

Hon. Wayne L. Furbert: But the great OBA Government led by the Honourable Michael Dunkley and the great Honourable Bob Richards—

An Hon. Member: The chief steward.

Hon. Wayne L. Furbert: —the chief steward . . . could not find it.

Mr. Speaker, clothing and uniforms. There are certain departments that get new clothing every year, every year, whether it is worn out or not! And you try and ask me whether we are trying to do things much more efficiently? It was an Honourable Member . . . it was a member of the BIU that suggested, *We don't need clothes every year*, and suggested putting in place a policy for worn out. I said, *Brilliant!* I am hop-

ing that eventually when the reform takes place as far as the new agreement, we can get that in place.

An Hon. Member: I wonder where the uniforms are coming from.

Hon. Wayne L. Furbert: Mr. Speaker, it was this Government that found those points.

An Hon. Member: I wonder where they were coming from.

[Crosstalk]

Hon. Wayne L. Furbert: Mr. Speaker, for years taxpayers have been particularly taking a joy ride on this Government. A joy ride.

An Hon. Member: Yes.

Hon. Wayne L. Furbert: What do I mean by joy ride?

Mr. Speaker, you know, if you pay your payroll tax by credit card at certain banks you get what they call points, travel points. The Government was paying over \$2 million in charges for people who charge on their credit card.

It was this Government, Mr. Speaker, that recognised the problem and now it will be effective April 1st putting in place no more joy riding off the Government. You can still take your credit card, but you are going to pay those charges. Why didn't the OBA—the great wisdom or the great wise people on that side— find that information? You want to talk about efficiency . . . \$2 million, which now we do not have to raise the revenue for it . . . the tax for it? It is there. No more travelling.

In other words, Mr. Speaker, if you paid your taxes . . . \$1 million in taxes, you got one million travel points. One million travel points is, let us say, worth \$50,000. For one trip up to New York, you could take 20 trips per year.

An Hon. Member: A trip around the world.

Hon. Wayne L. Furbert: That is fine. You can still take your trips; but you are going to pay Government those charges.

Mr. Speaker, it was this Government who recognised that there were some homeless people out there who had and have social insurance. But they could not get access to it because they had no bank account. You want to know what the Efficiency Committee has been working on? I do not think the OBA knew that, at least they did not work on it.

It was after my discussion with my cousin Sonny. I said, *Sonny, I know you've got some money in social insurance.*

He said, *Cousin, I can't get it. I don't have a bank account.*

You cannot imagine Sonny going up there to any bank talking about what [he] needs without any ID. Sonny does not have any ID.

But working with the Social Insurance Department and working with the credit union, they now . . . well, we have not put it quite in place yet, but very soon they will be able to . . . and I will explain why. The Honourable Opposition Leader is laughing, because we are also concerned.

They will be able to go to the credit union, after transferring the money from social insurance to the credit union, let us say \$200, and get their money after showing a government ID. Full stop.

But I am concerned and I am hoping the Government will put together . . . bring a Bill that you cannot get the \$200 up front because I can't be taking your money and doing something with it. At least find a way to control it, some responsibility. I do not know whether we can do it by law or whether . . . what are the rights to it. But we just cannot have somebody run over there to get their \$200 and end up at Goslings. You can get a Gosling a little at a time, but not all at once. In other words, we are trying to help them out to manage their money.

So Mr. Speaker, these are some of the things that this Government has been working on.

Mr. Speaker, after our consultation with the realtors we found there was some inefficiency in alien licences.

An Hon. Member: Yes.

Hon. Wayne L. Furbert: And what do I mean by alien licences? You will note in the Government's Budget Book that stamp duty on, I think, sales of homes for overseas people, individuals, is down. And the reason why is because at the end of the day there was a slow process.

So Government has now looked at how we can speed it up. So what we did, Mr. Speaker, was very simple. We got all the bodies in the room and said, *What do you think?*

It was a brilliant civil servant that said, *Instead of receiving a document by Immigration, send it out to BMA, send it back to Immigration, send it to Land Valuation, send it back to Immigration, send it off to Works and Engineering, send it back to Immigration. If something was wrong, it goes back to Immigration again.* [It was] a brilliant suggestion. *Why not, when you receive the file, all parties get the copy of what they need?*

You want to know what we have been doing on the Efficiencies Committee, Mr. Speaker? And Mr. Speaker, by doing that we figure that somewhere between \$1 [million] to \$2.5 million should be able to be collected much faster. Hence, these are some of the things we are working on.

Mr. Speaker, we realised that overtime is huge . . . it is huge! And we have been working with

... and the thing about it is the departments love talking to us, giving us great ideas of how we can make things much better. This is what this Government has been doing over the last year, trying to improve and make things efficient for this country. Because expenses would have been much, much higher or revenue would be much less. Mr. Speaker, those are the good things that we have been working on.

Now, Mr. Speaker, let me deal with something the Honourable Member ... it was the Tax Committee, which suggested that we look at increasing land tax at \$500 on the top end. The Minister said, *No, we're not going to do \$500*, and was wise enough to suggest \$300. That was after the Committee made the suggestion. The Government put it towards the Committee and suggested \$500, the Minister suggested \$300, saving individuals \$300.

Now Mr. Speaker, I put it this way. The average annual licence for your car is roughly \$1,600 ... \$1,500 ... \$1,300 ... \$1,000 a year. Why should the annual licence for your house be \$73?

Mr. Speaker, I am going to put some graphs on the table so Members can see them. But the Land Tax is the most progressive tax we have in Bermuda. I am sure when I put this out some Members on that side are going to look to see where their house is.

But Mr. Speaker, on the low end, individuals are going to end up paying roughly \$25 per month ... \$25 per month, [and] on the high end, roughly \$3,540 per month ... \$25 ... \$3,540.

And Mr. Speaker, the low end, the first two bands are normally studio apartments and one bedroom apartments.

Mr. Speaker, would you know that the individuals who pay the highest land tax in these islands pays \$254,000 a year? [That] \$254,000 is the highest land tax bill in Bermuda.

From \$300, Mr. Speaker, to \$2,550 [*sic*]—you ask me if that is not progressive? That is progressive.

Mr. Speaker, [other] information is that in the last two bands there are only 800 homes. And they, Mr. Speaker, pay almost 70 per cent of our Land Tax. That is progressive. Eight hundred homes compared to the first two bands adds up to about 17,000 individuals that pay \$300 per month, or will pay after the Bill goes through. So we thought it was reasonable, after listening to the Tax Reform Committee of \$500 to come down to \$300.

And Mr. Speaker, let me just say that the Honourable Members talk about Land Tax, I do not know whether people forget, but I do not. I like to do my research. But the Honourable Member has either got a short memory or likes to forget that in 2016 (when they were Government) the highest band was 23 per cent. Mr. Speaker, they took it up to 47 per cent! Mr. Speaker, I think those Members have got short memories. The next band before that was 19 per cent and it went up to 25 per cent.

Mr. Speaker, I notice that Members on that side are a bit quiet. I hope they are being schooled, Mr. Speaker, on the facts. And note, these are just facts.

Now let us talk about the Sinking Fund. I like talking about the Sinking Fund. Mr. Speaker, I think what the Minister did this year was wise.

An Hon. Member: Brilliant!

Hon. Wayne L. Furbert: It was brilliant!

[*Laughter*]

Hon. Wayne L. Furbert: Any other words English people? It was brilliant.

An Hon. Member: Phenomenal.

Hon. Wayne L. Furbert: Phenomenal.

But Mr. Speaker, who in this House goes out and borrows money and puts it in an account for a Sinking Fund for the future? Who goes out and does that?

[*Inaudible interjection*]

Hon. Wayne L. Furbert: Who does that? Goes and borrows money at a high rate, at 4 [per cent] or 5 per cent, to receive interest under 1 per cent? Who does that? Mr. Speaker, we have to think about the intent of the Sinking Fund.

Mr. Speaker, I fortunately happened to be in the room when David Saul came up with the policy, [in] 1993. And Mr. Speaker, I will read to you the statement of David Saul's budget of 1993/94. Because I believe, Mr. Speaker, the original intent has been lost. Mr. Speaker, this is what the Honourable Member David Saul said: "Legislation will be introduced in this session to establish a Sinking Fund into which regular contributions, financed" (here is the point) "financed from current account balances."

That was the original intent—

An Hon. Member: From surpluses.

Hon. Wayne L. Furbert: From surpluses!

An Hon. Member: Not deficits.

Hon. Wayne L. Furbert: Not deficits! That was the original intent. That was the intent, Mr. Speaker. And it came in 1993. So there were many years before that when the Government did not do it. This Government has decided to make a change. Nothing is wrong with that ... 2.5 per cent ... what was brilliant about 2.5 per cent? Why not 1 per cent? Why not 10 per cent? But what the intent was [was] that the money should be borrowed, taken or financed from the cur-

rent account, not find we have got a deficit and go and borrow more money to put into a Sinking Fund. You can . . . if a balance came due, you go out and renew them, refinance it. You could have done that.

And Mr. Speaker, if you check out . . . and unfortunately, I did not bring that graph, but if you look at the Sinking Fund from 1993 up to 2000 and roughly '08 or '09 or '10 it was very low. It was not until the OBA Government got in place and started borrowing—*borrowing*—\$67 [million], \$65 [million], \$68 million a year for a Sinking Fund. Paying, Mr. Speaker, on that debt of roughly 5 per cent, 4.5 per cent, and getting back 0.1 per cent. Who in their right mind would go out and do that?

This Honourable Minister of Finance said, *Why borrow \$67 million* (which is going to cost the taxpayer . . . you asked us how we are going to reduce costs) *and cost the taxpayer in interest \$3 million a year!*

An Hon. Member: Yes.

Hon. Wayne L. Furbert: The Honourable Member Michael Dunkley wanted to do that. Nobody would do that.

The intent was to get the money out of the current account. So now the Honourable Member has said that out of the current account we are budgeting for \$7 million. He—the Honourable Member, Minister of Finance, Curtis Dickinson—will take money out of that and put it towards the Sinking Fund, the original intent.

The next year, Mr. Speaker, the Honourable Member is saying we will . . . assuming . . . and we will work hard to get the budget into surplus. He is going to put aside . . . at least, I think it was, \$24—

An Hon. Member: How much?

Hon. Wayne L. Furbert: —[I think] \$24 million. I do not have . . . let me get the book. [It was] \$24 million and then the following year \$45 [million], taking it from surplus, taking it from current account balances. We are not going to go out and borrow because we have a deficit.

It makes common sense. Now, I was the only one in that room when it materialised. So I can just see the Honourable Members—two of them sitting over there—who came after me, but I knew what the intent was. And I searched for this information and I said it did not make sense. Take money out of current account balances, hence why in the financial statement it says “revenue, less expense, current account balances.”

Mr. Speaker, I think I am schooling the Honourable Members up today on what the intent was of the Government at the time.

Mr. Speaker, going forward, the Government has decided to keep expenses at the way they were

last year. And you say, *Well, you haven't reduced it.* Yes, we did. Because we gave . . . we told the honourable . . . we told everybody to go out and find the money in . . . do you know that there is a rate of inflation in the budget? Do you know that the Government gave a tax . . . the civil servants an increase? You go out and find it. So instead of going up 2 per cent or 3 per cent, the Minister said, *Go find the money in that budget.*

Mr. Speaker, there is enough money in the Sinking Fund to pay off the debt. Pay off the debt. Pay off the 2019/20 bond when it comes due. Then the next bond, I think, is 2021/22.

Mr. Speaker, it was important that we realised where we were and where we are. So there will be a balanced budget for the first time in 16 years. The debt, Mr. Speaker, will fall for the first time since 2003.

Mr. Speaker, the Government has put aside further investment for our Education. Mr. Speaker, we have put in place an environment for growth to help produce career opportunities for Bermudians and to be smart but disciplined with public spending.

Mr. Speaker, there is retail payroll tax relief for retailers and local musicians. Let me deal with that because the Honourable Members on that side starting talking about retailers. I do not know . . . I think, once again, Mr. Speaker, maybe the Honourable Member, it is because he is not in this House, they have a short memory once again. It was that Government—the former Government—that increased payroll tax on the retailers in 2016 and 2017. And now they are saying that we have not done enough.

Mr. Speaker, we recognise the plight of our musicians and decided to give payroll tax [relief] for the employer and the employee, hoping that at the end of the day this will increase more opportunities for our musicians. As we are all aware, during the slow season, particularly from October/November to March, very few of them are working. So, once again, Mr. Speaker, it shows a caring Government.

Mr. Speaker, it is about balance and I believe that this budget has found that balance.

Mr. Speaker, we put in place to allow for companies that come here to get payroll tax exemption on employers for at least two years. This would encourage those individuals who are looking [at] the EU substance to make things work.

Mr. Speaker, this budget, I believe, is transformational. It sets us at a point . . . it sets us at a point of where we can go from here. It was very easy. Ask the OBA—if they were the Government they would have increased the payroll tax significantly, which would have caused significant problems within our international business. The Honourable Member who is the Leader said, *I don't know.*

Mr. Speaker, one thing about us, we sit in the Ministry of Finance and know most of the details that take place or what the former Government was going

to do. They were going to increase payroll tax on the employer and the employee to get up to that point.

Mr. Speaker, if they were not, then maybe they can tell us where they were going to get their revenue from. But most of the money was coming through payroll tax. It was easy. Payroll tax is the easiest thing to do. If you increase it by 1 per cent you get \$40 million.

But it was this Government, Mr. Speaker, last year that said, *Hold on*. And for years (or for as long as I have known him) the Honourable Premier said that payroll tax for the employer is a prohibitive to growth and we will find ways to spread the burden around.

Mr. Speaker, I believe that we can stand proud as a country knowing that the finances of this country, Bermuda, is in the good hands of the Honourable Member Curtis Dickinson. He has done an extremely good job in the short time that he has been here. And Mr. Speaker, I am learning some things from him on a daily basis . . . but he is learning the politics from me, though.

[Laughter]

Hon. Wayne L. Furbert: And Mr. Speaker, we are committed to tax fairness. We are committed to the most vulnerable.

And Mr. Speaker, this budget sets the Government movement for future growth.

Thank you, Mr. Speaker.

[Desk thumping]

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

No other Member? I can hit the gavel.

[Inaudible interjections]

Hon. Trevor G. Moniz: Thank you.

The Speaker: Mr. Moniz, you were moving a little slow that time. Mr. Moniz.

We recognise . . .

Hon. Trevor G. Moniz: I must admit . . . I must admit I am slowing down after 25 years. I have not got your 30 years, Mr. Speaker, but—

The Speaker: No.

Hon. Trevor G. Moniz: —but I am at the 25 mark and—

The Speaker: Well, you have got the floor—

Hon. Trevor G. Moniz: —In May—

The Speaker: —so you can set your pace.

Hon. Trevor G. Moniz: —in May I will be getting my free bus pass—

The Speaker: All right.

Hon. Trevor G. Moniz: —so I am hoping you can all understand if I am slowing down a little bit.

That was very interesting, Mr. Speaker, from the Honourable Member Wayne Furbert, their Junior Minister. We are sort of having a reprise of last year in the sense that last year we spoke in the same order and we may be saying similar things, time will tell, as I make my speech. But he ended his speech this year by saying that this budget was transformational. And we obviously have a difference of opinion on that. We see this as sort of a holding budget. Again, it does not really achieve anything, it is just holding on to where we are.

Now, last year when he finished his speech, in the *Official Hansard Report* of [23 February 2018](#), at page 1058, as he finished his speech . . . now last year he did not use the word “transformational,” he said there was going to be “a renaissance.”

He said, Mr. Speaker, “A renaissance which will take Bermuda, not from where we are, we are looking to grow this economy significantly. Because at the end of the day, we cannot afford a country on the number of staff, number of people working in this country, whether it is pension, whatever. The list goes on and on. We cannot. If not, we just continue to increase . . . if we had 6,000, 8,000 more people here, we probably do not have to increase much at all.” (I think he is talking about taxes.) “But we need people working here. We need to move forward. And the Government, under the leadership of the Honourable Premier, David Burt, has set the trail for us to move forward. Thank you, Mr. Speaker.”

Well, those were the words of the Junior Minister of Finance from last year saying that they were looking to grow the economy significantly, and he was speaking of the numbers of 6,000 to 8,000 more people in Bermuda. Now, Mr. Speaker, I think we all know that did not happen. The economy did not grow significantly. We do not have 6,000 to 8,000 more people than we did last year. So that was the aim of the Government set out by the Junior Minister. We can count that year as a failure, that is all there is to it. And in that sense, I guess the Premier’s Finance Minister would, certainly from me, get a grade of F. It was a failure, and I guess he perhaps agrees because he has fired himself. He removed himself from the Finance Ministry and appointed Curtis Dickinson to replace him.

An Hon. Member: Curtis Dickinson?

Hon. Trevor G. Moniz: Dickinson.

An Hon. Member: The Honourable Member.

Hon. Trevor G. Moniz: The Honourable Member, but I have to say who he is. I cannot say the Finance Minister because we have had two of them, so, the Honourable Member Curtis Dickinson, to replace himself.

Now, the new Finance Minister has come on board and he has said on many occasions *Look, I have been parachuted in. It is at a late stage.* I think he came in either at the end of October or the beginning of November, so there is very little time to set a new course, and that is why we see the budget come out at such a late date, perhaps. I mean, as our Budget Reply said, the public of Bermuda were given the indication that the Government were going in a certain direction, by all of the pre-budget information we received. It turned out that none of that pre-budget information was true. Either the Government changed its mind, which is what it is saying, and came to its senses . . . and I prefer not to think that it was false from the start. I prefer to think that the Government came to their senses. Usually all of the budget figures are sorted out in the middle of December. That is when all the departments have to have all of their numbers in for all of their operational capital expenditures—they have to be in by that date, at the very latest. That is not the earliest—

An Hon. Member: No! No, they do not. Well, you were not there long enough—

The Speaker: Members, Members!

Hon. Trevor G. Moniz: Those Members will have their turn.

The Speaker: Members!

Hon. Trevor G. Moniz: The ones who—they will have their turn to jump up and speak.

The Speaker: You can talk to me, speaker . . . I mean member, you have the floor, speak to the Speaker.

Hon. Trevor G. Moniz: Thank you, thank you.

So, anyway, we come in and none of those taxes came through. The Government saw a good sense. Certainly, it is my view that if we had put large taxes on this society, whether on businesses or on individuals, that we would see the local economy declining at a faster rate than it already is. And I am one of the ones who is reading the tea leaves, looking at the declines in the retail expenditure and seeing nothing but bad news.

To me, the decline of retail expenditures can, to me, immediately look to come from two sources. One is that people have less money in their pockets, and the other one is that they are assuming that they are going to be getting less money in their pockets. In

other words, they have less confidence about the strength of the economy. They have lost their confidence.

One of the interesting figures I saw was a steep decline in the number of vehicles purchased on a monthly basis, which is a large expenditure that people have and if you do not have confidence, you are not going to make that expenditure.

Hon. Wayne L. Furbert: Point of order, Mr. Speaker.

The Speaker: Okay, continue on.

Hon. Trevor G. Moniz: So, it is my view, that we have—and it is pointed out again in the Reply—that I believe, it is my view, that we have declining business confidence and we have declining consumer confidence. So, we have continued to see local retail businesses closing, traditional ones. I know there can be a plethora of reasons put forward, saying they were out of step with the times, and people have not been agile enough, et cetera. But nevertheless, you see a closing business, it is a closing business. It is a business where people are going to be let go.

Now, in the figures somewhere, I saw the Government say that there are more jobs but there was less income. More jobs and less income. That, to me, was not a very strong message. It was not a strong message. Now, there were not large numbers either way, but it was not a good indicator. It certainly concerned me as I am reading the tea leaves.

Now, you know, I am one with the view that the idea of not making your contribution to the Sinking Fund is not a good idea. I hear all the arguments that are being made by the financial people, and I see the sense in that. But most of us, I think, would see that it is a good idea to have a fund for a rainy day. A rainy-day kitty, a rainy-day fund, whatever you want to call it. It is a good idea to have one. And I think this Government are glad that we had one. What would they do without it? They are saying that all the debts that we have to pay in the next year or two are going to be paid out of that fund until it is all gone, and after that they may or may not be putting more money into that fund. So, I think they are quite happy to have that fund there.

So, however stupid they say that fund is, they should be very grateful that we have a rainy-day fund, that there is money there that they can use. It was a good idea. Have conditions changed over the time? Sure they have. Absolutely they have. But still, it is concerning. And I watch with interest on, I think it was *Bernews* who held a video round table with Cordell Riley with Craig Simmons and Cheryl Packwood. And it was interesting to note that they were all also concerned, to various levels, with the failure of the Government to, firstly, make a contribution to the sinking fund this year, even if it is then going to be taken out to pay debts as they come in. But also, not to make a

strong commitment to future years, to say that they are going to keep the sinking fund going. And so once that rainy-day fund is gone, it could be gone and there may be no replacement for it, which was concerning.

And the other concern, of course, was to have anyone claim that they are producing a balanced budget when all you are doing is moving the goal post by removing the legislative mandatory requirement to pay into the Sinking Fund, well, it is . . . I would not view that as a fair representation or a true representation.

[Crosstalk]

Hon. Trevor G. Moniz: It is something they are going to have to change the legislation to achieve, and they have not done it yet.

The Honourable Member who spoke before me spoke at length about a number of things. He spoke about . . . one of the earliest things . . . and you got to watch people when they say things. The Honourable Member spoke about the concerns he had at the Tax Commissioner's office. Now, obviously if things were being done there that should not have been done, then those civil servants who were responsible should have faced disciplinary action. But he did not say that. Somehow, he blamed it on the OBA. I can assure you that when we came into office, we did not find a better position than what he found when he came in. But our view will be that we found a much worse position and we made it better. Are there still things that need to be corrected? We will all agree that there are.

He pointed to the board fees saying the board fees are out of line and that on some boards there are fees of \$100,000. I think if he looks back, he will find the OBA did not create that board and did not set up that fee. I think he will find it was a PLP board and the PLP set up the fee. So, I do not know why he is coming here and shouting at us. Does it need to be sorted out? I would agree with the Member. And if he is doing all of the things that he says that he is doing, I fully support him. I am not going to sit here and throw rocks at him and oppose him.

The idea of speeding up land licences and dealing with overtime, those are all very good ideas. I do not oppose any of those things with the idea of efficiency. We just have not seen any of it come to fruition yet. So, as last year he was saying there is going to be "a renaissance," this year he is saying there is going to be "a transformation." Some of it may be in train, but of course, next year we will see. Are the numbers better? Are we in a better situation? Are government costs being reduced?

[Hon. Derrick V. Burgess, Sr., Deputy Speaker, in the Chair]

Hon. Trevor G. Moniz: Mr. Deputy Speaker, when I, you know, when I looked at the books, for example, I looked at the Cabinet office. And I know, you know, we are not in committee, but I saw [enormous] increases in the amounts of money being spent at the Cabinet office, and of course, some of the departments came in and some went out. But, you know, I basically saw from a few years ago a budget of around \$20 million go up to around, I do not know, \$46 million—more than doubling of the budget for the Cabinet office. And during that time, some departments came in, one in particular, the post office, went out—and that was \$10 million. So, I am saying my Jenga's, you know, where are these increases coming from? This seems to be growing like Topsy; it seems to be getting larger and larger every day.

So, I do not know where the streamlining is coming from. I do not see streamlining and that concerns me. When I streamline things, I see them getting smaller. Here I have not seen them getting smaller. I see them getting bigger and, you know, the Honourable Member who spoke before me spoke about what he viewed as some of the successes of the PLP Government. And some of them may well turn out to be that. Now, I am not against saying that. If he succeeds in the goals he has set himself, I certainly will applaud him in that.

But when I look out at, you know, Mr. and Mrs. Bermuda, there has been great concern. People are concerned about every average ordinary thing. You know, people are still concerned about once a week trash. They are still concerned about that. And we have this problem of rats, you know, we have a problem of rats and Vector Control need to get on top of it, and those are the sort of issues that everyday people are concerned about and we have a problem. Now we all know it is going to be a bigger problem come Cup Match and the heat of the summer and all the picnics and the food that people have, and somehow we have to have a way of dealing with that. And I am not saying the Government will not, but those are the sort of issues that the everyday Mr. and Mrs. Bermuda want to have dealt with.

We are seeing the collapse of the bus service . . . the continuing collapse of the bus service. Now, I know the Minister there has been working all winter on the winter schedule, but hopefully he has got the whole schedule sorted out because every time I drive along I see people looking glum and unhappy sitting at bus stops.

An Hon. Member: Why don't you offer them a ride?

Hon. Trevor G. Moniz: And I offer them rides. I do indeed, you see. And it might surprise him. I give them rides. I do exactly that.

[Inaudible interjections]

Hon. Trevor G. Moniz: I am sure he does, too.

An Hon. Member: I do.

Hon. Trevor G. Moniz: Exactly. So, he knows people are unhappy and people are waiting out there for buses.

So, these are some of the concerns that people have, where they feel the oomph should be being put.

You know, today we saw a group demonstrating. They are concerned with sex offenders, and what went on with the department of child and family services and they would like to see some oomph, some money, put behind that investigation. Appoint an independent investigator there to see what went on, to interview everyone that was concerned.

We are all concerned to see in the paper that the people who are actually involved, the children who are involved, have not been interviewed. And yet the Government says the investigation is complete, it is finished. And the officer is reinstated, and everything is okay. And the report is not going to be made public. Well, you know everything is not okay if the report is not being made public. So, people want openness. They want their money from their budget to go to producing fairness in this community, and they are not seeing it. They are seeing money wasted on things like the appeal to the Privy Council for the same sex marriage. They see that is now a waste of time. They see that appeal as a waste of time and a waste of money.

You have Government for a political reason, to keep a certain group happy, saying, *Okay, we will appeal it*. And I am sure Government Members are saying to each other *Well, we know we are going to lose, but we are just appealing it to keep a certain group happy*. And during my tenure as AG, I was stuck in the same situation where there was a judgment and people would say to me you should appeal this judgment. And I was steadfast saying to people well, I am not appealing it because if I appeal we are going to lose. There is no reasonable prospect of success. And I think in this case, there is no reasonable prospect of success. So, I do not think, you know, that the people see that as a good expenditure of money in this community.

Hon. Zane J. S. De Silva: I don't think Lahey was either, or Dr. Brown. That was millions and millions of dollars.

Hon. Trevor G. Moniz: Now, Mr. Deputy Speaker, I do not want to go into political corruption just yet. Let us start with a different subject. My Honourable friend would like me to go into political corruption, but I will stay off of that for the moment.

The situation we now have is that this Government are still riding on the coattails of the OBA.

They are still riding on those coattails, they are riding on the America's Cup, they are riding on the airport project. They are riding on the tourism successes, and that is fine. But you have got to have more than that. We have not seen anything come forward from the PLP. We have given them a period of time. They had a honeymoon period. As you know, we had the America's Cup, we got the airport project, we got the hotel in St. George's, got a number of other capital projects going on [which are] keeping this country's head above water in terms of issues like construction, et cetera. But there is nothing new on that scale.

Now, of course, we were promised FinTech and, you know, the Premier is quick to say *Well, 66 companies have been incorporated*. But in terms of what comes out of that, we have not seen anything come to fruition. And there are worrying signs. There are worrying signs, as was pointed out in the Budget Reply. There are worrying signs about the hub, that the Premier seemed to be moving away from the idea of the hub. He has announced this new bank that he says will be all things to all people and, you know, sort out some problems that we have. I, myself, must say I am very close to writing off the proposition of gaming in the short term. You know, when you start to have people jumping ship, which is what we are having over there, you have only got a few people left. And when they try jumping the ship, you get worried. So, you need to see some forward movement and we have not seen any.

I am sure the Minister when he speaks will be able to tell us, hopefully, of something positive that he expects to be coming forward. I mean, from this Government, those are some of the ideas that I thought would be positive. You know, they were very keen on gaming, particularly this Minister of Tourism, very keen on gaming.

Hon. Zane J. S. De Silva: Still am.

Hon. Trevor G. Moniz: That is right. Still is. He says he is still keen on gaming. So, I am hoping that he can get some forward motion on it. But it is a mess right now. I think everyone, including himself, would agree. Well, we are hopeful this new bank achieves some forward motion. We are hoping they can get people on board in the Gaming Commission who are experts in the field and can attract business here and get the thing up and off the ground.

As was said in the Budget Reply, it was a shame that when the OBA were Government the PLP were determined to be very political. There were all these demonstrations, some of which they were behind. Some of their members were actively, publicly saying, *Yeah, yeah, let us go out and demonstrate. Let us put a stop to these projects*. And they were attacking projects like the America's Cup. You know, there were a lot of the PLP supporters saying *Oh, we do not want America's Cup. America's Cup costs too*

much. It is for rich white people. It is no good for Bermuda. We should not go. We should not have anything to do with it.

[Inaudible interjections]

Hon. Trevor G. Moniz: So, now what happens? Now we have them saying *well, you know, Larry Ellison has this international circuit of sailing and, gee, Bermuda would like to be a part of it. We would like to have a team here. We would like to be a stop on that circuit.* But, of course, you know, it was all too obvious to those people, the PLP have already said, *We do not like you. We do not want you here. We do not want your money.* That is it.

[Inaudible interjections]

Hon. Trevor G. Moniz: I am sure the Member will have the opportunity to make his case. But he changed his mind on the airport, and we are happy to see that. He changed his mind. They are supporting these projects now.

[Inaudible interjections]

Hon. Trevor G. Moniz: In fact, the BIU are saying they were never against . . . they are rewriting history saying they were never against the project at all.

The BTA continues to have a stellar year. They have had a stellar year and it continues to be riding on that rebranding. If one looks back at the PricewaterhouseCoopers report of October 2017, which is entitled “Economic, Environmental and Social Impact of the 35th America’s Cup on Bermuda” we would see the full investment of \$64.1 million that they estimated would be a positive impact of our GDP of \$336.4 million, inclusive of \$90.8 million estimated positive impact for future legacy tourism. And I think we are seeing that wave going forward, seeing people riding on that wave. Bermuda has been rebranded, which is what we had hoped, and we have got new life. Provided, of course, people can get here and the ministers responsible for that make sure that people can get here for a reasonable price, stay here for a reasonable price and have an enjoyable time while they are here.

With respect to the subject of immigration, you know, this is just like repeating the same thing. And even when the PLP were in power, towards the end they were saying, *Well, gee willikers, if only we could find another 5,000, 6,000 people to come here and spend money to rent apartments, to go to the restaurants, to hire taxis, to spend money in this community.* But they were not willing to do what was necessary.

Now, our neighbours to the south, like Cayman . . . they figured it out. They figured it out. And while our ship was dead in the water, they were sailing away from us—and they continue to do that. Now

their business model is a little different from ours, granted. But historically we always viewed ourselves as being a little bit more up-market than they were and more, perhaps, choosy in the business that we took. They were looking quite a lot for volume of business as opposed to quality of business. That is the way, certainly, we like to look at it.

But I think we need to take a page from their book in terms of their immigration. You know, people will say, *Oh well, we can, you know . . .* and this is one area where I thought the Minister of Finance in his Budget Statement was just wrong, you know. He says *Oh well, you know, this is simplistic* (I believe is what he said), that it was simplistic that if we get people here that it is going to sort out our problems.

[Inaudible interjections]

Hon. Trevor G. Moniz: I am just trying to find the page . . . but the fact is, you know, it is not, you know. And the implication was that if we can just get people here, that is going to be good enough. But, of course, you know, it is not good enough.

One of the things you find out when you have people in a country is that you want them to use their disposable income in your jurisdiction. You do not want them sending it back to where they came from. And that is what they do if they figure they have no home in your country. And we are not the only ones. It is at page 13 under The Case for Economic Reform. And he says, I will quote him, he says “Mr. Speaker, there is a constant refrain in some quarters which speaks about the need to relax our immigration laws even further to boost the population in Bermuda. It is a simplistic argument which wilfully ignores the other economic challenges faced by Bermuda.”

Well, from my point of view it does not ignore any challenges. It is saying that this is one of the things which we need to do. There was a point in time where we had too many people here, and we have to try and restrict it. Now, we have too few people here, and we have too little money in our economy.

We need people who are going to come here, doing professional jobs, who are going to be spending money. And I had assumed that that is what the Premier wants to do with FinTech. He wants that to produce jobs—not just for Bermudians but get people in here. Every, every, every . . . we know that every guest worker that is here produces more than his own weight in terms of Bermudian jobs. I think the average is 1:1.3.

But the other key is that those people are spending their disposable income in Bermuda and they are going to spend that disposable income in Bermuda if they feel at home here and if they feel they have a future here and if they feel their children have a future here. And we all know it is a terrible situation for people to be here—their children are born here, their children are raised here, they are making tre-

mendous contributions to the economic life of this community and to their volunteer life as well, a lot of them do a lot of charity work and make huge contributions—and then they are told, *Well you have no future*. And, of course, what people are going to do in those circumstances is they are going to just ship their money back. There will be remittances.

For example, let us take . . . and this is not just Bermuda. I recently read an article where I think it said there were a million Polish people in Britain and every year they send a billion pounds home to Poland. And why do they do that? Well, they feel they have no particular future in Britain. They feel the negative vibes, they feel the xenophobia, they feel the resentment and the anger of some of the political parties in the UK. They are looking at Brexit and they are saying, *We are going to get as much money out as we can because we are not welcome, we are not wanted*.

And often from the supporters of the PLP, that is the feeling that is given to our guest workers. And that is what we have got to stop.

You know it is . . . I do not know, it is . . . to me it was strange because we had this thing about rich white people and the America's Cup and people were saying *we do not want anything to do with rich white people* and *that is for rich white people* and then, of course, when you see FinTech and you see the Premier cosying up to all these people, they look uncommonly like rich white people. That is what they look like. And in the best possible way—I am not implying anything untoward.

Hon. Zane J. S. De Silva: Point of order, Mr. Speaker.

The Speaker: We will take your point of order.

POINT OF ORDER

[Misleading]

Hon. Zane J. S. De Silva: Thank you, Mr. Speaker. The Honourable Member is misleading the House when he said, you know, *they did not want billionaires, white rich billionaires, in Bermuda*. No, we did not say that, Mr. Speaker, at all. We never said that. What he is referring to is a statement that was made in the last session, if you will recall. And that statement was that they did not like the fact that we black people can rub shoulders with billionaires.

The Speaker: Well, it is all a matter of opinion.
Continue on.

Hon. Trevor G. Moniz: That is not . . . that, Mr. Speaker, that is not what I was referring to at all.

The Speaker: Continue, continue.

Hon. Trevor G. Moniz: That is not what I was referring to.

The Speaker: Continue.

Hon. Trevor G. Moniz: He will get his turn.

Now, you know, I will just end with a final, really with a final word here, Mr. Speaker, and that is going back to the government efficiency saying government efficiency is surely judged by needing fewer people to do the job and being able to do the job with less money. Yet this Government has steadfastly said, *Well, we are not going to reduce the government headcount. In fact, we will continue to increase it*, I gather, is the outlook. I looked at the budget of Cabinet office, it looks like it is going up and up and up. And if that is not correct, I would love for somebody to stand up and say it is not true, we are going to reduce the government headcount. But it sounds to me like it is going to continue to increase. And people in this community are concerned—

[Inaudible interjections]

Hon. Trevor G. Moniz: People in this community are concerned, Mr. Speaker, that we are going back to what in the street was called the “friends and family plan,” where people are getting nice government jobs, without them being advertised. We had the recent one with Renee Webb in the Brussels office, brought on as a consultant. I know that was under plan for some time, as I had bumped into her last October coming back from Brussels. People are concerned that these are people with political affiliations being brought into the government to do a job. And that is what people are concerned about, when people are brought into government. I was concerned when I saw, I think it was Charles Richardson was brought in as Acting Director of Legal Aid. And I believe at one time he was a candidate for the PLP—

An Hon. Member: He was a consultant.

Another Hon. Member: He was contracted.

An Hon. Member: He was not.

[Inaudible interjections]

Hon. Trevor G. Moniz: He was brought on as a temporary staff member.

[Inaudible interjections]

Hon. Zane J. S. De Silva: Point of order, Mr. Speaker.

The Speaker: Your point of order?

POINT OF ORDER

Hon. Zane J. S. De Silva: The Honourable Member just said Charles Richardson was brought in for a candidate for the PLP. No, he was not.

The Speaker: Thank you.

Hon. Trevor G. Moniz: All right, if that is true, that is fine. That is fine. But was he brought in as a temporary person to fill the job? And was the job he is filling ever advertised?

[Inaudible interjections]

Hon. Trevor G. Moniz: Well, you see in this House it is confusing. The Honourable Minister for National Security says it is a consultancy job. But last year in the House Michael Scott jumped up, the Honourable and Learned Member jumped up, and said the new Director of Legal Aid is Charles Richardson. And then from her seat, I think the Honourable and Learned Member Kim Wilson said no, he is in a temporary position or a consultancy position. So, it has not been clear to me exactly what the position is and where it is going.

But the Government Members can get up and they can tell us exactly chapter and verse what is happening there and with the other members, including the Brussels office. People are obviously concerned.

An Hon. Member: Ooh!

Hon. Trevor G. Moniz: Yes, and—

[Inaudible interjections]

Hon. Trevor G. Moniz: Mr. Speaker, he has just raised an issue which is close to my heart. Under the PLP Government the number of ministerial assistants and staff members—

The Speaker: Member, let me just remind you of the fact that you only have 30 minutes, and I think you just used up your 30 minutes.

Hon. Trevor G. Moniz: Oh, right.

The Speaker: So, you can—

Hon. Trevor G. Moniz: I can just finish on that point that the number of assistants has much multiplied under this Government.

Thank you, Mr. Speaker.

The Speaker: Thank you.

Does any other Member wish to speak?

I recognise the Honourable Member from constituency 2, Honourable Member Swan.

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

Mr. Speaker, I am going to put on my Sheridan Raynor gear today and just come to the wicket and play some of these new balls down the crease.

Mr. Speaker, as I speak today, I just want to start off by congratulating the new Minister of Finance, Mr. Curtis Dickinson, and his team, for the fine work that they have done in producing this Budget Statement here 2019/20.

Mr. Speaker, I also would like to offer thanks to the Junior Minister, the Honourable Member Wayne Furbert, who spoke earlier. He deserves credit, Mr. Speaker, because he has worked tirelessly in finance and has done a good job, as he did when he led off on our behalf.

Mr. Speaker, I could not help but notice some of the coded language that gets used when it comes to speaking about the Progressive Labour Party, particularly when it comes to finance. And as I congratulate our Finance Minister, the Honourable Member Curtis Dickinson, I think it is important to note that it takes a wise person to recognise the talent that they have and to utilise it in its most suitable location.

Earlier, a Member, and I believe it was the immediate past Member that spoke, referred to the Premier as firing himself. And I respectfully totally disagree with that assertion, Mr. Speaker, in that it is within the purview of the Premier to use his team where he sees fit. And in this case I want to say that he has chosen wisely. I certainly know, Mr. Speaker, having gone up and down the hills of some areas of Warwick and having had the distinct pleasure of being with the Honourable Member when we were on the hustings visiting persons and very confidently sharing with them that they would be well served to put their faith and trust in this gentleman who we have here. Eminently qualified; eminently qualified.

When we speak about coded language, I was not intending to spend too much time on anything otherwise than what our intent was. But I could not help but notice that as the Opposition made reference to Government's initiative to offer lending to private sector workers, they used the term . . . I think it is on page 21, "Where would the Government acquire lending expertise?"

I found that to be the most laughable coded message of all because . . . I am going to repeat it. The Finance Minister comes to Parliament, comes to this Honourable House, comes to the Finance Ministry from an esteemed career in banking, and very outstanding academic performances, and with global connections—global connections that will serve this Labour Party well as he serves. And I take exception to the subliminal messages that get sent out there in Bermuda.

Certainly, Mr. Speaker, we are a product of the environment that we have grown out of. I believe our Finance Minister understands finance better than most, having trained in Columbia, probably walked the same halls that the honourable Barack Obama walked when he went and came back and went and took his academic career up and down that area of the Hudson River. I believe you take the road, you go along, you hit Chappaqua Park and you might even find a few nice golf courses along the way up there, Mr. Speaker. But I am sure as our Finance Minister traverses around some of the challenges that Bermuda faces, he is well equipped. So there is no place for these coded messages.

But we will get them. You know, I did the Opposition Reply as the divide and conquer reply. And I noted how many times pathway to status was mentioned, how many times the Honourable Member the Honourable Leader of the PLP and the Government, the Premier of the Bermuda, was mentioned in the Reply. Served and trying to drive a wedge in our community, Mr. Speaker. And I think it is important that Bermudians know this. It is important that we point this out, Mr. Speaker, because it is an old play-book. But it will not rest, and I am duty bound to point it out.

I certainly have had a little bit of experience, Mr. Speaker. I want to declare my interest, my past, if you will. This is only the second year that I have ever served in a Government. I have had some experience being in Opposition. I certainly know what the role of an Opposition could be. I heard persons that spoke before me in the current Opposition make mention of the period of time as it related to 2010. And I said, *Well it is good to have selective memory*. But if my memory serves me correctly, Mr. Speaker, as it relates to some of the reasons why there was great trepidation in Bermuda economically in 2008, following the years when the economic boom took place, dare I say XL? Stock may have gone down to two. Dare I say American International would have had to change its name? Would I dare say that even the Bank of Butterfield, whom the Honourable Finance Minister can speak to far better than me, had to rely on a PLP Government for a guarantee to move forward. And I am sure the Honourable Member can fill in the blanks far better than I ever could.

Let us not forget the long arm of Madoff and the long arm of Stanford and the impact that they had on the economy. Let us not forget the re-domiciling of companies that was taking place. It was not because of what was taking place in Bermuda. A lot of it had to be connected with some of the challenges that they were facing that was placed [upon them] in board-rooms.

And let persons . . . look, it is easy to point fingers at Government. And the Opposition today has got a long look back into 2006, 2007. But let me tell you something about what it takes to be somewhat

responsible when you are in Opposition, Mr. Speaker. It was the Premier of Bermuda in 2008, the same one that is under investigation by the Bermuda Police Service, ongoing through 2012, who came to me along with members of the private sector, Mr. [Don] Kramer, Mr. Phil Perinchief and the US Consul General Mr. Gregory Slayton. And as an Opposition who had persons chomping at the bit at the Government of the day, we worked together with what? Bermuda First that came out in November of 2009. And persons do not want to talk about that, because it was a collaborative effort of responsible Opposition.

We are not seeing that today. We hear persons saying that gaming is never going to get its life line at all. You know, the naysayers, casting aspersions of doubt. But look, I believe in giving Jack his jacket. Persons are seeing the steelwork going down in St. George's quite close to the beach, I might add, where environmentalists were very quiet and silent on that initiative, thank you very much. But, look, to the best of my understanding, right, they are looking for a gaming licence. And you tell me in a country that is looking at gaming, Mr. Speaker, where is it going to move forward unless it has a corresponding bank to partner with? Where is it going to go? How is it going to happen? So, today, we come here and we find that in New York there is a bank prepared to work with Bermuda. That should be hailed, Mr. Speaker, as an opportunity that Bermuda has been able to realise, because without that . . . and, look, as far as I know, you can go in Florida, you can go in Connecticut, you can go in Massachusetts, you can go in most states, and you can go in Nevada, you will find gaming institutions operating very well, thank you very much. But in Bermuda, we had difficulty, you know? But the Government did not roll over. We kept our hand to the wheel, and you see the fruits of that labour. That is what is meant when you talk about transformational government.

And the Honourable Member that took his seat just before me was saying that, and I will paraphrase . . . he referred to the . . . he made two comments, the friends and family plan, which is another code, right, and relating to Brussels. But let me tell you something in defence of the former Member of this House who got elected, who I have known since I went to Berkeley, Mr. Speaker. You know, she is in Brussels. To the best of my understanding, having played] professional golf in Europe, they speak French in Brussels. I think she does as well, very conversant.

And on top of that, just like our Finance Minister, she is one of the brightest this country has to offer. And just because she is PLP, it gets clouded in smoke so people can look to say, *Oh you are on the friends and family thing*. I mean, look . . . now, when the OBA who want to tout the America's Cup came forward with a plan, who did they turn to? They turned to OBA supporters. Who did they appoint to the Tour-

ism Authority? And, I declare my interest. I spoke about the Tourism Authority on more than one occasion in this House. But they appointed an OBA person there.

Mr. Speaker, you cannot have your cake and eat it, too. Bermuda has to see the duplicity in that. And it has to see the coded language aimed at the PLP when it speaks like that.

And, you know, I want to talk about the debt. Mr. Speaker, you talk about transformational coded language out in the country, you heard people stand up and say, *You guys put us in all that debt, you PLP*. And, you know, from 2013 to 2017, the OBA presided over \$1 billion-plus of debt that is on Bermuda's books. Now they will come here and justify it. And let me tell you, it will get all types of ink and the like as to . . . because that is what they want people to believe and there are people who believe that.

But let me tell you this, Mr. Speaker. If you really believed that Bermuda needed to reverse the trend in debt spending, when you came to office you would have executed on that with immediacy, with the amount of fervour that you put into your language leading up to the election. That is one of the most disingenuous things that took place there, Mr. Speaker. The "red sea of debt" as people would have termed continued on.

So, why would this budget be transformational? Because the persons that people, when they used that tax-and-spend coded language, can now look at this Progressive Labour Party Government as being able to come here today and reverse that trend towards balanced budgets with surpluses. And it is important that the most capable banking-based Finance Minister, probably one of the most qualified in that particular field that we have ever had, and you can compare him to anybody else that you want to . . . will call, would come and say, *Listen, why should I take my \$100 that I borrowed from you and you are going to charge me 20 per cent interest?* Mr. Speaker, we have loan sharks in Bermuda, we know that. So, I am not calling you one, Mr. Speaker, but we have a loan shark, he lends you \$100 and is looking for you . . . what do they call those things? Payday—

An Hon. Member: Payday lending.

Mr. Hubert (Kim) E. Swan: Payday lenders. So the payday lender gives you \$1,000. The payday lender, who is real in Bermuda, is expecting that \$1,000 plus what? The 20 per cent (if that is the interest rate). Or what, Honourable Member? You are a lawyer; you might have some idea what the rate might be.

An Hon. Member: It is extortion.

Mr. Hubert (Kim) E. Swan: All right. So, the case I am making is that the \$100 that you take to put in what I call my piggy bank sinking fund . . . and I go

around to, then I put it there, I put it aside for a rainy-day. In order to have that for a rainy-day, I have got to make sure that I have that \$1,000 plus the interest rate that the payday lender has given me to satisfy my debt.

[Inaudible interjection]

Mr. Hubert (Kim) E. Swan: And guess what, Mr. Speaker? That makes absolutely no sense!

Now, I am not saying that the people that we are going to are going to charge us that much. I am just making the analogy, because I am confident our Finance Minister wants to save every penny.

And let me tell you something about what I understand about finance, having run a government department for over eight years and having hired someone who was a reconciliation clerk at the bank. And I will never forget Norman Thomas saying to me you know that child has got about . . . he has got A levels, he has got one in math, and got one in English. He can write and certainly can count, and reconciliation manager in the bank has to account for every penny.

So, my Finance Minister now accounting for every penny is saying, *Why should I be giving 20 per cent to save when I know that I can ride that department and make them do what it needs to do efficiently to make sure that at the end of the day that 20 per cent that I would have given to Mr. Payday Lender is coming to benefit Bermuda?* And, so, I can do it now because I want to get Bermuda in the mind-set that we have got to do business differently. And so that is why it is a transformational budget in that respect, because the Finance Minister has put his stamp on the fact that for the first time in about 14 years, Bermuda can speak to having a surplus. And that is major, and it is going to continue.

And for those of you who have cast aspersions on the Honourable Premier, let me tell you what the Premier did say in 2018/19, and I quote from the Budget Statement, "Mr. Speaker," he said, "we acknowledge that there are sceptics," (there were sceptics then and there are sceptics now) "but let me be clear:" (this is the voice of David Burt) "this year will be the last year in which debt will increase. Next year we will start reducing our debt! We will continue to reduce [our] expenses where we can, but we will continue to invest to ensure that we can grow our economy and create jobs."

Promise made last year, Mr. Speaker, promise kept by this Finance Minister, that he has appointed, equally capable. so that he can do what he is there to do as Premier, look comprehensively over this country.

And let me tell you this . . . let me just speak a little bit. I mentioned that the Sinking Fund . . . I think Honourable Member Mr. Furbert, who was there in that Cabinet, spoke ever so well to the minds that

there was a time that, you know, when all capital works were done out of surpluses. And, certainly, Bermuda is not in that space. And it was not invested in the infrastructure. You could find you could find good reason to build a prison . . . you could find good reason to build a prison, Mr. Speaker.

Mr. Speaker, I liken the debt that we have to address to a super tanker that had to slow down and change direction. The benefits of the initiatives that the Finance Minister has outlined are very huge, as Bermuda can see that tanker turn around, and in his most capable hands, Mr. Speaker.

Mr. Speaker, I remember, I certainly remember, Mr. Speaker, looking when FinTech came here. And Bermuda is a pioneer in the legislation that is allowing other countries to follow our lead. And when the Premier announced with great pride that there is a bank here, I was reminded that last year this time when I was sitting in my seat looking back, I saw any number of Google searches that related to how HSBC was pursuing the FinTech initiatives over there in Asia with great fervour. Not in Bermuda. Such is the uphill climb that we have had to endure in our country, Mr. Speaker, and it did not just start in this administration. It has been going on. It has been a one-sided toted playing field against those of the black community.

And, yes, it is the black community that has felt it disproportionately in Bermuda, because, as I mentioned, what was mentioned often and often and often was Pathway to Status. You waved unbridled immigration growth in front of the people of Bermuda. It is like going over in the farm when we were kids and running over there and trying to tempt the bull. People know what that MO was all about. And it does not take into consideration what is in the best interest to make this country for all Bermudians. That was not taken properly into consideration. It was an initiative that the OBA came and thrust upon the people, and it was rejected. And it caused great angst.

But they are coming here in 2019 and trying to tell people, *You were wrong, people*. That is what they are telling you out there, you know, *You are wrong for feeling that way and being concerned about your grandchildren and great-grandchildren. You are wrong for feeling that way*. And I am telling you that they are wrong for still trying to push that stuff down people's throats, because that is not what is in the best interest of our people, Mr. Speaker.

Mr. Speaker, I looked at some of the capital and . . .

How much time do I have, Mr. Speaker?

The Speaker: You have about seven minutes.

Mr. Hubert (Kim) E. Swan: I heard Members opposite reference capital projects. And, oh boy, do I remember trying to tickle up the Government on many of them. I will just go to one of them, as it relates to

tourism: Heritage Wharf and what is now Dockyard in Bermuda, an economic hub based around tourism.

You know, the Government very proudly . . . and the Opposition went and started beating its chest because it introduced the Tourism Authority and said, *Look, look at tourism numbers, the best ever*. But what was the real genesis of the tourism growth? It was cruise ship visitors, I think to the tune of about 13-or-so per cent—cruise visitors! And where did the cruise visitors come? They came from Dockyard.

Now, let me just regress back a little bit because, you know, when Dr. Brown was trying to sell that initiative initially, he was looking in the east as well. And, you know, it met with great disquiet. I will share that. It was met with great disquiet. Later, persons came with other options about maybe a pier off of the golf course, down by, off of, by Khyber Pass, and the like. But by that time, because [the cruise lines] were moving away from smaller ships to larger ships, the Premier of the day at that particular time decided that we needed to act, and it was built.

And, yes, those in Opposition . . . and I wave my hand and say yes, we criticised it. But guess what? It was the genesis of the increase in record visitor arrivals. So, you have to go back to what was criticised back then. And I liken that to the criticism that is coming today with FinTech, because FinTech will move fast, and we moved fast to put it in legislation. But if our competitors move faster to find the proper banking institutions to facilitate it while the Opposition is playing, *Hey, complain because I am here. I want you to know I am here. Let me complain*. Right? Somebody else is going to get the spoils of our vision!

And you think that the PLP came up with that vision for FinTech in 2017 when the people were singing *so long, bye-bye*? No! You can go back to the Hansards in this Chamber, Mr. Speaker, you can go back to 2014 when Marc Bean was leader and the Honourable David Burt was Opposition Shadow Finance Minister and see that those initiatives were put forward as a solution for Bermuda's economy and a suggestion for the Government.

But because the Government of the day was so shallow and narrow-minded, it could not see that opportunity. That is what an Opposition should be doing—coming with solutions. And if the Government of the day had any type of gumption, even though they did not understand what the space was, because they admitted that when the legislation came here, *Oh, I do not understand it; it is not what I understand*. Because you do not understand it does not mean that it is not good for Bermuda.

And now that the PLP led the way, other jurisdictions around this world are looking at that and looking at how they can be more nimble. That is the reality, Mr. Speaker. That is the reality of an Opposition who, in my respectful [view], is concentrating on the divide and conquer initiative. Find a way to say what needs to be said, that gets people exercised enough

so that they can say, while you are up there saying this and that you must have my best interest at heart.

And I am here to tell you, Mr. Speaker, that when you look at those capital projects that they so proudly tout out in lump sum and you start looking at them, you would ask yourself, *Where would the people of Perimeter Lane be staying if they were not staying in Perimeter Lane today?* All those multi-story units down there. Where would they be staying? They certainly would not be staying in those houses that people can afford to keep empty.

Where would the people on Butterfield Lane be staying if those places were not converted up there in Sandys Parish? They certainly would not be staying in places that people are turning into Airbnb. Where would they be staying, Mr. Speaker?

And what is the plan for Bermuda as we have challenges, such as Brexit there, when *Quo Fata Farunt* is not going to be an answer for us anymore, Mr. Speaker, as Britain looks at us and tries to turf us out. I am here to tell you, Mr. Speaker, that this budget is transformational for just those points that I made.

And for many others, Mr. Speaker, for many others, and it is time for the Opposition to come with better solutions than just Pathway to Status which does not take into account the impact that it would have had when they tried to push it down people's throats the way they did.

And look, Mr. Speaker, at the amount of MOUs they gave out that made it very difficult for this Government, the PLP Government, to be able to act in good faith. We act in good faith. We did not pass legislation to reverse a government contract that had been given, like they did. We are more fair-minded people than they are. Proven it! And I reject (my final comment) I reject the coded language that—

The Speaker: You have less than a minute.

Mr. Hubert (Kim) E. Swan: Okay, that is all I need.

I reject when the OBA in Opposition would use another coded [language] that would suggest that the PLP do not care about white people. I have been and I have sat with them both. Right? Honesty for reality does not mean that you do not like people. You are just courageous enough and care enough about them to tell them what time it really is and you are not going to hoodwink them with camouflage and diversity dressed up—

[Timer beeps]

Mr. Hubert (Kim) E. Swan: —in a lie.

Thank you, Mr. Speaker.

The Speaker: Thank you, Member.

Does any other Member wish to speak?

[Desk thumping]

The Speaker: We now recognise the Honourable Member from constituency 10.

Honourable Member, you have the floor.

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

Before I get started into the body of my contents, I appreciate the opportunity to speak, and to the Honourable Member who just spoke, just a little bit more clarification on the number of visitors to our Island.

Yes, he is correct that we have seen an astronomical increase in cruise visitors. But what he forgot to say is that over the past probably four and a half years we have seen a steady rise in air visitors, which has been most welcome.

And, Mr. Speaker, the other thing that I find interesting is that the Honourable Member always uses the phrase *Give Jack his jacket*. Well, you know, the Honourable Member now is wearing a different jacket, but I recall in 2012 when the Honourable Member, talking about the PLP Government, said, *They have overspent atrociously and they have encouraged elaborate living*. So, Jack is wearing a different jacket now, and he loves to forget what was said in the past.

Mr. Hubert (Kim) E. Swan: Point of order, Mr. Speaker.

The Speaker: We will take your point of order.

POINT OF ORDER

Mr. Hubert (Kim) E. Swan: If the Member would have listened, I admitted that I sat on that side. And I admitted that I was many . . . not even may have been an architect, but an author of [much] rhetoric against the Government that I proudly, proudly serve. So, if he wants to go down that road, let him go.

The Speaker: Okay, thank you for clarification. Member.

Hon. Michael H. Dunkley: Mr. Speaker, just pointing out the facts about it.

This is the second budget of this PLP Government since the election of 2017 and with this second budget, Mr. Speaker, the PLP Government has talked a lot over the past week about fiscal discipline and a budget surplus. And I find that quite an interesting and contrasting development from the past. And, Mr. Speaker, in spite of the wish of the current Finance Minister to take a different road, I would urge caution because the past record, as I will show, Mr. Speaker, of the PLP, does not breed confidence in achieving those budget numbers.

Since this is the case, I suggest it would be unwise for the Government to blow their horn at this point in time, because in fact, Mr. Speaker, the budget has not been passed. And until next year when some

of the money has been spent and some revenue has come in, it is very difficult to predict where you will actually finish, and if your record shows otherwise it might be foolhardy.

Mr. Speaker, I will also start my comments by saying that while many in the community might be pleased to some extent that tax increases have been pared back from what they thought they would be, in this budget (in my view) they are still very many interesting, and, I would say, worrying aspects associated with the Budget 2019. So, let me get into some of them.

First, a comment that my honourable colleague had touched on. I found it interesting that the Honourable Premier has now relinquished the Finance portfolio after a very short time at the helm. And one has to wonder why. Is it that the Premier is getting out of the kitchen before it gets too hot, because the economy is not going in the right way? Or, is the Honourable Premier too busy with his duties of being the Premier? One can understand that. But situations have changed. If the latter is the case, Mr. Speaker, it must be noted that the Premier has a Minister in the Cabinet Office, a Minister without Portfolio, and additional high-paid civil servants in the Cabinet Office that now have been budgeted for this year.

Mr. Speaker, with the tabling of the Budget a few days ago, we see numbers and estimates that have been changed for the worse over the budget from last year. Mr. Speaker, this goes against the grain of fiscal discipline the PLP has lauded over the past week, and I believe it creates doubt about the accuracy of the budget. Now, the Finance Minister is loath to say over and over again he only took over in November. And so I give him the opportunity to make those words come true next year. But let me look at some of the numbers, because this is an economic debate.

The original budget estimate for 2018/19 was projecting an \$89.7 million budget deficit. This has been changed now to \$102.6 million deficit. This is due, as was said in the Budget Statement, Mr. Speaker, because expenditure is \$2.8 million higher, and revenue is \$11.9 million less than was estimated. This has resulted in an additional deficit of \$12.9 million being added to our bottom line, or, in percentage terms, Mr. Speaker, 12 per cent, which in anybody's terms is a significant increase and certainly not a good sign and it cannot be considered fiscal discipline.

Now, Mr. Speaker, it follows on from the very poor track record of the last PLP Government, which repeatedly missed numbers to the wrong side . . . I will come back to those in a few moments time. Another concerning number, Mr. Speaker, from this Budget is that the GDP estimate for 2018 has been forecasted from 1.2 [per cent] to 2.0 per cent back down to a smaller increase of 0.5 [per cent] to 1.0 per cent. Mr. Speaker, this is not a good sign, and it shows that the economy is not taking any wind in its sails at this time.

Mr. Speaker, another worrying development is civil service employee numbers are set to increase from 4,764 in the 2017/18 Budget, to 5,082 in this Budget 2019/20. Mr. Speaker, that is a rapid two-year rise of 318, or 7 per cent. This year alone, the numbers are to increase by 157 in the Budget Book, and when you compare that, Mr. Speaker, to the alleged increased of jobs of 144, which is found in the Employment Survey, which the Finance Minister relates to on page 8 of the Budget Book, one might deduce that the only increase in jobs are all in the civil service. Clearly, the Government's economic plan is not working.

Now, Mr. Speaker—

Hon. Curtis L. Dickinson: Mr. Speaker, point of order, please.

The Speaker: Yes, we will take point of order from the Finance Minister.

POINT OF ORDER

[Misleading]

Hon. Curtis L. Dickinson: Mr. Speaker, I think the Honourable Member is misleading the House. If he were to go back and look back at prior Budget Books from 2012/13 and beyond, he would see that the number of employees in government versus the estimates have been substantially higher in the estimates versus the actual numbers. So, the phenomenon that he is discussing right now is not unique to the PLP Government. It is a phenomenon that has been experienced over the course of the last seven to eight years.

The Speaker: Thank you.

Hon. Michael H. Dunkley: Mr. Speaker, I will come back to that later.

The Speaker: Okay.

Hon. Michael H. Dunkley: Mr. Speaker, I will digress for a minute to speak to some comments by the Honourable Junior Minister of Finance, who started off this debate after the Opposition's Reply.

The Honourable Member talked about \$300,000 worth of cheques being found in a drawer. And for some absurd reason he tried to pin that on Government Ministers. Well, Mr. Speaker, I will take a point of order right now if the cheques were found in the drawer of any Minister, Mr. Speaker. And also, Mr. Speaker—

Hon. Jamahl S. Simmons: Point of order, Mr. Speaker.

Hon. Michael H. Dunkley: If cheques are found—

Hon. Jamahl S. Simmons: Point of order, Mr. Speaker.

The Speaker: Your point of order?

POINT OF ORDER

Hon. Jamahl S. Simmons: I am sorry the Honourable Member is actually . . . I do not believe he understood, if he would be willing to [let me] explain to him. The issue was not that they were found in any OBA Minister's drawer. The issue is that, with all this talk about collecting taxes and being more efficient, those things—those cheques found in drawers—were not found by the previous Government.

Thank you, Mr. Speaker.

The Speaker: Thank you.

Hon. Michael H. Dunkley: Well, Mr. Speaker, that point of order leads me to my next comment.

Can you imagine, Mr. Speaker, if Honourable Ministers from the former Government had been looking through the drawers of civil servants' desks, what an outcry there would be, Mr. Speaker.

Now, Mr. Speaker, to me, I worked with the civil servants for a number of years and I found very many qualified, conscientious civil servants. For cheques to be locked in a drawer and to stay there for a period of time . . . there is not an excuse for that in any way, Mr. Speaker.

Furthermore, most businesses, if a cheque is not returned in a reasonable period of time are going to call up and ask [why]. So, the story by the Junior Minister just does not take a lot of credibility, on my part, Mr. Speaker. And to say that that is the reason, because you found cheques in a drawer you are hiring more people, is utter nonsense. That, if you find cheques in a drawer, is people not doing their job and the head of the civil servant and the department heads, right on down, need to make sure people do their job. That is the issue that Bermudians have been talking about—efficiency in the public sector and the private sector, Mr. Speaker.

The Budget Book also shows an alarming rise in travel spending, from \$2.04 million in 2017/18 to \$3.41 million in this financial year, a 67 per cent increase. And last year, on page 13 . . . and I question these numbers. And the Honourable Finance Minister when he wraps up at some time tonight or tomorrow, can get the—

The Speaker: Tonight, tonight.

Hon. Michael H. Dunkley: —tonight or tomorrow—

The Speaker: Tonight.

Hon. Michael H. Dunkley: —can give the answer. But last year on page 13 of the Budget Statement, it was stated that a civil service increase would be 2.5 per cent in pay. However, in this year's Budget Statement it says, I believe on page 18, that some public officers are awarded a 2.0 per cent increase.

So, there are two questions arising out of that. First, why has the number changed [from] 2.5 [per cent] to 2.0 [per cent] and, secondly, the wording that the Honourable Minister used "some public officers are being awarded an increase" . . . where does that come from? Does that come because some of the organisations have not had their increase agreed to yet?

So, Mr. Speaker, these comments reflect on numbers in the budget and they highlight, in my view, a lack of confidence in some cases regarding the accuracy and illustrate concerns for the policies and actions of this PLP Government. Over the coming days, as my colleagues have said, we will have the opportunity to go into Committee of Supply. So I am sure there will be a great deal more debate at that time.

But, Mr. Speaker, as this is an economic debate and numbers are critically important, and colleagues who have spoken before me have talked about the prudence of the PLP, let me refresh their memory about some of their performance. Most recently, I have already covered in the one year. But the last six years of the PLP Government, because my honourable colleagues in their Reply talked about seven years of [famine] and seven years of plenty.

Well, let me look at the six years from 2007 and just look at these numbers and if anyone can challenge me that this is fiscal prudence, I will take a point of order.

In 2007, there was a budget estimate for a \$109 million deficit. It ended at a \$136 million deficit—\$27 million out. In 2008, there was a budget estimate for a \$131 million deficit, which ended at \$241 million—\$110 million out.

[Inaudible interjection]

Hon. Michael H. Dunkley: In 2009, there was a budget estimate for a \$148 million deficit, which ended at \$209 million—\$61 million out. And the kept birds are singing over there. In 2010, there was a budget estimate for a deficit of \$143 million, which ended at \$254 million—\$111 million out.

An Hon. Member: Say it is not so.

Hon. Michael H. Dunkley: In 2011, \$147 million deficit was forecasted, and it ended at \$229 million—\$82 million out.

I go on, Mr. Speaker. In 2012, there was a budget estimate of \$172 million deficit, which ended at \$226—\$54 million out. Six years, Mr. Speaker, collec-

tively, [\$445] million out, Mr. Speaker, on the wrong side, an average of \$74 million a year.

That is not even close. That is not even close. And you wonder why. people lack confidence in those numbers.

In the Opposition's Reply to the Budget, they said, and I quote, "this reckless [mis]management of the people's money was a recipe for disaster waiting to happen." And, thus, because of this reckless mismanagement of the people's money, coupled, Mr. Speaker, with the inability to work the budget, there should be little confidence that these PLP numbers will actually stick.

And I hope they do. I hope this Finance Minister can stand around the table, sit around the table and say, *No, we are sticking to our numbers*. The OBA took over that slow-motion train wreck and in five years met the number or beat the number every year. In average, Mr. Speaker, in average, Mr. Speaker, it beat the number by \$35 million each year.

Hon. Zane J. S. De Silva: Point of order, Mr. Speaker.

The Speaker: Hello, yes? Minister? Member—Minister, yes?

POINT OF ORDER

[Misleading]

Hon. Zane J. S. De Silva: The Honourable Member is seriously misleading the House, Mr. Speaker. Seriously misleading the House. I would—

The Speaker: Make your point of order.

Hon. Zane J. S. De Silva: The point of order is he just made a false statement, Mr. Speaker.

The Speaker: Thank you.

Hon. Michael H. Dunkley: Mr. Speaker, I was not going to tell him the numbers, but I will tell him the numbers, Mr. Speaker, since he wants to . . . and he can get up and show me where they are wrong. But he cannot, because they are in the Budget Book.

In 2013, there was a budget estimate for a \$333 million deficit—the one we inherited from the PLP. We finished that at \$299 million, \$34 million under. In 2014, 267, we were under that budget. In 2015, \$220 million deficit, we were under it at 161. In 2017, there was a budget estimate of \$135 million, we finished at \$70 million, 65 under that. You cannot say those numbers are wrong, because they are in the Budget Book. If you do, you are making it up. It is fake news, Mr. Speaker.

[Laughter]

Hon. Curtis L. Dickinson: Mr. Speaker, point of order. Mr. Speaker, point of order, please.

Hon. Michael H. Dunkley: In between the PLP now—

Hon. Curtis L. Dickinson: Point of order, Mr. Speaker.

Hon. Michael H. Dunkley: —and then, the OBA brought it back from the brink.

[Inaudible interjections]

The Speaker: We will take the point of order from the Minister of Finance.

[Laughter]

POINT OF ORDER

Hon. Curtis L. Dickinson: Mr. Speaker, I will say this, I am really good with numbers.

Hon. Zane J. S. De Silva: Oh, yes, you are.

Hon. Curtis L. Dickinson: So, if the Honourable Member is going to start talking numbers, he should talk about all the numbers, not just the ones he selectively chooses to highlight. In fact, over the course of the last 10 years, successive Governments—both PLP and OBA—have missed their numbers.

The Speaker: Thank you.

Hon. Patricia J. Gordon-Pamplin: OBA far less than the PLP.

[Laughter]

Hon. Michael H. Dunkley: Mr. Speaker, I am pretty good with numbers, and I am also pretty good with reading and I am happy to sit down with the Finance Minister after and go over them and he can show me where I am wrong—

Hon. Patricia J. Gordon-Pamplin: Exactly.

Hon. Michael H. Dunkley: But I have taken these right out of Budget Books, Mr. Speaker. So, I am not going to be side-tracked by the points of order because when you bowl the line and length they cannot hit it.

[Inaudible interjections]

Hon. Michael H. Dunkley: Now, Mr. Speaker—

[Inaudible interjections]

The Speaker: Okay, Minister, Minister? Let the Member finish talking.

[Inaudible interjections]

Hon. Michael H. Dunkley: With the Government scrapping Sinking Fund contributions for the next three years and making a big deal about a predicted \$7 million budget surplus—\$7 million—you scrap \$65 million and say you are going to make \$7 million, Mr. Speaker. That is fine. But what you are doing is your kicking the can down the road. In fact, no, Mr. Speaker, you are not kicking the can. You are kicking a barrel down the road—

Hon. Curtis L. Dickinson: Mr. Speaker, another point of order, please.

Hon. Michael H. Dunkley: —and you are taking a significant risk.

The Speaker: Finance Minister, you would like to make a point of order?

POINT OF ORDER

Hon. Curtis L. Dickinson: Mr. Speaker, I appreciate that for the Honourable Member \$7 million may not be a whole lot of money, but for Mr. and Mrs. Bermuda, as they like to quote often enough, that is a lot of money.

Hon. Patricia J. Gordon-Pamplin: Over billions of dollars? No, it is not.

Hon. Michael H. Dunkley: Mr. Speaker, but you scrap \$65 million from the Sinking Fund, a \$7 million surplus is not.

[Inaudible interjections]

Hon. Michael H. Dunkley: But, Mr. Speaker, I just illustrated where the PLP was \$445 million over in six year—that is a lot of money.

[Inaudible interjections]

Hon. Michael H. Dunkley: I do not think . . . Mr. Speaker, I will say right here, right now, if the Minister of Finance comes in with a surplus next year, I will be the first person to walk across the floor and shake his hand.

Hon. Patricia J. Gordon-Pamplin: And say congratulations.

[Inaudible interjections]

Hon. Michael H. Dunkley: I will be the first person to walk over and shake his hand. What I am doing here today is to stimulate them to stick to the fiscal discipline they talk about.

[Laughter]

Hon. Zane J. S. De Silva: Thank you, Master.

Hon. Michael H. Dunkley: Not say it, because we have Members over there like the Honourable Member who interpolates a lot—

The Speaker: Members!

Hon. Michael H. Dunkley: —who talk fake news. And then they try to say what . . . they try to say that they did not say it, Mr. Speaker.

[Inaudible interjection]

Hon. Michael H. Dunkley: So, Mr. Speaker, this coming year, in the Budget Book it says Public Debt Charges, the interest will be \$116.5 million. This payment, which will remain at that significant level for some period of time, severely restricts the Government—any government's—ability to balance the budget. It also severely restricts Government's ability to meet those many social programmes that are important to our people, like the homeless shelter, which has not been raised in this budget yet. And potentially, Mr. Speaker—and this is an important point—it potentially makes it almost impossible for future large tax increases not to be implemented. So, Mr. Speaker, if anyone is relieved by the state of this budget this year without anticipated large tax increases, you will be wise to brace yourselves for the future.

Now, Mr. Speaker, let me turn myself to the economic plan of the PLP. It has not grown legs. There has been lots of hype, lots of talk, lots of travel, hype over one MOU after another, and money spent, but no legs. The re-forecasted GDP clearly shows that. FinTech is not developing yet into the third pillar, Mr. Speaker.

[Inaudible interjection]

Hon. Michael H. Dunkley: There has been little mention [of it] in this budget. It has not created many jobs, Mr. Speaker, and I am pleased to see that now the Government has made announcement about a bank. So, now all the excuses are cleared away, Mr. Speaker, and now we can move forward. And if FinTech is going to have some legs, it will actually get those legs, Mr. Speaker.

Mr. Speaker, the time for talk has disappeared. The shine has worn off the ball. The Silicon Valley that has been promised is still over in California, Mr. Speaker. It has not come to Bermuda yet.

Those Bermudian jobs have not been promised yet, even though the FinTech hub has been put on for fiscal prudence, maybe that is the new Finance Minister looking under the hood and saying, *Wait a second, guys. We need to make sure we do it in the right way.* We applaud that initiative, but they should have looked under the hood with fiscal prudence in that FinTech hub last year when they rolled it out.

Now, Mr. Speaker—

[Inaudible interjection]

Hon. Michael H. Dunkley: Mr. Speaker, the Government needs to face the facts that Bermuda is still riding on the growth due to the vision of the former PLP *[sic]* Government.

But, Mr. Speaker, that is going to run out. That will run out over time because the investment in the hotels and the airports and all that we have done, Mr. Speaker, they will be finished. Construction will move on to business. We need to have more investment come in. The PLP has not been brought investment to the Island for hotels yet. That is critical. It is critical not only because it will drive tourism, which we need more heads and beds to supplement Airbnb, but it would also help our International Business with more opportunities for them when they come here for their meetings. And, Mr. Speaker, it will allow any FinTech fledgling to have places to come when they have their business meetings, Mr. Speaker. But yet, the PLP jobs they have created appear to be only in the government, in the civil service, and a couple of Government Ministers.

Along the way, Mr. Speaker, while they talk about their fiscal prudence, we have witnessed the dismissal of a well-respected health care professional under concerning circumstances with secrecy surrounding the deal. A million-dollar pay-out to a former Premier, after the Premier, I guess, and the Minister, in my opinion, have held the Government to ransom. And, Mr. Speaker, we paid \$175,000 this past year for an empty office in Washington, DC. We have people sleeping on our streets and we are paying for an empty office in Washington, DC. I hope we have not air-conditioned it, Mr. Speaker.

Now, Mr. Speaker, gaming appears dead in the water, but the statement the Honourable Minister gave today . . . I applaud the Minister trying to move it forward. But still we cannot even find a CEO because we poisoned the landscape, because of interference. Bermuda businesses are under siege whether this Government admits to it or not. Retail sales are down drastically month after month after month, and the sugar tax was a discriminatory tax that has caused job losses. And it was implemented without adequate consultation, Mr. Speaker.

In addition, promises made in relation to that sugar tax have not been kept. What about the 15 per cent duty reduction for water? What about the money

raised from that tax being put into health programmes? I await to hear about those programmes in the next week, Mr. Speaker. Government has intended it wants to take over the corporation and tabled a Bill today without adequate consultation and in the best interest of the people, Mr. Speaker.

Education is still in crisis. A lack of confidence in the Minister who sat on the Opposition benches and talked about all he could do to change education. One Education Minister has gone, and now the next Education Commissioner and the PS [do not] have the confidence of the unions.

Mould is still in the schools, Mr. Speaker. The Island's facing a rat infestation. Cost of living continues to rise, and health care continues to rise, Mr. Speaker. All of this makes it more concerning that all the talk that Government talks about wanting Bermudians to come back home . . . you have to say, Mr. Speaker, yes, but what for? What are they going to do? Where is the opportunity? Where is the hope?

No, Mr. Speaker, it is not there. This Government's economic plan is not working, and it will not work, Mr. Speaker, with statements such as the one on page 13 of the Budget Book, and I quote, if you will allow me, Mr. Speaker, "immigration is not the core issue; economic competitiveness is."

But I say, Mr. Speaker, in my humble opinion, that the two actually go hand in hand. And here are some facts to support it if you will allow me to get the numbers right.

In 2007, we had 39,849 jobs in Bermuda, Mr. Speaker, and of those, 18,131 were subjected to immigration control. Now, most people will recognise that 2007 was the last year of plenty before the advent of the down years. So, we roll forward, Mr. Speaker, to 2017 (and I am getting these numbers from the government stats) when there were 33,653 jobs in Bermuda. And of those, 9,634 were subject to immigration control. So, in 10 years, there has been a loss of 6,196 jobs and the loss, Mr. Speaker, of 8,469 work permits.

Mr. Speaker, 8,469 people, and many with families, have left the Island. People who have been earning money in Bermuda. People who have been spending money in Bermuda. People who have been paying taxes in Bermuda. People who have been creating jobs in Bermuda. People who have been providing opportunity in Bermuda. People who have been contributing to the health insurance costs in Bermuda. Poof! Gone, Mr. Speaker. What does that do to our cost of living, Mr. Speaker?

So, immigration is interrelated to our economic competitiveness, and here in a small jurisdiction like Bermuda, more so than many other places. And this Government has done nothing on immigration reform. Nothing on immigration reform in two years.

Mr. Speaker, it gets better. The Government writes in the Budget Statement on page 12, and I will quote, "the Bermuda economy witnessed an increase

in international company registrations, an increase in local company registrations,” (This is good stuff.) “an increase in jobs located in Bermuda, an increase in insurance companies setting up in Bermuda, and an increase in tourists visiting Bermuda.” Man, everything is good. We have gone to heaven. It’s Mecca.

Well, Mr. Speaker, I suggest that the Government actually ask Bermudians if they believe all of that. Ask Bermudians if they feel the benefit of what Government said happened in the last year. Ask Bermudians, Mr. Speaker, if they are better off now than they were in the fall of 2017. Ask seniors, Mr. Speaker, if they support the statement written in the Budget Book. Ask Bermudians if they really have been put first, Mr. Speaker. Nine hundred jobs were reduced from the civil service under the OBA due to attrition and voluntary early retirement. And now in two years . . . and I hear the Honourable Junior Minister say “lucky.”

Well, I want to be lucky and good.

[Inaudible interjection]

Hon. Michael H. Dunkley: Mr. Speaker, in the two years the PLP approach to Government reform . . . add the jobs back and find cheques in the drawer. That is pretty good, Mr. Speaker.

We know the OBA stimulated the economy, and we know the Premier is running off of that. But, Mr. Speaker, here we now have the stimulation by the PLP, which is for the Premier’s Minister of Finance [to sell] a building to a non-Bermudian company, and what business could take place in that building once it was sold? You cannot even sell fishcakes there, Mr. Speaker, until that non-Bermudian company gets a licence. That is not an economic plan, Mr. Speaker.

It is clear, very clear, that those rough waters have returned to Bermuda, and confidence, as my colleagues have shown, has waned under the PLP.

[Inaudible interjections]

Hon. Michael H. Dunkley: The PLP Government, Mr. Speaker, in spite of the chirping birds, must not only talk about fiscal discipline and economic plan, Mr. Speaker, but they must deliver on their budgets. And they must not allow slippage, or any recovery will not take place, Mr. Speaker. The past year has not inspired confidence amongst many, and many of them are PLP supporters.

So, Mr. Speaker, I have made it very clear in my time that the honeymoon is over for the PLP. And all the fancy talk will not save the people of the country. This is real. We have many issues to address.

Now, Mr. Speaker, as I close, the Opposition will support the Government in making Bermuda a better place. And we will not conduct ourselves like the PLP did in Opposition by being critical of almost every initiative and providing misinformation—so

much misinformation they could not remember what they said.

[Inaudible interjection]

Hon. Michael H. Dunkley: But, Mr. Speaker, we will speak out.

Mr. Speaker, the Honourable gentleman wants me to talk about a certain company, I would be happy to do it. The Honourable Minister is afraid to talk about that company.

Hon. Zane J. S. De Silva: Oh, no I am not!

Hon. Michael H. Dunkley: Mr. Speaker, but we will speak out. We will speak out, because we love Bermuda like they love Bermuda, Mr. Speaker.

[Inaudible interjection]

Hon. Michael H. Dunkley: Mr. Speaker, we will not spend time until the next election just banging the Government. That serves only one purpose—to try and increase your chances of getting elected.

Mr. Speaker, it does not serve the people who we were elected to serve up here, Mr. Speaker. Too many Bermudians are struggling. We all know it, Mr. Speaker. We need to work together where we can, take criticism in the appropriate way, and make sure that we build a better Bermuda for all Bermudians.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

We now recognise the Honourable Member from constituency 33. Minister Simmons, you have the floor.

Hon. Jamahl S. Simmons: Mr. Speaker—

The Speaker: Yes—

Hon. Jamahl S. Simmons: I am reminded of a saying that I am going to paraphrase, *Yesterday’s man with yesterday’s lyrics reminiscing about those thrilling days of yesteryear.*

Mr. Speaker, the Opposition . . . I will deal with his specific points as I move through my presentation. But I will begin with the presentation of the Opposition’s Reply. There was a significant amount of time spent attacking the PLP’s tenure from 1998 to 2012. There was a significant amount of time spent waxing nostalgic about the OBA’s success and greatness that was so wonderful and fantastic that the people showed them the door, [making them] a first-term only Government for the first time in Bermuda’s history. They were so successful, they were the only Government in Bermuda’s history—*Opposition* in Bermuda’s history—to lose a seat in a bye-election to the Government.

An Hon. Member: Yes.

Hon. Jamahl S. Simmons: That does not happen, Mr. Speaker.

Hon. Zane J. S. De Silva: No, sir.

Hon. Jamahl S. Simmons: They have spent a significant amount of time seeking to rewrite, rehabilitate and resurrect the failed, rejected Pathways to Status agenda, or as I like to call it, open up the immigration floodgates and hope for the best for Bermudians.

Mr. Speaker, one would almost believe that, minus the updated financial figures and updated graphs, this is the OBA's budget presentation from 2017. Or perhaps it is the OBA Budget Statement they wish they had made in 2017.

Mr. Speaker, what the Honourable Members across the way do not seem to get is that those who wrote the budgets from 1998 to 2012 . . . I could pretty confidently suggest that they did not write this budget and they will not be writing any of the next ones, Mr. Speaker. And while we commend the service of those who served before, this is a different time and a different era and a different team. And I will just repeat what people have said to me, *I like your new, young educated team.*

So, that is, you know, the reminiscing about the past, the waxing nostalgic, all of that . . . but, let us talk a little bit about some points that were raised. The OBA asked (with your permission, may I quote, Mr. Speaker) "why does the Government see fit to use the taxes paid by everyone to benefit only the civil service?" In response I asked, why did the OBA see fit to use taxes paid by everyone to benefit only the select few via the America's Cup?

Now, Mr. Speaker, let us not forget as was reported in the PwC America's Cup Economic, Environmental and Social Impact report, it was recorded, and I quote with your permission, Mr. Speaker, "Of the businesses pursuing or planning to pursue an opportunity, 64% were owned by individuals describing themselves as white, 16% black, 8% mixed and other, and 12% declined to answer."

So, Mr. Speaker, they do not have the moral authority, and I am surprised that they are still bragging and boasting about an achievement that has helped the few and not the many, Mr. Speaker.

The OBA also asks in their Reply, Mr. Speaker, with empty homes, stores and offices across the Island, what exactly are we protecting ourselves from in 2019? An OBA that faced numerous protests on immigration, saw Parliament shut down for the first time in our history, and was shown the door in resounding fashion, has the nerve to ask that question, Mr. Speaker?

Mr. Speaker, as our Minister of Finance said, that is a simplistic answer. Opening up the immigration floodgates is a simplistic answer. Mr. Speaker, if

you open the immigration floodgates, as the OBA would have you believe, or as our Premier has said put 2,000 people on Front Street, where will they work? What will they do? We have not heard one suggestion from the Opposition in terms of what would happen. They have just said open the immigration floodgates and let her rip. Good luck to the rest of you. And that is why—

Hon. L. Craig Cannonier: Point of order.

Hon. Jamahl S. Simmons: —people do not trust—

The Speaker: Member, yield for the point of order. Point of order, yes?

POINT OF ORDER

Hon. L. Craig Cannonier: Yes, I was giving the Honourable Member some latitude, and I am still trying to find where we said we were opening up the floodgates of immigration. We have never said that.

Hon. Jamahl S. Simmons: You may recall, Mr. Speaker, that I said *in my words*. I said in my words that is the policy.

And those are the words of the people who surrounded this Chamber, this building, those are the words of the people who marched to the polls and sent them packing. Those are the words of the people who, when you asked, What do they have to fear? They have to fear you. They have to fear you, Mr. Speaker, and that is where I think the difference is, because we understand as a Government for this economy to grow, we must create the environment where there will be more people here. But Bermudians benefit, too. Not as an afterthought, not as a by-product, that is the difference. That is a key difference, Mr. Speaker.

So, if I may continue, we have heard from the Opposition (again my words, my interpretation), open the immigration floodgates, get more people here, right. So, Mr. Speaker—

[Crosstalk]

Hon. Jamahl S. Simmons: —I want to know, I want them to say for the record, what is their plan to put thousands of people in [Bermuda]? And I will tell you what, and I will touch on this a little bit later, too, they talk about the bloated civil service. So, I ask this question, What is your plan to put thousands of people on this Island? What is your plan? You had so much bragging about what you did in Government and what a great job you did. What is your plan?

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: You are the Government, what's yours?

Hon. Jamahl S. Simmons: Mr. Speaker, Mr. Speaker, the other plan, the other issue is this, they keep referring to a bloated civil service, Mr. Speaker, so the question I have for the Opposition is this—

Hon. L. Craig Cannonier: Point of order, Mr. Speaker.

The Speaker: We will take the point of order.

POINT OF ORDER

Hon. L. Craig Cannonier: Yes, I would like for the Honourable Member to clear up . . . who said bloated civil service?

An Hon. Member: It is in your document.

Hon. L. Craig Cannonier: No, it did not say bloated.

The Speaker: Ah—

Hon. Jamahl S. Simmons: I will yield on that point because I do not feel like reading through this drag again, but the words—

Some Hon. Member: Ooh!

[Inaudible interjections]

Hon. Jamahl S. Simmons: —bloated civil service—

An Hon. Member: Misinformation.

Hon. Jamahl S. Simmons: —the words bloated civil service . . . I know those Members have heard them before. I know that Members in this Chamber have heard them before and it did not emanate from the Progressive Labour Party, Mr. Speaker.

So, the question I have, this bloated civil service that you promised in 2012 you would not cut jobs at—

Hon. Patricia J. Gordon-Pamplin: And we did not.

Hon. Jamahl S. Simmons: Whose mamma are you going to put on the street? Whose grandma are you going to put on the street? Whose father are you going to put on the street? Tell us. Tell us! But you never hear that because it is a talking point and no deeper than that.

Now, Mr. Speaker, I know that the answers to those two topics will not be answered because as their former leader said, *We do not know, and you do not know*—because they will not tell us.

Now, listening to the Honourable Member who just took his seat, the former Premier, I would provide some advice, Mr. Speaker, when you are out of your league and out of your depth—

[Laughter]

Hon. Jamahl S. Simmons: —you should not fake it until you make it, because this fellow, this Finance Minister, will embarrass you. He will embarrass you. So, leave the heavy lifting to somebody else. This is not like milking cows. Okay?

The Speaker: Okay, let us, let us try and not get too personal.

[Inaudible interjections]

The Speaker: Let us not get personal.

An Hon. Member: Come on, man.

The Speaker: Let us not get personal.

Hon. Jamahl S. Simmons: The Honourable Member who took his seat, the Honourable Member who took his seat—

The Speaker: Let us not get personal.

Hon. Jamahl S. Simmons: —he asked the question, he said, *Why did, you know, the Premier, like give up the job?* You know, why did he take it and have it for such a short period? You know, is he trying to get out the kitchen and get out of the fire? Mr. Speaker, the Honourable Member who sits in front of me only ever had to go through the process of removing one of their seats from them to get in this Chamber to fill that gap and become the Minister of Finance. And I believe he is doing a great job. And I am appreciative for that reversal of fortunes that saw a seat won by them in 2017 taken back.

So, Mr. Speaker, the Honourable Member talks about how they did not rifle through drawers during their tenure, but we have heard the stories about rifling through emails at the Attorney General's chambers.

[Inaudible interjections]

Hon. Jamahl S. Simmons: So, Mr. Speaker, before I go on to us, I feel I have dealt with them sufficiently, a person may ask, *Why spend any time responding to them? Why give them the time of day?* And I will tell you why, Mr. Speaker. Some of our people have short memories. Some of our people are very forgiving. But understand, the agenda has not changed. And this is an example of how you see the sort of operations of the One Bermuda Alliance.

There was a big fanfare when the born-again leader, the newly revived leader took over where he was purging himself of the UBP and purging himself of this or that. But then the first three speakers on the Budget Debate . . . you know, you cannot rid yourself of what you are.

So, Mr. Speaker, let us talk a little bit about our budget. Let us talk a little bit about what we have done, and I want to begin with values, Mr. Speaker, and so, the Honourable Finance Minister, paraphrasing him, he said that the Government's priority is—

Hon. Patricia J. Gordon-Pamplin: Point of order, Mr. Speaker.

Hon. Jamahl S. Simmons: —to be a—

Hon. Patricia J. Gordon-Pamplin: Point of order, Mr. Speaker.

Hon. Jamahl S. Simmons: —to represent the values—

The Speaker: Point of order?

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

The Speaker: We will take your point of order. Minister—

POINT OF ORDER

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

The Honourable Member, the Honourable Minister just indicated about the first three speakers you cannot deny who they are. The first three speakers—two of the first three speakers on their side of the aisle . . . sorry, three of the first three speakers were all members of a former party. So, they were all UBP members—one, two, three.

[Laughter]

Hon. Patricia J. Gordon-Pamplin: All three speakers.

Hon. Jamahl S. Simmons: And do you know what is great, Mr. Speaker?

The Speaker: Thank you.
Continue.

[Inaudible interjections]

Hon. Jamahl S. Simmons: I am glad she brought that up.

The Speaker: Continue on. Continue on.

Hon. Jamahl S. Simmons: I am glad she brought that up, Mr. Speaker. Do you know why? I left because of an organisation that was soft on racism. I left an organisation that had no social competence. And that is why you have had a steady stream of people leaving your party from when you called yourself something else. So, understand . . . I had to look at the philosophy and mind-set of what one party represented, what it was sold as, and what is the reality. And it is the reason why . . . it is the reason why—

[Crosstalk]

Hon. Jamahl S. Simmons: —it is the reason why, Mr. Speaker, a lot of black people seem to find their way away from them—and will continue to do so.

When the former Premier, who . . . the former, the once and future Premier, Mr. Dunkley, talked about rejecting the tokenism and colourism of the past in 2007, we know who you are. You may perpetrate a fraud, but we know who you are. But, Mr. Speaker, this is why we should never forget who they are. We should never forget who they are because they represent a clear and present danger to the next generation of Bermudians.

But let us talk about the values, again, of this budget, Mr. Speaker. We felt that we must balance fiscal prudence and responsibility with a social conscience. We felt we must invest in our people. We felt that we must begin to revitalise our economy by training our people to take the jobs that are coming. And so, we run through the successes that . . . and let me say this, Mr. Speaker, we have had some successes in our period here. We have had some successes. But so long as one Bermudian is unemployed who wants to work, and there is one child who wants to go to school and cannot afford to go, there is one person who does not have a house they can put their head in, there is one person who feels that they have been deprived, legitimately deprived and denied in our country, our work is not done. Our work is not done, Mr. Speaker.

We were not sent here to maintain the status quo. We were not meant to stay, come here and just keep things as it is. It was to transform. And so, we look at the first balanced budget in 16 years. The first decline in Bermuda's national debt since 2003. No increase to the debt ceiling. No new taxes and small increases to existing taxes.

So, I am hearing a lot of chirping, Mr. Speaker. I understand.

[Inaudible interjections]

Hon. Jamahl S. Simmons: Mr. Speaker, I understand. It hurts their hearts.

[Inaudible interjections]

Hon. Jamahl S. Simmons: It hurts their hearts.

[Laughter]

Hon. Jamahl S. Simmons: It hurts their hearts.

[Inaudible interjections]

Hon. Jamahl S. Simmons: Yes, you know, people laugh, but you know, they are so bereft of talent . . . if I was crazy, I could probably go over there and run the show in three weeks.

[Laughter]

Hon. Jamahl S. Simmons: But let us go back, here, all right?

I think when we look at the record, we lower payroll tax for workers for the first time in years, and this is significant because it gave relief to allow a little bit more money in their pocket to spend in our community. And when we look at some initiatives we laid forward this year, in particular when we look at the mortgage relief that we intend to do, it is more money in the pocket. It is easing the burden.

But I think also, and the Premier said it quite eloquently at our delegate's conference, the people must take precedence over insurer's profits. And we are going to really take on—the Honourable Minister in front of me, I hope I am not overstepping my bounds—but we are going to take on the forces that keep health insurance high in this country, health costs high. And we are going to take on those things that keep electricity high.

And it is important for us because those are the factors that are impacting on businesses coming here as well as the quality of life for our people. So, when you talk about opening up the immigration for getting more people here—they do not like my interpretation of that—getting more people here, part of the reason you struggle to get people here is the cost of doing business here. And so, when you look at what is in place already for a person who wants to bring their business in Bermuda, who wants to do that sort of thing, there is very little holding you back but the one thing we hear is cost. Cost, cost, cost. And so, we have to take that on for our people and for the enhancement of our jurisdiction as an attractive place to work, live and do business.

Mr. Speaker, what I am particularly excited about . . . so many of our children have the ability and the will, but lack the means to get higher education. And in this economy it is a challenge. And in the future, it is going to be more challenging to get a position that you can make a good wage on without having that piece of paper. So, the more Bermudians, particularly when we look at the census data and the racial disparities around the awarding, the number of people who have degrees . . . this is a national priority

to increase the number of Bermudians with college degrees so that the jobs that come—whether it is through FinTech or whatever other initiatives that we bring forward to bring more businesses here—we can do a little bit more than carrying a tray and being by-products. We can be participants.

And when it comes to every level of our society, I am looking forward to the introduction of the living wage because that is going to be so positive for our people, so positive. And we are taking the time to get that right, Mr. Speaker.

I am looking forward to the regulation and the framework set up for medical marijuana. So, there are many opportunities financially there for our people, as well as socially and from a health standpoint. So, there are a number of things and when we go through the future, in terms of what we need to be doing to move our country forward, we are now entering spaces that are unknown for much of the world and being a trailblazer, particularly when it comes to the FinTech space and things of that nature. And this is going to be an opportunity . . . when you see the number of people who went to the classes—the free classes, provided by this Government—all ages, 50 and up, down to 19-year-olds. You see people start to get the bug and realise there is a place for them in this new fraction of our economy.

When International Business was coming in, and we are thankful for what they did, how many of our people had the opportunity to be trained and ready for work before it was established? How many of us had that opportunity? This is where there is a difference in values. We are looking to prepare our people to be able to fully benefit, fully benefit at every level, where the only limit is where they want to go. Not because they cannot afford to go to college, not because there is somebody blocking the path, but the only limit is the one they put on themselves.

And so we are not done yet, Mr. Speaker. We still have much work to do. There are still people who want to work who cannot work. There are still people who want to reach their potential in this Island we call home. And our work will not be finished until we move to that place where they can reach their potential.

Thank you, Mr. Speaker.

[Hon. Derrick V. Burgess, Sr., Deputy Speaker, in the Chair]

The Deputy Speaker: Thank you, Honourable Member Mr. Simmons.

Any further speakers? The Chair recognises the Honourable Member Headley Cole Simons. Mr. Simons, you have the floor.

Mr. N. H. Cole Simons: Thank you, Mr. [Deputy] Speaker.

This has been an interesting debate so far. I would like to start by saying—

[Inaudible interjections]

Mr. N. H. Cole Simons: —that my friend, Mr. Finance Minister, recently—

[Laughter]

Mr. N. H. Cole Simons: —took on this role. And I am sure—

[Laughter]

Mr. N. H. Cole Simons: —that this new Finance Minister found this an eye-opening experience.

[Inaudible interjections]

Mr. N. H. Cole Simons: Mr. [Deputy] Speaker, the Minister of Finance has had a colossal job in putting together this budget. But one thing stood out to me when I read the budget that was very indicative of how he felt Bermuda should be developing in this coming year. That simple point was when he downgraded the GDP projections by 1.0 per cent to 0.5 [per cent] to 1.0 per cent. To me, that is very, very telling. To me, it demonstrates a lack of confidence in being able to deliver sound economic policies that will help our GDP grow.

[Inaudible interjections and laughter]

Mr. N. H. Cole Simons: Mr. [Deputy] Speaker, let me share with you some comparatives. We have said that our revised GDP growth will be between 0.5 [per cent] and 1.0 per cent. I looked at the IMF and I said, *So what are our friends doing overseas?* St. Lucia's growth rate was 3.6 [per cent]. Antigua's is 3.0 per cent. St. Kitt's is 3.5 per cent. The Bahamas is 2.1 per cent. Canada is 3.0 per cent. Costa Rica is 3.3 per cent. DR is 3.0 per cent. Grenada is 3.6 per cent. The world economy, based on IMF projections, they say is going to come in at around 3.0 per cent. And yet we in Bermuda are saying our projection falls far below our peers to come in at 0.5 [per cent] to 1.0 per cent. To me, that is very, very telling. To me, it tells us that they do not have confidence in how they are going to stimulate this economy.

And so, Mr. [Deputy] Speaker, I know it is a difficult task. When the Minister got in there and he looked at the reports, I know he has seen employment is down, Mr. [Deputy] Speaker. We have lost jobs in the transportation and communications industry. We have lost jobs in the fisheries industry, the agricultural industry, electricity—look at BELCO. What happened at BELCO? People were laid off. We have lost jobs in the gas and the water supply industry, in the wholesale industry, in the motor vehicles, restaurants, the financial intermediation. What is the Minister going to tell those people? How is this Government going to

help these people get back on their feet with jobs in those industries? What type of support has this Government given those industries so that they can be more vibrant going forward? I have yet to hear a response, Mr. [Deputy] Speaker.

Mr. [Deputy] Speaker, at the end of the day, the pace of job growth is poor in this country. And it has not . . . and the Government has not demonstrated to us that they have the tools or ability to sustain a recovery in the rate of job growth in Bermuda. Mr. [Deputy] Speaker, they have demonstrated throughout the Budget Debate that they have no real stimulus package for our economy. They were placing their hats on the FinTech industry and the momentum in that space is slowing down. I have heard nothing else in regard to another industry in which they can place some credence on developing our economy—something sustainable, even a signatory event that will help provide jobs and growth in our economy. Nothing, nothing, nothing, nothing. All they are doing is increasing taxes and taking away from the average man in the street, Mr. [Deputy] Speaker.

Mr. [Deputy] Speaker, a lot has gone on in health care. Yes, I accept the sugar taxes went through. It has some merit. But, again, as someone said to me the other day, I heard on a show that a 70-year-old business on Court Street closed directly because of the sugar tax. They had to shut their doors because of the sugar tax, Mr. [Deputy] Speaker.

Mr. [Deputy] Speaker, like normal, you know, I accept these sin taxes—alcohol and cigarettes. Yes, they go up almost every four or five years. Yes, but it hits the average man in the street. And I understand using it as a health tool to defer bad habits. I accept that.

[Inaudible interjections]

Mr. N. H. Cole Simons: Mr. [Deputy] Speaker, I will continue. At the end of the day, for 2018, the economy has truly slowed down. It was at \$1.5 billion and, again, this was a reduction of 0.021 per cent.

Mr. [Deputy] Speaker, as was said earlier, the Bermuda infrastructure fund that was due for investments, direct capital investment that would help our infrastructure, help build bridges, help provide employment—again, dead in the water, no comments in the budget and, again, nothing to show for the legislation that we put in place.

Mr. [Deputy] Speaker, at the end of the day, we have to diversify our economy and make sure that new industries—and I think leaving it up to the BDA and other agencies is not good enough. When I went through the Budget Book, I saw economic development under 2018/19 year, fiscal year, but I did not see the same for 2019. So I looked, and there buried under the Cabinet Minister was the allocation for the BDA, and I think the Tourism Authority. At the end of the day, we do not have someone, within Cabinet,

within the Ministry, that is going out and looking for ways to diversify our economy to look for new opportunities.

I know that a couple of people have said, *Let's go look at the environmental issues*. The Chamber of Commerce has a study in from bright university people, and they recommended a number of green energies that would be ideal for Bermuda. What has the Government done with that report to diversify the economy? At this point, they have presented nothing to the community demonstrating that they have listened to the report and taken up any of the recommendations that were produced by the Chamber of Commerce and the university students that were basically recommending green energy solutions to Bermuda. And so I think, again, this should be pursued, Mr. [Deputy] Speaker.

Mr. [Deputy] Speaker, the other issue that I would like to speak to, again, is the government-backed mortgaging lender for government employees. A number of people have come to me on this issue and they are disturbed by the fact because they think it is discriminatory. If you do not work for government, you are chopped liver, Mr. [Deputy] Speaker, because you cannot get that type of support—only for government employees.

Is this going to be a civil servant employee benefit? If you become an employee of government then you will have access to a government-backed mortgage. But this is inequitable, Mr. [Deputy] Speaker, because at the end of the day the funding for this agency is from public money and so we cannot ring fence mortgages to government employees and you are using public money. Everybody should have access to that service, Mr. [Deputy] Speaker.

And, again, as was said, if we cannot deal with the debt and the issues that we have now, how can we take on more credit liability in putting together a mortgage-backed lender. And talking about liability, Mr. [Deputy] Speaker, another issue that I found very interesting that had not been addressed, Mr. [Deputy] Speaker, is the guarantees that are out there, Mr. [Deputy] Speaker.

[Inaudible interjections]

Mr. N. H. Cole Simons: Mr. [Deputy] Speaker, right now, there are outstanding guarantees for Bermuda Housing Corporation to the tune of \$29.3 million. There is a guarantee for WEDCO for \$71.8 million. There is a guarantee for BDC for \$1.2 million. There is a guarantee for the Hospitals Board under the PLP of \$278 million and there is a Morgan's Point guarantee of \$165 million, Bermuda Tourism Authority for \$10 million, and the Gaming Commission of \$1.2 million.

Mr. [Deputy] Speaker, what are we doing to manage the elimination of these guarantees? If the Government could come straight and say how they are managing this contingent liability, Mr. [Deputy]

Speaker. Nothing, nothing, nothing. This totals almost half a billion dollars, Mr. [Deputy] Speaker, and it is not reflected on the banks . . . not the banks, the Government's Budget Book at all. And so, let us speak to that contingent liability, Mr. [Deputy] Speaker. I would have thought that the Minister of Finance may have, or the Government would provide, an explanation to the people of this country to demonstrate that they have it under control and that they are addressing the reduction of the contingent liability through these guarantees, but not a dicky bird on this issue whatsoever, Mr. [Deputy] Speaker.

Mr. [Deputy] Speaker, the other issue that I would like to speak to, while I am on my feet, is the credit card fee issue.

[Inaudible interjections and laughter]

Mr. N. H. Cole Simons: Mr. [Deputy] Speaker, other commercial properties do not pass . . . or other commercial businesses do not pass on that fee to their employees, Mr. [Deputy] Speaker—

[Inaudible interjections]

Mr. N. H. Cole Simons: Mr. [Deputy] Speaker—

Hon. Zane J. S. De Silva: Point of order, Mr. [Deputy] Speaker.

The Deputy Speaker: What is your point of order, Member?

POINT OF ORDER

[Misleading]

Hon. Zane J. S. De Silva: The Honourable Member is certainly misleading the House. There are many businesses in Bermuda that pass on that fee.

An Hon. Member: Aah!

[Inaudible interjections]

Mr. N. H. Cole Simons: Mr. [Deputy] Speaker—

[Inaudible interjections]

Mr. N. H. Cole Simons: Mr. [Deputy] Speaker, at the end of the day, we still need to reduce the cost of doing business in this country, and reduce the cost of living expenses in this country. And this is just an additional cost that we are putting on the average man in the street, quite frankly, Mr. [Deputy] Speaker.

Mr. [Deputy] Speaker, the payroll taxes . . . yes, I know that the Government cannot continue to milk the golden cow, and that is International Business. And I know, Mr. [Deputy] Speaker, that they have had pressure not to increase the payroll tax fea-

ture for that industry. But yet, Mr. [Deputy] Speaker, they are prepared to provide increased payroll taxes for small businesses. Now, I know that they increased the concessionary tax for the retailers: fashion stores, shoe stores, jewellery and perfumes. But, Mr. [Deputy] Speaker, again, this increase hurts the average small business. They are supposed to be friends to small business, but everything that I have seen in this budget is basically increasing the burden of the expenses in the everyday lives of small businesspeople.

Mr. [Deputy] Speaker, we go on to the 1 per cent insurance tax. Again, the average man on the street has to pay 1 per cent more.

Hon. E. David Burt: Point of order, or point of verification of information.

The Deputy Speaker: What is your point of order, Honourable Premier?

Hon. E. David Burt: Did the Honourable Member just say that there was an *increase* in payroll taxes? Because there is no increase in payroll tax in this budget.

The Deputy Speaker: Member? Did you state that?

Mr. N. H. Cole Simons: He said there was an increase on the concessionary tax rate to 7 per cent. That is an increase. Mr. [Deputy] Speaker, there is a—

Hon. E. David Burt: Point of order, Mr. [Deputy] Speaker.

The Deputy Speaker: Yes, Member. Point of order?

POINT OF ORDER

[Misleading]

Hon. E. David Burt: The Honourable Member is misleading the House. There is no increase in payroll taxes whatsoever inside of this budget.

The Deputy Speaker: Mr. Simons, could you withdraw that statement, unless you can point it out in the Budget Book, but I do not think it is there.

Mr. N. H. Cole Simons: I will move to my next topic. I will take my guidance from the Premier.

An Hon. Member: Payroll tax.

The Deputy Speaker: I think you just need to withdraw that statement.

Mr. N. H. Cole Simons: Mr. [Deputy] Speaker—

The Deputy Speaker: Member, Honourable Member—you need to withdraw—

Mr. N. H. Cole Simons: I would like to continue.

The Deputy Speaker: Honourable Member, will you withdraw the statement? It is untrue.

Mr. N. H. Cole Simons: I withdraw the statement, Mr. [Deputy] Speaker.

The Deputy Speaker: Thank you.

Mr. N. H. Cole Simons: Mr. [Deputy] Speaker, I would like to continue.

The foreign currency purchase tax—again, Mr. [Deputy] Speaker . . . Again, this increases the cost of doing business, a cost of living in Bermuda, as we all know that we have to *import* 90 per cent of our goods and services. And again, this Government is increasing the tax burden for the average man on the street.

Mr. [Deputy] Speaker, somewhere I read in the Budget Debate that over the next two years they want to increase the tax burden by \$150 million! A \$150 million increase. That is unbelievable. And imagine how the average man on the street is going to survive with that additional burden that has been put on him, bestowed upon him by this Labour Government.

Mr. [Deputy] Speaker, the other issue that I would like to speak to is the land tax issue. Now, I agree that we should have a progressive land tax programme. But people are going crazy with this land tax increase. I had someone send me an email yesterday and they have an average size modest house, and they indicated to me that their land tax went from \$1,590 to \$3,080. Mr. [Deputy] Speaker, they said, *We are seniors and this is placing a burden on us because we are on fixed income.*

Hon. E. David Burt: Point of order, Mr. [Deputy] Speaker.

The Deputy Speaker: Your point of order, Honourable Premier?

POINT OF ORDER

[Misleading]

Hon. E. David Burt: The Honourable Member keeps getting up here and misleading the House! He is talking about a senior who had an increase in land tax and seniors are *exempt from land taxes!*

An Hon. Member: Come on, Cole.

[Inaudible interjections]

Mr. N. H. Cole Simons: Mr. [Deputy] Speaker, their house is over the \$42,000 range, \$45,000 range—

The Deputy Speaker: Forty-five, \$45,500.

An Hon. Member: [It is] \$45,500.

Mr. N. H. Cole Simons: And so, what they have said to me is that even with the deduction their tax went from \$1,590 to \$3,080—almost *doubled*, Mr. [Deputy] Speaker. And that is what I am saying, and this is difficult on someone who lives on a fixed income. And there are many, many others like this.

The Deputy Speaker: I think—

Mr. N. H. Cole Simons: So, again, is this indicative of a *caring* PLP Government? *We are going to take the money where we can—*

Hon. Zane J. S. De Silva: Point of order, Mr. [Deputy] Speaker.

Mr. N. H. Cole Simons: —*irrespective of what happens*, Mr. [Deputy] Speaker.

The Deputy Speaker: What is your point of order, Member? Honourable Member?

POINT OF ORDER

[Misleading]

Hon. Zane J. S. De Silva: The Honourable Member is misleading the House, Mr. [Deputy] Speaker, and I will give him an opportunity to fix it.

The Deputy Speaker: Mm-hmm.

Hon. Zane J. S. De Silva: If he is going to make that statement with regard to a senior who is complaining, I think it is only right that he talks about the ARV of that particular person that had the complaint, so we can make sure that we are nice and square and honest.

The Deputy Speaker: Honourable Member, could you make that a little more clear . . . specific?

Mr. N. H. Cole Simons: Mr. [Deputy] Speaker, I am not going to be guided by that man's comments.

The Deputy Speaker: But I think we have got to make statements that are clear to the public, right?

Mr. N. H. Cole Simons: What I am making clear, Mr. [Deputy] Speaker—

The Deputy Speaker: Uh-huh.

Mr. N. H. Cole Simons: —is the senior had said to me that his land tax went from \$1,590 to \$3,000. To me, that is clear enough.

The Deputy Speaker: Okay, what was his ARV?

Hon. Zane J. S. De Silva: Answer the Speaker!

Mr. N. H. Cole Simons: Mr. [Deputy] Speaker, his ARV was \$80,000, approximately.

The Deputy Speaker: Okay. I understand that. Continue.

Hon. Zane J. S. De Silva: How come you call me "that man"?

[Inaudible interjections]

Mr. N. H. Cole Simons: Okay, Mr. [Deputy] Speaker, I shall continue.

Education, Mr. [Deputy] Speaker. I note that \$473,000 has been allocated for standards-based grading for our teachers. I have no problem with that whatsoever. But what I would like to see is what else are we going to commit to our teachers? I note that during the budget we reduced the teacher training awards by 3 per cent. Can we—

[Inaudible interjection]

Mr. N. H. Cole Simons: I am just talking generally.

So, Mr. [Deputy] Speaker, I say that when we are talking about education, we are talking about students and teachers equally, because the teachers have to deliver quality education to get the results and the best outcome for our students. So, they should be given equal importance, Mr. [Deputy] Speaker. And I believe that they need to be supported more going forward.

Mr. [Deputy] Speaker, the other issue that I found most interesting is that we saw a reduction in the grants to primary schools. Again, I would like for the Minister at some point to decide and give us some reasoning for that.

The Deputy Speaker: Well, Mr. Speaker . . . I am saying *Mr. Speaker* . . . Honourable Member—

[Laughter]

The Deputy Speaker: —we are doing the general debate. Those questions can come up when we do the heads. When we do the budget you can be specific on that.

Mr. N. H. Cole Simons: Thank you. Thank you, Mr. [Deputy] Speaker.

The Deputy Speaker: Okay.

Mr. N. H. Cole Simons: Now let's get to International Business.

An Hon. Member: It's your preview, Cole.

Mr. N. H. Cole Simons: Yes, yes. I will give you a little preview. I am helping you.

[Inaudible interjections]

Mr. N. H. Cole Simons: That's fine.

Mr. [Deputy] Speaker, International Business. We have heard a lot about immigration, and I hear a lot about Bermudians having this xenophobic culture when it comes to immigration. Now, as far as I am concerned, the jury is in and out on that label of "xenophobic culture." But I find it difficult to understand why there is so much angst, because if you look around this room, most of us are first generation Bermudians. Our parents are immigrants, Mr. [Deputy] Speaker. Most parents [of people] in this room are immigrants. And so why do we have this negative energy one generation on? And I think it is totally mind-boggling.

In addition, Mr. [Deputy] Speaker, we have our young people going overseas to live. They are in school and university. They stay over to get experience. They live there. In fact, I was in London in November and I met a few seniors over there.

One guy I went to school with said, *Cole, I just retired and I am over here for good.*

I said, *What are you doing over here?*

He said, *Listen, I might as well take advantage of it and see what I can do to get a job and enjoy some of the UK life, because I am finished with my tourism career.*

And so, again, there are no issues with us going over there. There are only issues with us having people come here to help our economy.

And yes, we have to be more measured in who we let in. And I agree we need to have people that will create jobs. We need to have people that will invest in Bermuda. We need people that bring capital to Bermuda. I am one, personally, for commercial immigration. I will just put that out there right now. If you want to invest \$5 million in Bermuda in a house, then maybe there is something for you to get a PRC or something. Because when you invest the \$5 million in a home you are paying for a contractor, you are paying for a gardener, you are paying for a housekeeper, you are paying for an electrician, you are paying for a painter. The multiplier effect, Mr. [Deputy] Speaker.

An Hon. Member: Land tax.

Mr. N. H. Cole Simons: And the land tax! You are absolutely right—and the land tax.

And so, I really struggle to see what all this anxiety is about. It is political, yes. But does it serve us well? Does it serve us well? I am asking this because we have a new Minister, and I am hoping that he sees that we cannot continue down this way. We cannot continue down this way because too much is

at risk. All the statistics tell us that we need more people in this country to be viable.

Our pension plans are basically at a rough situation. You know that, Mr. [Deputy] Speaker. So, by the time you retire, there may not be any money in the kitty.

[Laughter and inaudible interjections]

Mr. N. H. Cole Simons: And so, Mr. [Deputy] Speaker, we need these people here to help us continue on our economic journey as a country. And so, let's get it done and let's get away [from] this xenophobic thing that I am not 100 per cent comfortable with, but that is that best way I can describe it, Mr. [Deputy] Speaker.

The next issue that I would like to speak to, Mr. [Deputy] Speaker, is the cruise ship issue. Now, the increase in cruise ship taxes and the increase in—

The Deputy Speaker: Member, you have five minutes.

Mr. N. H. Cole Simons: Pardon me?

The Deputy Speaker: You have five minutes.

Mr. N. H. Cole Simons: Already, Mr. [Deputy] Speaker? I'm just getting warmed up.

The Deputy Speaker: You have been going. Yes, I understand that, that is why I want to give you a warning.

Mr. N. H. Cole Simons: Mr. [Deputy] Speaker, the cruise ship tax and the cruise ship passenger taxes . . . I do not have all the details, but what I do know is I do not want us to price ourselves out of the market, from an expense point of view, for the shipping industry that supports us. I think we have a very good reputation as a port. And I have done quite a bit of cruising, and I think our infrastructure is up there with the best.

The Deputy Speaker: Thanks to Dr. Brown.

[Laughter]

An Hon. Member: We know you don't like him.

Mr. N. H. Cole Simons: And I recognise that, you know, work needs to be done. And so this infrastructure fee . . . I would like to see how that develops before I make any judgment on that, Mr. [Deputy] Speaker.

An Hon. Member: It was Trevor's idea.

The Deputy Speaker: Mm-hmm.

An Hon. Member: Well, that is the smartest thing I've heard in the last 20 minutes.

Mr. N. H. Cole Simons: Mr. [Deputy] Speaker—

The Deputy Speaker: Well, you can certainly ask that next week.

[Laughter]

Mr. N. H. Cole Simons: Yes.

Mr. [Deputy] Speaker, the other issue that I would like to speak to before I take my seat is this: I read an article on the business confidence. And in 2018, for the first time Bermuda's business confidence declined. It went down 18 per cent compared to the 2016 level. This report was put together by executives throughout the community. And I think it is important that we read that report, because I will not be able to get into it because my time is limited. But there are issues in regard to training, there are issues in regard to immigration, there are issues around political stability, and there are issues around making our guest workers feel welcomed, making our businesses feel like they are valued partners in this.

They also say, *You know, you need some signature events*. Yes, we have had a lot of flak about the America's Cup. But we have had the America's Cup and the Triathlon, and, again, those types of signature events boost the economy and provide employment for the people of this country. The Government of today has not been able to come up with a signature event. I am hoping that they find something, and I will be the first to help if I can. But they need to do more in that space and be more entrepreneurial in finding events of that nature, Mr. [Deputy] Speaker.

Mr. [Deputy] Speaker, as I probably have two minutes left, I will just say those are my limited contributions. I have more to say, but I will leave it there and use some of it during my education debate. Thank you, Mr. [Deputy] Speaker.

The Deputy Speaker: Thank you, Honourable Member, Hedley Cole Simons.

Any further speakers? The Chair recognizes the Honourable Minister, Kim Wilson. Ms. Wilson, you have the floor.

Hon. Kim N. Wilson: Yes, thank you, Mr. [Deputy] Speaker.

Mr. [Deputy] Speaker, it is no secret that one of the most important factors relating to our economy is the cost associated with health care, and I would like to spend my time, not necessarily replying to the Reply, but concentrating more particularly on the initiatives that are outlined in this Budget Statement, particularly those that relate to the Ministry of Health, to which I have purview.

Mr. [Deputy] Speaker, the Government has outlined in the Budget Statement, beginning at page 15, the steps that the Government will take to help to provide much-needed relief to families and businesses who are affected by the high cost of health care. In turn, this will help to address the issue as it relates to high cost of living, as well as to reduce the cost of doing business in Bermuda. Again I am referring specifically to pages 15 and 16 of the Budget Statement in which (and I quote) "there will be relief that Government will provide in reference to health insurance costs that are a burden to Bermudian families."

Mr. [Deputy] Speaker, in addition to the high cost of health care that is a burden to families, that same high cost of health care is a major expense to doing business in Bermuda. It is a major expense for the Government, for private employers, as well as it reduces our global competitiveness because of these costs. Cost reductions, particularly in this area, will help to lead to savings across the board and will help to promote economic growth.

Mr. [Deputy] Speaker, I would like to speak a little bit about some of the steps that this Government plans on taking to address the rising cost of health care. Following extensive consultation, the Government will soon be able to announce an important economic reform relating specifically to the mechanisms which we will adopt as it relates to health financing reform, and how we will better be able to provide needed coverage for *all* persons at an affordable price. Mr. [Deputy] Speaker, this mechanism will truly be transformational.

In 2010, Mr. [Deputy] Speaker, the National Health Accounts report predicted that if the growth continued at its current pace, as it relates to health care costs, that by 2017 our total health spending would reach \$1 billion. Imagine that price tag for 21 square miles and [approximately] 64,000 people. However, the good news, Mr. [Deputy] Speaker, is that since 2012/13 we were able to bend that cost curve and have sustained total health spending closer to the \$700 million mark. And the efforts were as a result of dedicated health care professionals, insurance providers, public health providers, the business community, and many other persons to help to assist us in bending that curve. And, yes, that also includes initiatives that were advanced under the former OBA Government.

Mr. [Deputy] Speaker, many measures have been put in place since 2012 to avoid that \$1 billion tsunami. But many more measures are needed. You have heard me speak about this Government's commitment to reforming the way that we pay for health care, and, again, more good news in that regard will be announced in the coming weeks. Mr. [Deputy] Speaker, when I speak about those reforms, I am speaking specifically, like I said, to Health Financing Reform.

Now, some people may ask, *Well, why do we need health financing reform?* Well, Mr. [Deputy] Speaker, let me tell you. We spend over \$700 million currently in our health care system, which is more than enough for every one of us to receive the care that we need. That is almost \$12,000 per person. Mr. [Deputy] Speaker, to get better value for that \$700 million, we need to change the way that the money is collected, we need to change the way that we spend that money, and we need to change what we spend it on. Mr. [Deputy] Speaker, that is what we refer to as Health Financing Reform, and that makes sure, as best as possible, that everyone is insured, that premiums are reduced, and a basic plan is available to all individuals to cover things like preventative care, hospital care, medication, and the like, the things that people need, Mr. [Deputy] Speaker.

So, Mr. [Deputy] Speaker, some may ask, *Well, then how will that health financing reform work? What will it look like, what does it mean?* And Mr. [Deputy] Speaker, let me explain.

Back in 2012, work was done by a bipartisan committee that developed and looked at mechanisms throughout the world insofar as different financing options. And that committee looked and met and researched these different jurisdictions and they came up with two options, Mr. [Deputy] Speaker. One option is what we refer to as the unified model, which a perfect illustration is that of the jurisdiction to our west, Canada. And then another option is what they referred to as a dual model, which Switzerland is an example of that operates under the dual financing method.

So, Mr. [Deputy] Speaker, what happens is, effectively, we have got all of the individuals that are in our health care system. So, right now we have some 48,000 people that are in the health care system. And they would all be pooled together, either in one pool which is a unified pool, or, alternatively, dual, which obviously means two pools. So that when we have everybody it is almost like we have economies of scale, because we have this large pool of individuals. So you have a better opportunity to negotiate premiums, as well as what will go into those premiums, the benefit package, in particular. You have a better opportunity of spreading the risk.

So, therefore, if one person, for example, has an insurance plan and it involves a pool of 10 people, if there is a catastrophic illness for one of those 10 people, all nine of those people have to share the risk, so their premiums are going to be adversely affected. Well, imagine that same catastrophic challenge happening if you have a pool of 48[,000] or 28,000 people. The risks are more equally spread, so you are not feeling the blow and burden as much, and those are the benefits, Mr. [Deputy] Speaker, of a unified and/or a dual system.

So, Mr. [Deputy] Speaker, both options were considered by this particular group that I was speaking about. And they looked at some of the benefits of

either a unified or a dual system, which are both options consolidating the insurance pools so that you can gain better efficiencies. Again, you have got all these persons that are insured together in a pool so you can gain efficiencies. Currently, Bermuda has approximately, as I said, 65,000 people, and we have five separate insurers and innumerable pools. Every employer has a pool.

So, there may be a pool for this particular company that runs a supermarket, and they may have 25 people in that pool. Yet another company that may have 50 lawyers, their pool is 50. So, there are varying numbers of pools that are spread out within Bermuda with respect to our insurance. And the high number of these pools, Mr. [Deputy] Speaker, fails to spread the risk evenly, like I said when I gave the example about a catastrophic illness.

You also have duplication of administration, and this makes health care more expensive. We are trying to find efficiencies. And if we can locate efficiencies, then, clearly, we will be able to save in the dollars and cents

Mr. [Deputy] Speaker, last year I was able to establish a health financing reform stakeholder consultation group. So, they looked at the 2012 report that made the two recommendations of either unified or dual, and this stakeholder group met and looked at those reports and went back to their constituencies to say, *What do you think would be the best for us to consider?* And this stakeholder group, Mr. [Deputy] Speaker, represented a cross section of Bermuda. We had persons from the physicians' community, nurses, seniors' advocates, advocates that are mental health advocates, BPSU, Chamber of Commerce, IB, health care businesses, insurers, charities and patient advocates.

So this stakeholder group met and they produced some very telling information concerning the options, having gone back to their constituent groups to see what would be best for them. So, we are reviewing all that, Mr. [Deputy] Speaker. And in fact, you will recall that the Government signalled our commitment in our Throne Speech that we would be implementing these reforms. And again, I am looking forward to being able to be in a position to announce those in the coming weeks.

Mr. [Deputy] Speaker, the next steps that I indicated concerning these reforms will, again, help to sustain our health care system in the long run. It will help to cut costs, it will help to reduce premiums, and it will help to ensure that persons have the type of benefit and the type of health care that they need.

Mr. [Deputy] Speaker, one of the reasons why our health costs are so high is because of our high instances of noncommunicable diseases. This is compounded because we have an ageing population. So we have a population that is living longer and regrettably living sicker. Our average median age is 81 years old and we have a high cost associated with

that because of these individuals that are living with these chronic noncommunicable diseases.

Mr. [Deputy] Speaker, I am going to share with you some sobering statistics. You will know that 50 per cent of adults have at least one chronic condition, be it diabetes, heart disease, kidney disease, hypertension, high cholesterol. Fifty per cent of our population! So, if you take that figure and recognise that the median age is 81 years old, we could be spending—we *are* spending—a significant amount of money on treating individuals that have these chronic noncommunicable diseases. We have one of the highest rates of diabetes in the world. And mirror that with the amputations that are as a result of diabetes, we have the highest amputation rate of any country.

Seventy-five per cent of our adult population is overweight or obese, and these chronic conditions are *largely preventable* as they relate to poor diets, lack of exercise, sedentary lifestyles. I heard someone once refer to them as the diseases of the affluent, because the people are not exercising, they are eating, eating, eating, and they are not taking care of themselves.

So, these noncommunicable diseases and the instances of them are preventable! They are largely preventable. But we are spending all this money because of these particular ailments that the people are suffering from. And we know that persons who are overweight or obese are more likely to develop certain types of cancers. There have been 13 cancers that have been—

Hon. Patricia J. Gordon-Pamplin: Point of order, Mr. [Deputy] Speaker.

The Deputy Speaker: Honourable Member, what is your point of order?

POINT OF ORDER

Hon. Patricia J. Gordon-Pamplin: Yes, I am just wondering if the Honourable Member would indulge the House, because it seems as though the areas into which she is delving are specific to the Health Ministry, not to an economic debate on the budget itself. And I just wondered whether, because we have eight hours allocated to Health. And I do not want to have to repeat this over and over again. So, if she would be good enough to deal with an economic debate.

The Deputy Speaker: Minister, I think what the Honourable Member said is correct, because that can really come up in the debate and be very specific on it. You have eight hours of that.

Hon. Kim N. Wilson: Sure, Mr. [Deputy] Speaker, thank you. As I started off by saying (but the Honourable Member, unfortunately, was not in the House), the issues concerning our economy deal specifically

with high costs of health. And when I speak about the issues as it relates to the noncommunicable diseases, this is a direct tie-in to what I will be speaking about next, which is the sugar tax. So, with your indulgence, can I continue? Thank you, Mr. [Deputy] Speaker.

So, Mr. [Deputy] Speaker, as I was indicating we do have high rates of obesity and diabetes. Twelve per cent of our adults have diabetes. We know that there is a correlation between diabetes and sugar, and I will use that as a segue to speak about the sugar tax, Mr. [Deputy] Speaker. We spent last year \$77.8 million on individuals with diabetes. That clearly has an adverse impact on our economy. That is 10 per cent of our total health care spending, Mr. [Deputy] Speaker, \$77 million just on diabetes. And couple this with the \$27 million that we spent on dialysis due to chronic kidney diseases, again, another—

The Deputy Speaker: You are getting into specifics of the actual Budget Debate that we will do in Committee when you are talking about the budget numbers. You can speak in general terms, but you are being a bit specific. And I appreciate the information, but we can get that during the eight hours next week.

Hon. Kim N. Wilson: Certainly, Mr. [Deputy] Speaker.

So those figures, as I was indicating, which do have an adverse effect directly on our economy, and the World Health Organization proposed that the use of economic tools to help improve health outcomes and direct persons toward healthy options has been successful . . . this is my segue to the sugar tax, Mr. [Deputy] Speaker.

Mr. [Deputy] Speaker, you will recall that we did speak about the sugar tax during the last year's budget and that we indicated that we would do it in a phased approach, and that the 50 per cent increase would commence on October 1st with the 75 per cent increase commencing on the 1st of April. Now, we recognise that a sugar tax alone is not going to magically reduce health care costs. But it is certainly a fundamental part of the broader commitment of this Government toward reducing these conditions that are causing us so much harm and so [much] expense.

So, Mr. [Deputy] Speaker, with respect to the sugar tax, the whole purpose of us extending it, introducing it and extending it, is to try to shift the public's choices toward healthier behaviours. We are understanding that under this tax both consumers and businesses would benefit from providing different types of products that are not necessarily laden with sugar.

For example, this is a perfect opportunity for entrepreneurs to develop products that do not necessarily contain so much sugar. And they can have healthier options, because consumers are looking for healthier options. I know somebody who makes very delicious cookies, and the like, and uses everything like purées and so forth as opposed to sugar. So, this

is a perfect opportunity for entrepreneurs to experiment with healthier options.

So, with that Mr. [Deputy] Speaker, yes, as of the 1st of April we will see that there will be an increase with respect to the sugar tax duty up to 75 per cent. Now, Mr. [Deputy] Speaker, this Government is committed to reducing health care cost, so let me end where I started. We are committed to reducing health care costs. We are committed to reducing the cost of premiums and committed to ensuring that we have a healthier population.

And Mr. [Deputy] Speaker, I am very confident that the strategies as outlined in this Budget Statement, a budget, I might add, that represents the first balanced budget in 16 years, a budget that represents the first decline in the national debt since 2003, a budget that represents no increase in the debt ceiling, a budget that outlines ways to diversify the economy, reduce the cost of doing business, and making Government more efficient, as well as the above plans that I just spoke about with respect to health financing reforms as well as the sugar tax increases, Mr. [Deputy] Speaker, I am certain that the Government will provide the proper relief to Bermuda as it relates to health care costs and these strategies and initiatives will help to move Bermuda forward.

Thank you, Mr. [Deputy] Speaker.

The Deputy Speaker: Honourable Member, I do not want you to think I was trying to stop you, because I am very interested in the information you have. So, it was not our intent to stifle your debate. But I appreciate what you—

Hon. Kim N. Wilson: Thank you, Mr. Deputy Speaker. [INAUDIBLE]

The Deputy Speaker: Thank you, thank you.

The Chair recognises the Deputy Leader of the Opposition, the Honourable Leah Scott.

Ms. Leah K. Scott: Thank you, Mr. Deputy Speaker.

I am not going to be long. Most of the points that I would like to cover have actually been covered by most of my colleagues during the debate. However, I do want to raise some points.

And I guess, Mr. Deputy Speaker, the most important thing . . . well, maybe not the *most* important thing, but I think that we need to understand the purpose of Government. And the purpose of Government is to ensure the safety and welfare of its people. We want to make sure that we keep pace with technology. We want to make sure that we are innovators and that we support long-term economic growth. And we also want to make sure that we have solutions that are meaningful and are improving of the people's lives, the people that we serve.

So, in an article that was done by my parliamentary colleague, Scott Simmons, the other day, he

emphasised that there were four core values that the budget—

[Inaudible interjection]

Ms. Leah K. Scott: Scott Simmons. Is that his name? Is that not his name?

[Inaudible interjection]

Ms. Leah K. Scott: MP Scott Simmons did an editorial in *Bernews*. I have it right here. And he talked . . . he said that there were four core values that were to be included or demonstrated in the PLP Budget. And if you will allow me, they were: "Protecting the vulnerable . . . employing the unemployed, preparing our children for the future and striving for a better, fairer Bermuda."

And so I would like to address those points. And please, if I am straying off the path and not where I should be, then please let me know.

Starting with "protecting the vulnerable," one of the things that I think is really important is that we have got to find a way to fund a litigation guardian for our children. We have had children that have suffered horrible abuses who have been sent away to places without the consent of either the parent or the child. And I think it is important that those children have some form of representation. To be honest, I actually have not looked through the Budget Book, so I do not know if there is a head or anything that contains that or addresses that. So if I am speaking out of turn, then I am sure that I will be corrected in the Budget Debate. But I think that it is very important. And if the Government is serious about addressing the vulnerability of our children, then that is something that we really should do.

And the Government right now is not obliged to pay for it. But I think that it would be something that they would want to pay for. I do know of an incident where there was a child that was sent away to the States and was actually sexually abused by one of the counsellors there. So it is important that the children, who do not have a voice, have a voice, or somebody to speak for them.

I know that everybody is tired of hearing me speak about the buses. But the important thing is that our children actually have to get to school. And so we need to make sure that they get to school, that our buses are up and running, that we have the number of buses that we need, because that is a vulnerability. If children do not get to school, they do not get access to education or they miss their days, then it causes gaps in their learning and their education. So, I am hoping that we can finally get a roster and a schedule that works together and we can get a bus system where the buses are running on a regular basis, that there are not any cancellations, and our children and

our seniors and the general public are getting what they need.

I am concerned about the investigation into DCFS [Department of Child and Family Services]. And I know that last . . . and tell me if I can do this. In last year's budget there were no additional funds allocated for the Ministry of Community Services, or Affairs. But I know that there has been an investigation launched into DCFS. And that investigation actually did not interview . . . my understanding is that they did not interview any of the children that were affected by some of the abuse. So I am hoping that there will be funds allocated so that there will be a proper investigation, that the victims that have suffered abuse at the hands of the people that have worked at DCFS will have an opportunity to share their stories, and that proper justice will be brought to bear on those that have committed offences against our children.

Now, one of the things that the Deputy Premier stated was that the Ministry of Transport is going to be looking at pragmatic, cost-effective solutions for seniors. I am excited about that. I want to hear more about what those things are going to be.

And I am also glad to see that the Contributory Pension has increased for our seniors. And I hope that by the time I get ready to retire that there will be something there for me, too.

Going on to "employing the unemployed," Mr. Deputy Speaker, the PLP gave the OBA a really hard time about creating jobs. And, to be honest, we should never have put a number to the jobs. And the reality, as I think the PLP Government is learning, is that you do not create jobs, you create an environment so that people actually want to invest in your economy. So you want . . . what we want is not people on the ground here. We want innovators and wealth creators and job creators—not just people that are coming here. And so, although it was not the best strategy in terms of picking a number and saying this is what we are going to achieve, we did create some jobs.

Now I know that at some point last year there was a 100 Jobs Initiative that was introduced by Minister Caines. And I would like to know what the result of that has been and if there are going to be any further measures taken on that initiative.

The Deputy Speaker: Well, that is a question you can ask, then, in the Budget Debate.

Ms. Leah K. Scott: Okay. Yes, okay, thank you.

[Inaudible interjections]

Ms. Leah K. Scott: I could have, but yes, okay.

I am hoping that we can find some resolution with gaming so that gaming can be a job creator. And I understand that we have this new signature bank that is supposed to be coming to Bermuda and supposed to be facilitating the ICOs. So I hope that there

will also be a possibility for gaming proceeds to be processed so that jobs can be created there.

I am disappointed that the FinTech hub has not been able to come to fruition, because I was looking forward to the Silicon Valley.

And to be honest, Mr. [Deputy] Speaker, my wish is for the Government to be successful because, as I said, if the Government is successful, we are all successful. And, you know, that is what is important. And, you know, we are having the Budget Debate and it is the Opposition's responsibility to hold the Government to account. But at the end of the day, with the regulatory environment the way that it is and all of the external challenges that we are facing as a country, we cannot fight with each other all of the time, and we cannot criticise each other. We have got to say, *Okay, well, this might be a good idea, but how about enhancing it this way?* And we—each of us—have to be receptive to ideas from both sides.

So I am hoping that we can get to a place where, you know, we can share ideas and exchange ideas and truly . . . because I believe that all of us in this House are here for the benefit of Bermuda and to make Bermuda better.

Some of the things that are disappointing are the MOUs that have been signed. I am hoping that there is just a delay in those MOUs and that the money and the jobs that they have promised that will come through for Bermuda will come to fruition. Twenty five million dollars is a lot of money. That is money that would not have to come out of our budget, but that would be promised by the entrepreneurs that are wanting to invest in Bermuda. So, I hope that comes to pass because that will provide us with some financial relief and relieve some of the burden of the Government.

And finally, Mr. [Deputy] Speaker, we want to talk about preparing our children for the future. And the vote of no confidence that was extended to Kallmar Richards and Valerie Robinson is disappointing. I am hoping that things can come together so that they can work out whatever their issues are. Education is important. And I wish that we had a whole bunch of money to just be able to throw at it and to revise the system, because education is knowledge. And when you have knowledge, nobody can take that away from you. And I would like to see Bermuda be a country where Bermudians are running Bermuda, so that you do not have just Patrick Tannock and an ACE or an XL, but you have my children and your children and grandchildren running the country and earning the dollars and getting the benefits that other people are getting.

So I hope that we can find resolution with our education process. I hope that the Minister—and I know it is a challenging job—is able to strike a balance between the union, the teachers, and the Ministry of Education. I know it is a challenge.

Finally, Mr. [Deputy] Speaker, “striving for a fairer and better Bermuda” is a challenge. And everybody’s definition of that is going to be different. I know that we have imposed different taxes. My colleague over there has spoken about the sugar tax. And I understand the need for the sugar tax. But I guess my disagreement with the sugar tax is that it is not just drinks and sodas that cause diabetes. There are potatoes, there is rice, there is pasta, and there is bread. And so there are other things that can be done. And I would like to really understand whether there has been a reduction in obesity with the increase of the tax. Is there a real correlation? Or is it just a way of deriving revenue?

And the revenue that came from the . . . they were supposed to do things with the revenue that came from the sugar tax. And I guess we will ask that at the Budget Debate, but I want to know what they have done with it or what they are planning to do with it.

One of the things that the Premier revitalised was Bermuda First. And Bermuda First was supposed to come up with a long-term social and economic plan for Bermuda. And I would hope that that plan is also going to have some economic promise for Bermuda in terms of the outlook for jobs and inward development and inward investment.

And I think, Mr. [Deputy] Speaker, that is about it.

The Deputy Speaker: Thank you, Honourable Member Leah Scott.

Ms. Leah K. Scott: Thank you, Mr. Deputy Speaker.

The Deputy Speaker: Any further speakers?

The Chair recognises the Honourable Education Minister, Diallo Rabain.

You have the floor, sir.

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

I will have to admit, the Budget Debate time is probably one of my least favourite times of the year to be up here, coming from someone who cut his teeth in the Senate and then came up to the House of Assembly. Because what I see . . . this is an annual exercise we go through every year and—

The Deputy Speaker: Yes.

Hon. Diallo V. S. Rabain: —we must go through it. The Government lays down its explanation of the anticipated economic expectations and they give a proposed budget. There is a detail of how much money will be spent and how those expenditures will benefit Mr. and Mrs. Smith.

The Deputy Speaker: Mm-hmm.

Hon. Diallo V. S. Rabain: And the Opposition is expected to lay out their vision and how they would manage their country’s budget if they were in a position to do so.

But Mr. [Deputy] Speaker, what we have heard today come across from the Opposition is more of a belated campaign speech than an actual plan to move forward. It almost comes across as if the One Bermuda Alliance is still trying to figure out why they occupy the Opposition benches versus producing an incredible plan. Surely, 18-plus months on they should have figured that out by now. But instead of utilising the opportunity to lay out credible plans I want to . . . I would love to say that Mr. and Mrs. Bermuda will be sorely disappointed when they read this document that was produced.

Mr. [Deputy] Speaker, as we have heard many times from this side, we have finally produced a budget . . . we have a budget that for the first time in 16 years will produce a surplus. This is something to be lauded. It is to be . . . we have constantly been talking about debt, debt, debt in Bermuda. And now we have something that shows some light at the end of the tunnel. And as long as we continue on that path, I think it is just going to get better.

But, Mr. [Deputy] Speaker, I do want to lay a marker down and say how much further we would be down there if we did not have such a decision as giving all of the income that we were earning from the airport to a Canadian firm. Just think about it for a minute. Because we have heard from within this document of how we have changed our minds and we are all happy that Aecon is there. That could not be further from the truth. It is something that we have examined, it is something that is in place, and something that we cannot change as quickly as we would like to change, so we have to go along with it until we can do the things that need to be put in place to bring that airport back into the bosom of the Bermuda Government and, by extension, the Bermudian people.

Mr. Deputy Speaker, the Finance Minister deserves applause for this balanced budget. That should be the first thing that we are looking at. It strikes a fine balance, and a balance that we will need to continue on as we get through . . . as we move towards financial stability.

But Mr. Deputy Speaker, what really struck me about the Opposition’s Reply is the part discussing about education. And I do want to turn my attention to that for a little bit.

Mr. [Deputy] Speaker, last year we reversed historic decreases in investment in education. We have heard . . . everyone will get up and say education is important, education is where we need to be, education is where we need to be investing. But the numbers just do not bear that out, Mr. [Deputy] Speaker, when from 2012 to 2017 the only time Education’s budget was increased was the last year of the One Bermuda Alliance’s budget. But it had been de-

creased so much that that little bump that came really did not make anything up.

And so I am glad that we are all here talking about the importance of education, and the importance of investing in our people. And I hope that people can listen to and understand some of the things that we have done to ensure that we put the money where our mouth is.

I think back, Mr. [Deputy] Speaker, to when we held a Cabinet meeting at the Bermuda College. And one part of that was we ate lunch. As you will know as you formerly sat in that room, we always had lunch. We had lunch that was served to us by students that were in the culinary programme.

Mr. [Deputy] Speaker, there was a lady in her late 40's who came out of the kitchen. And she was in tears because the Ministers and the Premier were eating the food that she was preparing. And why is this important for me to mention and to make sure that the listening public knows why I want to point out this lady? This was a lady that had gone through a story we have heard numerous times before. She is in her mid-40's. She has worked at the same company all of her life. She has been laid off. All right? And she now is at the Bermuda College learning culinary skills, learning to be a chef, something she has always wanted to pursue but could never afford to do. She is now home, she is laid off, she does not know what she is going to do with her life, she hears that the Progressive Labour Party is providing funding for people who want to re-tool themselves. She drags . . . she picks herself up, she applies for the college, and, lo and behold, she gets funding that allows her to now pursue her dream, Mr. [Deputy] Speaker.

These are the types of stories and these are the types of things that we are doing with investment in education. When we talk about investment, there are real live people out there that can come and attest and say, *I would not be able to be doing what I am doing . . . I would not be able to finish that degree at the Bermuda College, unless I had this funding.* And that is a powerful statement. And it is a statement that we should all applaud.

All 511 people that have benefited from that programme to date, Mr. [Deputy] Speaker, are thankful for the ability for us to put our money where our mouth is when we talk about investing in education.

Now, Mr. [Deputy] Speaker, we have heard a familiar theme from the other side. And they have been . . . and you know, we have been over there as well, so we know this thing goes back and forth. They have made hay about the Government having full-time Ministers and the cost of those full-time Ministers. And Mr. [Deputy] Speaker, they also talk about . . . they are also saying in the same breath how important it is to invest in education and how much we need to invest in education.

Mr. [Deputy] Speaker, if I am looking at the Opposition's Reply we here—and it is in blue for some

reason—it says: “Whilst we recognise the importance of allocating financial support to students through scholarships and grants, the OBA believes that funding continued professional development for teachers is of equal importance.”

They also go on, Mr. [Deputy] Speaker, to talk about only 60 per cent of graduates earning an internationally recognised credential upon graduation and they also called for the establishment of an Education Authority.

Now, Mr. [Deputy] Speaker, I would like to take this time to provide some clarity and remind the public where we are with education.

The OBA complains about full-time Ministers, Mr. [Deputy] Speaker. Education, under the One Bermuda Alliance, had two of the last three Ministers for part time. Where did that get us? How did that work out for our children, Mr. [Deputy] Speaker?

They speak of lack of support in the Minister, the Commissioner and the PS, Mr. [Deputy] Speaker. How quickly the Opposition forgets that when they lost the election in 2017, every single teacher on this Island was under work to rule. If that is not showing any sort of support for the Minister, for the Government, or for anything else that was going on with Education, I do not know what is, Mr. [Deputy] Speaker.

We are having our issues with our teachers and all of us recognise . . . and you can talk to teachers. They recognise where we are trying to go. There are just differences on how we want to get to where we are going. Everyone seems to say . . . everyone will admit where we are going is where we need to be; we are just disagreeing on the avenue to get there. So, we can call that lack of confidence if you want, I call that just a difference in agreement of how we are going to get there, Mr. [Deputy] Speaker.

Mr. [Deputy] Speaker, former Premier Dunkley spoke about mould in schools. He made a point of pointing that out. But how quickly that Member forgets he is the one that called teachers “mischievous” when they complained about mould in the school that eventually the One Bermuda Alliance had to close in order to remediate mould, after he called them “mischievous,” Mr. [Deputy] Speaker.

So how quickly they forget that this Government, within 100 days, produced a health and safety report of every single school on this Island that laid out specifically what was wrong with them, what needs to be fixed, and we now have a plan in place to remediate that, which will go hand in hand with some other things that we are doing in terms of dealing with the infrastructure that we have with schools, Mr. [Deputy] Speaker.

Mr. [Deputy] Speaker, they speak about, *We need increased funding for professional development.* But how quickly they forget that in the budgets from 2012 to 2017 the professional development budget was cut to zero by the former Government. It was re-introduced last year and it is being increased this year

with our standards-based grading. How quickly they forget that they were the ones that introduced standards-based grading in 2015, and failed in the implementation, which is what has put us in the hole that we have today. It failed because of lack of funding. It failed because there was a work to rule with the teachers because they did not trust the former administration, Mr. [Deputy] Speaker.

So when we talk about these things and we talk about the importance of education, we must remember the history behind some of the reasons we are where we are today with education, and what we are doing—the PLP Government is doing—to pull ourselves out of that hole.

Mr. [Deputy] Speaker, I refer back to their statement where they talked about “how are Bermudians going to benefit from employment with the global players on our shores when only 60 per cent of graduates are earning an internationally recognised credential upon graduation?” Well, Mr. [Deputy] Speaker, I can give them a *bly* on that, because they are probably . . . Mr. Kempe, Senator Kempe, who probably wrote this, is probably talking to some of the part-time Ministers they had in place before.

Mr. [Deputy] Speaker, no high school graduate from the public school system can graduate with a high school diploma without passing mathematics, English and science, IGCSE [International General Certificate of Secondary Education] examinations, which are internationally accredited examinations. As a matter of fact, every single private school in Bermuda sits them as well, Mr. [Deputy] Speaker. So when they talk about not having international accreditation, they are sitting these exams. Our students have to pass them in order to qualify for graduation, Mr. [Deputy] Speaker.

As you know, and as all of us know, you are going to have high flyers, you are going to have persons that, you know, barely make the grade. You are going to have people who are going to struggle. That is life, Mr. [Deputy] Speaker. But we are aiming to ensure that all of our students have a well-rounded education and we are always going to continue to push them towards those certifications. Once they pass those certifications they have options to do more if they wish to, Mr. [Deputy] Speaker. But to say that they are not graduating with internationally recognised specifications is misleading at best, ignorant at worst.

Mr. [Deputy] Speaker, we sound like a broken record. We hear about this Education Authority. The Education Authority is something they have always talked about. If it were a silver bullet, perhaps one of the part-time Ministers they had in place could have put it in place while they were over there or while they sat over on this side. They did not. And it is not something that we have an appetite to do.

We have Plan 2022, which outlines exactly what we plan to do with education moving forward for the next five years—we are now about to complete

year one—but for the next four and half years, Mr. [Deputy] Speaker, we will implement that plan. We will continue with our march towards phasing out middle schools. That is a promise we made to the people and that is a promise that we will keep. And we will rebuild the infrastructure that we call our primary schools and our preschools, Mr. [Deputy] Speaker. This will happen under this Government. And we will transform education because this is what we were elected to do.

We constantly hear the cries from the Opposition about *education need not be a political football* while they are writing op-eds about education from a political standpoint, Mr. [Deputy] Speaker. Most of the time I ignore those things. I direct myself to ignore them, because we are not into that political bouncing back and forth. We are into educating our children and transforming education, and it does not start by trying to fight with people who are only there part-time that really just did not understand what was going on in the first place. So we will address these.

Mr. [Deputy] Speaker, this Government has laid its marker and will continue to invest in education:

- We will continue to supply the Bermuda College with its \$300,000 grant, a grant that has helped 511 people since 2017.
- We will continue to invest in our school system. This year we have budgeted just over \$2.2 million to invest in an ASD programme at the preschool level.
- We will invest in upgrading our bandwidth to all of our schools.
- We will introduce foreign languages at the preschool and primary level.
- We will continue to deploy our STEAM curriculum at the primary level.
- We will increase professional development for teachers.
- We will expand our literacy programme within the primary school.
- We will introduce programmes to help educate our parents so they can be better equipped to assist our children when they come home.

But, Mr. [Deputy] Speaker, one thing that we definitely will have in place, and one thing that I am proud to say was part of our Throne Speech, is that we will have a College Promise Programme that will reward any high school student that graduates with a 3.0 GPA to attend the Bermuda College tuition-free, Mr. [Deputy] Speaker.

These are the types of things that we do to help our people achieve the things that they need to achieve so they can become a positive part of our society and give back in the way they can, Mr. [Deputy] Speaker. It is about investment, it is about lack of talking, it is about lack of not having the political will to do the things that need to be done, and we are going to do these.

As we stand here today, we can “talk the talk” all we want, Mr. [Deputy] Speaker, but this Government is committed to “walk the walk.” We will transform education and we will make no apologies for doing what is right for our children and the future of this Island.

This budget, Mr. [Deputy] Speaker, is the first in 16 years that is balanced and that will produce a surplus. Moving forward, Mr. [Deputy] Speaker, while we build on this budget there will be more money to invest in education, there will be more money to invest in health, there will be more money to invest in our infrastructure, and we will do the things that we need to do to ensure that our people—the Bermudian people—benefit from the things that we are putting in place and to ensure that they have a secure future in the country that they were born in, Mr. [Deputy] Speaker. Yes, the country they were born in.

Thank you, Mr. [Deputy] Speaker.

ANNOUNCEMENT BY THE DEPUTY SPEAKER

HOUSE VISITORS

The Deputy Speaker: Before I recognise the next speaker, I would just like to acknowledge one of my Sunday School teachers [from] when I was a young boy, Mrs. Rabain, in the back. She is the mother of Minister Diallo Rabain. And a couple of his aunties, Dr. Talbot and another Ms. Talbot. So it is good to have you here. And I think you just had a birthday—Happy Birthday.

[Budget Debate, continuing]

The Deputy Speaker: The Chair recognises the Honourable Minister Walton Brown.

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

Mr. Deputy Speaker, just because you do not have a plan does not mean you do not have a plan. Just because you do not like the plan does not mean you do not have a plan.

So just . . . in my opening remarks, Mr. Deputy Speaker, in relation to the comments made by the OBA that the PLP Government is bereft of a plan when it comes to revitalising our economy and creating growth. We clearly do have a plan.

The Minister has delivered a budget—the first surplus budget in many years—one which will deliver on the needs of the people.

Hon. Patricia J. Gordon-Pamplin: Point of order, Mr. Deputy Speaker.

The Deputy Speaker: What is your point of order?

POINT OF ORDER

[Misleading]

Hon. Patricia J. Gordon-Pamplin: The Honourable Member is misleading the House. I have heard it from a couple of Members, and I have let it slide. The surplus to which the Honourable Member speaks is predicated upon the fact that there has been no contribution coming out to go into the Sinking Fund. Anybody can have excess money when you do not pay the bills.

The Deputy Speaker: Continue, Minister.

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

There is a quest to pursue social justice and equality in presentation, in particular, a reduction in inequality and a reduction in the cost of living. Those are key principles outlined in this budget, Mr. Deputy Speaker, a desire to reduce the cost of living and to make for a more equitable approach to the condition of life for people.

Cost of living is a big issue. It is felt in food supplies. A loaf of bread cost \$7.00. Eggs range in price from \$2.89 to over \$5.00 a dozen. There was a level of arbitrariness to this, Mr. Deputy Speaker, and it amounts to price gouging. Three hundred dollars a week for groceries is an excessive amount of money for people to spend on groceries on a weekly basis. A way to overcome this—a remedy for this—is competition. Bringing in big brands to the Island can help to bring about competition and lower prices. You bring in a Walmart, for example, then you can have some price competition in place and reduce some of the prices, which is urgently required. And we need to take concrete steps to achieve this goal.

Obviously, this has to be a private sector initiative, because it can only be done through the private sector. The private sector has to take the initiative in this regard, and it requires a 60/40 exemption. Obviously, to achieve something along these lines it would be very important to have that in place.

We face external threats to our economy, to our economic livelihood. The EU list of non-cooperative tax jurisdictions is one such threat. Economic substance legislation is designed to keep us off the list of non-cooperating jurisdictions. Now, significant strides have been made in this regard.

Brexit is a big issue for us. We have \$30 billion in trade with the EU [European Union] and we want to preserve this. The withdrawal agreement calls for an orderly withdrawal from Brexit for the EU, from Britain from the EU, but we do not know what this involves. There is tremendous controversy now about what the shape of Brexit will look like—whether we have no deal with Brexit or whether it will be a smooth transition out of the European Union.

The UK Parliament is stuck in dialogue on this issue right now, as we speak. They are contemplating a number of different options. The latest variation is the Labour Party proposing a second referendum. So that might be one option to deal with the issue. But we don't know. It is very much up in the air at the present time. There is no clarity on this whatsoever. A "no-deal" Brexit is not a good thing for Bermuda. There is a risk of a no-deal because of the developments in the UK Parliament at this time.

Domestically, Government has devised a brilliant strategy to provide low interest rates on mortgages in conjunction with a private sector bank we will provide—

Hon. Patricia J. Gordon-Pamplin: Point of order, Mr. [Deputy] Speaker.

The Deputy Speaker: What is your point of order, Member?

POINT OF ORDER
[Standing Order 19(7)]

Hon. Patricia J. Gordon-Pamplin: It appears that the Honourable Member is doing a little more than just referring to his notes. It appears that he is actually reading a prepared speech, and I don't think that that is appropriate for our Standing Orders.

The Deputy Speaker: Yes, you should not be . . . you can refer to your notes, but you should not read your notes.

Hon. Walton Brown: Yes.

The Deputy Speaker: Thank you.

Hon. Walton Brown: Thank you, Mr. [Deputy] Speaker.

The idea of providing low interest rate mortgages is a brilliant idea for the country. It is something that will benefit the people. And the Government has proposed to lower interest rate mortgages in conjunction with a private sector bank. So this is a great thing for the country.

Also, the Government is contemplating providing low interest rate mortgages for government employees. This will be a great step forward as well. It will free up cash to do other things with . . . people can have additional funds to do other things with those monies.

Immigration was touched on as a hot-button item. It is often discussed in very simplistic terms; they just need to bring more people to the Island. That is very simplistic, because you cannot just simply bring people to the Island. You only bring people to the Island when there are concrete jobs available for them to fill. It is a very simplistic approach that has been

advanced by the Opposition, just bring in more people. We believe that you have to have a coordinated approach to this. We recognise that we need more people on the Island, but more people on the Island will come as there are more jobs created. And that is just a fact of life.

The other issue relating to immigration is that there is a sense that we need to do more for PRCs to provide a pathway to status for PRCs. That is an issue that is fraught with controversy and we have to look at this issue very carefully. We do not have a clear pathway yet, but we will work on the issue of PRCs transitioning to Bermuda status grants. It is one that is of great controversy.

The other controversial issue relates to belongers and the rights of belongers. Under the current legislation you become a belonger if you have Bermuda status, if you are the spouse of a Bermudian, or if you have been naturalised as an Overseas Territory citizen. A belonger has all the rights of a Bermudian, save for the right to vote and run for public office. That has created an issue in some regard in the sporting industry in particular, but also it creates issues in other areas as well. The issue is that naturalisation was only approved in previous years if there was a clear pathway to status identified. That was the position taken by the Governor's Office for many years. They have changed that position and now they are granting naturalisation to people who are five years beyond work permit control. That has created a big issue for the country.

Mr. [Deputy] Speaker, we need to find a solution to this issue. There is no clear-cut solution as yet, but we are working to address the issue because you cannot just have hundreds of people just becoming belongers and who have no other rights of Bermudians. That is an issue that we have to address at some point.

Mr. Deputy Speaker, we need to stimulate investment and competition in the country. Allowing international law firms is a great step. It provides for greater competition, for instance, in law firms. I know that a lot of local law firms have offices overseas and many of the law firms have been opposed to this development, of having international law firms in Bermuda. But if they can be present in other jurisdictions, there is no reason why international law firms cannot be present in Bermuda.

We need to break free from our protectionist past. We are far too protective in our delivery of our services and we need to find a way to break free of our protectionism. One of the issues that relates to protectionism is the 60/40 rule and we need to find ways to address this issue. It can open up, free up opportunities for people. It is better to have 10 per cent of a \$1 million company than 100 per cent of a \$1,000 company. That is precisely the opportunity that the 60/40 rule exemption will provide. It will allow Bermudians to gain greater stakes in companies that

are much larger than they could normally conceive of, and that is a great benefit to Bermudians. So I think they would need to move to that direction to free up the 60/40 rule and we would need legislative framework in order to bring that about. It represents a growth opportunity for local business.

The other change that I think is a great idea that is proposed by the Government is to relax the planning guidelines for development in Northeast Hamilton to build multi-storey units. This will provide for greater income opportunities for those people who are living in Northeast Hamilton which needs an economic boost. That is a great step forward as well.

We have some great tax initiatives proposed in this budget. A two-year employee payroll concession for additional jobs created for those companies that come to the Island and create additional jobs to get a two-year exemption on payroll tax. That is a great boost; a very wise move and a powerful incentive.

There is also a payroll concession for the employer portion for retailers. The retail section has been devastated by all these recent changes and the development of online shopping. It has really devastated the retail sector. It has caused a great deal hardship. We have seen many companies go out of business, so anything we can do to shore up the retail sector is very important. So, I support this initiative to give tax concessions to the retail sector. Although it is limited now only for those companies that have a payroll of \$500,000 or more, that is a first step. We might want to consider expanding that at some point to other categories of payroll, maybe lower than \$500,000 because they need help just as well. So I think that is a good opportunity for growth.

We have seen far too many stores closing. The recent closure of Bluck's was a tell-tale sign of the symbolic challenge of the retail sector. For Bluck's to go out of business after being around for over 140 years was a great tragedy, but it is a sign of the times. It was just very unfortunate that it had to go that way. But we have seen changes across the retail sector in many regards, so that is a challenge all around.

Also, I am very happy to see that the employer part of the payroll tax for musicians is to be abandoned as well. That is a great step forward. We have a lot of musicians in Bermuda who need work. They struggle during the off months, and many struggle even during the hectic times. So we need to provide a measure of protection for them. This payroll tax concession is a great boost to the local musicians and their opportunities to gain gainful employment. So I think that is a great thing.

So, Mr. Deputy Speaker, I will say that the budget is creative and a fair one. It balances the number of competing interests. The Finance Minister has done a very job of balancing the competing needs for the Island and he should be commended for his work.

Thank you, Mr. Deputy Speaker.

The Deputy Speaker: Thank you, Honourable Member Brown.

Any further speakers? The Chair recognises the Honourable Member Ms. Atherden. You have the floor, Ms. Atherden.

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

First of all, I would like to start off by making a couple of statements with respect to the role that I believe that we have, and I have. I think it is important for us to understand that the Opposition's main role is to question the Government of the day and hold them accountable to the public. So, I think my job as the Opposition is important, [and that is] to make sure that I understand the basis on which the Government is creating its budget, and then to be able to understand what it is intending to do [and] carry out.

So if you realise that a government only creates a budget in order to fulfil programmes, and those programmes are defined by the priorities that they believe that they have to put together for their populace, therefore, from my perspective as the Opposition, I have to make sure that I look at these programmes. I look at what the Government needs to do to highlight any issues or concerns that I because, if I do that, if I put the spotlight on the issues, then the Government is more likely to turn around and address them and the public is more likely to get the outcome that they should have. So I want to make that clear.

And I want to sort of say that I obviously looked at my constituency and, you know, I would go out there and recognise that in Bermuda, especially in my constituency, everybody needs to understand that the revenues that are generated are there for the programmes. And, therefore, today, when I address the Budget Statement, I am going to speak a little bit on what I believe are the issues with respect to the revenues, but I am really going to concentrate on the programmes, because the programmes are where the monies are spent and, therefore, if they are not spent wisely, or if they are not spent in a timely manner or produce the outcomes, then the public does not get what they need.

And so, Mr. Deputy Speaker, I just want to measure . . . I am going to say one thing, if you could allow me to quote one thing. Because when I start to talk about the programmes you are going to see me harp on measurements being put in the booklet. People understand what a programme is supposed to do because, as Peter Drucker said, *What gets measured, then gets controlled*. And so basically I am paraphrasing it, but I mean, I guess I could say the exact words of what he said, but that is basically—

[Inaudible interjections]

Hon. Jeanne J. Atherden: And so when I look at that then I have to sort of say that because my role on the

one hand is to speak about the constituents, Bermuda, also my role is to speak about my constituency and to present their issues and their priorities. And so if Government's job is to talk about what the community wants and look at the options and then decide on what the national priorities are, I have to then think about the people who are out in Pembroke West and what is important to them. And so Government, then, will be assessed by how well they have delivered their programme in a timely and a cost-effective manner.

So, I recognise that how much revenue they generate in order to deliver these programmes results [from] how much tax that they actually come up with. And if I stop and think about the fact that Government has to balance a budget, because the idea is to make sure that the government is sustainable and to make sure that the programmes are sustainable and actually deliver value for money, if I am looking at the budget, then I am looking at gaps in the budget because to me that says that there are things that I need to draw to the attention of the Government and make sure that they are focusing on them.

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

Hon. Jeanne J. Atherden: So from the perspective of my constituency, [there are] large numbers of seniors out there. Therefore, when I look at the budget and I look at my seniors . . . and even though I know the Government talks about seniors, I look and I sort of say, *Well, how many things have they done with respect to the seniors?*

And you know the one thing that I do not see is, I do not see that the Government is making any provision to talk about how [they] are going to address these seniors. These seniors want to work. I have not seen any government coming up and saying, *What can you do? We talk about the workforce, and we talk about the fact that we need more people in the workforce. I throw this out as a challenge to the Government, to talk about how you are going to get more of our seniors involved in the workforce.*

What are we going to do with respect to utilising the expertise and knowledge they have? You keep talking about training, but I do not see you putting enough emphasise on seniors. And I know that they have skills which are transferrable. So if we want to tackle the size of the workforce and the fact that the birth rate is going down, I believe that more attention has to be paid to the seniors.

Also, when I look at the programmes, I am looking at the programmes and saying, *I still believe that there could be more attention to the women and their families.* But I am just talking about how I see the programmes, because the Finance Minister talked about the fact that when he was putting this together, he had to look at the quality of life. Well, if you start looking at the quality of life, you have no . . . you have no . . . you cannot do anything but actually recognis-

ing—and the Finance Minister said that with respect to quality of life, and I am going to—

[Crosstalk]

Hon. Jeanne J. Atherden: That you have to start talking about the high cost of health care, you have the cost of energy, health insurance, and interest rates directly impact on our ability to grow Bermuda's economy and that they also produce burdens on Bermuda's family and then impacts on the quality of life. So I am saying that I believe that if we as the Opposition do not ask questions, then we do not make sure these are properly implemented.

Now, Mr. Speaker, I had been driving this concern (that I am just going to talk about) last year and I am going to drive it again this year. I maintain that Bermuda, and all the people in Bermuda, want the Government to make sure that they talk about the programmes. And when the programmes are implemented in the particular Budget Book, more information should be there about how those programmes are going to be implemented.

I do not know, Mr. Speaker, whether any of you listen to a programme called *[Real Time with] Bill Maher*. Bill Maher talks about issues that are happening in the US. But he has something which he calls "New Rules." And I would like to introduce a *new rule*, and every time I am up here I am going to introduce a new rule. I believe that the new rule should be [that] any time that the Government introduces a new programme it should say, not only before you could get a commitment to a new programme, you must have a performance indicator that goes along with it so the public knows, when they put this amount of money out on a programme, this is how it is going to be measured and this is what the outcome is going to be. That means that they will be able to keep their eye on what they are getting and will be able to make sure that the outcome and the worth is actually achieved. So, that is one of the new rules.

With respect to how the people of Bermuda are looking at the Budget Statement, as I say, we have to start looking at the fact of the taxes. And I recognise that the Minister had lots of options with respect to increasing . . . putting in some of the new taxes. And he chose, I believe, for simplicity, to be able to just increase one of the taxes. I don't know what will happen in the future because, obviously, he has lots of options available to him. But I do know . . . I do know, that by expanding on one of the taxes that he already has, and not taking some of the new taxes that were proposed, he effectively is going back and saying, *Let me go and look at the system that I already have there*, and hope that the system that he has there will enable him to collect more of these taxes.

And I am mindful of the fact that last year one of the concerns that we said was the issue of generat-

ing taxes. If you do not collect them, then it means that the revenue, per se, that you say that you are going to have in terms of the surplus becomes a figment of your imagination if the monies do not actually come in.

It is all very well to turn around, and if you say that you may have a surplus of \$7 million, but if you have \$10 million of revenues that are out there in accounts receivable, then, technically, those monies that you needed to use for those programmes . . . [those programmes] are going to be in trouble. And you are going to be having to go out and borrow money if you do not get the cash and the revenues come in.

And people do not always understand that sometimes it is not just about government expenditure, it is also about the collection of that money because government has its creditors that it has to turn around . . . and I know if you look . . . I have looked at some of the measures in the Blue Book, and I mean, when you see a measure in the Blue Book that says something like, *Government intends to pay all of its creditors within 30 days, or pay 50 per cent of its creditors*. And I am saying to myself, *Fifty per cent! We are a Government. We are country. We should be paying 100 per cent!* And so we have to understand that it is not just about coming up with programmes, it is about how well we implement them.

So, turning around and talking about diversifying the economy, I give the Premier credit. The Premier when he was Finance Minister was out there. He was actually out trying to look at lots of programmes, et cetera. And you know, I hate to say this, Mr. Speaker, but I wrote this down because I listened to the Premier this morning. I listened to him talking about this new bank that was coming, et cetera, and you know what? I said, *Darn, just in time!* I said, *Just in time!* Because if it had not come then, we would have been saying, *You said that this was going to come and it is something that you are working on, and it has not happened.*

But I also say, Mr. Speaker, that it is not so much about *just in time*, because the creation of something and something coming up is no good unless the reality is that when it happens you can see, (1) people take advantage of it, (2) you can actually see some jobs that come out of it, and (3) you can see some revenue which is generated to the country. And I will say like I said last year, I believe that the Government (and I made the suggestion to him last year in the Reply to his Budget) should be doing reports more than once a year. To me, they should be doing reports once a quarter.

If you got a system in place, because there was . . . there was . . . I remember . . . if I could just read something for you. Just one moment, if I could, Mr. Speaker.

The Speaker: Go ahead.

Hon. Jeanne J. Atherden: This said, "Good policies are data-driven and accompanied by information systems that can measure whether the policy changes improve outcomes." And a couple things that are in there—policy changes, improving outcomes, [and] measuring—and therefore I take the position that all of Bermuda wants to see this type of stuff.

And when we look and talk about what we are going to do with respect to the civil service and the civil service reform, I have to go back and remind myself that last year that was something that was talked about. So, on the one hand I have to say, *Well, better late than never*, in terms of their saying that it is going to start as of Monday. But what I did not see in terms of what is happening in terms of Monday was how they are going to measure this programme that they are putting in place. What are going to be the outcomes with respect to people who are going to be measured and groomed, et cetera?

And the reason this is important, and I say that because when somebody talked about finding how many millions of dollars, or whatever, in somebody's drawer, et cetera, you know what crossed my mind? Performance measures, where people supervising people, monitor them. And also it crossed my mind from the point of view of we are talking about increasing and generating more revenue, and if we cannot collect the revenue that we have now, then you run the risk of not collecting the other revenue as well.

I sometimes talk about a single point of failure, and sometimes I am not clear enough. What a single point of failure means is that you change lots of things around, but if the only way you can get out of the room is that door and [there is] a fire, you need to worry not only about that door; you need to put two or three doors there. So all I am saying is that we have to make sure that as different things are put in place, we understand the policies [and] how they are going to be measured because that is very important.

Now, Mr. Speaker, when I start to talk about the revenues, as I say, I am going to talk really briefly about them because, to me, what really . . . while the revenues hurt the people in Bermuda in terms of we have to pay the taxes, whether it be the payroll taxes, et cetera, where you can get the biggest bang for your buck is if the policies and the programmes that the Government puts in place help you. And I am looking at . . . and I think the people of Bermuda want to be helped.

They elected this Government because they believe that Government was going to deliver on their promises. Therefore, they need to make sure that the Government is held accountable on all these programmes and how they are going to be measured so they can give the feedback to the Government to say, *Okay, you said you were going to do this. Where is it? You said you were going to do that. Where is it?* Because it makes no sense to come to the end of the year and suddenly realise that somebody did not de-

liver. You lost the opportunity to give them feedback. And we keep forgetting that the other side of collaboration is feedback. So before you are developing a programme, you want people to come out and talk to you about what is going to happen and how it is going to work.

Every time we go out and we have collaboration, I am saying to the people of Bermuda, *If you have collaboration, ask the question of the Government at the time. 'How is this going to be measured and how are you going to keep me informed?'* Because that then enables, when it finally comes through, you have something to remind them of that. *You told me this was going to be the case and I bought into it.* Because the people of Bermuda are buying in to policies and programmes when their officials come out and their elected officials come out and say that this is what they are going to do.

But we have to start . . . the people of Bermuda have to start taking the power that they have. We keep forgetting that they have the power. They have the power because they elect all of us. And they have the power of saying to all of us, *Are you delivering on what you said? What is happening with respect to programmes that are not coming through? Why don't you have this feedback on this particular issue? We sometimes get information and we ask questions on their behalf. We do that. But at the same time, they can do some of that [asking] as well. And I think that the more we get out and talk to the people of Bermuda, the more we know what their concerns are, the better we can hold the Government to account.*

Getting back now, Mr. Speaker, to some of the Ministry highlights. I mean, I know that when I go through the Blue Book . . . and I am looking forward to being able to see some of the new programmes. But I am looking forward, when I finally see the Blue Book, I am putting the Government on notice, and it is too late now, but I am putting them on notice that I am going to looking in the Blue Book for a performance measure that talks about STEM, and that talks about different programmes to say how these programmes are going to be measured during this year. Because that is the only way you know that these programmes are properly thought-out, because everybody assumed that they were going to be measured.

So the other things in terms of refurbishing of the Parliament building . . . well, okay; we know that this is going to happen. And I am sure, Mr. Speaker, that all of the people up here, hopefully, have seen a plan about how it is going to work, and know how it is going to be delivered because the bottom line is that that is how you know you are going to have value for money, and that is the way you can be sure.

Now, I must say one thing, and the Minister of Health started to get into a more detailed discussion of the health system than I thought she would have. I am looking forward to the eight hours, but I must admit and say that as we go forward it is important for us

to be able to understand how these things are going to be implemented and to make sure that there is a deliverable. Because the bottom line is that health care is driving the cost. As we always used to say before, after interest, health care is the next biggest ministry. Therefore, the opportunity to be able to see that the money that is being spent out there is going to [improve] the health of everybody and improve the deliverables, I think is very, very important.

Mr. Speaker, I think that . . . oh, I know with respect to the Cabinet Office . . . and I think someone asked the question, I mean, we are looking forward to being able to see about the operating model that is going to come up for Cabinet and to be able to see how Government is going to be able to turn around and identify the high-flyers and prepare these people for assuming leadership roles. Because the bottom line of this is the fact that, and I remember (and I won't tell you how many years ago), [but] before I came back to Bermuda when I lived abroad I remember saying to someone about changes of Government, et cetera, and I said, *Well, if we have a change of Government, that was no problem because we have a civil service that knows their jobs and makes sure that the Government of the day—[and] it doesn't matter which Government of the day—they will make sure that the rules and regulations and processes are followed.* And that is what I said back then.

And I believe it is important. I have not said it quite as strongly as I said it before, but I do believe that by coming up and recognising that it is a civil service . . . because the belief was that when you went in there your commitment was to the service, and not to what I call the Government of the day. Because the Government of the day, ideally, should be looking for what is in the best interest of the country and the people in the country and, therefore, it should make it very easy for civil servants to carry out their jobs.

I think, Mr. Speaker . . . how much time do I have left?

[Inaudible interjections]

The Speaker: About nine minutes.

Hon. Jeanne J. Atherden: Oh, nine minutes. I am not—

An Hon. Member: Nineteen, nineteen minutes.

[Inaudible interjections]

Hon. Jeanne J. Atherden: No, no, no I am not. I am not. I am not. You know, Mr. Speaker, that for me it is not about using it all, because the more time we have to have everybody say their say and sit down then the better we have . . . the more opportunity we have to go home and focus on—

An Hon. Member: And be with loved ones.

Hon. Jeanne J. Atherden: —next week.

So, I think, Mr. Speaker, I just want to turn around and say that with respect to . . . one thing that I never understood, and I am going to say this now. This is another new rule. I never understand how a Government, and I am going to say right from the get-go, I believe some of the things that I am suggesting . . . don't anybody come and say to me, *Well, why didn't you do it before?* Because if you always said that, we would never get . . . new things would never be introduced. Okay? And all I am just suggesting is the fact that when I look at some of these things it just worries me that a Government puts some programmes in place that they said they are going to do during that budget year, and then afterwards you do not hear anything more about whether it happened or not.

I remember last year that when I looked at the Government, and they were talking about a solar rebate programme which focused on seniors, on low or fixed income, to reduce their electricity bills, I looked at that because I am thinking . . . I am taking to you, as I say, Mr. Speaker, I have a lot seniors.

I am looking at programmes and stuff that is out there for seniors, and so I am saying, *How well was that received? And how well was that implemented?* And I believe that if you put programmes in this book, then it means that you believe they are either significant enough in terms of their impact, or that you believe that they are deliverable. You believe that you could deliver in the upcoming year.

And the other thing that I remember that there was talk about was the efforts to establish a programme of limited government guarantees to support the development of senior residential facilities. I am saying this because, as I say, seniors are important. And I know that there are all sorts of issues [impacting] in terms of people not being able to get out of the hospital because they cannot go, so the idea of these senior residential facilities, I have to sort of say, *Well, what happened?*

What happened? You know, who is reporting on that? Who is letting us know? Because I would hate to think that people do what sometimes happens: You are getting ready to write the book and you think, *Oh, I need something to put in there.* And all of a sudden, things are thrown in the Budget Book and they never see the light of day. As I say, my rule, my new rule that I was suggesting, is that nothing should go through Cabinet and in the book unless there is a timeframe for implementation and people believe that it is something that they can actually achieve. Because, if not, you are ending up saying that it sounds really good, and then the public does not pay attention enough to make sure that [the Government] are held accountable.

And the only other thing that I just wanted to make clear, because I do not know whether people understand why we keep harping on about the debt problem, the reason we keep harping on about the debt problem is because if you can get your debt under control, then it means that the money that you are taking to pay the lenders of your debt, you can turn around and take that money and use it for more programmes for the people in the country. And that is why people need to be clear on [this]. They do not always realise that there is a reason. It is not just because we are saying, *Oh, debt . . .* and whatever else. It is because the money there is being put aside because the debt, as we say, is the first head and every bit of money that goes toward the debt means less money to be able to use for the programmes.

So on that note, Mr. Speaker, I just wanted to say that, contrary to what people think, our job as Opposition is to highlight the programmes, to talk about how we feel they are being implemented, to make the public understand the benefits they are going to have, and in this next year to hold the Government accountable for delivering on these programmes. So I am expecting all of my colleagues here [and] all of the people out there in radioland to say, *Hey, these are the things that the Government said they were going to do for me, let's find out how well they are doing it.* Because then we would have done our job.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak? I recognise Minister Caines. Minister, you have the floor.

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

The Speaker: Yes. As long as it is short.

[Inaudible interjections and laughter]

The Speaker: Well, he asked me if it was going to please me, and I said as long as it is short. If he wants please me, he has to keep it short.

[Inaudible interjections and laughter]

The Speaker: Continue on, Minister.

Hon. Wayne Caines: Thank you, Mr. Speaker.

Mr. Speaker, I have had the opportunity to listen to the length and breadth of the discussion this evening. I had the opportunity to consider with great detail the budget.

I have reflected on the more vociferous Members of the Opposition and their presentations. I listened to the MP Gordon-Pamplin, and I listened to her presentation. I listened very intently to her describe the shortcomings of this Government in the past. I

then listened to MP Dunkley, and he criticised and he highlighted the failings for what he deemed to be the failings of this Government. And I reflected on the perfect world in which he lives. A world where there are no deficits, where there is no crime, and every budget is running on all four cylinders. And then I got to thinking about our world where it is today.

I reflected on what is going on in the Canadian Parliament. I thought about the former Attorney General who has accused the Prime Minister of carrying out his business and putting excess pressure on her leadership and, hence, she is no longer the Attorney General. He is fighting for his political life. The people of Canada and the Canadian Government . . . they have not imploded. They have highlighted the fact that they have a problem in their Government, but they are resolute in the fact that they have a mission to keep the country going.

An Hon. Member: Right.

Hon. Wayne Caines: I listened as the MPs all circled the proverbial wagons and highlighted the fact that they must work together to make sure that Canada gets through this.

I have been following the Brexit conversations in England. In England the country is, some say, torn asunder with signs for staying and signs for leaving. They have struggled to find their way—the Conservatives, the Labour. Everyone has struggled to find their way in that country as it pertains to Brexit. We understand the key issues about standing up for the rights of England and free trade and hard borders and soft borders, and everybody has articulated what they want in different ways and in different manners for the people of Britain. But we allow that to be an exercise in democracy. We see the challenges to Theresa May's leadership. And everyone in Bermuda says, *Ah, that's a healthy democracy, when they march in the streets and they stand outside the House.* Everyone says this is a sign of a healthy democracy.

With all of the dysfunction that we see, Britain is still hailed as a bastion of leadership. Look at their budget. Look at the challenges they are having with crime with gang activity. Does anyone say the country is going to hell in a handbasket? Oh, no! It is still mighty England.

Some Hon. Members: Yes! Yes!

Hon. Wayne Caines: Look at the greatest superpower in the world, America—fraught with difficulty. The President is being challenged for his very existence. People are coming from all over to look at a country that we deem to be in crises. The Americans, regardless of their penchant and different sides, they go shoulder to shoulder understanding that they believe that America is the number-one country in the world.

An Hon. Member: That's right.

Hon. Wayne Caines: We listen in Bermuda to the former leader of this country take what he deems to be weaknesses, to be challenges, and he paints it in this very room as if the sky is falling. So imagine if you are a 20-year-old, or you are a 30-year-old and you are going through what we can only describe as a difficult set of circumstances. You feel that this country is failing, that there is no hope, that there is no opportunity for us to make it in this country. That is the picture that the OBA would like to present.

There is an underlining narrative that centres around the leadership of the 25 that you see in front of them. The false narrative that is being painted is that we will run this country into ruin. It is a false narrative and it must be challenged.

An Hon. Member: That's right.

Hon. Wayne Caines: The people of this country voted with overwhelming—with overwhelming—resonance to 25 seats in this House. And we will continue to march on that bearing.

I had the privilege to listen to our Minister of Finance. This man stands head and shoulders [above] his peers. A banker, if you please, at the highest echelon of his profession. He counts it not robbery to dedicate his life to the service of the people of Bermuda. Significant corporate bodies were courting him. He felt it important at this time in our country's history to take a pay cut, to take all the aggravation, to take all the public discord, to take all the talking and the backbiting, the finger pointing to serve the people of this country. If you were to listen to the Opposition speak, you would you think that it was Mickey Mouse—

An Hon. Member: That's right.

Hon. Wayne Caines: —running the financial affairs of this country. You would think that it was Daffy Duck at the helm of the financial status of this country.

An Hon. Member: That's right.

Hon. Wayne Caines: That is the underlying undertone. And you picked the bones out of the undertones to which I speak.

We have the ability and the opportunity to go to the breakfast that was put on by PwC, the Budget Breakfast. In the room were the leading luminaries of business, international finance. Set in the room was a CEO of a reinsurance company, a local economist, all of them had every arrow in the quiver pointed toward our Finance Minister.

An Hon. Member: Smack dab in the middle.

Hon. Wayne Caines: And he, with dignity, aplomb, without the raise of an eyebrow, answered every question, allayed every fear—

An Hon. Member: He did a great job!

Hon. Wayne Caines: —presented every argument.

They, in the room, acknowledged that it was a good budget. They, in the room, acknowledged that we are going in the right direction. Oh, it wasn't all hugs, kisses and cuddles, but the epicentre of the argument was that this Government is going in the right direction.

Be not dismayed by the purveyors and the architects of doom. We are going in the right direction.

We recently were in the [throes] of a CFATF assessment, where they come to see if all of our business affairs are in order, if our banking . . . to look if we are governing ourselves in the right way. We are in the [throes] of this assessment. We have passed over 15 pieces of legislation. When we took office, we were at the precipice—on the precipice—of disaster based on the leadership of the OBA, who did not do that which was required to get us through this assessment.

Facts! Facts!

An Hon. Member: That's true.

Hon. Wayne Caines: We came into power and understood what was at risk. We came into power and put our shoulder to the proverbial wheel at some of the most difficult financial times that this country has ever seen. And they cry that we do not have a plan! Our very existence is being challenged by the United Kingdom. Beneficial registries. They are looking to take away the very essence of the business in Bermuda. What have we done? We have put together a plan. We have shared it. We have passed legislation. We have gone to Brussels. We have met with key business people. For what purpose? To make sure that PLP Members are taken care of? To make sure that black Members are taken care of? Oh, no! That is, again, the false narrative. We did what we did with CFATF and the assessment to make sure that we are governing right for the people of Bermuda.

An Hon. Member: Yes.

Hon. Wayne Caines: When we look at what has taken place, fighting the beneficial registry that the United Kingdom is forcing down our throats, we are doing it for all people of Bermuda.

Look at economic substance—a challenge to our sovereignty. A challenge to the epicentre of our business. It is this Government that is fighting in Bermuda, fighting in the international arena to make sure that we keep business with these isles, ensuring that there are opportunities for businesses to come in through the Job Makers Act, to be able to come to

Bermuda and setup companies, making sure that it that it goes through immigration, accelerating the plan so they have an opportunity to do business in Bermuda. And he says that we do not have an economic plan?

Some Hon. Members: Hmm.

Hon. Wayne Caines: Do not believe the hype!

An Hon. Member: Absolutely not.

Hon. Wayne Caines: This Government is in the [throes] of preparing. And then we go to immigration.

An Hon. Member: Yes.

Hon. Wayne Caines: You read that we do not have a plan for immigration and that we are resting on our laurels and that we need to have 3,000 and 4,000 people come to Bermuda. Well, it is basic. We believe that any immigration plan must be fair, must look at the needs of Bermudians.

Bermudians have grown tired of watching everyone else benefit from this lovely Island, and they sit and watch and have no opportunities. Yes, we will make way for international business to come to Bermuda, but they must have training. They must have development programmes for Bermuda. Why would we not? As America builds a border around their country to protect it from outside incursion; as the English say, they do not want immigrants in their country; as all of Europe shores up their borders to [prevent] people from coming onto their shores, as the Italians fought off the Africans coming in. And we as Bermudians must not have and put emphasis on the people of Bermuda—black, white, Portuguese or other?

We have a responsibility to make sure that this country runs efficiently, where Bermudians are not second-class citizens in their own country. And we will not apologise for that! Why would we? When everyone else has another passport and a place that they can go and another place that they can domicile.

Some Hon. Members: Yes.

Hon. Wayne Caines: Our people only have Bermuda.

An Hon. Member: That's right.

Hon. Wayne Caines: That is not nationalism. That isn't not understanding international business. You think we do not have the ability to pursue and walk at the same time? Of course we have the intellect. Of course we have the business acumen to sit with international business, talk to them, hear what their needs are, hear what their developments are, and put together a plan to get through that.

An Hon. Member: They don't think so.

Hon. Wayne Caines: Don't you realise that we have comprehensive immigration reform coming? A bipartisan committee made up of people from both sides of the aisle, able to sit in a room and knock ideas around. No, not for the benefit of black Bermudians. For the benefit of all Bermudians, keeping in mind that we have international partners, keeping in mind that we have young Bermudians. Why would we apologise for that?

Six thousand non-Bermudians coming into Bermuda? Well, I don't knock that, but let me tell you what Mr. and Mrs. Bermuda want to see. They want to see Bermudians being able to work, being able to feed their families, being able to shop in grocery stores,—

Some Hon. Members: That's right. Yes. Exactly!

Hon. Wayne Caines: —able to send their kids off to university. Bermudians are not xenophobic! This is not a cry for nationalism. This is Bermudians just wanting to be a part of their own economy.

An Hon. Member: That's right.

Hon. Wayne Caines: And we meander into FinTech, this element that many people think is a unicorn. A Government that, 18 months ago, had not any movement in this space.

And I will not belabour the point; you have heard us beat the drum about FinTech. A former Premier of this country has made it his singular mission to decry every incursion of the Government in this space. And he gets up in this room with a forked tongue saying that he wants the best for this country, that we don't have a plan for economics, and does everything privately to undermine us in this space.

An Hon. Member: Yes.

Hon. Wayne Caines: Traveling abroad to meet with the detractors of specific companies—

Some Hon. Members: Yes, yes.

Hon. Wayne Caines: —knowing that we have an independent regulator—

An Hon. Member: Exactly!

Hon. Wayne Caines: —that looks at and measures and brings companies in. Fifty-five companies have setup in Bermuda.

An Hon. Member: How many?

Hon. Wayne Caines: *Where are the jobs?* they cry. We are doing everything in our power to on-board them, to bring them in. But do you think that what you are doing in the space, down crying, talking negatively about the Government, speaking openly online and on Twitter . . . do you think that helps the enterprise? Do you think you are being an ambassador for our economy when you decry the very people that have been blessed and have been voted in by the people to effect change? That is duplicitous, at best.

An Hon. Member: Exactly!

Hon. Wayne Caines: We have the opportunity to bring industry to Bermuda. Have you not heard that there are two banks coming to Bermuda? And so things that have marginalised have kept us away from opportunities, companies from coming to Bermuda, do you not see a dent in that? Do you not see a reason why the oligarchy in Bermuda will lament the fact that banks not owned by the old element of Bermuda would not want to see that come to fruition in this country?

Have you asked yourself why we are struggling in the FinTech space where we are challenging the systems? Of course we have to work through this and push through this. We need the people of Bermuda to understand that we have been given a mandate and we will live up to it at all costs. And nothing that is said on that other side will keep us from what we are doing to work on behalf of the people of this country.

[Desk thumping]

Hon. Wayne Caines: Look at this budget. Look at the College. Look at everything that we have accomplished. The first balanced budget in over 16 years. The first decline in Bermuda's national debt since 2003. No decrease *[sic]* in the debt ceiling.

[Inaudible interjections]

Hon. Wayne Caines: No increase—no increase—in the debt ceiling. No new taxes and small increases in existing taxes to bring us to what?

An Hon. Member: A balanced budget.

Hon. Wayne Caines: To bring us to a balanced budget.

[Inaudible interjections]

An Hon. Member: That's right.

Hon. Wayne Caines: We have had a small increase in capital funding to maintain our infrastructure, to decrease interest expense to allow for funding in other

priorities. Our financial record? We have lowered payroll taxes to workers to the lowest level in 23 years.

An Hon. Member: Yes.

Hon. Wayne Caines: In closing, Mr. Speaker, I apologise if I seem as if I am preaching, but allow me to go to my roots for five seconds. There is a story in Nehemiah.

Some Hon. Members: Yes.

Hon. Wayne Caines: And the story in Nehemiah is about a man who was tasked to build a city. And when he went to build the city, they had to build walls (MP Kim) around the city.

[Laughter and inaudible interjections]

Hon. Wayne Caines: And around this city there were some gates. And at each gate he placed one of the elders, one of the tribesmen, on the wall.

An Hon. Member: That's right.

Hon. Wayne Caines: They were in the [throes] of their work and somebody came and said to Nehemiah, *Nehemiah, they are saying that you are not strong enough. That you are not good enough. That your work is substandard. As a matter of fact, so bad is the talk, we all need to get off our posts and go home and just have the status quo and business as usual.*

The Good Book says that Nehemiah said, *I am on the wall. I have a work to do and I will not come down until my work is done.*

Some Hon. Members: Yes. Correct.

[Inaudible interjections]

Hon. Wayne Caines: Nehemiah said, *I am on the wall. I have a work to do, and I will not come down until my work is done.*

An Hon. Member: Exactly.

Hon. Wayne Caines: So, Minister Burch, when you are fixing the roads and you are looking at the sewage . . . when you are dealing with the young men, the architects in your department, remember, you are on the wall and you cannot come down until your work is done.

[Inaudible interjections and laughter]

Hon. Wayne Caines: Minister of Education, understand that we are going through a transition period and they are talking and they are having challenges. We are working on standard-based grading and you

continue to push the team because you are on the wall. You are working, and you cannot come down until your work is done.

Some Hon. Members: Yes!

An Hon. Member: Oh, yes!

[Desk thumping]

Hon. Wayne Caines: Minister of Transport, we are working, and we are trying to find everything in this budget to bring toward Bermuda and to get new forms of transportation, whether it is boats or whether it is electric cars. We are doing different things in tourism and in transport. And no matter what is said, you are on the wall. You cannot come down until your work is done.

An Hon. Member: Preach it!

[Inaudible interjections]

Hon. Wayne Caines: The Minister of Health, you are working on health care reform. No matter what is happening, no matter what they are saying about people who have been terminated, you have a responsibility and you do it. You are up on the wall. You cannot come down until your work is done.

[Inaudible interjections]

Hon. Wayne Caines: Minister of Home Affairs, you are tackling reform with electricity. You, too, are on the wall and you cannot come down until your work is done.

We have an opportunity as a Government to understand that we are frail at times and we are human at times.

Some Hon. Members: Yes. That's right.

Hon. Wayne Caines: The people of Bermuda are depending on us. We have a budget that has the right balance between finance and community and keeping the people safe, putting together economic reform, looking at what it says in FinTech, reaching out to new banking entities, bringing those new banking entities to Bermuda, talking about mortgage and reducing mortgage rates, a balance between the social and a balance between the business, a team that is rightly fit and rightly purposed.

We are on the wall. We have a work to do. And we cannot come down until our work is done.

[Desk thumping]

The Speaker: Thank you, Minister.

Does any other Member wish to speak? No other Member?

[Laughter]

An Hon. Member: I wouldn't want to get up and speak after that.

[Inaudible interjections]

Mr. Ben Smith: Good evening, Mr. Speaker.

The Speaker: Mr. Smith. MP Smith, you have the floor.

[Inaudible interjections]

Mr. Ben Smith: Good evening, Mr. Speaker.

The Speaker: Yes.

Mr. Ben Smith: In May 2017, the Honourable Premier, David Burt, at the time who was an MP, gave a speech at the Hamilton Rotary Club.

He spoke of the relationship between race, privilege, and the Two Bermudas. I remember clearly listening to the words that he spoke in that speech, the conversations that came out of the words that he spoke in that speech, and I remember thinking that we had a country where some people seem to get more opportunities than others. We had a situation where some people seem to have the ability to get ahead while others did not.

An Hon. Member: And who were they?

Mr. Ben Smith: I remember thinking that I could not sit on the sideline any longer. I need to get involved because it was too important for us to just stand by and see that some of our population was being left behind while others were having the ability to succeed.

So, in looking at the Budget, I am looking at it through the eyes of making sure that this Budget is for both of those pieces of the Two Bermudas, not one side over the other. I know that it is difficult because you have to balance the business side, because that is one of the drivers of the economy, but we have to make sure that we are not having our black and white Bermudians who are struggling day to day getting left behind. So, some of the pieces that I see in the budget, I just want to make sure that we are focused on that group that for a really long time has been left behind.

I am starting with the land tax. So with a flat rate, there has been discussion of the impact that it will have, obviously, on the higher side, but with the two lowest bands of the ARV. The 300 rate potentially is going to mean that some people are going to pay a

little bit more than they would have paid this year. And that is difficult in a time when we already have people who are suffering. So the people at the lowest level of our country, who are already suffering and cannot afford to pay their bills, are being asked to pay more than they did this year. So, yes, it is important that we have a budget that is going to be looking at the group that is at the top and should be paying more, but we have to be careful when you have the group that is hurting the most having to pay more when they cannot afford it at this moment.

The next piece is the Government fees being paid for by credit cards. I listened today about the companies at the top that are paying with their credit card, that are getting air miles and all the things that are true about big companies that are using it for those advantages. And that is the group that we talk about when we say that the fees are going to affect them. The problem is, if you are a working-class Bermudian that does not have cash flow, you use your credit card to pay your bills sometimes. So are you getting caught in the same net that was actually set up to tackle the group at the top?

So understanding that when we are looking at our overall economy, we have to make sure . . . and I know that everybody in the House understands that we have a problem in Bermuda with a portion—a large portion and a growing portion—of our population that is struggling to survive in this economy.

An Hon. Member: That is correct.

Mr. Ben Smith: So, we have to make sure that we are looking at both sides and not hitting the group that is already struggling to keep their heads above water.

Sugar tax. So the sugar tax moving from 50 per cent to 75 per cent. When the sugar tax was brought forward I agreed with it. I spoke to the fact that I have a mother who has diabetes. I have family members who have diabetes. I believe that it is a health crisis, something that we have to tackle. What I worry about is that many, many years ago an alcohol tax was put in place, and a tobacco tax was put in place. And in this budget both of those were raised and no one blinks an eye. But the question is, Is it actually having the impact that we wanted it to have?

[Inaudible interjections]

Mr. Ben Smith: But that is because people cannot smoke outside, and because of all the actual money that has been put into advertising to tell people that cigarettes are going to kill them.

So, really, when you look at it, we have a sugar tax. We are spending more money for items that really when you are in an economic, kind of the bottom level of the economy, and you cannot afford regular items, healthy items, a lot of times the energy that those workers are getting is coming from the bad

food. Now, do we want them to eat that? Listen, I agree that we should be doing things to give them healthy options. But how much have we moved in a direction to give them those healthy options at a level that is going to be affordable? So right now, when you are looking at it, this is another area that is hitting small businesses and it is hitting part of our population that is already struggling.

We had a business close yesterday, specifically directed to sugar tax.

[Crosstalk]

Mr. Ben Smith: Moving on from that, I am in agreement with the sobriety checkpoints. I am in agreement that we should be implementing rules that are putting us in a position to try to make our roads safer and to stop people from doing very dangerous behaviour on our roads.

But once again, when we are looking on one side of it, we have to make sure that we are taking care of the other side. Have we made sure that the transportation to get people home safely is available to them? We already have an issue where we do not have enough taxis for our tourists. We have bus issues to get people to and from. So, now what we have is, potentially, the businesses in hospitality actually being impacted and potentially laying off people or giving them reduced hours. And, once again, we are hitting the same target group that we are all in agreement that we should be looking after.

So have we set them up for failure when really the intention was to deal with a select group of people that were breaking the law? So, when you fix one side, you have to make sure that you are balancing it with fixing what you have to do on the other side of it.

When you add the sugar tax and you add not having the transportation to get home when you have had a couple of drinks, what impact is that having on our tourism industry? We are already too expensive. And now the drinks that they are going to purchase, when they are on vacation and wanting to have a good time, are costing more. And now they do not have the ability to get home from the restaurant or the bar—

[Inaudible interjections]

Mr. Ben Smith: The taxis are not available; I said that earlier.

So, I agree that we have to implement pieces on both sides. But I think it is important that we pay attention to the group that is already struggling, that is already hurting in our country—black, white, Portuguese Bermudians—that really need the help right now. And some of these things that are being implemented, yes, have been put in place to potentially affect the group at the top. But the group at the bottom is getting caught in the same net and people are los-

ing businesses. And businesses are not having the ability to reach their goals and they are having to make tough choices.

The retail sector is another area where we are having the same issue. So, when you put a payroll tax exemption on the high retail company, what about the small businesses? What about the businesses that are actually—

Hon. Curtis L. Dickinson: Mr. Speaker, point of order.

The Speaker: All right. Let's take a point of order from the Minister of Finance.

POINT OF ORDER

Hon. Curtis L. Dickinson: Mr. Speaker, throughout the course of the day there has been a suggestion that there has been no relief for small retailers. The fact of the matter is small retailers already have a low rate of payroll tax of around 1 per cent. So, those are the facts.

Mr. Ben Smith: I am not disagreeing with that but the problem is when the small businesses are right on the brink, they actually need help because that is the group that is employing Bermudians. That is the group that is trying to be creative in growth for Bermudian companies. We are trying to get innovators. We are trying to get people who are working toward helping our economy, and if what we are doing is not helping that group, while we are helping IB [international business], and we are helping the guy at the top—

Hon. Wayne L. Furbert: Point of order, Mr. Speaker.

The Speaker: We will take a point of order from the Junior Minister.

POINT OF ORDER

Hon. Wayne L. Furbert: A little different, a little different. The Honourable Member may not realise, but it was his Government that increased the duty on retail.

An Hon. Member: Oh!

The Speaker: Thank you.
Member.

Mr. Ben Smith: First of all, as I said right from the beginning, I got involved because I wanted change. I got involved so that I can actually try to help—

[Inaudible interjections]

An Hon. Member: Hear, hear!

Mr. Ben Smith: —so, obviously, you need to listen. That is why I got involved. Because I am trying to make sure that this group of people have a voice. That I can help. So, I am willing to help wherever it is possible for us to get to those goals. I just want to make sure that we are actually looking at both sides of this. You cannot just say we are going to do something, and actually end up catching the group that we are trying to help in that same net.

An Hon. Member: Hear, hear!

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

The Speaker: Thank you, Honourable Member.

Does any other Member wish to speak?

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

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

I do not really know where to start, Mr. Speaker. After all, the Member for constituency 14 said it all!

The Speaker: Well, that means that you would be short tonight.

[Laughter]

The Speaker: Continue on.

Mr. Rolfe Commissioning: I may very well be, Mr. Speaker.

[Inaudible interjections and laughter]

Mr. Rolfe Commissioning: I may very well be.

Mr. Speaker, I am going to start at the end of where I was originally intending to go and maybe then go to the front.

Mr. Speaker, there has been a lot of concern here about the issue of immigration. We heard the Minister say that comprehensive immigration reform is on its way. Mr. Speaker, over five decades ago, it may have been six decades ago, a former United Bermuda Party Minister by the name of Jim Woolridge came back to Bermuda with a degree as a dental technician. Mr. Woolridge was not able to get a job within that industry.

An Hon. Member: Why not?

Mr. Rolfe Commissioning: Because he was black.

An Hon. Member: Aah!

Mr. Rolfe Commissioning: Mr. Woolridge ended up driving taxi. That was the fate of so many educated

black men of that generation, many of whom are still living, like my mother and father and so many others. And so when I hear about, *We need to bring more people in and we need to open the floodgates of immigration, we need to be more like Cayman*. It strikes a very—

An Hon. Member: Dissidence.

Mr. Rolfe Commissioning: —dissident cord—

An Hon. Member: Dissident.

Mr. Rolfe Commissioning: —dissident cord within myself and generations of black Bermudians within this country.

Mr. Speaker, in this continuing journey down memory lane, I just want to share with the listening audience out there and my colleagues here, Mr. Speaker, with your indulgence—

The Speaker: Yes.

Mr. Rolfe Commissioning: —an excerpt from a book written by the Honourable Walton Brown, Jr., the current Minister of the Cabinet.

The book's title is, *Bermuda and the Struggle for Reform: Race, Politics, and Ideology, 1994-1998*. It was published, I guess, probably, roughly, a decade ago or more. And it reads as follows on the issue of immigration.

It says: "The second covert attempt by the UBP to hold on to political power was seeing the government implementation of a racially structured immigration policy. Bermuda's rulers first moved to ensure that all British subjects living on the Island for a period of at least three years were given the vote. This was made possible by a section included in the 1963 franchise legislation. With universal suffrage now a reality, Government made the concerted effort to encourage immigration by the thousands." (And, clearly, most of these were British citizens.) "A comparison of the 1950, 1960, and 1970 census reveals a remarkable increase in the number of non-Bermudians during the decade of the 1960s. In 1950, for example, a total of 7,387 persons living in the Island, excluding dependants of the United States and the Canadian Armed Forces, were foreign born. By 1960, that figure had grown modestly by 18 per cent to a total of 8,753. The following decade" (and this is important) "saw a significant escalation in the foreign-born population. An increase of some 66 per cent to a total of 14,496 persons. A small proportion of this were black, only 15 per cent, while 83 per cent were white. Since more than half of these new residents, 56 per cent, were from the British Commonwealth, they were all entitled to vote after living in the Island for a period of three years. Finally, well over two-thirds of all foreign per-

sons living in Bermuda by 1970, 69 per cent came to the Island during that decade.”

And who did they displace? Who did they marginalise in this society? Our parents and my generation! So you want to know why we are not open to hearing about opening the floodgates of immigration, Mr. Smith? That’s why! When you talk to my parents and that generation, our grandparents, your uncles and aunts, that is the issue.

An Hon. Member: Yes.

Mr. Rolfe Commissiong: But what did we get from white Bermuda? That’s right! For the most part, we hear it from them all the time. It is “reverse racism.” *These blacks are only doing to us what we have been doing to them.*

[Inaudible interjection]

Mr. Rolfe Commissiong: Do you know the scars from that period are still resonating? Where did these hoards that flooded in here during that period, where did they work? In Bermuda’s private sector! Who did they displace in that sector? Our parents! Our grandparents! Do you want to know why the current stats that we see around racial disparity are the way they still are in Bermuda in 2019? Look no further than that period in our history!

I am not going to make any apologies either. I heard my colleague from [constituency] 14—

Hon. Wayne Caines: Yes.

Mr. Rolfe Commissiong: —we must govern as a responsibility for all of Bermuda. But let me tell you this. All of Bermuda includes marginalised people, and, for the most part, they are black Bermudians.

An Hon. Member: That’s right!

[Inaudible interjections]

Mr. Rolfe Commissiong: Not black and white. Right now, if we have any unemployment, it is black Bermudians who are unemployed.

An Hon. Member: Yes.

[Inaudible interjections]

Mr. Rolfe Commissiong: Statistics indicate . . . evidence-based conversation, right? Statistics indicate that there is full employment, statistically, in Bermuda’s white community. Look at the stats that we saw the other day around health care. Over 2,000 black Bermudians did not have health insurance, as [at] 2010. And that included some black children. You know what the corresponding figure was for whites?

Around 200. So, yes, there are whites who are suffering. But they form almost 40 per cent of the population, 2,000 here in 2010 [and] 200 here . . . you are talking about . . . we don’t have a gross egregious disparity in this country?

Some Hon. Members: Correct. Yes.

Mr. Rolfe Commissiong: Wait now. Six years later, in 2016, over 4,000 black Bermudians are without health insurance, the corresponding figure for whites [is] 400-plus. So do not come with any false moral equivalency to me, because that is what is being perpetrated here.

We do not want to be like Cayman! Our parents fought and sacrificed to make sure we were not going to be like Cayman! So take your Cayman examples and you know where to put it!

The Speaker: Keep the tone at the right level.

[Inaudible interjections]

Mr. Rolfe Commissiong: Cayman Islands. Humph!

Now, we understand that we have an ageing population. Well, I say, let’s have an evidence-based conversation. The average age in Bermuda is 44 years of age. We are in demographic winter. But do you know how we had this conversation about how we are going to go forward, including on issues of immigration? When we see a more honest conversation taking place amongst that side of the aisle, and when you take into account what was done to our generations of black Bermudians, then we can have the honest conversation [of] how we can move forward. But, no, what did we get from them? *Oh, you are xenophobic. Oh, reverse racism.* What is that? I don’t know. That is what we are getting . . . the narrative . . . even former Minister Fahy, consistently always drops a little sentence in there. You know, sort of loud racist code whistles all the time. Basically saying the same thing, that affluent white Bermudians are now the new victims of racism in this country by a black dominated PLP and the black community more generally.

[Inaudible interjections]

Mr. Rolfe Commissiong: I will tell you this. Outside of that right-wing fascist newspaper down in Cayman, the [*Cayman*] *Compass*, or whatever it is called, which is a fellow traveller with the *Royal Gazette*, because the *Royal Gazette* is like in the same ideological space. Right? I bet you that if you speak to Mr. and Mrs. Cayman Islands down there and they will say, *Hey, I wish we were in Bermuda.*

An Hon. Member: Yes, they do say that.

[Inaudible interjections]

Mr. Rolfe Commissiong: You see. That is what they were trying in the 1960s and 1970s . . .
Huh?

[Inaudible interjection]

Mr. Rolfe Commissiong: To create a Cayman back then.

Anyway, Mr. Speaker, let me just continue on.

[Crosstalk]

Mr. Rolfe Commissiong: I, too, want to commend, Mr. Speaker, our newly minted Honourable Finance Minister for this March's inaugural budget before this august Chamber. We hope this is a first of many more to come.

He has amply demonstrated that he was more than capable of delivering a budget that has given confidence to every sector of this country—every sector. And he achieved that consensus by showing that he is more than capable in guiding this country's financial affairs with prudence and a well-honed competence burnished by his near three decades of working professionally in the global financial services sector, and by possessing an innate gift to compromise when the objective local and global conditions warrant.

But the Minister of Finance, due to his personal background, also intrinsically understands that this job is not one that can be guided by the abstract consideration of mere numbers alone, such as that represented by the long overdue achievement of Bermuda producing a modest budget surplus of just over \$7 million for the first time in 17 years, and that the debt itself will experience its first decline since 2003. He knows as well as most that a budget in this regard is also a reflection of moral choices and that a Finance Minister must also have a responsibility to outline priorities that are a reflection of those policy prescriptions that are set out in this all-parties platform upon which this Government was elected.

Mr. Speaker, let me remind everyone here, and those outside of this Chamber, that this Finance Minister and the team that surrounds him were given a historic mandate. Somehow this is forgotten. [They were given] a mandate the likes of which comes only very rarely, and that mandate, as per our election platform, was a ringing endorsement to transform Bermuda in a way that is consistent with our values and which will affirm our near six-decade commitment to economic, racial, and, more broadly, social justice in this country. This is what that overwhelming majority voted for.

An Hon. Member: Yes.

Mr. Rolfe Commissiong: But yet all we get is them pouring contempt upon that overwhelming majority.

They still have not learned the lesson inherent in that defeat—one of the greatest political defeats any party in this country has endured.

An Hon. Member: That's right.

An Hon. Member: In the modern era.

Mr. Rolfe Commissiong: In the modern era.

[Inaudible interjections]

Mr. Rolfe Commissiong: Mr. Speaker, did I get everything? Did I, and others, get everything that we would have wanted out of this budget? I am going to be honest with you. I would have liked to have seen more. As a progressive committed to economic and racial justice, I would have been more than pleased to see the tax burden substantively lifted from those Bermudians who work extraordinary hard in order to raise their families and support loved ones and who earn well below the median income in this country.

An Hon. Member: So would we.

Mr. Rolfe Commissiong: We still have to shift more of that burden to those at the top tiers of income distribution in this country and ensure that the wealthy are paying an equitable share in terms of taxes. No one here today can say, with a straight face, that that is occurring.

Mr. Speaker, the reality is that while many of the more affluent amongst our society cry out about the way their tax dollars are being spent, on a consistent basis we know that many in the upper income brackets, comparatively speaking—key word, “comparatively speaking”—pay little whatsoever on a personal level in taxes. As I said, relatively or comparatively speaking, compared to one of my constituents, Ms. Robinson, who has two children and takes home after taxes and benefits are deducted, no more than around \$450 per week.

Now, this conversation will continue as we move into 2020. And it must be had along with long overdue public policies to make better, to improve the above. We simply cannot, in a country with one of the highest levels of income inequality in the world, ignore this any longer. Especially when this level of income inequality is clearly exacerbating pre-existing racial disparities in Bermuda, as a recent census data confirmed (remember what I said, let's have an evidence-based conversation), and the fact that it is leading to increasing levels of relative and in some cases real poverty in Bermuda.

Mr. Speaker, when income inequality, as outlined by economist by Robert Stubbs is greater in Bermuda than the US and the UK, you know you have a major problem. Look around your own neighbourhoods, at least those persons who live in neighbour-

hoods that contain mixed-income individuals and households. Look what is happening in your own neighbourhoods and communities.

So would I have welcomed the decision to embrace one of the key recommendations of the Tax Reform Commission and exempt persons earning \$48,000 and lower from having to pay payroll tax? Of course I would! I would love to see that! Perhaps next year, the next fiscal cycle, we will be able to achieve that. Because Lord knows, they need it. More than anyone else, persons in this country, Bermudians, most of whom are black, earning under \$45,000 or \$48,000 a year, are living well below the poverty level in this country. But this budget, nevertheless, has not forgotten those Bermudians, as we shall see.

Mr. Speaker, clearly, there were headwinds. The Finance Minister outlined a number of which in his budget which precluded him from moving more aggressively, in a more progressive direction, with respect to taxes. And we appreciate that and understand it. He was transparent about it and gave confidence to us and Bermuda that the decisions he made with respect to those headwinds were the correct ones.

I would like to spend some time just discussing some of those headwinds as the Honourable Finance Minister did. Some of the biggest were global in nature. For example, we know that the European Union, as part of the moving, shifting landscape in terms of global sentiment is seeking to come after a number of offshore territories. Only a few weeks ago in this Chamber we had to pass a piece of legislation that some described as a “bitter pill.” I am looking at the Honourable Member from constituency 22. He still feels the bitter taste in his mouth; I can see it now. But it was something that we had to do. As the Honourable Member from [constituency] 14 outlined, the failure to enact that legislation would mean that our insurance and global insurance and reinsurance industry would be in peril. Even now we are still waiting to see if what we did was sufficient to satisfy the European Union. I am optimistic that it was. So that is one piece of it.

But, clearly, the error (and I said this before) that could be characterised as beginning in the late or mid-1980s or so, characterised by some of the changes that occurred in the Western Anglo-Saxon world, around the presidency of Reagan and the Prime Ministership of Margaret Thatcher, brought about some profound changes in terms of how most western nations handled their political economies. That era, which came to be known as “neo-liberalism,” in my view, had a four-decade run, and I think it came to crashing halt with the 2008 Great Recession.

And that played a major role in the change of global sentiment around places like Bermuda, and some of our sister jurisdictions. How is that going to play out over the next decade or so is still to be determined, but as it stands right now, I have confidence

in this team, this leadership under the Premier and our Finance Minister and his able teammates to be able to navigate these ever-increasingly dangerous waters. But that is one part of it.

The Member from [constituency] 14 talked about the pending threat posed by the decision on the part of the UK (supposedly our mother country in the minds of some; I have never characterised it as such. My father would never forgive me if I ever said it in that context) and their attempt to impose upon us a registry of beneficial ownership by 2023. We may find that this demand may also migrate to both the EU and the OECD. We certainly know that the OECD is now taking the economic substance model to try to make that a global standard. So we know we are entering into a new era.

Do we have the nimble leadership dedicated to innovative approaches that is prepared to jettison the old paradigms, the old models, so that Bermuda can enter into this new era? I think everybody in Bermuda has started to understand that we do! And these changes are not just save our international business model, but also to transform Bermuda in every way possible, to ensure that finally we can close those racial gaps of disparity that are shameful in this late era in our history, that we can surely find ourselves in a way, in a position of where every Bermudian then finds and feels that they are part of this country.

But just getting back to some of the local headwinds now. The reality is that the same insurance and reinsurance industry which we are frantically, in some ways, trying to save, to salvage, from what is happening globally has not been generating the types of jobs, particularly as it relates to the processing functions that characterised it at the turn of the century. Between outsourcing, automation, and mergers and acquisitions, they are all contributing to this trend. Moreover, questions of racial diversity within the industry at the highest level and the lack of entry-level jobs throughout the industry compound the difficulty of Bermudians—and I will say it again, particularly young black Bermudians—from being able to enter into the industry. Let’s not ignore the fact that over the last year we have had significant and very positive, progressive discussions around the lack of racial diversity in that industry.

Come on! It did happen. And the positive thing about it is that there were very significant and prominent whites within the industry who were sounding like the Minister from [constituency] 14, Mr. Caines, or like Mr. Swan, or like myself—

[Laughter]

Mr. Rolfe Commissiong: —on the issue of racial diversity within that industry.

I mean, you are laughing, but look. I mean, I actually heard—

[Inaudible interjections]

Mr. Rolfe Commissiong:—I actually heard Jonathan Reiss, the son of the founder of that industry, talk about the role that white supremacy—this is the term he used—was playing in inhibiting the acceptance and growth of prominent and qualified blacks within the industry. Those were his words.

An Hon. Member: It is happening every day.

Mr. Rolfe Commissiong: And it is happening every day. I mean, how could we have an industry over four decades and there are no entry-level positions? Come on!

Is this what Sir Jon Swan also bequeathed to us? Huh? As long as they were getting their cream off the top, who the hell cared about . . . with all due respect, Mr. Speaker—

[Inaudible interjection]

Mr. Rolfe Commissiong:—about those at the bottom who were trying to make a way out of no way. Let's put him in context too.

Mr. Speaker, that industry (and I am saying now, not just the insurance industry, but IB in general) generates over 60 per cent of the country's foreign exchange and 20 per cent of its GDP. That is why economic diversity must remain high on our agenda.

Now, I am going to say something. I am not a uncritical cheerleader for our reinsurance industry or IB in general, our finance sector. I recognise the value and the benefits that it has brought to our country. But I am not blind that it its wake it has brought some things that are very problematic.

Mr. Speaker, there is evidence, garnered from things like the World Inequality Report authored by Thomas Piketty, [Emmanuel] Saez, and the Tax Justice Network, that tends to confirm that the more an economy has reliance on financial services, as a percentage of its overall economy, the more things like income inequality and its impacts begin to come to the fore.

I will repeat again. I am not an enemy of IB or reinsurance or all the rest. I appreciate the benefits they brought. But let's not be blind to what has come in its wake. In essence, this is what occurs (they say). You begin to see an economy that creates a very lush oasis represented by those who own the capital assets, represented by these global companies, the highly paid professionals who dominate them, and those who provide goods and services to that sector. They all do well on that oasis. But increasingly it creates in its wake an economic desert over time, as the rest of the economy begins to atrophy, due to the high cost of doing business engendered by the growth of that sector, and other factors that are driven by the

success and dominance of that financial services sector.

So the problem comes when that sector becomes too much of a presence within your overall economy. And so we know that is probably one of the reasons why we find it so difficult to diversify this economy, when that sector alone has contributed mightily to the high cost of doing business in Bermuda, and, concomitantly with that, the high cost of living in this country. So this represents a headwind on a deeply structural level that will be very difficult to address and thus our continued dilemma.

Mr. Speaker, this budget also contained a number of opportunities . . . how much time do I have left?

The Speaker: You have just over two minutes.

Mr. Rolfe Commissiong: Two minutes! Oh, two minutes.

Okay.

So, some of the opportunities . . . Mr. Speaker, we had a great announcement today with the knowledge that Signature Bank is going to start providing banking services (Mr. Swan) to the FinTech sector in this country.

[Laughter]

Mr. Rolfe Commissiong: That is excellent news. We know that the hard work of, again, Minister Caines and the Premier in pushing to make Bermuda a global hub of FinTech was being stymied by the fact that we could not have the type of banking services that were needed. That seems to be the case now whereby it looks like we are going to turn the corner on that.

The Finance Minister, in his wisdom, [announced] the mortgage relief plan. That is nothing to sneeze at. I know, and I am being honest with you, there will be some who will talk about the fact that at this point it is going to be restricted, maybe on a pilot scheme basis, for those who work within the civil service. I, too, would seek to have, or encourage, or advocate that at a later time, after we see how this works out, it could be made more broadly available throughout the country.

The payroll tax relief to the largest employers within the retail sector, I think I have to say that that is a positive. Again, we have issues. We cannot leave out the smaller business owners as well. It is so important, and I do agree with Mr. Smith, from constituency 31, that they are a major engine of employment of Bermudians. Some of them though are, let's be honest, are not paying those type of wages that those Bermudians need to live on, to survive on. But that is another issue. But we cannot ignore the value that small business and small business owners bring to the country.

Moving on, Mr. Speaker, we know that we have the living wage that has been committed to, once again. It is going to be enacted in 2019. Certainly, even though we were not able to get the exemption for persons under \$48,000, in terms of payroll tax, we want people to know, especially those persons who are the most hard-pressed, the least of us in terms of income and wages, that relief is on the way. And this Government remains committed, a reflection of our long-held values, to deliver on that promise, and we will see the implementation, firstly, of a minimum wage in 2019, the establishment of a Wage Commission, the passing (hopefully) of amendments that are non-statutory, but will enhance the benefits for workers in this country and the formation and implementation of a Wage Commission in 2019.

So, Mr. Speaker, I want to thank you for indulging me and, once again, I thank this new Finance Minister for—

[Timer beeps]

The Speaker: That's it.

Mr. Rolfe Commissiong: —the great job he has done—

The Speaker: Any other Member wish to speak?

Mr. Rolfe Commissiong: —in delivering this budget.

The Speaker: We recognise the Honourable Member from constituency 22. Honourable Member Pearman, you have the floor.

Mr. Scott Pearman: Thank you, Mr. Speaker.

Perhaps because this new Minister of Finance introduced a pre-budget report, this whole budget process and the run-up to the Budget Debate seems to have filled the press and our days quite a lot more than I recall in the past, before I was involved in politics.

I have had the pleasure of attending a number of the events that the Minister has attended. I have heard him speak on a number of occasions. What we have is him repeating, often, the comment that he is new to this. And so, he is. I was elected to this House on the very same day he was so I, too, am new to this. As we are fresh and new, hopefully, you will permit me to step back and just give you an observation, because some of the statements that I am hearing about the budget and this budget process are just bizarre to me.

They are bizarre because we are treating a budget as if it is something etched in stone, the commandments brought down from the mountain. It is not. A budget . . . as far as I understand it, is just a forward-looking projection. That is all it is. It is specula-

tion. And I just want to say that because I think it is important to put it in context.

And if a budget is just a forward-looking projection, what we are debating about is philosophical ways to manage the economy. As I have done in the past, I want to try to be fair about this. It is not my point to throw stones for the sake of it. I want to recognise certain things about this forward-looking projection-prediction-speculation that I believe to be positive. And after that I will go on and identify certain [things] of them that I believe to be negative.

So, first, if I may, what is commendable about this fresh and new Finance Minister and his fresh and new budget? First and foremost to me (again, looking at this with new eyes and fresh eyes), it is commendable that he is really putting some driving emphasis behind the collection of taxes, because taxes, as a concept in the ether, are meaningless if they are not collected. So, I do commend the Minister on his effort to try to collect taxes by expanding the size of the Office of the Tax Commissioner, by putting some teeth behind that. May I also offer a suggestion? One of the best ways to get people to do things is to give them incentives. So perhaps, if you want more people to pay their taxes and pay them on time, give a deduction for early payment. You just might find that will fill your coffers more quickly.

I would also like to commend the fact that there has been considerable attention and focus on the debt and debt repayment. The twin threats, internal threats, facing our Island are these: The debt mountain and the unfunded public sector pension fund. Those are the two fundamental problems that need to be solved if the Bermuda economy is to rebound and succeed.

Thirdly, I commend the new Finance Minister on not introducing any of the new categories of taxes that were ventured in the pre-budget report. There were \$150-odd million in the Tax Commission Report and when we got the pre-budget report, that was withered down to \$50 million. The Minister backed away from that. And in my respectful submission, he was wise to do so. He was wise to do so because it is best not to raise taxes in a faltering economy. You can get a stall and a free fall.

And so let me come on then to certain things that I would constructively criticise about this budget. Having said that it would be unwise to raise \$50 million in new categories of taxes, the existing taxes are being raised. And we cannot miss that. My understanding is that it is circa \$39 million in increased taxes in existing categories. So, whilst we are not getting \$50 million worth of new category taxes, we are still seeing \$39 million increased in existing taxes. And that is regrettable because, as I say, raising taxes in a faltering economy is a dangerous game.

I have mentioned the two internal twin threats of the debt and the public sector pension. Let's just look for a moment, as the Minister did in his Budget

Statement, at some of the external threats. I am not the first person to observe that this is a small Island with big problems, and it is. Just to name a handful of things could absolutely wipe us out as an economy, EU substance, OECD oversight, possibly the beneficial ownership regime, although I think that has to be put in context, possibly a little less severe. And global competition. Everyone else is trying to do what we have done very successfully for many decades. But they are out to get us.

If I may just read two quick articles from the *Financial Times*, with you leave, Mr. Speaker.

The Speaker: Yes. Continue on.

Mr. Scott Pearman: These are both very, very important matters for Bermuda's economy. The first is from the *Financial Times*, 18 days ago, on the 13th of February. I will just pick out a few select quotes. It is an article about the dispute that is going on between the United States and the EU over the concept of blacklists. In fairness, it is not about the EU substance blacklist, it is about the money laundering blacklist. But the points the articles make I think are the same, no matter which blacklist we are talking about.

It says this: "Washington has condemned a new EU blacklist that alleges four US territories and 19 other jurisdictions pose a high risk of money-laundering." (No doubt that sounds familiar to your ears, Mr. Speaker.)

In response, "[t]he European Commission on Wednesday pressed ahead with publication of the name-and-shame exercise despite criticisms from member states, led by the UK and France, about the political sensitivities of the bloc drawing up its own blacklist."

(Washington's response.) "Washington said the Commission's review lacked depth, did not provide sufficient justification for its conclusions, and failed to provide accused territories with the time or opportunity to address its criticisms."

This harkens back to comments made earlier in the debate. And finally, the spokeswoman for the Commission, quote, "defended the Commission's methodology. She said she thought it unlikely critical EU members states would try to derail the [black]list, which they could do if they muster a qualified majority under the bloc voting rules." So that was her prediction, as I said, 18 days ago.

Mr. Speaker, only today we have a further article in the *Financial Times* updating us about that dispute. We now see the Saudis are involved because they, too, were threatened to be on the EU blacklist. And, again, if I may be permitted to read.

"Brussels has suffered a humiliating defeat in its plans to place Saudi Arabia and four US territories on a money laundering blacklist after virtually unanimous opposition from EU member states." Virtual

unanimous opposition from EU member states to Brussels' drive to blacklist other countries.

The next paragraph. "EU diplomats said 27 of 28 countries" (27 of 28!) "led by the UK, France, Germany, and the Netherlands blocked publication of the [black]list, which has also prompted fury in Washington and Riyadh."

Over the page. "Brussels argued that the list used tough criteria to protect Europe's banking system from illicit cash flows after a series of high-profile money laundering scandals."

And it goes on. "However, the veto means the commission will be forced to go back to the drawing board and work with governments to come up with a transparent methodology," said a commission official."

Over the page. "But the Saudi government and the US administration have branded the EU's exercise as politically motivated." Politically motivated! ". . . Washington's ambassador to the EU, denounced the commission's exercise as 'purely . . . political' and said he hoped enough EU member countries would push to have it scrapped."

This is the ambassador from Washington to the EU. "I think the process and the way in which it was handled is despicable," he said. 'I don't think it is in the European Union's interest to pick yet another fight, not just with the US, but with a lot of other friendly countries over this kind of an issue.'"

The echoes of that story ring loud in our ears here in Bermuda. Methodologies that are not open and transparent, attacks on countries that are doing nothing else then going about their business in a well-regulated way.

Thank you, Mr. Speaker, for allowing me that parenthetical pause, but this is what we are up against. We are up against organisations and entities and countries that do not wish to see the Bermuda model succeed in any form. On the 12th of March, the now-extended deadline by which we may find out where we appear on the EU blacklist, our house of cards can come clattering down. And I mention this in the context of this Budget Debate because I think it is important for us all, as best we can, to get real. I commend the Minister of Finance for the professional way in which he has approached this budget exercise, for the way he has tried to balance competing interests, because everyone has an opinion, and you can never get anything right.

But let me also criticise, if I may, some in the Government's approach to this budget. It helps no one to spin a budget as having a surplus, a surplus of \$7 million, and to tout that and to report that to the media and to, yes, mislead the public, when in reality, the only reason there is a budget surplus of \$7 million is because \$65 million is not being paid into the Sinking Fund, as is mandated by law. So don't stand up and say—

[Inaudible interjections]

Mr. Scott Pearman: Don't stand up and say, *There is a \$7 million budget surplus, and aren't we wonderful?* No.

Hon. Zane J. S. De Silva: Point of order, Mr. Speaker.

The Speaker: We will take your point of order.

POINT OF ORDER
[Misleading]

Hon. Zane J. S. De Silva: The Honourable Member I think is misleading the House. And maybe the Minister of Finance can clarify, but I do not think—

The Speaker: Well, are you going to make your point of order? Make your point of order.

Hon. Zane J. S. De Silva: My point of order is, and he can prove me wrong, but it is not mandated by law that we contribute to the Sinking Fund.

The Speaker: Thank you.
Member, continue.

Mr. Scott Pearman: To the extent that it would allow my honourable friend to sit down, I will accept that there is scope for discretion. Nonetheless, there are laws surrounding payments into the Sinking Fund, and 2.5 per cent of the debt is supposed to be paid in. And in rough terms, that is \$65 million.

[Inaudible interjections]

Mr. Scott Pearman: Now, as I said—

[Inaudible interjections]

The Speaker: Members. Members.

Mr. Scott Pearman: As I said, Members of the Government have announced to the media . . . one Member of the Government, a Minister, went so far as to say this, and I quote. "The Government has achieved" (achieved) "the first budget surplus in 17 years." No it hasn't. This budget is a future-looking prediction. We will know what this Government has achieved when this budget is over [and] the numbers are in. And I honestly stand here before everyone in this House and say, *I hope you make your surplus.* I do. Because it is in Bermuda's interest that you do. But let's not crow politically about what you have achieved when nothing yet has been achieved.

[Inaudible interjections]

Mr. Scott Pearman: And to be clear—

[Inaudible interjections]

The Speaker: Let the Member speak to the Chair.

Mr. Scott Pearman: And to be clear, so that I am not misleading anyone, I am not—

The Speaker: Let the Member speak here.

Mr. Scott Pearman: —suggesting that this has ever been said by the Honourable Minister of Finance.

So as I have said, a budget is just a forward-looking prediction.

[Inaudible interjections]

Mr. Scott Pearman: And I understand the points about not borrowing from international lenders at a higher rate to put that money into the Sinking Fund, and have the Sinking Fund interest rate be lower. You know, that does not make sense logically. And I understand that. And it would take, presumably, \$2 million or \$3 million of interest to borrow the \$65 million that needs to be paid into the Sinking Fund. But the fact that this Government has decided not to pay into the Sinking Fund, says something about the concept of savings discipline.

Hon. Curtis L. Dickinson: Mr. Speaker. Point of order.

The Speaker: Point of order. What is your point of order, Minister?

POINT OF ORDER

Hon. Curtis L. Dickinson: The point of order is the Member from constituency 22 has said that this is a projection. The Government is projecting a surplus and that surplus will be applied to the Sinking Fund. So to suggest that the Government is not going to pay into the Sinking Fund in the future is being clairvoyant, and it is just not true.

The Speaker: Thank you.

[Inaudible interjections]

Mr. Scott Pearman: That is a perfectly fair point, Mr. Speaker. But it doesn't actually answer the point because this is not a budget projecting a surplus of \$65 million, and, therefore, if there is a surplus to be paid into the Sinking Fund, it certainly will not be 2.5 per cent of the debt.

An Hon. Member: What are you talking about?

Mr. Scott Pearman: But is a fair point that—

The Speaker: Let the Member speak to the Chair.

[Inaudible interjections]

The Speaker: Continue on. Speak to me.

Mr. Scott Pearman: Mr. Speaker, for the benefit of those who are asking questions, What 2.5 per cent of the debt is, is about \$65 million. That is what on an annual basis a responsible government would normally pay into the Sinking Fund.

Hon. Wayne L. Furbert: Point of order, Mr. Speaker.

Hon. Curtis L. Dickinson: Mr. Speaker, point of order.

The Speaker: We will take it from the Minister of Finance.

POINT OF ORDER

Hon. Curtis L. Dickinson: Mr. Speaker, I am not going to stand up and pretend to be an expert on matters of law, and I would expect that Members who are experts on matters of law would not try to be experts on matters of finance.

Some Hon. Members: Ooh!

[Inaudible interjections and desk thumping]

Hon. Curtis L. Dickinson: I know what a Sinking Fund is.

The Speaker: Make your point, Minister. Make your point.

Hon. Curtis L. Dickinson: A Sinking Fund and the amount contributed to a Sinking Fund can evolve over time depending on the circumstances. And the fact that in 1993 it was decided [to use] 2.5 per cent . . . there is nothing magical about that. It was a number that was determined. It could change tomorrow. It could be 1 per cent or 100 per cent.

Some Hon. Members: Or 0.00 per cent!

Hon. Curtis L. Dickinson: I have chosen to have it at zero for the time being, given the circumstances that we are currently in.

[Inaudible interjections]

The Speaker: Thank you.
Member.

Mr. Scott Pearman: My understanding, Mr. Speaker, is that points of order are usually left for occasions

when someone is misleading the House. I am not misleading the House at all. I am saying what 2.5 per cent of the debt is, which is circa \$65 million, and that is what one would expect to be paid into the Sinking Fund.

[Inaudible interjections]

Mr. Scott Pearman: And it is not. And the Government accepts that it is not. So let's be clear and not let's not play political games.

[Inaudible interjections]

Mr. Scott Pearman: And I accept that there is an element of discretion. And I have already accepted that, so I am not misleading this House.

The Speaker: Just continue on. Just speak this way.

Mr. Scott Pearman: So it is about savings discipline and it is also about trust. As I say, it is not a question of saying, *This is what we have achieved. We put a budget in a book and isn't this great?* Well, it is about what will be achieved and whether you meet your targets. And as I say, I sincerely hope that you do.

An Hon. Member: You mean, we do.

Mr. Scott Pearman: Well, I am not the Government.

An Hon. Member: Hmm.

Mr. Scott Pearman: I am just an MP.

An Hon. Member: Well, we are all in this together.

Mr. Scott Pearman: We are all in it together.

The credit card point. I think it was a very valid point made by my honourable friend, Mr. Smith, earlier. It is an unwise idea, I respectfully suggest, to impose a sanction on those who use credit cards to pay their tax bills. And the reason for that is that there are some who use credit cards because they are convenient, but there are some who use—

Hon. Derrick V. Burgess, Sr.: Point of order, Mr. Speaker.

The Speaker: Yes.

POINT OF ORDER

Hon. Derrick V. Burgess, Sr.: Mr. Speaker, let me just inform the Honourable Member that that charge was in existence up until 2016. It is not there now because the new system that the previous Government bought cannot . . . that system cannot handle it. And that is why it has stopped. It has always been there.

The Speaker: Thank you.
Continue.

Mr. Scott Pearman: Mr. Speaker, I cannot talk to the past. Like the Finance Minister, I am fresh and new, and I am talking about how we should progress in the future.

Why I think it is a bad idea is this: People who use credit cards to pay certain taxes often do so because they must. They do not have the cash flow, they do not have the access to cash, and they put it on the never-never. Hopefully their cash flow will improve and they will be able to pay. To visit a sanction on them without any sorts of means testing would not be fair, in my submission.

In terms of the mortgages—

[Inaudible interjections]

Mr. Scott Pearman: In terms of the mortgages, I think it sets a very dangerous precedent to provide state-backed mortgages to civil servants. I have heard it called a “pilot scheme” by one of the MPs on the other side earlier in the debate. I do not know if that is its intent, but you know, why should only the public sector be considered for an opportunity to borrow the taxpayers’ money? That does not seem fair for all the taxpayers.

One of the more contentious aspects of this budget is whether or not this Government has a plan to grow the economy. The budget itself, if I may be permitted to read again, Mr. Speaker, on page 14.

The Speaker: Yes, go ahead.

Mr. Scott Pearman: It says, under the heading, “Our Economic Plan.” “Build on what we currently do well in financial services and tourism; diversify our economy so that we can attract companies in new industries to our shores; reduce the cost of living and the cost of doing business in Bermuda; make our government more efficient; reduce regulations and red tape to stimulate investment while promoting competition in the Bermuda economy.”

I make two points about that statement. The first is that those are ideals that I think anyone in this room would agree with and support. The second, and perhaps this is the more concerning point, is they are not really a plan. Those are statements of a goal or a destination, and what they are not is a roadmap as to how to get there.

[Inaudible interjection]

Mr. Scott Pearman: There is, therefore, at the moment no clear roadmap to how this Government proposes to stimulate the economy.

[Inaudible interjections]

Mr. Scott Pearman: I have no need to discuss the America’s Cup, but if you associate stimulating the economy with the America’s Cup, so be it.

[Inaudible interjections]

Mr. Scott Pearman: Another contentious issue is that of immigration. I think it is important considering the back and forth we have had during this debate on this issue just to highlight two points. One is that, yes, we do need to attract wealth creators, job creators, to our shores. And, no, no one is talking about floodgates.

But the second thing, and it has not been said yet tonight so I think it is important to emphasise that, is we also need to ensure that we retain those who are already here. So we should not always just be thinking about the people beyond that we want to attract. We must remember how it is we keep those here, here. Because they are very important too.

An Hon. Member: Point taken.

Mr. Scott Pearman: And it is always easier, I would suggest, to grow what you know. And if we can help the existing businesses here to expand, that is a good thing.

In terms of foreigners coming to Bermuda, they bring Bermudian jobs with them. Do not take my word for it. The Bermuda Development Agency just put out a new promo, and they say for every one new job that creates 1.3 Bermudian jobs. That ratio has actually come down. It used to be higher. I make this point because one of the Members across the aisle said we should have an evidence-based conversation about many things, including immigration. And, yes, we should. We must recognise that people who come in here and bring businesses with them and create businesses help create Bermudian jobs. They do not come in and *take* Bermudian jobs.

Another of the speakers earlier in the debate, said this, and I will quote. “We should only bring them in if there are jobs to fill.” And, respectfully, that is absolutely wrong, because they do not come in to fill the job. We want wealth creators to come in and create the jobs. It is not a zero-sum game. It is not a static economy. New business brings new jobs. It is because of that principle, and because that principle is correct, that this Government has been focusing on FinTech as a new business to create new jobs.

So, respectfully, the MP who suggests that you should only bring in foreigners to fill existing jobs is, respectfully, incorrect, in my opinion.

Spending. Mr. Speaker, it is regrettable not to see any spending cuts in this budget. The Honourable Minister of Finance, in a very frank exchange at the Budget Breakfast, answered a question as to why there were no spending cuts, saying that it was not consistent with his values. Let me first say that I admire those values, and I commend him for that. But let

me also say that sometimes you need to take tough decisions to ensure a better future. And in my respectful opinion, if you have the courage to explain to those you value why Government spending needs to come down, they will understand, and you will be able to decrease spending.

Earlier I spoke about the twin internal threats of debt and the public sector pension. Let me just add a third by way of a flag, and that is public sector reform. And we hear that this is something that the Government is going to embark upon. We wish them well, and we hope that they do tackle that because it must be tackled. And have courage! Because such reform will not be easy; but it is vital if this economy is to succeed and flourish.

Mr. Speaker, in conclusion—

The Speaker: Yes.

Mr. Scott Pearman: —there are good things in this budget. There are bad things in this budget. But if you have to distil it to one final point, given the \$39 million of new taxes, the cost of living will be going up for Bermudians next year. That is something that we will have to deal with.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

We recognise Minister Foggo. Minister Foggo, you have the floor.

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

Mr. Speaker, I stand this evening to participate in this economic debate.

The Speaker: Ms. Foggo, let me just remind all Members that when that clock up there passes nine o'clock, we will have reached that magical time of seven hours since this debate has taken place. At that point, all speeches are only 20 minutes.

Hon. Lovitta F. Foggo: So, Mr. Speaker, are you saying that I will only have 20 minutes?

[Laughter]

The Speaker: This clock is going to be set for 20 minutes.

[Laughter and inaudible interjections]

The Speaker: No, no, no. No, no.

Hon. Lovitta F. Foggo: So, Mr. Speaker, let me just say this: We have heard countless times today during this debate—

[Inaudible interjections]

The Speaker: Read your Standing Orders, Members. Read your Standing Orders.

Hon. Lovitta F. Foggo: —that this Government can take pride in the fact that in about the last 16 years, this is the first time that we have been able to really present what many and most consider a balanced budget.

Mr. Speaker, I think when we heard the Minister of Finance deliver his speech, one of the things that he did try and emphasise was the fact that, in putting this budget together, he was trying to be balanced and fair, taking everything into consideration, taking the debt that we incurred, taking the current financial situation that we have in our beloved Bermuda. And with all of those considerations, he definitely succeeded in putting a budget together that we believe will allow this Government to deliver on our promise, which, firstly, comes under the banner of putting our people first and being responsive to the needs of our people.

Mr. Speaker, many have spoken about the various inequities that exist within our society and have used that to speak to the fact that it is incumbent upon us, if we are all to be responsible, to address those inequities that exist in our society. Mr. Speaker, I am going to focus most of what I say with respect to my Ministry. But let me say this. With this budget that the Minister of Finance has presented . . . and the Honourable Member who just took his seat has cautioned about being prudent in our spending, but, more importantly, saying that he does not know why we were not able to, I guess, if you will, reduce our spending.

We took over an economy that had dire infrastructure needs. The infrastructure was crumbling. Our Minister of Works, when he first took over, spent our entire first year and a good portion of this year tirelessly focusing on tending to those infrastructure needs. He had trash trucks that he had to buy, roads that had been left for five years with no attention.

Hon. Patricia J. Gordon-Pamplin: Point of order. Point of order, Mr. Speaker.

The Speaker: Yes. Point of order.

POINT OF ORDER

Hon. Patricia J. Gordon-Pamplin: Yes. I just think it is important. The Honourable Member spoke about trash trucks. The Honourable Member might want to sit down.

The Speaker: Yes. There should only be one person on her feet at the time.

Hon. Lovitta F. Foggo: Oh. Sorry.

The Speaker: Yes.

Hon. Patricia J. Gordon-Pamplin: But speaking about trash trucks that needed to be purchased, you will recall that new trash trucks were purchased just before 2012. And those were brand-new trash trucks. But they were the wrong type of order. And, therefore, they had mechanical problems.

Hon. Lovitta F. Foggo: I do not believe that that was a point of order. That does not negate the fact that he had to do what he had to do—

The Speaker: Continue to speak to the Chair. Continue to speak to the Chair.

Hon. Lovitta F. Foggo: —which is purchase more.

Mr. Speaker, though we know that many of our schools have been in a state of disrepair and repairs of such a nature that sometimes require perennial and annual attention, nonetheless, tireless efforts were put in place to ensure that we addressed such things.

Mr. Speaker, and in continuing and looking at all of those sorts of things, as the Minister of Finance, along with his colleagues, understanding that there is still much work to be done, [they] put together a budget that he believes each of the respective Ministers will be able to execute and, indeed, deliver on the needs of the community and the people whom we serve.

Mr. Speaker, we understand that to address the issues, it is essential for us, yes, to create jobs. And again, much accolades go to our Premier and the Minister who previously carried FinTech, in terms of trying to bring a third pillar. And much success is being made in that direction. And we heard about a new bank coming on board, which will allow us to further progress that particular industry, Mr. Speaker. But turning around the situation we have here in Bermuda requires a systemic approach. And so, we cannot be singular in our delivery. We must use a multi-pronged approach to try and address all of the needs so that the overall impact will be one that will allow us to realise our aims. And that is creating a fairer and better Bermuda for its people and those who are on our shores.

And one of the ways that we intend to do that, Mr. Speaker, is when we look at the workforce, recognising that we . . . And my colleague from constituency 21 spoke about the inequities and the fact that many of our Bermudians are without work. We recognise that it is incumbent upon us as a Government to figure out how to get our people back to work. And so, Mr. Speaker, we have put much attention, in the Ministry of Labour and the Department of Workforce, with respect to ensuring that our people have appropriate training in various industries so that they will be first in line for securing work.

And, Mr. Speaker, going forward, when we look at the hotel industry with the hotels coming on board, we have laser-beam vision in terms of making certain that we, again, look at our workforce and ensure that our people get the appropriate training so that they can make certain that they are first in line. We are steadfast in our endeavours to ensure that we provide training. And we will be relentless and make certain that our people have the opportunity to benefit from that training.

Mr. Speaker, as you heard from the Minister of Health, we are reforming the health care system so that it ensures that everyone, especially those we find on the lower rungs of the economic totem pole—especially those—will realise improved, increased and better health care. And it will not have as much of a strain on the limited funds that they have.

Mr. Speaker, in the area of workforce development, we are making certain that we marry up our efforts, as have been in place. But we are doubling down on it and making certain that we work in concert with the Ministry of Immigration to ensure that policies that are in operation, first and foremost, recognise the needs of our people.

Mr. Speaker, as the Minister of Labour (and I have said this several times), I get it that Bermuda works best when her people are working. And anybody who is in government knows that when we have more people working, it is beneficial to government. Because it is through our workforce that government makes much of its money.

And so, anyone who would suggest that we are not focused on ensuring that we get our people back to work is simply out in left field. Because almost every other word that comes out of our mouths, as a Government, has pointed to the fact that we will do everything within our remit to make certain that we empower our people and, indeed, provide them with the skills and educational opportunities that can be achieved through training, through apprenticeship and through scholarship programmes; that can be acquired through education; that can be acquired through workforce development; and that are in other areas of government—that our people have every opportunity to take advantage of that.

Because we want to ensure that, through it all, we are making certain that we address the inequity that does exist. Even though we recognise the historical, I guess, if you will, legacies that have fed into these inequities, as a Government and as a young Government, we recognise what must be done on a multi-pronged approach to try and eradicate those imbalances and level the playing field. And it may be, in some cases, tilted so that our people who are particularly disadvantaged have a better chance of operating on that level playing field, Mr. Speaker.

When we look within our society and we see that, whether it is in the upper echelons of the workforce (and by that I mean your high-level white-collar

work), or whether it is at the blue-collar level, I am sure that most people in this House . . . but I can definitely speak for the people who sit on our side of the Chamber. Almost every day have to listen to our folks lament about the fact that they feel as though they are being left out and they are being disenfranchised as a people.

Mr. Speaker, I can tell you, and I think people have heard me say this before, that when you read on the blogs, and I have read it more than once, and I have heard it on the radio, when persons can say in a country that they have come to work in, *What is a Bermudian?*, it incenses me every time that I hear that. It diminishes us and makes it seem as though we do not exist. When we have to hear our people who are speaking about the fact that they are left out, our Bermudian people, then we recognise why they are constantly singing that particular song—or “wailing,” I think is a more appropriate word.

Mr. Speaker, I can say because of that this Government again has focused, and the Ministry of Community and Culture has focused on ensuring that we recognise certain groups such as artists and the good works that they do. And we have committed, and I think people have seen it in the public domain, and they certainly heard about it today, we are committed to ensuring that we recognise their work. And part of that is to promote our culture as Bermudians. Because we do want persons to recognise, in the 400 years that we have been here we have developed a culture. And I am sure that most Bermudians who sit in this room can speak about things like shark hash, cassava pie, and foods that you do not typically get anywhere else in the world made the way it is made [here]. And so, those things speak to—

An Hon. Member: Conch stew.

Hon. Lovitta F. Foggo: Conch stew. I have had conch stew in other places.

But those things speak to what it is to be a Bermudian. And a former Member who is no longer with us, you would constantly hear her promote the Gombeyes. And that speaks to what it is to be Bermudian.

And so, this Government is focused on ensuring that, as we address the inequities that prevail in our community, we likewise will be doing everything that we can to ensure that our Bermudian people know what it is to be Bermudian. And especially our young Bermudian people, because we live in a society today where people have instant and constant exposure to the rest of the world. And sometimes, that has a way of eroding our own values and our own, I guess, unique qualities that set us aside from other societies. And so, we recognise, as a Government, how important it is that, every chance we get, we remind ourselves and all who visit our shores who we are as a people.

Mr. Speaker, I guess to drive the point home about why I feel incensed when I have people who question who we are as Bermudians, it is because I think that those of us who live on this side of the world, many of us have a common experience. And that experience was slavery, whether we were the slave masters or whether we come from those who were slaves. And so, you look at all of North America—Canada and the United States—all of South America. And you look at the Caribbean. We have a similar history. And I know what the effect would be if I said, *What is a Canadian? What is an American?* And I am not talking about the indigenous Americans. I am talking about those who come from . . . whose heritage is from European and other backgrounds, who came to the New World, as it were. People get insulted by that.

Again, recognising and having heard from many, especially many who are older and wiser, that you cannot know who you are if you do not know where you came from, and understanding that principle, again I want to say it is because of that that this Government wants to ensure that we celebrate our culture and what it is to Bermuda. Because, after all, Mr. Speaker, we did promise and we campaigned under the banner of putting Bermudians first. And so, for those who do not know what being Bermudian is, we will make certain that we, through education, through cultural experiences, make it clear to all who live on these shores what it is to be Bermudian.

And so, Mr. Speaker, I can say that, within my Ministry, at least about 30 per cent of our budget is committed to ensuring, as I said earlier, that our people benefit from the scholarships, the training programmes, apprenticeships. We are supporting all sorts of sporting agencies and, again, many cultural events. Because, Mr. Speaker, we understand that, as a Government, we must ensure that we put our people first.

Mr. Speaker, I can also say that, in particular in my Ministry, understanding the sporting arena, we have a national stadium. And some \$400,000 was put back into the operations budget for the National Sports Centre. It is our only centre, if you will, that is set up in a manner that can house many different international sporting events. And so, it is incumbent upon us as a Government to ensure that that entity is kept in a condition that it can continue to invite people to our shores. And it allows us, from a tourism point of view, and even a revenue point of view, to realise some monies back, I guess, in the kitty. And—

[Timer beeps]

Hon. Lovitta F. Foggo: I cannot believe 20 minutes is up! Cannot be!

[Laughter and inaudible interjections]

The Speaker: Thank you for your contribution, Minister.

Does any other Honourable Member wish to speak?

We recognise the—

Hon. Lovitta F. Foggo: And we are committed to putting Bermudians first, Mr. Speaker.

The Speaker: We recognise the Opposition Leader. Honourable Opposition Leader, you have the floor.

Hon. Lovitta F. Foggo: That was the fastest 20 minutes I know!

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

The Speaker: The timer works very well.

Hon. L. Craig Cannonier: Mr. Speaker, they are taking up my time. I have only got 20 minutes here.

The Speaker: Yes. That is right. You will have 20 minutes.

An Hon. Member: You have got 18 left.

Hon. L. Craig Cannonier: Yes. I have 18 now. I do want to say thank you to—

[Inaudible interjections]

Hon. L. Craig Cannonier: Your time is up. Your time is up.

[Laughter]

Hon. L. Craig Cannonier: Thank you to the Honourable Pat Gordon-Pamplin for her part that she has played today in the reading of the Reply. I also want to thank the Honourable Curtis Dickinson, the Finance Minister, for presenting a budget that has allowed this debate to take place as we continue forward for the next two weeks, two and a half weeks.

In some instances, thus far, the debate has lived up to its rhetoric. And in some cases it has certainly fallen far short of what some of the debates that we have had in the past have been like.

As I think about where we are today and the challenges that we face, I am woefully reminded of the concern that all of us in this House do have for the prospects of a tomorrow for Bermuda, Bermudians, and those who visit our shores. We have certainly heard how today in Bermuda it is extremely difficult to survive. Whether you own a business, whether you work for a business, whether you work for a charity, whether you are visiting the shores of Bermuda and

working, it is becoming increasingly difficult to be able to afford to live in Bermuda.

The cost of living continues to be a challenge for everyone on the Island. And one of the concerns that I have is that I do not feel that the budget has addressed the cost of living to really present the realities of what is going on in Bermuda right now. And I was having a bit of difficulty, Mr. Speaker. I must say I kind of enjoy a bit of the cut and thrust of the debates and getting fired up. And the other preacher in the room (because I have been accused of being a preacher), but the other preacher in the room gave a great speech, actually. And so, I will leave tonight . . . We have had our sermon tonight. I will leave that to him.

But I want Bermuda to be reminded that we are not living in an easy time right now. There are external factors that, overnight, could cripple this Island. And all it would take is the wrong negotiations between the United States and its largest trading partner, China, to go all wrong. And that would affect Bermuda adversely. All it would take, as we see the tensions rising around the world today, is a war that would impede ships that allow cargo to come across the Atlantic Ocean. And, God forbid, we would be in serious trouble. And so, the essence of time is paramount.

And I will give kudos to the Finance Minister. I am getting to know him much better, and I am actually enjoying the experience, quite frankly. He has been creative, certainly been creative. I will say this. Thank God Bob Richards did not think to go after the Sinking Fund, because then they would not have had it! But he has been creative. And I believe that the intent by this Finance Minister has been one to seek out a balance, one to seek out opportunities for all who reside on the Island.

But therein lies the real challenge that we do face. And one of those challenges, Mr. Speaker, as I have already said, is the high cost of living. But I want to remind all of us in this House, and Bermuda listening, that the high cost of living in Bermuda, Mr. Speaker, has always been buffered by having a healthy number of people living and working in Bermuda. And so, in order for us to survive, we have got to find a way to get revenue circulating in this Island that fills the coffers of government; that fills the till of retailers; and that allows all of the entrepreneurs, the electricians and the plumbers, to thrive in this Island. But at this particular time, Mr. Speaker, that is not the case.

I heard an Honourable Member say that *relief is on the way*. And so, while relief is on the way, Mr. Speaker, I saw a quote in a book that I have been reading, *The Necessity of an Enemy*. And the quote says this here, on the very second page: "When you keep trying to get a job and you fail, when you try to save your house but you lose it, when you desperately try to hang on to your business, but the doors close, hopelessness begins to set in." What I just read to you

in that quote, Mr. Speaker, is the stark reality of where Bermuda is right now.

And so, it does not matter, all 36 of us in this room, Mr. Speaker, the minute that we step outside of these four walls, the very first thing that we get asked is, *Listen! I need some help. Can you loan me some money? or Can you get me a job?* And we have heard from Honourable Members in this House the reality that we know people who keep trying to get a job, and they are failing. We know that there are people who are losing their homes. We know that businesses are going out of business.

We have got to find a way to stimulate this economy. We have got to find a way to improve our conditions, to ensure that we as Bermudians thrive. Now, the question, and the first thing that you want to look at, is, *Well, if we don't have the money, then where is the money?* And we have to target this money with tenacity. Now, I will say, Mr. Speaker, that this Government has, with tenacity, gone after an industry. And I have already applauded them in this attempt. But what I believe needs to happen in addition to that is, as we talk about diversification, we need to be going after several things at once.

And so, what I am looking for as we move throughout this next year and we have set the budget is that there is room and there is scope for other industries that we should be seriously looking at that are going to bring about prosperity for Bermudians, foremost. The question that we have is, How do we accomplish this? And I have heard, unfortunately, that this OBA, as an Opposition, believes in opening up the floodgates of immigration and the likes. And I get the thrust of that political banter back and forth. But that could be so far from the truth. That is not the truth at all.

We do believe, and we do recognise that, as we have said already, the high cost of living in Bermuda has always been buffered by a healthy number of people living and working in Bermuda. And so, we must, just as we saw in the report (from the . . . is it the BDA who put out the report about the number of high investors who come here and the number of Bermudians who go along when they come here to invest?), we have got to get high net worth people investing in Bermuda to create the many opportunities that have allowed Bermudians to live a good, healthy lifestyle.

And that did not happen overnight. It took time to get there. And I recognise with FinTech, and I am praying that it will get there, we are seeing some strides. We have seen some setbacks; but I believe that there is scope for other industries. And I believe that the intellect is over there in Government that they should be able to not go after just one industry, but go after several at the same time. Because the reality of right now is, when I open up the paper and when I look in the paper and I see a 70-year-old company go out of business . . . And I must admit, Mr. Roberts, if

any of you know him, he had this way of, when he talked to you it was almost as if he was singing. We were always buying our condiments, or candies, from him, for years, for years.

And I believe, just as this Government, with their tenacious go-after and their abilities to say, *Well, look, you know, we're going to go after the sugar tax, and it's going to be huge.* And they put a 75 per cent increase. It was 50 per cent, and now it is going to go up another 25 per cent, to make up that 75 per cent. The tenacity with which they went after that sugar tax should also be the tenacity with which we are going after diversifying this economy! And diversifying this economy is not just one other thing. It should be several things that we are attempting to go after.

An Hon. Member: Did you read the Budget Statement?

Hon. L. Craig Cannonier: I read the Budget Statement. I read the Budget Statement. So, we will see. We will see. I mean, you said "blue economy." I do not know what that means. I am hoping that there will be some clarification of that diversification, as you talk of, as you speak about diversifying. We have not *seen* that yet. What we have *heard* mostly. What we have heard thus far as a Government is FinTech. We have not *seen* any movements in other areas. So, it may be there, but you have got to do it. I can *read* it, but you have got to *do* it.

An Hon. Member: Yes. Exactly.

Hon. L. Craig Cannonier: We can read it. But you have got to do it, Premier. So, I am giving you kudos for going after FinTech. But I am telling you you have to go after other economies. There are not enough people on this Island to support the economy—not enough. Not enough!

[Inaudible interjections]

Hon. L. Craig Cannonier: We do not have any ideas. We do not have any ideas. What I am saying is, right now, Mr. Speaker, people are hurting. And this budget is not addressing the cost of living for Bermudians. And so, as I went and had the opportunity, Mr. Speaker, to go to the Budget Breakfast that the Honourable Finance Minister put on, and well represented there, it was interesting to listen to the comments that were being made there. And the overall comment that was being made was this: *Well, thank goodness that the Government did not introduce any new taxes.* Okay. So, I hear that. I get that. But then, on Tuesday, we also got the opportunity to listen to some of what we would consider to be local experts. We had Cordell Riley on *Bernews* on a panel, also Craig Simmons on the panel. We had Cheryl Packwood on this panel. Bermudians, 100 per cent, sitting there talking about

the concern that the existing taxes had been increased.

And so, you have two different segments saying two different things. *Thank goodness there weren't any new taxes!* and *My goodness! Unfortunately, we have increased the existing taxes that we do have.* And so, the reality of Bermuda right now is that we need some movement. And I can say . . . well, you know, I am glad to read in the budget that there are some things that we are looking at. But we need action now. Because there are too many businesses going out of business.

An Hon. Member: It won't be the floodgates though.

Hon. L. Craig Cannonier: And so, no one is looking for the floodgates. But I think that we need some opportunities. We need to look, just as we looked at the tenacity of going out there for the sugar tax, we need that tenacity to look at diversifying in other areas, because if we do not find the way throughout the next year, there will be—there will be for sure—

[Inaudible interjection]

Hon. L. Craig Cannonier: You are the Government! You figure it out!

There will be more businesses going out of business. And let me just say this here. It is Bermudian businesses that are closing up and finding it difficult. And so, we have no other choice but to look at how we get more people within industries here working and thriving to allow for Bermudians also to come back.

The challenge is this, and I keep hearing this thing that, you know, we want Bermudians to come back. I remember saying that myself, as well. We have got to get Bermudians to come back. But the value proposition has to be there for them to come back. And the value proposition has to be there for high income net worth people to invest in Bermuda. And so, I am hoping that, as we go through 2019, we will continue to make the value proposition to be in Bermuda so much so that high net worth people invest and Bermudians can come back to Bermuda.

It is not going to happen right now. Any business model that you put down right now, because we do not have the numbers here, the value proposition does not work. It is too costly to do business in Bermuda. And so, with that in mind, we have got to figure out, Mr. Speaker, because we cannot get the cost of living down quickly enough, how can we get investment into this Island quickly enough to save many of the businesses that are on the brink? That is what we need to do.

And so, no one is down-crying the Government here. Listen. You have an approach to the budget that is, frankly, slightly different than our approach to the budget. There is blame enough to go

around as to why we are where we are today. But the fact remains right now that, if we do not get something happening, hopelessness is going to set in. So, I appreciate the speeches up here. And I must say to the Honourable Member, the Finance Minister, you have got your hands full this upcoming year. And you are going to have to deal with your ministries. I mean, we have been there before as Government. When we are there, Ministers want to be able to do certain things. It is going to be difficult to cut costs. It is going to be difficult to stay within budget.

And so, I am encouraging you to stay the line. And you and I have had conversations, and I believe that your intent is to stay the line. And I am encouraging you to stay the line. Because right now, the fact is, when I talk to . . . Darlene about the business a few weeks ago and the challenges, she echoed the same concerns that other retail businesses are having. And that is cash flow.

An Hon. Member: Things that make you go, *Hmm*.

Hon. L. Craig Cannonier: Yes. Things that make you go, *Hmm*. That is right. Yes. Things that make you go, *Hmm*. And it does make me go, *Hmm*, now that the Honourable Member has brought it up, because our approach to the sugar tax would have been different. We would have phased it in bit by bit.

[Inaudible interjection]

Hon. L. Craig Cannonier: Fifty per cent? Let me tell you what—

[Inaudible interjections and laughter]

The Speaker: Members! Let the Member speak to the Chair.

Hon. L. Craig Cannonier: Fifty per cent was imposed on sugar. Let me just break down what that does for the local retailer, Mr. Speaker.

The Speaker: Yes.

Hon. L. Craig Cannonier: Let me explain what that does to the local retailer.

[Inaudible interjection]

The Speaker: Let him talk to the Chair.
Speak to the Chair.

Hon. L. Craig Cannonier: Cash flow is the major challenge for retail businesses in Bermuda right now. That is their major challenge.

The Speaker: You have got a minute and half on the clock.

Hon. L. Craig Cannonier: Sorry?

The Speaker: A minute and a half left on the clock.

Hon. L. Craig Cannonier: What?

The Speaker: Yes, 20 minutes.

Hon. L. Craig Cannonier: Retail businesses are having a real difficult time with cash flow. The minute that the price of those goods goes up, that retailer has to come up with that money overnight, because he has got to pay for it up front. A few businesses may give you 30 days to pay for the items, [but] many businesses right now, because of the times, are having to pay up front for these particular products. So, rather than now having paid, you know, \$10 for an item, they are now, basically, paying \$15 for this particular item. So, that cost has gone up for that retailer.

And I want to say this here, since I only have that minute and a half left. I received a letter late January, Mr. Speaker, from a wholesaler, that said this here: *We apologise that we have to increase [the price of] this product on you. But this product, because of the tax that has gone in place, is going up—* and I can give the letter to you, Mr. Speaker, for evidence—*2,500 per cent. The product cost \$3.00. It now costs \$70.00.* An increase of 2,500 per cent—

Hon. Zane. J. S. De Silva: M&M's?

Hon. L. Craig Cannonier: I'm going to tell you the product. Let me tell you the product—for Drum loose tobacco.

[Inaudible interjection]

Hon. L. Craig Cannonier: That is all right. What I am getting at is that, if I want to continue to sell this product, it now has become burdensome for the retailer, because he has to pay that money up front for that particular product. That is his cash flow that is putting him in trouble, when it is difficult to go to the bank and get what he needs.

And so, in closing, Mr. Speaker, I will say this—

[Timer beeps]

The Speaker: Thank you, Honourable Member.
Does any other Member wish to speak?
No other Member—oh, Deputy.

[Laughter]

The Speaker: I had a clear line down there, all those Members.

Deputy, you have the floor, Deputy.

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

Mr. Speaker, every time . . . first, let me congratulate our Finance Minister for a superb budget that has got support from all quarters, besides maybe one or two, of Bermuda. It is probably the first time that I can recall in this House that the support and the approval of a budget has gotten such support. And our Minister did this with the widest possible amount of consultation. So, I want to congratulate our Finance Minister for a superb budget. He has not even been in this House a year. But he has produced something that many others could not produce.

Mr. Speaker, every time our taxes increase, the cost of living increases also, no matter who the Government is, unless it is offset by foreign exchange. So, Mr. Speaker, I just want to make that clear. You know, the thing is that we have in our accounts receivable over a quarter of a billion dollars—in accounts receivable. And the Finance Minister . . . this Government has taken the steps to correct that by hiring more people to collect. Because, Mr. Speaker, borrowing money for cash flow costs the taxpayer. Having over \$250 million out there in accounts receivable, you can imagine the costs.

Mr. Speaker, I am not going to be long. But I want to talk a little about the sugar tax. People are making a big fuss about the sugar tax. I am not, Mr. Speaker. I think people should talk to some people who . . . talk to some amputees who have got both legs taken off because of diabetes. Talk to some of those who have lost their sight because of sugar. Mr. Speaker, talk to those who are on dialysis. Talk to those people who, every day, the wounds on their legs and feet have to be nursed, a wound that will never heal. Talk to those people. That is who we are trying to save.

We do not want that. We have got the highest amputation rate in the world! We do not want that. This Government is serious about that, despite . . . despite what people are saying about our sugar tax. We are serious. We want to save our people. But sometimes, people do not want to save themselves, or in the interest of a dollar. Health is very important to us, Mr. Speaker.

You know, Mr. Speaker, I had a conversation with a cardiologist at Johns Hopkins a couple of years ago. And I asked him in a conversation, *What is the food that is the most detrimental to your health?* I was surprised at the answer. He told me sugar. I thought he was going to say red meat, dairy or something. He said sugar. I said, *Oh, my God.* So, you know, the figures are there. Everything is there. The warnings are there. And people are not taking heed. They are worried that, *Hey, I can't have my candy.* But that candy is not doing you any good. It is doing you harm, you know.

And, Mr. Speaker, as you get older, those arteries that you have in your body, with all that dam-

age from the drugs that you have got to take, very expensive drugs, may I add, they break down. And sometimes, the only solution is amputation, Mr. Speaker.

Mr. Speaker, I also want to talk about the age discrimination in the workplace. Because we talk about our unfunded pension in the years to come. Mr. Speaker, presently, we have got, we call it *old age dependency ratio* of those under 65 and those above. Presently, the rate is probably about 22 per cent of seniors who are over 65. In the year 2026, it is projected to be 33 per cent, which means that there will be fewer people working. And those people would have to pay, because you are sending people home who are 65.

You sent them home.

But this Government has promised to change that in the next session. I am glad about that, because people treat people who have gone 65 like it is a crime to be employed, it is a crime to be promoted. There is no law in this world that says that somebody 64 or 65 cannot be promoted. No law in the world! Because very shortly, we will be begging people 65 and older to stay in the workforce.

An Hon. Member: They are doing it now.

Hon. Derrick V. Burgess, Sr.: You are right, they are doing it now. You know, in 1950, we had about just over 1,100 births, almost 1,150 births. You know what it is now? The latest figures we have got were 769. And that was about eight years ago. No, it is less than that. I am sorry. It is about 500-and-something births a year. Yes! And people are not busy. But a lot of you know the history.

Back in the 1950s, the government brought in somebody to give our people something to cut down the birth rate because they thought there were too many black babies being born. So, our people started cutting down the rate. I mean, back in the 1950s and 1940s and probably early 1960s, having eight or nine children was common in Bermuda. But it brought much love, Mr. Speaker.

So, we have got to keep our people in the workforce longer, Mr. Speaker, because people are living longer. We are trying to balance this pension out, because, you know, the average rate of death right now is almost 82. Very shortly, it will be . . . In fact, in 2026, it will be 83.5. So, they are living longer. They are going to be pulling from the pension fund longer. So, you want to try to offset that. Extending the age is not going to solve the problem of the underfunded pension. It certainly will help it. And so, we need not be sending our people home at 65. Keep them on the job.

They are encyclopaedias. You know, their work rate is good. We have got some people 30–35, their work rate is bad. They do not even come to work! They get a little snuffle, they are staying home. Those

people 65 come to work with headaches and everything else. And they must be applauded, Mr. Speaker.

People think we are xenophobic about immigration, bringing people into this country. We are not. But we have a reason, Mr. Speaker. Because if you read the history, the history is very clear, and it happens up until today. They bring in people (and I am talking about the lower end) to undercut Bermudians' wage rates. That is how it started. Or they bring them in to increase the numbers of white voters to keep us, at that time, out of power.

In fact, between 1957 and 1966, I think it was (1956 to 1967, eleven years), there were 704 people given status in this country. Guess what, Mr. Speaker? Only four of those people were black. And one of those blacks happened to be E. T. Richards, who later became Premier of the country.

So, we have got a right to be xenophobic about foreigners, in a sense. They put that in our DNA, because today they continue to bring these folks to undercut the rates of our people. They bring in folks, and they give them a contract rate, give them \$20 an hour. There are no deductions for pension, payroll tax, social insurance. Who loses out? The government. And then, they want to pay our local boys like that. And our boys say, *No, we're not working for that rate*. So, those type of things have got to be fixed, Mr. Speaker.

And then, in the . . . I do not know if I want to call it the Reply to the Budget, but in a statement they made to the budget about special audits, Mr. Speaker. You know, Mr. Speaker, it is only special audits on us. Because one of the most, I would say, sloppy jobs as far as management of a government project was Heritage Wharf improvements, Mr. Speaker. That went almost 50 per cent over budget, under the OBA Government—50 per cent! Guess what, Mr. Speaker? No special audit, no special report.

An Hon. Member: No, not one!

Hon. Derrick V. Burgess, Sr.: Why are the only people getting special reports from the PLP?

Mr. Speaker, in fact, I am going to keep repeating this. About \$16 million that was not collected in the Budget Book, it says, because law firms undervalued assets in the conveyance of goods, and undervalued them, so we lost—the auditor's estimation was \$16 million. If he is guessing that, it was probably \$25 million. But guess what? There was no investigation. And the Foreign and Commonwealth representative to the country never ordered an investigation. But based on an allegation, he investigated Dr. Brown, who is still being investigated after over eight years. That is not right. The record of the representatives from the Foreign and Commonwealth Office to Bermuda has been shameful and racist, to a point, Mr. Speaker.

And then, when we look at money being over-spent, let us look at the airport, Mr. Speaker. We are probably paying \$100 million more for that airport than we should have. When you compare airports around the world that are being built, airports now, that airport down there is, what, 276,000 square feet. That is almost the same size as the one in Houston. And we only take in, in and out, roughly not even 800 passengers. You know, in fact, we had about just under 300 in, 300 go out. Houston has 11 million. And they have got one of 280,000 square feet, which cost \$146 million, Mr. Speaker.

With this airport, every time I pass it, it looks like something from outer space land. It is no architectural design that even complements Bermuda. At least they could have put a Bermuda roof on it! It is a big building down there that I do not think we need. I do not know how they are going to staff or house that whole building. It is something that we do not need, with, what, less than 300,000 arrivals a year? No, Mr. Speaker. I am telling you, that deal . . . when the Government wasted money, because the former Government spent \$4 million to pay a law firm to write up a contract that you cannot get out of. Mr. Speaker, it does not even sound right. Every contract should have an out clause. There is no out clause in there. Yes, the out clause is to pay and buy the whole contract. That is the out clause. There are no variations in that contract.

If you look at all of the reports that the former Government commissioned, they tell you that contracts of this nature have variations in them. This one does not have any. No variations at all, Mr. Speaker! And it is the only contract that we know of that we have got a guarantee of revenues. Ms. Smith has got to pay. If they do not reach their . . . In fact, when they signed this contract, they did not know what debt it was going to be. But they signed the contract guaranteeing that company their revenue. Ms. Smith has got to pay for it. She cannot even buy her medication, but she has got to help pay for their guarantee. You know, Mr. Speaker, that is shameful!

So, Mr. Speaker, I am going to sit down because I did not want to be up this long, because I expected to be home. Because I want to go to church tomorrow.

[Laughter]

Hon. Derrick V. Burgess, Sr.: And it looks like I am not going to make it.

But let me say this one thing.

An Hon. Member: We had a sermon tonight already.

Hon. Derrick V. Burgess, Sr.: Yes, we did, from Pastor Caines.

But let me finish this here, Mr. Speaker. I am still on the airport. In fact, there was the UK Charter.

Raymond Russell always calls in to the radio shows and talks about the UK Charter. That is where the Government should have gone first to try to get money.

We are a colony of the UK. And they have got some responsibilities under the UK Charter signed with us! That is where we should have gone to get some funds. They have built some in the territories already, right? In [Saint] Helena and in Montserrat. One airport they built, they cannot use it, Mr. Speaker. So, they did not do a good job with this here, because I am telling you. This thing is costing a lot of money. It is a lot of space down there that we are not going to be able to use, unless they just furnish it out and say, *Look. Put one man in probably an office of 200 square feet, you know.*

Mr. Speaker, I have had my say. Let me sit. Thank you.

The Speaker: Thank you, Deputy.

Is there any other Member who wishes to speak? We will stick in this corner down front here.

Minister.

Lt. Col. Hon. David A. Burch: There are not many people left, are there, Mr. Speaker?

The Speaker: All right. Continue on.

Lt. Col. Hon. David A. Burch: First, I guess I should have a question for Bishop Caines, because it would appear that I am not as close as he is, and at his worst. But it would appear as if Members of the Opposition have had the similar sort of epiphany tonight that Saul had on the way to Damascus. Starting with their position of nothing but criticism and the underlying suggestion that we do not know what we are doing—that was at two o'clock this afternoon—and ending with the Leader, who basically said, you know, *I kind of sort of support what it is that you're doing.*

In any case, Mr. Speaker, there are a couple of things that I want to say. And I am going to use my 20 minutes to try and focus on the seven areas of the Ministry of Public Works that the Opposition saw fit not to even address during this Budget Debate. I could not believe the gift I have been given, because I will not sit idle during the first six days of this Budget Debate. I have five hours to discuss two areas of the Ministry of Public Works, the Ministry Headquarters and the Bermuda Housing Corporation. Or, \$12.3 million of the \$73 million budget that I have. And so, I am going to try and use this . . .

And let me just say this, Mr. Speaker. They have allocated five hours. So, let me put them on notice now that I do not even need a third of that five hours to present on those two subjects. So, I am going to try and talk about some of those areas in my Ministry that are not being covered so that the people who spent good time preparing briefs to inform the

Bermudian public and the Opposition about what it is that this Government is doing, they will know something about.

The Speaker: You are allowed to talk about it as long as you do not get into the nuts and bolts of the figures.

Lt. Col. Hon. David A. Burch: No. I am not getting into any nuts and bolts. I am going to talk about some of the things that we are going to do this year, Mr. Speaker.

The Speaker: Sure.

Lt. Col. Hon. David A. Burch: If that is all right with you. I hope that I have your indulgence.

I am going to start with land title registration, which, from our point of view, Mr. Speaker, is a landmark office that I would have thought everybody in this country would want to know how they are doing. And so, I am going to start with them. That office, after coming into being in 2006, so 13 years ago now, really only went live on the 27th of August 2018. And I am pleased to report, Mr. Speaker, that the Bermudian

...
I will confess first. I had indicated to the Registrar that I thought we were going to have a difficult time with seniors in Bermuda giving up their deeds, because every senior has related to me . . . there is no way that I even saw deeds. They were locked away in all sorts of places. And I suggested to the Registrar that we might start with younger people who would be more willing to put their deeds up on the register.

Mr. Speaker, I can report that, in fact, that is not the case. Seniors have been coming in in numbers to have their deeds registered, because they do not want to leave this earth not knowing that who they want to get their property is going to get it. And so, I am quite pleased, Mr. Speaker. And I can report that they have completed a total of 2,136 applications in 2018, but on various things, so not just properties. Of those, 270 are land title registration processes; 98 voluntary registration and 1,859 applications were under the deed registry system.

Mr. Speaker, the office is ticking along quite nicely and still requiring people to make appointments so that there is no waiting period. And I can say that they never have been too busy during this last period to entertain anybody who comes into the office. And certainly, all of the comments that I have gotten from people who have come into the office have been positive.

Mr. Speaker, for this upcoming year, there are a number of things that will take place. But one of the most interesting aspects of the Land Title Registration Office that is really going to take us into the 20th century, not the 21st century, is that not only lawyers, but members of the public will be able to search online for

their deeds and confirm that their property is indeed registered and if there is a sale or anything like that, then that process will flow a lot smoother and a lot quicker, and certainly the legal fraternity is not too happy with us, because they can do that without need of their services.

Mr. Speaker, I am going to quickly go to the Land Valuation Department, which is a department of only eight staff and a very small budget. But I can report, Mr. Speaker, that they generate about \$90 million in government revenue, essentially from land tax stamp duty and immigration property licence fees. I guess the most important, or the most interesting, aspect of this department, Mr. Speaker, is that they actually have a total of 36,177 units on the valuation list, with a combined asset annual rental value of approximately \$1.3 billion. What I think will be of interest to everyone who owns property is that next year, in fact, is the five-year annual revaluation of units. And that process will start this year with survey forms being sent to all taxpayers in the fall of this year and once analysed the newly compiled 2020 draft valuation list will be published on 31 December 2020.

Mr. Speaker, finally, what I would say about this department is that it is the first department in all of government to actually go completely paperless. And it really is quite something. They have been able to scan all of the maps and all of the other documents that they have in their office. And over the time that we have been in Government I have visited on a regular basis and every time I have gone, a filing cabinet has gone missing because they have been able to scan the documents into their system and remove those files from the office. We in the Ministry intend to continue in that vein and not only from the point of view of just ourselves, but in providing accommodation to other departments. I guess the biggest challenge we are facing is that many of the civil servants are like teachers. They want every piece of paper they have ever touched in their career within reach. So trying to get them to scan them into a computer and be able to search for them and find them a lot quicker is an uphill task, Mr. Speaker. But we are starting in-house first. So people cannot point a finger and say we are asking people to do something that we are not prepared to do ourselves.

Mr. Speaker, I am going to jump to a few things. We had some comments . . . the Minister of Education talked about what we have done in relation to schools this year. Last year, since we came into office, in terms of the investment that we made in upgrading schools . . . (and as soon as I can find it, I will swing to that) we spent \$2.5 million in this current fiscal year, Mr. Speaker. And we are budgeted to spend \$3 million next year. Now, we are not going at this and throwing money at it. We are operating on the basis of three surveys that have been done in order to identify the challenges that we have in the schools. One is the health and safety inspection which was provided and

completed at the end of last year. And there is a facilities management team that has also done an inspection, and we are going out to the private sector to do surveys of the current conditions of schools, the physical condition of schools, identifying and prioritising short-, medium-, and long-term works together with costs.

What we have also been able to do this year and will continue next year, Mr. Speaker, is not leaving the work that is required in schools to be completed during the summer months. We have a rolling forward schedule that addresses issues in schools on weekends, if they can be accomplished over that period, and all throughout the school year on all the other holidays as well, scheduling the work that can be completed during that time which reduces the pressure on the summer months so that we are able to not have the sort of pressure to get schools back up to par.

Mr. Speaker, you will know, and colleagues will now be aware, that this House will be closed and we will meet somewhere else after this session so that there can be a complete upgrade to the House of Assembly building. The courts downstairs will also be vacating the building so that the building can be in pristine condition in order to be able to celebrate the 400th anniversary of Parliament in Bermuda next year in 2020. So there will be a complete renovation of the House of Assembly building, including upgrades to electrical, plumbing, HVAC, installation of new windows, and some minor internal layout changes. It is our expectation, Mr. Speaker, from the Minister's office, that we will not follow the route of some projects, and we will meet the timelines and deadlines that have been set.

An Hon. Member: You just pleased the Speaker.

Lt. Col. Hon. David A. Burch: I just pleased the Speaker? Yes. Mr. Speaker, can I get a few more minutes?

[Laughter]

An Hon. Member: Nice try.

Lt. Col. Hon. David A. Burch: Mr. Speaker, I would also like to report that the new government space standards, which is . . . I heard today that we do not have plans to reduce our expenses. Well, we certainly do, Mr. Speaker. But it is like a super tanker; you cannot flip that and turn it around overnight. So what we have done is we have implemented it first with the Estates Department, which is the department tasked with enforcing and informing this new policy. And I can report that we went from 16 staff in their space that was previously occupied to now 24. And so that is the direction in which we are going. And I can say that initially there was some resistance from some of the

staff, but I think that people have now gone into the space and are finding that not only is it conducive to doing work, but it is even more conducive to collaborating with their colleagues on particular issues.

We have a strange situation in my walk and we are working through that in the sense that individual Estates officers have client ministries. And my view is slightly different in that if you have a client in Global House, then it really makes sense to have one officer who is responsible for all of those occupants as opposed to having everybody go through every learning curve that is unique to Global House and trying to provide services to those people.

But it is a work in progress, Mr. Speaker, and we are moving forward with that programme with the balance of the third floor that they currently occupy, which will be the next area to be addressed in terms of space standards. So we will effect some changes and we will see some reduction, not only in the amount of accommodation that government occupies in its own buildings, but also in the amount of accommodation that we rent in the private sector.

Mr. Speaker, the Department of Works and Engineering . . . and I am going to jump to one of the aspects, because there has been some criticism both in the Reply and the media, and other places, about the institution of once-a-week garbage collection, and that this is, you know, irresponsible. But you cannot have it both ways, Mr. Speaker. We are saving a significant amount of money. A significant amount of money, Mr. Speaker. And as a result, we can adjust.

I have every confidence . . . and we have some other ideas that are coming down the pike in order to address some of the challenges that we are having in some of the areas where people are being irresponsible. But I believe, Mr. Speaker, that it is our job—all of our jobs. We represent the whole country. And I will be coming to every Member of this House with some suggestions about how we can come into your areas, our areas, and address those pockets of resistance so that we can help them to get to where it is. But the country is saving a significant amount of money not just in the waste management section, with those people who collect the garbage, in overtime, but in all the areas of the Ministry, Mr. Speaker. We do not have to keep the airport dump and Marsh Folly and all those other areas opened and staffed and pay overtime in order to accommodate that.

So once-a-week garbage collection is here to stay, and we are going to work with our people and our folks in order to be able to accept that this is the way to go. It is not a punishment. You want us to save money? Then we have to come up with practical ways to be able to do that.

Mr. Speaker, you will know that we recently repurposed the former Artemis building at the quarry. This has replaced four buildings that were probably in excess of 60 years old and in need of significant renovation. We did it at half the cost of at traditional build,

Mr. Speaker, and it is going to provide state-of-the-art facilities and improve the Ministry's ability to be able to function, not only in terms of stores and what it holds, and our ability to repair all of the vast pieces of equipment that we own, but also to provide a new garage to be able to fix those old and new trash trucks and keep them on the road.

Mr. Speaker, oftentimes many people in this country think we only recycle tin, aluminium and glass. I can tell you, Mr. Speaker, in looking at the budget and being subjected to not having an increase—in fact, having a reduction in our budget—we looked at some of the things that we would have to do in order to be able to meet the cash limits that were assigned by the Minister of Finance. One of those was looking at whether we would continue down the recycling path in its current form.

Two aspects of it, Mr. Speaker, are the cost to the Ministry, the government, and the people of Bermuda. We do not even break even. We break even and probably make a small profit this year on aluminium, but on glass we do not know. We no longer ship that overseas, we keep it and recycle it and use it in terms of fill and various other things in the Ministry and make practical use of that. In the case of tin, we make zero. There is no money in it whatsoever. So the only incentive to continue to do it in this vein and be able to keep the environmentalists completely off my back (at least on this particular issue) is to continue in that vein.

What I would also like to highlight, Mr. Speaker, because we often get caught up in the American advertising about recycling plastic, for us, that is not a good thing at all. And that is the reason why we do not do it. It serves as fuel for Tynes Bay, when you mix it with the rest of the garbage that we produce, and it helps us to generate more electricity. We do provide all of the scrubbers and filters on the stack so that there are no poisonous gases being emitted into the atmosphere. So, no one can really complain about it.

What is interesting, Mr. Speaker, is that other parts of the world are actually catching us up. There is going to be (and it is under construction) construction of the first waste-to-energy facility on the African Continent. It is currently being built in Ethiopia and it is four times the size of Tynes Bay. So we are actually looking at perhaps exporting some of our expertise, Bermudian expertise, to assist them in getting that plant up and running.

Mr. Speaker, we anticipate producing an incredible 70,000 tonnes of solid waste at Tynes Bay this year. That is about 1,000 tonnes, if there were 65,000 of us. That is outrageous, Mr. Speaker. And we are able to manage that with once-a-week garbage collection, I might add. And let me just say, in the case of garbage collection, for those who are clamouring for twice a week, we would have the same situation we had 19 months ago—no guarantee that

your garbage would be collected. And then there would be another set of complaints.

We are able to manage collecting the waste as it stands and in the area that we have the greatest weakness, the new trucks are able to accommodate that.

This 70,000 is an increase of 5,000 over last year. So we are clearly going in the wrong direction, Mr. Speaker, in terms of the waste that we generate. We forecast this year to sell 25,000 kilowatt hours of electricity to BELCO. So it is a profit-making exercise for the Government of Bermuda. We are making a significant amount of revenue. But I can say that we are also looking at changing the model because we sell to BELCO cheaper than we buy it back from them, or the people buy it back from them. So we will be making some adjustments in utilising the electricity that we produce to cover buildings and whatever else that we have.

How much time do I have left, Mr. Speaker?

The Speaker: Thirty seconds.

Lt. Col. Hon. David A. Burch: Thirty seconds?

Okay, let me . . . I have several others, Mr. Speaker, but let me end by saying that I consider it a distinct honour to have this responsibility. And I would like to thank all of those people in all areas of the Ministry of Public Works who work hard every day to ensure that we deliver on the responsibilities that we have to this country.

Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

Does any other Member wish to speak?

We recognise the Honourable Member from constituency 4. Honourable Member Furbert, you have the floor.

Mrs. Tinee Furbert: Thank you, Mr. Speaker.

Thank you for allowing to go before our guest of honour speaker, Honourable Zane De Silva. He is actually going to be our guest speaker for Founder's Day on Sunday.

Mr. Speaker, what I want to do is highlight two particular areas as it has to do with the budget. I want to highlight our commitment to budget transparency. I also want to highlight some concerns that constituents have had in regard to the budget. So, I just want to highlight here recently my colleague, Christopher Famous, and I had the opportunity to participate in a Commonwealth Parliamentary Association course. What was magnificent about it was that we had the opportunity to compare Bermuda to other small branch jurisdictions. So, it was interesting to see how they also manage budget transparency.

In our Pre-Budget, which is our third (correct me if I am wrong) Pre-Budget Report, it demonstrated that we, as a Government, are committed to discipline

and prudence. It also speaks to us meeting international best practice in making sure that we are transparent with the public as it has to do with this budgeting and how we spend the government's money. And so we are committed to sharing the following: the Pre-Budget Report, the Budget Statement, Citizens' Budget, Enacted Budget, In-year Reports as it has to do with the budget, Mid-year Review, Year-end Report, and Audit Report, which we generally get from the Auditor General. And all of those opportunities that we get to speak about the budget are how we are showing the public that we are being transparent about the use of the government's, or the people's, money.

So, Bermuda actually fares pretty well when it comes budget transparency and being able to reach out and speak to the public as it relates to the budget and how we are spending our money when we compared ourselves to other small branch jurisdictions that are not doing Pre-Budget reports and who are not doing things like Citizens' Budget or Mid-year Review. So I commend our Government for continuing to be transparent with the budget, and we hope that future Governments continue to be as transparent when it comes to our budgets.

I also want to speak to how recently I had the opportunity to go out and canvass, which I tend to do often. I went into an area, and I had two separate experiences, Mr. Speaker. I went into one home . . . and both of these experiences that I am going to share are families of persons of white descent who are Bermuda status Bermudians. And the first home that I stepped into, they welcomed me. I sat down, they gave me a nice snack, made sure I had something to drink. And they proceeded, Mr. Speaker, to speak about white privilege and how they actually came to Bermuda.

The gentleman spoke about how his father came. He first came to Bermuda to work for Somers Isles at the time. He spoke about how back in those days persons in high positions would actually give money to white persons in our community to enable them to buy land and buy houses. And he said, *You know, Tinee, back then that would not have happened for someone in our black community, as much as it was given to white persons in our [white] community.*

He also spoke about how in certain companies they were giving money to black men to further their education, how white companies were giving to black men to further their education. And he went on to just speak about how there were advantages back then for white people to get ahead and how white men were paying for black men to go to school to assist with their sorts of advantages.

And I would just like to make reference to our budget and how we are putting aside money to allow our students to further their education. We are also making a college promise to those students who have a GPA of 3, or more, to be able to go to Bermuda Col-

lege. We are also allowing for mortgages to be covered for persons in our community, Mr. Speaker.

The next house that I went to, Mr. Speaker, was interesting. And I always find it interesting when I go to visit with this family. I was not invited in. I was approached at the door, like, *stay where you are*. It is definitely someone who is an OBA supporter. And they kind of attacked me at the doorstep, Mr. Speaker. What they said was, *You need to get down the national debt*. They said, *You guys just spend, spend, spend. You need to cut the civil service. You have no economic stimulus; you guys have no clue, no plans*. And they said, *You all need to go back to Disney World*.

So, what Minister Caines shared earlier is actually how people do feel about us as a Government. And I said, *Wow, this is such an OBA script*. You know? Make sure that . . . you know, we don't know what we are doing when it comes to national debt.

Hon. Patricia J. Gordon-Pamplin: Point of order, Mr. Speaker.

The Speaker: We will take your point of order.

POINT OF ORDER

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

I don't believe that it is fair for the Honourable Member to say that that is an OBA script when individuals have their own attitudes—

[Inaudible interjections]

The Speaker: Members, Members.

Hon. Patricia J. Gordon-Pamplin: They have their own attitudes and approach. And unless it came from OBA and from our headquarters, that is not an OBA script.

Mrs. Tinee Furbert: Mr. Speaker, I would have to say that we are constantly criticised in this House in regard to national debt and not having economic stimulus. Is that not an OBA plan?

[Inaudible interjections]

Mrs. Tinee Furbert: Mr. Speaker, it was interesting what this constituent was sharing. I mean, I believe the Minister of Finance has already described this evening how we are working to get the national debt down. That is a goal that the country wants. I am hoping that it is a goal that both the OBA and the PLP want for our country.

As far as the comment in regard to cutting the civil service, I mean, we have had our share of cuts in the civil service. We have had our cut [in the form of] hiring freezes, we have had early retirement thrown

out at our civil servants. We have also had our civil servants undergo furlough days, right?

Some Hon. Members: Yes.

Mrs. Tinee Furbert: So, you know, the OBA has had their cuts at the civil service.

An Hon. Member: And there have been sacrifices.

Mrs. Tinee Furbert: And there have been sacrifices.

But what we will find, though, Mr. Speaker, is I believe someone else spoke about it earlier in regard to the early retirement. We are going to find ourselves in a real bind with early retirement if people have not planned for their future.

So one of the things that the PLP Government had done which will greatly benefit people is the mandatory pension. So kudos to that. But, with early retirement, Mr. Speaker, . . . I was speaking to another constituent who told me that they had saved \$250,000 that they thought they could use to stretch along their retirement. Seven years later, Mr. Speaker, their money is gone. It is gone, Mr. Speaker. So, we are presenting early retirement to our civil servants as a measure of wanting to cut back the civil service? It is a measure of austerity, Mr. Speaker. And so we will find ourselves . . . and in the future to come we will see how that will play out, Mr. Speaker, with how we will have to continue to support our seniors.

You know, I do not fully support taking early retirement unless people have fully thought out what their funding will look like in years to come. And hopefully persons have. But just the example of someone spending down their savings of \$250,000 and it is gone like that . . . money comes and money goes, Mr. Speaker. So, we are just hoping that we do not feel the repercussions down the road of those persons who have taken on early retirement.

Our people are our greatest asset, Mr. Speaker. And I think with this budget we have shown that our people are our greatest asset. So if you want to speak about economic stimulus, Mr. Speaker, our people will be our economic stimulus. It will make this country thrive, Mr. Speaker. And if we continue to support them with education opportunities, our country will continue to thrive. We just cannot have more people with no jobs to fill. I get it. What we are saying is that we want to make those people with no jobs maybe rely on government and probably end up on Financial Assistance. And then it still is going to be government having to support persons, or what we will do, just like the Cayman Islands, we will be pushing our people out of our country. Right? Which probably has already started to occur.

And we do not want to be in the business of pushing our people out of the country. Actually, what we are advocating for is the return of people back to our country. Instead of allowing guest workers to

come back to our country, we are asking for the people of our country who are overseas or elsewhere to return to Bermuda.

I just want to speak to the national debt, because sometimes I think the listening audience, or the public, only hear one side of the story. Every time the national debt is examined . . . and in no way am I making a similarity in regard to what Bermuda's national debt is in regard to another country's national debt, because we have different numbers as it has to do with the population. But I just want to make light of the fact that countries all over the world experience national debt. We have the Bahamas' national debt at \$7.7 billion, we have Guyana at \$4.7 billion, we have Haiti at \$4.4 billion, Belize at \$3 billion. So there is debt across the globe, Mr. Speaker.

And, yes, we as the Government have made a commitment to lower our debt. That is what we were put in place to do, Mr. Speaker, and that is what we are working hard to do.

I also remember when we speak to the land tax that was put out there. I remember us getting together with the Tax Reform Commission. It was a bipartisan effort where the OBA and the PLP met to discuss initiatives with the Tax Reform Commission. And I do remember out of that meeting that there was agreement to some sort of progressive tax. So, if the OBA want to change their script now, with what it is we are presenting with a progressive tax, such as the land tax, I will be curious to understand why, because I know that in the outcome of that meeting that was something that we surely agreed on.

So I just want the country to stay woke, Mr. Speaker. We will continue to hear this script of *The PLP can't manage the national debt, the PLP has no economic stimulus, the PLP has no clue how to manage a budget*. And I want to country to keep their eyes wide open and not experience the Bird Box Challenge with the OBA.

Some Hon. Members: Ooh!

Mrs. Tinee Furbert: Because they have to remember what we were put through prior to this administration.

I just left my son's . . . I had to pick up my son after his soccer game, football game. And there are parents there cheering on their children. Some of them have no idea that we are up at this House debating the budget. And I don't know if they even worry or care. But they put us in these positions to do right by them and to make the right decisions by them.

So, we do not want the people of Bermuda to forget, Mr. Speaker, how civil servants were cut, how civil servants were asked to take furlough days, and that was a big dent to their pocket. We do not want people to forget that there were hiring freezes putting stress on our civil service industry. We do not want our people to forget how the economy was squeezed so tightly because at the time the OBA did not want to

give to many areas and there were some areas that were really squeezed so tightly so that areas or sections could not grow. And people remember that, which is why I believe, Mr. Speaker, that we are the Government today.

[Inaudible interjections]

Mrs. Tinee Furbert: And abide by a sizeable amount.

So if Bermuda is hearing me today, I am asking you to remember to not take on that Bird Box Challenge of not remembering what the OBA did put us through with their budgeting.

Thank you, Mr. Speaker.

[Desk thumping]

The Speaker: Thank you, Honourable Member.

I now recognise the Minister of Tourism. Minister, you have the floor.

Hon. Zane J. S. De Silva: Thank you, Mr. Speaker. I am very conscious of the time so I will move straight to it.

The Speaker: Thank you.

Hon. Zane J. S. De Silva: If that's okay with you, Mr. Speaker.

The Speaker: No complaints here.

Hon. Zane J. S. De Silva: So, Mr. Speaker, I am going to pinball it around a little bit tonight, since I only have 20 valuable minutes.

The Opposition Leader, [Honourable] Craig Cannonier, it was interesting how he seemed to chastise us on this side with regard to getting people to come to the country. And I will use his words, *We have to get high net worth individuals to invest in Bermuda*. Now, Mr. Speaker, what have our Premier and Minister Caines been doing for almost two years now? Trying to get high net worth individuals to invest in Bermuda. And [Honourable] Craig Cannonier got up and said *That's what you need to do*.

Well, we have been doing it for two years almost!

[Inaudible interjections]

Hon. Zane J. S. De Silva: Oh yes.

[Laughter]

Hon. Zane J. S. De Silva: That too! Right?

But, Mr. Speaker, they said, *Look, you can't get these people here quick enough*. Well, I would venture to say that our Premier has brought more

possible investors in this country faster than anyone in our history!

At one stage I was wondering what the heck was going on. Every two or three days we had a press conference. And yet the Opposition Leader says, *We have to try to get these high net worth individuals here, and we have to get them here in a hurry*. And then he went on to say, *if we don't get anything happening there is going to be hopelessness that is going to set in*. Well, that Honourable Member had four and a half years; we have had less than two.

Now, Mr. Speaker, let me just switch over real quick, because I want to go to page 14—

[Inaudible interjections]

Hon. Zane J. S. De Silva: Oh, I am going to get into that in a minute, too.

Page 14. Now, Mr. Speaker, in the Budget Book, and if I can quote, Mr. Speaker.

The Speaker: Yes, go ahead, Minister.

[Inaudible interjections]

The Speaker: Members.

Hon. Zane J. S. De Silva: Now, now, look, Mr. Speaker . . . and this is from our Finance Minister, Mr. Speaker.

"Bermuda's challenge is not solely the need for immigration reform." (As they keep beating that drum over there tonight.) "Bermuda's challenge is the need for fundamental economic reform. Reform that reduces interest rates, reform that reduces the cost of energy, reform that reduces the cost of health insurance, and reform that reduces the cost of doing business in Bermuda. . . . A more competitive Bermuda economy will create more jobs, which will, in turn, lead to an increase in Bermuda's population as Bermudians return home to fill these new jobs, which is essential for our long-term economic survival." From our Finance Minister, page 14.

Now, Mr. Speaker, I hope the Honourable Members on the other side will take note of that. Now, let's go to page 20 in the OBA's Reply. This is where it gets a little interesting (and this is page 20 of the Opposition's Reply).

"The number of FinTech MOUs that have been signed promising tens of millions of dollars do not seem to have come to fruition."

Now, here we go. "We hope that the Premier's zealotry does not cause Bermuda to engage with organisations that could bring our jurisdiction's reputation into disrepute."

Put it in writing in their Budget Reply! And then they go on to list, one, two, three, four, five companies and say watch this space.

And then you get the Opposition Leader and his members, who say listen, *You know, you need to bring high net worth individuals to the country.* But they say, *could bring our Island into disrepute.* Humph!

Mr. Speaker, let me tell you some of the things they say, and I am going to quote. The Honourable Member, former Premier, Dunkley, ¹June 14th “Alarm bells should sound . . .”

May [7]th, *We appear to be too cosy, it doesn't pass the smell test. Here is a company that has a questionable record. It is something funny going on over there. More red flags on South Shore than a hurricane.*

Tonight they questioned the purchase of a building. You have a company that high net worth individuals come here buy a building for \$6 million and they complain because nobody is in there yet. And then he said, *What due diligence are we doing?*

That is what the BMA is for, Mr. Speaker.

And they talk about cosy? One minute they tell us rub shoulders with billionaires, the next minute they tell us they do not. But they did not have a problem being cosy with America's Cup people. They did not have a problem being cosy with BCM who built that \$40 million piece of land up there, Bermuda's most expensive piece of land, that \$4.4 million per acre.

An Hon. Member: That's right.

Hon. Zane J. S. De Silva: Did not go out to tender. No bid, because, they said, *You know what? We trust them; they are our friends; we can get it done.*

[Inaudible interjections]

Hon. Zane J. S. De Silva: And let's not talk about how nice and cosy and fuzzy they were with Aecon.

Some Hon. Members: Yes.

Hon. Zane J. S. De Silva: If you want to talk about cosy—

An Hon. Member: Oh yes!

Hon. Zane J. S. De Silva: —I tell you what, Mr. Speaker.

Now, Mr. Speaker, the Honourable Member, the MP, Mr. Pearman, he said some interesting things. One of the things that caught my attention was when he said that our surplus is not a surplus. Our predicted surplus—the first one in umpteen years—is not a surplus because it is only an estimate.

Correct, MP? That is exactly what you said.

Now, check this out, Mr. Speaker. Suppose our Finance Minister would have had in that Budget Book *dit, dit, dit, dit, dit, we are going to have a deficit of \$150 million.*

Hell . . . what do you think would have happened, Mr. Speaker?

The Speaker: Watch your tone. Watch your tone.

Hon. Zane J. S. De Silva: They would have been up there one after the other—one after the other . . . *Look, they have a deficit!*

[Inaudible interjections and laughter]

Hon. Zane J. S. De Silva: But we say we are going to have a surplus and they say, *That's only an estimate.*

[Inaudible interjections and laughter]

An Hon. Member: That's right.

Hon. Zane J. S. De Silva: Well, if our Finance Minister would have said, *Oh, we are going to . . . sorry, we are going to have a deficit this year,* they would have chewed us a new one, Mr. Speaker.

Some Hon. Members: Yes!

[Inaudible interjections]

An Hon. Member: They would have had a song about it.

Hon. Zane J. S. De Silva: Oh yes. Oh yes, Mr. Speaker.

[Laughter]

Hon. Zane J. S. De Silva: Now, Mr. Speaker, it is interesting. The OBA's Reply is 26 pages. We had 22 pages. The first 22 pages . . . all they did was talk about the last 15 to 18 years. Read it! The first 22 pages.

Now, Mr. Speaker, we had a presentation by our preacher, Mr. Caines, tonight.

An Hon. Member: The bishop.

Hon. Zane J. S. De Silva: The bishop, yes.

Well, Mr. Speaker, I have to give a little history lesson, because some of the things that are in this book, the OBA's book, the first 22 pages, they talk about our past and how horrible . . . in fact, I will give it a quote just to make sure I get it right. Let's get the quote on the very first page, Mr. Speaker. On the very first page they talked about the PLP, “[This] reckless management of the people's money was a recipe for disaster waiting to happen.”

¹ [Royal Gazette](#), 14 June 2018

An Hon. Member: Reckless?

Hon. Zane J. S. De Silva: Well now, Mr. Speaker, if you ever talk about our past, let's talk about our past.

An Hon. Member: Yes.

Hon. Zane J. S. De Silva: Now, the OBA promised 2,000 jobs, did they not? And they lost 2,000. Two and two makes four. That's 4,000 jobs, Mr. Speaker, and they were over there earlier talking about, *Oh, you know, you lost 5,000 jobs, and duh, duh, duh, and then the work permit . . . we had 6,000 people at our peak.* Well, Mr. Speaker, 2,000 they promised, 2,000 they lost.

Now, Mr. Speaker, let's talk about a few other things. You remember, I think our Premier will remember, because Bob Richards used to call him *Premier Wannabe*. Remember that?

[Laughter]

Hon. Zane J. S. De Silva: Well, my, my, my, Mr. Speaker. I remember when Bob Richards came to this House, Mr. Speaker, and he borrowed \$800 million, and all the Front Street boys said, *What a masterful move.*

An Hon. Member: Oh yes.

Hon. Zane J. S. De Silva: He estimated (Mr. Pearman, MP, the Honourable Member) two hundred and some thousand dollars per year for the next three years. Eight hundred million [dollars]. Okay?

Well, guess what, Mr. Speaker?

An Hon. Member: It was gone in two days.

Hon. Zane J. S. De Silva: A year and a half, two years later, guess what? He had to come back for another \$160 [million]. The brains . . . the brains, the business administration OBA Members. Premier Wannabe, you could never think of something like that, he said. And guess what? The business community backed him up too.

Can you imagine if our Finance Minister would have said last week, *Well, I am going to borrow a billion, because that is going to cover us for the next three or four years.* Can you imagine? Can you imagine, Mr. Speaker?

[Inaudible interjections]

Hon. Zane J. S. De Silva: And listen, I think MP Pearman wanted me to say this, because he knew it was coming, they . . . oh no, I am going to go a little better than that. We are going to do a little better than that. We are going to come over here to their—

An Hon. Member: You're losing time looking for it.

Hon. Zane J. S. De Silva: No, I ain't losing no time . . . I've got my pages marked, cousin.

[Laughter]

Hon. Zane J. S. De Silva: Mr. Speaker, in the OBA Budget Reply, on page 4, and I will quote, "Mr. Speaker, 2009/10 was a particularly bad year as the public debt doubled in one single year from \$335 [million] to \$666 [million]!"

Okay, went up three hundred million in a year. Well, let's get back to my note . . . the OBA doubled our debt by a billion dollars in three years! A billion, Mr. Speaker. A billion! Not a hundred thousand, not like ours, we went up three hundred million in a year. They went up a billion, Mr. Speaker.

And, Mr. Speaker, I remember when they said, *Hey, unemployment fell from 9 per cent to 7 per cent.* That's good news, right? No, that was not good news, Mr. Speaker, because it wasn't because of any job creation. They started laying people off, early retirement, as we were told earlier tonight.

Whilst we are at it, Mr. Speaker, they had this mastermind plan that we are going to offer everybody early retirement. Well, I have a little job for you, Mr. Finance Minister. Get your people to find out how many of those who took early retirement were hired back as consultants, and at what rate. One particular PS was retired . . . I know because he told me. He said, *I'm taking this lovely package.* Guess what? The next week he started as a consultant. He is still there.

An Hon. Member: Wow.

Hon. Zane J. S. De Silva: Yes. That's right.

Now, Mr. Speaker, let's just talk about another bit of history. (Thirteen minutes gone.) From 1998 to 2008, I think I have to remind our people that our GDP doubled. It doubled. Do you know what that means, Mr. Speaker? That is huge growth! Huge success for our people.

And, Mr. Speaker, we all know what happened in 2008, don't we? They said the PLP ruined this country. We ruined it, mismanaged it and doing everything else. Well, guess what, Mr. Speaker? I guess, and I have said this before . . . did the PLP forget how to govern overnight? We doubled our GDP from 1998 to 2008. What? All of a sudden, did we forget how to govern? No, we did not forget how to govern, Mr. Speaker. And I will tell you what.

Newstead . . . I guess they forgot how to run their business, huh? Trimingham's must have forgot how to run their . . . remember them? That building down there on Reid Street and Front Street.

[Inaudible interjection]

Hon. Zane J. S. De Silva: How about 9 Beaches? You remember that big announcement, 9 Beaches was going to . . . Greece, Portugal, France, USA. I guess the PLP just ruined the world, didn't we?

An Hon. Member: Butterfield Bank.

Hon. Zane J. S. De Silva: No, I'm saving that for last. And let's not forget Butterfield Bank.

An Hon. Member: Yes.

Hon. Zane J. S. De Silva: Oh yes.

So you see, those are some of the things that we did during our time, Mr. Speaker.

Now, let's just put that one aside for a moment. Let's come back, Mr. Speaker. Now, here we go.

Mr. Speaker, I have to congratulate our Finance Minister. And, in particular, I will tell you what I was most impressed with, because I think a lot of us on this side saw it. I do not know about that side. It would have been good for them to watch it. They might have learned something.

But I was most impressed. He did an interview with Gary Moreno, "Let's Talk" I think it's called. And I tell you what, I was so proud. I mean, and he's new in the political game. Right? New in the political game; very seasoned at finance, but new in the political game. But I tell you what. I think I am certainly not alone in this Island . . . because I got calls from people saying, *Hey, did you see Curtis last night? Did you see him?* I mean, he was awesome, Mr. Speaker.

Now (I am keeping track of the time), Mr. Speaker, I have to keep . . . I have to go into this one, because the Honourable Member Trevor Moniz was on his feet earlier, and he was chastising us with the same-sex appeal and he talked about a waste of money. Well, Mr. Speaker, if you are going to . . . and then he said, *You have to satisfy some of those people.* When he said "those people" . . . see, that resonated with me, because I thought, *Well, you know what? We are trying to satisfy some of 'those people.'* "Those people" are the ones who put us in power. So, yes, we have an obligation and a duty to do what the people elected us to do.

And whether it is same-sex marriage or any other thing on our agenda or in our platform, we were voted in on our platform. And we will use that as our yardstick and our guide for the next three and a half years.

Now, Mr. Speaker, if you want to talk about wasted money, cousin Derrick touched on it earlier. Trevor Moniz was the brainchild behind Lahey Clinic. We know that former Premier Dunkley was behind the Commission of Inquiry, Dr. Brown's investigation. Millions and millions, and millions of dollars, Mr. Speaker.

The Speaker: Yes.

Hon. Zane J. S. De Silva: Now, and I do not think that was from "those people" that supported them either. Or maybe it was; maybe it was, Mr. Speaker.

Now, Mr. Speaker, if you want to talk about some of the good things that we have done . . . or let me finish off on this about them talking about us wasting money. You know, Mr. Speaker, rental of buildings in this country fetches a hefty sum, because the other thing that the Honourable Members Moniz and Dunkley talked about was friends and family, which I took exception to. When you had BCM going up to Dockyard getting millions of dollars, Mr. Speaker . . . and, by the way, got an OBE for it.

An Hon. Member: Yes!

Hon. Zane J. S. De Silva: Got an OBE!

[Laughter and general uproar]

Hon. Zane J. S. De Silva: The man doesn't bid on a job, it's millions of dollars—millions of dollars—and then gets an OBE for it! An award for taking taxpayers' dollars. Go figure that one.

Can you imagine if Premier Burt were to give me an OBE for doing a government contract? No bid, no tender.

[Inaudible interjections]

Hon. Zane J. S. De Silva: Let's not forget, Mr. Speaker, let's not forget that there are buildings in this town that have been here before I was born generating billions—not millions, billions—of dollars. And who is it going to?

And now we have trust fund babies today that will never have to work, their children will not have to work, their grandchildren will never have to work, because of the money they made and continue to make.

And while we are at it, Mr. Speaker, you want to talk about friends and family, let's not forget Mello Jones and Martin, because when they were on this side they said, *That's who we're hiring because those are our friends and we trust them.* One of their husbands sat in another place, Mr. Speaker, and was getting millions of dollars of work!

An Hon. Member: Yes. Fancy that!

Hon. Zane J. S. De Silva: Fancy that.

Let's not forget former Senator Vic Ball. He went to a commission of inquiry too. I hear about Port Royal, I hear about TCD, I hear about the Wharf, I hear about this . . . I do not hear anything about Vic Ball. Not a peep. No Auditor General's report on that.

Now, Mr. Speaker, I know my time is up. Man, that is the quickest 20 minutes of my life. So, Mr. Speaker, let me finish on this note, because I am watching the clock.

The Speaker: Less than a minute.

Hon. Zane J. S. De Silva: Yes.

The Speaker: Less than one minute.

Hon. Zane J. S. De Silva: Let me finish here. Let me finish. I will tell you what, I am going to speak in another place on Sunday, Mr. Speaker. And I am going to go through some of these things with our people just so that we make sure that they remember history. But let me say, I will finish on this.

Finance Minister, your first job, a fantastic job. You have handled not only in this House, Mr. Speaker, but publicly, you have looked all the Front Street boys right in the eye. You have answered all the questions, without any stumbling. You know what? We guys are all proud of you.

Thank you very much.

[Desk thumping]

The Speaker: Thank you, Minister.

No further speakers? Oh, Premier.

Hon. E. David Burt: Yes, Mr. Speaker.

Mr. Speaker, I will pick up where the last speaker left off. And that is that last year I was able to stand here and deliver a budget on behalf of this Government, which I was proud to deliver. And in November I was very happy to hand off the responsibility for the Ministry of Finance to the current Minister of Finance. And I have not said it at all, yet today, I make a point of saying at least once a day, that I am no longer the Minister of Finance.

But I think that we can see the fact that the Minister of Finance this Progressive Labour Party has is without question ready, able and capable to fill this important role.

Some Hon. Members: Yes.

Hon. E. David Burt: And if you would have seen him at the Budget Breakfast on Monday, or if you would have seen him facing down Gary Moreno on Monday night, I was incredibly proud. And all of us on this side are incredibly proud. And this country is fortunate to have this man as Minister of Finance.

[Desk thumping]

Hon. E. David Burt: Now, Mr. Speaker, as I will give credit on one side, I must also state about the other, because I see, and unfortunately he is no longer in this Chamber . . . but the Shadow Minister of Finance who sits in another place has made an attempt at his first Reply.

And, Mr. Speaker, I have done Budget Replies before, and I know that it is not easy. I had to do

four of them, so I know. But if I were to give him a grade, I guess I will be generous.

[Inaudible interjections]

Hon. E. David Burt: I would give him a C-

[Laughter]

Hon. E. David Burt: A little C-. Should be a D, but . . . we will be nice. And hopefully next year it will be better.

And I am going to be a little bit selfish here, Mr. Speaker, and I am going to say that I hope he will take a page out of the book of a former Shadow Minister of Finance and actually come next year and produce an alternative budget, Mr. Speaker.

Tell the people how you will spend the money differently, because anyone can come up here and have rhetoric. Take your time, work the numbers and tell the people what you will do differently. It is very simple. Yes, how? What? How?

It is very simple, Mr. Speaker. If you say that you will spend less, like they said, then say what you will cut.

An Hon. Member: Exactly!

Hon. E. David Burt: Will you cut education, like the OBA did? Will you cut health care, like the OBA did? Will you cut collections at the Office of the Tax Commissioner, like the OBA did? Will you cut investment in buses at schools, like the OBA did? Will you cut funding to the hospital, like the OBA did?

What will you do? Talk is cheap. Lay out the alternative budget and let the people know what you will do differently.

It is very simple, Mr. Speaker, because when you make these statements, you have to back them up. You cannot go in your Budget Reply and say, Mr. Speaker, and I quote, "Even the Sinking Fund contribution of \$65 [million] per year is not enough to drastically reduce the debt . . . [r]ealistically, without contributing \$100 [million] \$150 [million] . . . towards paying off the debt . . ." for the deficits will crowd out things for the future, Mr. Speaker.

So they are looking to get a budget surplus of \$150 million. Really? How much tax is that going to require? How many civil servants are you going to send home to make that figure? See? That is the point.

[Inaudible interjection]

Hon. E. David Burt: Well, here is the thing. I am happy that the Honourable Member who delivered the Budget Reply in this House said it. You don't get growth with surpluses like that, Mr. Speaker. You get growth by making sure you re-invest money. And that

is why when you look at the forward plan of this Government, and you look at the forward plan of the Minister of Finance for the next two years, the tax increases are not there. The revenue increases are minor and can be accounted for by growth.

And if you have that level of revenue, what you will do, and if I had any influence on what the future would have, Mr. Speaker, you would return that money to the people in the form of tax cuts and invest that money in growth. That is what has to happen. And that is what will happen.

But that is not what they would do on that side, Mr. Speaker.

An Hon. Member: No.

Hon. E. David Burt: No, no, no. They said they will keep the surplus so they can rush to pay down the debt.

Now, I am not going to say that certain *RG* commentators, like Mr. Nathan Kowalski, who fell on his sword for preaching that debt argument. No, you have to focus on growth. Very, very important.

Now, Mr. Speaker, I do not want to spend my time talking about their things. But here is the one thing I will say, Mr. Speaker, and this is why I should probably downgrade to a D. And here is the reason why, Mr. Speaker.

You cannot come into this House with false figures in a Budget Reply. You cannot. So now, let me quote page 16 of the Budget Reply, and it says, and I quote, “. . . with up to \$150 [million] in additional tax burden being considered over the next two years.”

[Noise from electronic device]

Hon. E. David Burt: Leah, you cannot be playing music like that.

[Laughter]

Hon. E. David Burt: I know you are giving it to me now. It's okay. Focus now. I want to say it again. “. . . with up to \$150 [million] in additional tax burden being considered over the next two years.”

Mr. Speaker, on page A1 of the Budget Book, page 1, it says that the Minister of Finance is only looking for \$45 million more over the next two years. So how does it say \$45 million on page 1, but in your Budget Reply you put \$150 million?

[Inaudible interjection]

Hon. E. David Burt: You are just looking to mislead the House.

[Inaudible interjection]

Hon. E. David Burt: Then, on page 16 it says, and I quote, “. . . the OBA handed over a Government spending only \$908 [million] on a . . . path of reduced spending . . .”

Mr. Speaker—

Hon. Patricia J. Gordon-Pamplin: Point of order, Mr. Speaker.

The Speaker: We will take your point of order.

POINT OF CLARIFICATION

Hon. Patricia J. Gordon-Pamplin: Point of clarification. The Premier has pointed to a comment of \$908 million. And he pointed that out to me, and I have acknowledged that that number is not correct, because the Budget Book shows an actual of \$892,867.

The Speaker: Thank you, thank you.

[Inaudible interjections]

Hon. E. David Burt: Mr. Speaker, they are too cute by half. And I know those tricks, because she has been following her former Premier who likes to take budget numbers and compare them to actual numbers and come up here and do all the rest. But let's be clear. Because you go ahead and say you turned over a budget of 908 . . . no, you did not.

Hon. E. David Burt: It was 923. But next year, Mr. Speaker—

Hon. Patricia J. Gordon-Pamplin: Point of order, Mr. Speaker. The Honourable Member is misleading the House—

Hon. E. David Burt: —it was 905, and the next year it was—

The Speaker: Point of order.

POINT OF ORDER

[Misleading]

Hon. Patricia J. Gordon-Pamplin: The Honourable Member is misleading the House. What we said was that the OBA handed over a government spending of only 908, and that number I have just acknowledged, and I have corrected it to be \$892,867, which is the actual spending. We did not say “handed over a budget.”

The Speaker: Premier.

Hon. E. David Burt: Here is the thing, Mr. Speaker. I am going to make it real simple, Mr. Speaker. The figure in the Budget Reply was wrong. They handed

over expenditure targets at 923. The next year was supposed to go down to 905, and then it was supposed to go back up. That is from their own Budget Book, Mr. Speaker. But I will go on, because here is what is important.

We can spend the time talking about the lack of ideas from that side, or we can talk about what we have laid out on this side, Mr. Speaker, because this budget was very clear. It laid out the fact that what we have to focus on is economic growth. What we have to focus on is economic diversification. But we also have to make sure that we have fiscal discipline and we have to make sure that we take care of those people who need to be taken care of, Mr. Speaker.

So, I just want to quote, because our economic plan, as was stated inside of the Budget [Statement], states that our plan is to “build on what we currently do well in financial services and tourism; diversify our economy so that we can attract companies in new industries to our shores; reduce the cost of living and the cost of doing business in Bermuda; make our government more efficient; reduce regulations and red tape to stimulate investment while promoting competition in the Bermuda economy.”

Now, Mr. Speaker, I am just going to make it very simple. Just because you do not agree with our plan does not mean that we do not have one. It is that simple, Mr. Speaker, because our plan was laid out in our election manifesto, and our plan is being manifested inside of the Budget Statement.

Now, Mr. Speaker, let me start, because the first one is very important when we talk about building on what we do well in financial services and tourism. That is what we have done. So when we hear this question about where will the growth come from, where are these things, what is going on in international business and all the rest, Mr. Speaker, we are seeing incredible growth in the long-term insurance sector. And why is that, Mr. Speaker? Because when the industry came to us with changes to legislation that could promote growth in that area, we fast-tracked those changes. And why did we, Mr. Speaker? To promote the growth in the private sector. That is what responsible governments do, Mr. Speaker. And that is [why] you build on what you have.

What we talked about with tourism, when we were in Opposition, we said that we have to have increased investment in tourism marketing. When we came into office we delivered on that. We made sure we had increased investment and even this year, we will see additional increase in investment, Mr. Speaker. That is how you have growth in the economy. And that is the reason why between last year and this year there are a hundred more Bermudians working in the tourism industry than there were before, Mr. Speaker.

It is that simple. That is how you deliver. What you do is you lay out a vision, you say what you are going to do, and you execute. Which is what we have done, Mr. Speaker.

Then we go to diversify our economy so we can attract new industry to our shores. And it was really, really funny to hear the Opposition Leader talk about economic diversification. So I just ask him very simply, then what industries? He could not name one, Mr. Speaker. He said, *You're the Government; you do . . . it's your job.* Well, that's okay, because if you go, Mr. Speaker—

[Inaudible interjection]

Hon. E. David Burt: Oh, the Opposition Leader said he has got plenty. Well, we did not read it inside of your Budget Reply.

[Inaudible interjections]

Hon. E. David Burt: So they will just have to stay in their minds because the people of this country do not know. And, Mr. Speaker, if you are saying that you are going to put forward ideas for the benefit of the country because you are going to put country over party, then why have you not shared them? You have not shared them because you do not have any. It is that simple.

But, Mr. Speaker, on page 15 of our Budget [Statement], it is very clear, and I will quote. It says, “However, . . . in addition to looking to attract technology companies to Bermuda, our economic diversification strategy has specific focus on: aviation and shipping, arbitration, biotech and life sciences, the blue economy, intellectual property, satellites and space, and nearshoring.” That is inside the Budget Statement.

[Desk thumping]

Hon. E. David Burt: That is inside the Budget Statement, but they could not read it. They cannot read it; he could not even call one of those industries, Mr. Speaker. If you would read it, you would see.

Now, Mr. Speaker, let me go on, because it is important to go to the next item. It says, “reduce the cost of living and the cost of doing business in Bermuda.” Now, any homeowner that has a mortgage will tell you that interest rates have recently gone up. And that means that families have less disposable income.

The Speaker: Yes.

Hon. E. David Burt: Many people have gotten the letters, many people have gotten the notices, many people are now having to find more money for mortgages. Now, it is very simple. You can find additional banks to come into the country to provide competition, and you can wait for those banks, or, you can use the power that we have inside of this House to act.

Mr. Speaker, it is very clear. This Government chooses to act. Now, everyone would have heard, the

Opposition has opposition to a plan to reduce mortgage rates for the citizens of this country, Mr. Speaker. Let me say this again: Everyone in this country would have heard the Opposition—person after person—get up in opposition to a plan to lower mortgage rates in this country.

Mr. Speaker, I have a very simple question that they can answer during the debate, or they can answer in the press, or they can answer when they want: What is your plan to reduce mortgage rates in this country?

It is very simple; you don't have one.

So, when we will come here and say, and I quote, Mr. Speaker, from our Budget Statement, it says, "[T]he Government will do two things to reduce the mortgage pressures for hardworking Bermudians. Firstly, the Government will, in conjunction with private sector banks, pilot a mortgage guarantee programme in return for a reduction in interest rates charged to Bermudians for their mortgages."

Not a peep about that, Mr. Speaker. Not a peep from that side, Mr. Speaker, because all they want to focus on is the thing for the public sector workers that they denigrate time after time after time inside this House, Mr. Speaker.

[Desk thumping]

Hon. E. David Burt: Now, let me just be very simple, Mr. Speaker. There is a simple difference that you can have with public sector workers and private sector workers, because on the government, if you are paying a public sector worker, that means that you have the opportunity to garnish the wages. It gives you a higher level of security. That is what happens.

But see, here is the thing. Instead of asking how will this work, instead of trusting the Minister of Finance, who has far more experience in finance on this side himself than that entire side combined, Mr. Speaker, they will come here and question what we are going to do. It is very simple, Mr. Speaker, we are going to act. And action, Mr. Speaker, will save the average family who is carrying that mortgage \$5,300 a year.

We want to talk about reducing the cost of living. We want to talk about stimulating the economy. We want to talk about returning spending power to citizens so it is not going inside of the wonderful dividends of Butterfield Bank and HSBC. That is what it is about, Mr. Speaker. That is government action. That is saying that we have the opportunity to do something about it and we will do something about it.

So, it is very simple, Mr. Speaker. The people will see that this Government is committed to taking action and that Opposition is committed to protecting the status quo, Mr. Speaker. Very simple.

Now, Mr. Speaker, we talked about making Government more efficient. We heard the Junior Minister of Finance talk about the work that the Efficiency

Committee is doing. We heard and we have seen the fact that we have been able to give public sector workers pay increases while keeping the cap on spending where it is, Mr. Speaker. And the only way you do that is by making government more efficient. We are consolidating government departments, we are making sure that things are more streamlined; we are investing in technology to deliver things to the public in a more efficient manner. We are doing things far more efficiently, saving money on all existing contracts that were rolled over year after year after year, that gave a whole lot of money to established players and did not focus on new things. So, as we go forward, Mr. Speaker, we will continue to make government more efficient.

When we talk about reducing regulations and red tape to stimulate investment while promoting competition, yes, Mr. Speaker, that is important. I was at the StreetWise MBA programme. A young lady was saying that she was having an issue with the Transport Control Department. Sorry, Minister De Silva, did not give you a little preview of an email I am going to send.

Hon. Zane J. S. De Silva: It's all right.

Hon. E. David Burt: She said that she had applied for something and the application got denied. I told her to make sure she sent me an email so we could get that application through.

The challenge that we have, Mr. Speaker, is that there are a lot of regulations that stand in the way of getting things done. But we will work with the partners that want to be a part of that process. And that is the reason why we reform Bermuda first, we have private sector working with public sector, and we challenge them to assist us in identifying regulations that are impediments to economic growth so that we can eliminate those regulations and make sure that our entrepreneurs have the ability to invest and to grow their business.

In addition, we are providing more direct money to the Bermuda Economic Development Corporation. They are increasing not only their guarantee capacity, but the loans which they give directly to make sure that we can get money to entrepreneurs when they need it, Mr. Speaker.

And then the final thing, Mr. Speaker, which I think is important (and this is where I will end), is about fiscal discipline. The first balanced budget in 16 years; the first decline in Bermuda's national debt since 2003; no increase in the debt ceiling. That is what we have delivered, Mr. Speaker.

Now, Mr. Speaker, the final thing that I will say is this. As was said in our Budget Statement, the issue with Bermuda is not a question of immigration reform. It is a question of economic reform. What I have spoken about is the economic reform plan and agenda of this Government that touches those things. Because

any investor can come to this country right now, invest and start a business, stay here forever, pass on that status to their children—that they can do right now. The question is why they choose not to. We have to make our economy more efficient. And this Government, Mr. Speaker, has a plan to do just that. And the Minister of Finance is the one who will deliver it to the people. Thank you.

The Speaker: Thank you, Premier.

[Desk thumping]

The Speaker: Minister of Finance.

Hon. Curtis L. Dickinson: Mr. Speaker, I am going to be brief. I spent a lot of time last week . . . I am going to take my time, but I am still going to be brief.

I spent a lot of time on my feet last week, and I want to start tonight where I started last week. With your indulgence, I would like to read part of my Statement from last week.

“Mr. Speaker, this Statement is a unique one in our parliamentary democracy. It is a statement made in support of the Estimates of Revenue and Expenditure for the Government of Bermuda in any given year. It is a statement centred on facts and figures and is the guide for how a Government will fiscally govern itself in the coming year. But Mr. Speaker, that basic description bears no resemblance to the significance of this process to all sectors of this country. This statement must provide the confidence necessary for investment in this country; it must speak stability and competence to businesses small and large; it must ease the golden years of seniors; it must bring hope and inspiration to the young people who stand to inherit this country and most of all, it must signal to the most vulnerable that they are not forgotten and can be made whole.”

Mr. Speaker, it has been a week since I delivered this Statement. But I can tell you that in my walking around this country over the course of the last seven days I would argue that this budget has been well-received and that people are confident in this Government and confident in this budget delivered for them.

National budgets are a reflection of a country's values. And in delivering a budget we need to be cognisant of the time in which we live. And I tried to strike a balance between being fiscally prudent, being fiscally disciplined, hearing and understanding the challenges that we face, hearing the concerns around the debt, hearing the concerns around the deficit and trying to get this economy moving, and trying to strike a balance. Trying to achieve these goals, tackle these challenges while moving this country forward. And I think we have done a very good job of finding that balance.

I have to kind of remind myself, after listening to today's debate, and having to wonder is the real issue here that the Opposition wished that they had delivered this budget? Because I think in substance—

[Inaudible interjections]

Hon. Curtis L. Dickinson: In substance, this is my first time doing this. But for some of those who have been here longer than I have said that today's debate is relatively mild compared to how these budget debates can go. And I have to wonder if that is because of the substance of this budget in that it struck an appropriate balance between being fiscally disciplined and trying to get our economy moving.

I would like to focus on . . . a lot of ground has been covered and a lot of these themes have been focused on by other speakers, so I am going to be brief and focus on four or five different ideas.

Fiscal discipline is the first one. In my mind, fiscal discipline means that we have to be responsible with the public purse and how we spend the taxpayers' money. I think in setting the budget numbers for expenditure for 2019/20 at the same level as 2018/19 and challenging my Cabinet colleagues to figure out how they are going to make those numbers work, notwithstanding having to increase salaries for public service officers by 2 per cent for each of 2018/19 and 2019/20 . . . it has been difficult, but they have done it.

And while some would say you didn't cut, I would argue that we are doing more with the same. And I challenged my colleagues to evaluate all of the existing government programmes with the view towards figuring out which ones we still do because we have always done them and getting rid of those that do not work anymore. Because that happens all the time, and the reason why do certain things is because we have always done it that way. I think that is being courageous.

The Honourable Member from constituency 22 talked about courage. And I am going to talk about cost-cutting and courage. I think it is very courageous in the face of having people tell you to *cut, cut, cut*, and you say to them, *I am not going to do that*, because while it may be the politically easy thing to do, you have to stand firm with your values.

[Desk thumping]

Hon. Curtis L. Dickinson: It is easy to say cut people's jobs. But the fact of the matter is, every action has a reaction. And if we cut people's jobs in the public service, where are they going to go? These people, so we all understand, have families they need to feed and clothe. They have homes that they either need to pay rent for, or pay a mortgage for. They shop in our stores. And the impact on the economy—

[Inaudible interjection]

Hon. Curtis L. Dickinson: Well, I am not sure if how you . . . how people can advance the argument of cutting government's cost without talking about cutting people, because most of government's costs are people. So, unless the Opposition wants to be more specific, . . . and I would challenge the Opposition, because I think it is very easy to kind of make these kinds of statements. I will challenge you to publicly name the names of the people who should be cut.

An Hon. Member: Ah-ha!

Hon. Curtis L. Dickinson: Because in the abstract, they are just an inanimate object. But when we start to talk about real people with real families it is difficult.

Hon. Patricia J. Gordon-Pamplin: Point of order, Mr. Speaker.

The Speaker: We will take your point of order, yes.

POINT OF ORDER

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

I just wanted to clarify that we are not trying to cut people. It is not necessary to cut the civil service and cut the government expenditure. The reason that you can do that is if you have neutralisation and an encouragement of entrepreneurship—

[General uproar]

Hon. Patricia J. Gordon-Pamplin: —an encouragement of entrepreneurship. Those same civil servants can be absorbed in a neutralised entrepreneurial environment—

[General uproar]

The Speaker: Okay, okay. A point of order, needs to be brief—

Hon. Patricia J. Gordon-Pamplin: —and cost the government less—

The Speaker: —and not a speech. Okay.

Hon. Patricia J. Gordon-Pamplin: —which costs the government less—

The Speaker: All right—

Hon. Patricia J. Gordon-Pamplin: —and people are not unemployed. Thank you.

The Speaker: Okay.
Continue, Minister.

Hon. Curtis L. Dickinson: Mr. Speaker, what I would suggest, because I do not want this to devolve into a back-and-forth around this issue, what I would suggest is this: That as leaders of this country we have a responsibility to use our words wisely. And some of the rhetoric around cutting cost needs to be tempered to reflect what you are really trying to say. And this is not a criticism. This is . . . if we are going to talk about—

[Inaudible interjections]

The Speaker: Members, Members.

Hon. Curtis L. Dickinson: —cutting costs, we need to be responsible about how we say that, because it impacts people. Okay? And if I do not understand it, I am going to ask you to be clearer in your discussions around cost-cutting going forward.

Now, we talked about . . . there has been a lot of energy spoken around credit card costs and the inconvenience. The government today spends \$2 million to banks on credit card commissions. So, on the one hand I am being asked to cut costs. But when I do cut costs it is not those costs. So, we cannot have it both ways. We either need to accept that there is opportunity for efficiency in savings and that there may be some level of inconvenience. And what I proposed to my team is this: If we are going to charge people, then we should also give them a free option. And the free option would be to go online and make their payments online.

Now, I get the point that some people may not have the money. But is the government's job to subsidise these folks? And we can have a political discussion around whether that is the right answer or not.

Similarly, the Sinking Fund, which I think has been an idea that has been somewhat inadvertently, or maybe advertently, exploited. A sinking fund is nothing more than a savings account, saving money to repay debt at a future date. The funds are usually operating income that is saved. We have been borrowing a hundred dollars, for instance, putting it in a bank, paying the interest on a hundred dollars, and getting paid back very little in return. So, in actual fact, we have no money, and we are paying for it. It does not make any sense.

And I will say this, because I want make sure that I bring some balance here. When former Ministers Cox and Richards borrowed money at really, really low rates for the Sinking Fund, I supported that idea, because the rates were low and the fiscal picture for the country had forecasted continued deficit, and rates were going to be rising over time. So you get the money while it is cheap. Well, our situation today is somewhat different. We have different maturity profile for our debt, interest rates are much higher, and our deficit and surplus profile has changed. So the notion that we would now borrow to save does not make any

sense. And I would hope that with that explanation I have made it clearer to people so that we can now explain it to the populace, because when you get people on . . . talking heads on webinars talking about raiding the Sinking Fund, it is irresponsible, but it is also untrue.

The money that we are using from the Sinking Fund this year is being used for the purpose for which the Sinking Fund was established. We are going to repay the debt—expensive debt. And I would like to think that in the spirit of cutting costs and saving money we would use that money for the purpose to which it was intended.

[Inaudible interjections]

The Speaker: Ah, ah, that's all right. Members.

Members, Members, it is only the Minister on his feet . . . it is only the Minister on his feet who has the floor.

[Inaudible interjection]

Hon. Curtis L. Dickinson: Now, the final point I want to make before I close, we are projecting a \$7.3 million surplus. Some would argue that that is not a lot of money. It could have been a million; it could have been \$15 million. I could have got the number higher if I wanted to. I could have raised more taxes or I could have cut more costs. But in attempting to achieve balance, \$7.3 [million] feels right. It is not really the amount that matters; it is the direction of travel.

[Desk thumping]

Hon. Curtis L. Dickinson: And we have demonstrated as a Government that we are committed to wrestling this debt.

Now, it did not get on the balance sheet overnight, and it is not going to be removed from the balance sheet overnight. But I need to demonstrate, and the country needs to demonstrate, and the Government needs to demonstrate that we are committed to addressing this issue.

Now, tomorrow something could happen. And I may decide in light of a national emergency to increase the debt ceiling and borrow more money. I would like to think, given the rationale behind that decision, that I would get broad-based support for doing what I believe is in the best interest of the country. Debt has been exploited because, partly, it is not fully understood.

Debt is not necessarily bad. I financed a guy who runs a company out of a top of a building in Ireland when he bought his second GSM licence and he went around the world and bought a bunch of digital cellular licences. He was an entrepreneur without much capital. And today he is a multi-billionaire. And

he used debt to acquire assets and make a successful business. Debt does not necessarily need to be bad.

I hear talk about stimulus. And I ask the question, *What does that mean?* In my mind stimulus usually means cutting taxes or borrowing. So if the cries are for me to stimulate the economy, but I am also being told not to increase the debt, how do I do it? So, as responsible leaders, we have to make sure that our rhetoric actually makes sense when we are talking about this stuff.

Mr. Speaker, I just want to end with a quote that I mentioned last week. It was a quote from President Abraham Lincoln in [his message to] Congress 1862, "We can succeed only by concert. It is not 'can any of us imagine better?' but, 'can we all do better?' The dogmas of the quiet past, are inadequate to the stormy present. The occasion is piled high with difficulty, and we must rise -- with the occasion. As our case is new, so we must think anew, and act anew. We must disenthrall ourselves, and then we shall save our country."

What I hope this quote leaves us all with is that we need to think about doing things differently. And so the notion that I am this new guy who has lots of experience in finance and looks at our budget process different than other people who have come before me, does not mean it is wrong; it just means it is different.

With that, Mr. Speaker, I move that the House do now resolve into Committee—

[Desk thumping]

The Speaker: Members, Members.

Hon. Curtis L. Dickinson: Mr. Speaker, I move that the House do now resolve into Committee of Supply to consider the Estimates of Revenue and Expenditure for 2019/20.

The Speaker: Deputy.

House in Committee at 11:28 pm

[Hon. Derrick V. Burgess, Sr., Chairman]

COMMITTEE OF SUPPLY

ESTIMATES OF REVENUE AND EXPENDITURE FOR THE YEAR 2019/20

Hon. Curtis L. Dickinson: Mr. Chairman, I now move Head 48 Tourism and Transport, Ministry of Tourism and Transport Headquarters.

Mr. Chairman. I move that the Committee rise and report progress ask for leave to sit again on Monday the 4th of March 2019.

The Chairman: It has been moved that the Committee rise and report progress and ask for leave to sit—

[Inaudible interjections]

The Chairman: Members.

[Gavel]

The Chairman: And ask for leave to sit again.
Is there any objection to that motion?
There are no objections.
Approved.

[Motion carried: The Committee of Supply agreed to rise and report progress, and sought leave to sit on Monday, 4th March 2019.]

House resumed at 11:29 pm

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

REPORT OF COMMITTEE

ESTIMATES OF REVENUE AND EXPENDITURE FOR THE YEAR 2019/20

The Speaker: Good evening, Members.
No objections to [the motion] being reported back to the House?

An Hon. Member: No.

The Speaker: No?
I understand that all other matters are being carried over tonight.

Some Hon. Members: Yes.

The Speaker: Then that brings us down to Premier.

ADJOURNMENT

Hon. E. David Burt: Thank you, Mr. Speaker.
I move that the House do now adjourn until Monday, March 4th.

The Speaker: Any objections to that?
No objections. Does any Member wish to speak to that motion?
Oh, Premier, you are standing on your feet.
Okay, Premier.

FATALITY ON BERMUDA'S ROADS

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

The hour is late, and I will just keep it brief. Unfortunately, another young Bermudian lost their life on the roads this evening.

The only message I wish to send, Mr. Speaker, is a message of constant reminder of vigilance, constant reminder of the dangers of speeding, constant reminder of the danger of impaired driving, and also hoping to send condolences and prayers to those who are mourning right now over the loss of a member of their family, and a friend.

That is all I want to say, Mr. Speaker. Thank you.

The Speaker: Thank you, Mr. Premier.

The House now stands adjourned until Monday next at 10:00 am.

[Gavel]

[At 11:30 pm, the House stood adjourned until 10:00 am, Monday, 4 March 2019.]

[This page intentionally left blank]

BERMUDA HOUSE OF ASSEMBLY**OFFICIAL HANSARD REPORT****4 MARCH 2019****10:01 AM***Sitting Number 11 of the 2018/19 Session**[Hon. Dennis P. Lister, Jr., Speaker, in the Chair]***PRAYERS***[Prayers read by Mrs. Shernette Wolffe, Clerk]***The Speaker:** Good morning, Members.*[Gavel]***CONFIRMATION OF MINUTES***[Deferred]***The Speaker:** Members, the Minutes from March 1st have been deferred.**MESSAGES FROM THE GOVERNOR****The Speaker:** There are none.**ANNOUNCEMENTS BY THE SPEAKER
OR MEMBER PRESIDING****APOLOGY****The Speaker:** Yes, we have got a couple of announcements this morning.

The first is that, again, we have received noticed that the Honourable Member Tyrrell is absent today. And we will keep him in our thoughts.

Also, I would just like to acknowledge that today we will be without the services of the Deputy Clerk, Mr. Somner. He and the Member from constituency 23, Honourable Member Pat Gordon-Pamplin, are in Florida, along with the Auditor General and the Director of Internal Audit. They are attending an Oversight Public Finance Forum put on for the Overseas Territories.

It is all part of strengthening what we do in the oversight of the Parliament. And that is being put on for the [Overseas] Territories, so we wish that they gain much out of that.

MESSAGES FROM THE SENATE**The Speaker:** There are none.**PAPERS AND OTHER
COMMUNICATIONS TO THE HOUSE****The Speaker:** There are none.**PETITIONS****The Speaker:** There are none.**STATEMENTS BY MINISTERS
AND JUNIOR MINISTERS****The Speaker:** There are none.**REPORTS OF COMMITTEES****The Speaker:** There are none.**QUESTION PERIOD****The Speaker:** The question this morning is a written question which was carried over from Friday.

Premier, do you . . .

Hon. E. David Burt: The answer has been provided.**The Speaker:** Thank you.

There was just one written question, from the Member Dunkley, to the Premier. And the [written] [answer](#) has been provided to the Member.

Thank you.

QUESTION: FINTECH CONSULTANTS

Hon. Michael H. Dunkley: Will the Honourable Premier please provide this Honourable House with a list of the names of all FinTech consultants employed by the Government since 18th July 2017, including the terms of reference for the position, length of contract, remuneration and all benefits?

**CONGRATULATORY AND/OR
OBITUARY SPEECHES****The Speaker:** We recognise the Honourable Minister De Silva. Minister, you have the floor.

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

Mr. Speaker, I would like the House to send condolences to the family of Mr. Allan Bean who passed away. He was the father of former PLP Leader Marc Bean. And the whole House would like to be associated.

The Speaker: Yes. Do the whole House for that. Yes.

Hon. Zane. J. S. De Silva: So, if we could do that, Mr. Speaker, it would be much appreciated. Thank you.

The Speaker: Yes. Thank you.

Would any other Member wish to speak?
We recognise the Deputy Opposition Leader.
Honourable Member, you have the floor.

Ms. Leah K. Scott: Thank you, Mr. Speaker.

Mr. Speaker, I would like to send congratulations to Nairobi Smith-Mills. And if you will allow me, because I cannot remember all of the steps. I associate Michael Weeks. If you would allow me to read, at the BMAA track meet that was held on the weekend, Saturday, he won the Under-17 boys 800 metres, and he clocked in the winning time of 1 minute 57 seconds and 93 nanoseconds, with a standard set at 2.03. And Nairobi Smith-Mills is the grandson of Bishop Leroy Bean, who is the Gang Resistance Coordinator.

Thank you, Mr. Speaker.

The Speaker: Thank you.

Does any other Member?
We recognise the Honourable Minister Caines.
Minister, you have the floor.

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

The Speaker: Yes. Continue on.

Hon. Wayne Caines: Mr. Speaker, I would like to ask that congratulations be sent to Colour Sergeant Sedgwick Tweed. He celebrates his 94th birthday today. Mr. Speaker, Mr. Tweed served the Bermuda Regiment for 54 years. He is a former member of the Bermuda Militia Artillery. He is a resident of Devonshire, and he is the brother of Kingsley Tweed, Mr. Speaker. I would like to associate the whole House with those remarks, Mr. Speaker.

The Speaker: Thank you.

Any other Member?
We recognise the Honourable Member Swan.
Honourable Member Swan, you have the floor.

Hon. Hubert (Kim) E. Swan: Yes, Mr. Speaker.

Mr. Speaker, I would like to be associated with the condolences sent to the Bean family.

The Speaker: Yes.

Hon. Hubert (Kim) E. Swan: Leroy Allan Bean, a gentleman I grew up knowing and admiring. He was a fisherman and a farmer, like my grandfather, whose boats were pretty close together in Scaur Harbour. MP Weeks would like to be associated with that. And, certainly, through our association—

The Speaker: The whole House was associated earlier when the Minister did it.

Hon. Hubert (Kim) E. Swan: Yes. But I certainly, growing up in that community with the Bean family, would like to express how much we appreciated his love of farming and fishing that was passed on to his sons, who continued on with that legacy and continue on today. And I just want to be associated with that.

On Saturday, we had the great pleasure and privilege to be part of the Calvin Rayner Memorial football event. The Honourable Premier, the Honourable Deputy Premier, MP Ming and myself were there. It was a very fitting occasion for a gentleman who actually died on Wellington Oval, playing football well into his 60s. And he was very much a family man. And that was shown in testament because of the number of people who came out to show their love and respect for his legacy and to show his family the type of support that they need as, four years later, his widow, who is my constituent, still feels his presence every day and will do so until her dying day.

Mr. Speaker, thank you. And also, I would just like to acknowledge young Kenny Leseur, Jr., in Florida, one of my young charges, who is now under the stables of one the greatest teachers on the planet, and continues to do well overseas. And we wish him well. He placed high, and he won a tournament in Florida recently, representing the Gary Gilchrist Golf Academy. And he is an example of how our talent is encouraged to go away and can excel when provided with the right tools and equipment to better themselves.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Member wish to speak?
We recognise the Premier.
Premier, you have the floor.

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

Mr. Speaker, this morning, although I was associated formally by the Honourable Minister for Tourism, I would just like to make sure that I am on record for expressing the notes of condolences to the family of the late Leroy Allan Bean. Many people may

not know that Mr. Bean was a very devout Christian. And he and my mother had a very great relationship, as they were prayer warriors. And my mom was the one who actually informed me yesterday morning. So, I wanted to make sure that I noted that condolence.

In addition to that, I would like to be associated with the remarks from the Honourable Member for constituency 2, as I was honoured to be asked to present the trophy at the Calvin “CO” Rayner Memorial event this past Saturday.

[Noise from electronic device]

The Speaker: Minister.

Hon. E. David Burt: It seems as though if, Mr. Speaker, and I make a habit of trying my best not to get to St. George’s too often, because when you get there, they keep you there. And it is so much fun that you almost do not want to leave.

[Laughter]

The Speaker: Just like the Premier left the cup, we will leave as well.

Continue, Premier.

Hon. E. David Burt: But it was a lovely event. You could certainly see the spirit that was there, remembering. It is an annual event, of course. And now it is an annual event that is remembering someone who passed away, during that annual event. But it was certainly a poignant moment, and I was just honoured to be asked to present the trophy and be a part of what is certainly a tradition up there in the East End.

Finally, I would like to be associated with the remarks that were given by the Honourable Member for constituency 30, to Mr. Nirobi Smith-Mills, who had set the standard and qualified for the CARIFTA Games this weekend, with a scorching time, Mr. Speaker. Thank you.

The Speaker: Yes.

Any other Member?

We recognise the Honourable Member, Ms. Furbert. Ms. Furbert, you have the floor.

Mrs. Tinee Furbert: Thank you, Mr. Speaker.

I would also like to send condolences out to the family of Shannon-Hugh Davis, who tragically lost his life. I would like to associate MP Jackson—the whole House. Shannon tragically lost his life on the roads on Friday evening. He is a constituent of mine, and leaves behind his wife and young children. So, to the family of Shannon James *[sic]*, who is our second road fatality of the year, I would just like to send—

The Speaker: Davis, Davis. Shannon Davis.

Mrs. Tinee Furbert: Sorry. Shannon-Hugh Davis. I said “Davis” initially; my apologies.

The Speaker: Yes. No problem.

Mrs. Tinee Furbert: To the family of Shannon-Hugh Davis, condolences. Thank you, Mr. Speaker.

The Speaker: Thank you, Member.

Does any other Member wish to speak?

We recognise the Honourable Member from constituency 36.

Honourable Member Scott, you have the floor.

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

Mr. Speaker, this is a note and request that the House send condolences in relation to the family of young Javon Gardner. Mr. Gardner is the son of Mr. Ernest Cann. I wish to associate Mr. Premier. Javon and I formed a relationship. I acted for him. He called me “Dad” very often. We sort of had this relationship of surrogate. And Javon visited me two or three days ago. He was visiting and asking for me to give him some help trying to locate an apartment.

It turns out this was his final visit to me, to say goodbye. I realise that. I was shocked when you asked me, Mr. Speaker, yourself, did I know that Ernest’s son had passed.

The Speaker: Yes.

Hon. Michael J. Scott: And I had not made the connection.

So, to Ernest, and to Javon’s mother, Ms. Gardner, I wish to ask that this House send sincere condolences on the loss of his young life.

The Speaker: Most certainly.

Hon. Michael J. Scott: Colonel Burch would be interested to know that he spent some time, Colonel, as a Works and Engineering electrician, and worked in your department.

Thank you, Mr. Speaker.

The Speaker: Yes. Yes. Thank you.

Does any other Member wish to speak?

No other Member?

We can move on.

MATTERS OF PRIVILEGE

The Speaker: There are none.

PERSONAL EXPLANATIONS

The Speaker: There are none.

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

The Speaker: There are none.

INTRODUCTION OF BILLS

GOVERNMENT BILLS

The Speaker: There are none.

OPPOSITION BILLS

The Speaker: There are none.

PRIVATE MEMBERS' BILLS

The Speaker: There are none.

NOTICE OF MOTION

The Speaker: I believe we have a notice of a Motion to be put this morning.
Mr. Premier.

MOTION TO REJECT UK GOVERNMENT'S ATTEMPTED INTERVENTION INTO BERMUDA'S DOMESTIC AFFAIRS AND THE REPORT AND RECOMMENDATIONS WITH RESPECT TO BERMUDA AND THE OVERSEAS TERRITORIES

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

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

WHEREAS the House of Commons Foreign Affairs Committee has issued a report on the United Kingdom and its Overseas Territories;

AND WHEREAS this report represents an attempt to erode the constitutional rights of Bermudians and is a retrograde approach to relations between the United Kingdom and Bermuda;

BE IT RESOLVED that this Honourable House rejects the unwarranted and unjustified attempt at intervention into Bermuda's domestic affairs and calls on the UK Government to reject the report and its retrograde recommendations with respect to Bermuda and the Overseas Territories.

[Desk thumping]

The Speaker: Premier, it is noted and will be on the Order Paper.

ORDERS OF THE DAY

The Speaker: That now brings us to the Orders of the Day. And I would like to call on the Minister of Finance.

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 2019/20.

The Speaker: Thank you.

And, for the listening audience, as you know, today is the start of the individual budget ministry heads that will be debated. And the first item up this morning is in the name of the Minister of Tourism.

So, before we go to that, we will ask the Chair, and I believe the chairman for this morning's session is Honourable Member Swan.

Honourable Member, will you come and take the Chair? And we can proceed with the business of the day.

[Pause]

The Speaker: Mr. Chairman, have a good day.

Hon. Hubert (Kim) E. Swan: Yes, sir.

House in Committee at 10:18 am

[Hon. Hubert (Kim) E. Swan, Chairman]

COMMITTEE OF SUPPLY

ESTIMATES OF REVENUE AND EXPENDITURE FOR THE YEAR 2019/20

The Chairman: Good morning, Members. We are here to consider the Head 48, under the Ministry of Tourism and Transport. And I believe we will hear from Minister Zane De Silva.

Honourable Member.

MINISTRY OF TOURISM AND TRANSPORT

HEAD 48—MINISTRY HEADQUARTERS

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

Mr. Chairman, I move that the following, Head 48, Ministry of Tourism and Transport Headquarters, be now taken under consideration.

The Chairman: Proceed.

Hon. Zane. J. S. De Silva: Mr. Chairman, today I am presenting the budget for the Ministry of Tourism and Transport Headquarters, Head 48. The budget appropriation for the entire Ministry totals \$88,496,079, as found on page B-194 of the Estimates of Revenue and Expenditure for the year 2019/20.

The departments which come under the Ministry include the following:

- Ministry Headquarters [HQ]—Head 48;
- Marine & Ports Services [M&P]—Head 30;
- Transport Control Department [TCD]—Head 34; and
- Department of Public Transportation [DPT]—Head 35.

In addition, the Ministry of Tourism and Transport maintains oversight of the Bermuda Civil Aviation Authority, Bermuda Shipping and Maritime Authority, Bermuda Airport Authority and the Bermuda Tourism Authority.

The Chairman: Yes.

Hon. Zane. J. S. De Silva: Mr. Chairman, it is the Ministry Headquarters which is responsible for tourism matters. Ministry Headquarters, Head 48, cost centre 58000, is found on pages B-195 through B-198 of the Estimates of Revenue and Expenditure for the Year 2019/20.

MISSION

Hon. Zane. J. S. De Silva: The mission of the Ministry Headquarters is to develop effective transportation policy and provide transportation systems that meet the needs of Bermuda's residents and visitors, to provide oversight and financial support to the Bermuda Tourism Authority and the Bermuda Airport Authority, and to provide guidance to authorities with responsibility for civil aviation and maritime affairs.

Mr. Chairman, the Ministry of Tourism and Transport Headquarters, Head 48, includes three business units: Administration Section, the Transportation Planning Team, and the Regulatory and Policy/Hotel Administration Section.

EXPENDITURE OVERVIEW

Hon. Zane. J. S. De Silva: Mr. Chairman, the total current expenditure for the Ministry of Tourism and Transport Headquarters, Head 48, is estimated to be \$39,475,159 for the fiscal year 2019/20. This represents an increase of \$25,080,606, or 174 per cent, over the prior year's budget of \$14,479,553. This increase is due to the November 2018 ministerial reorganisation that returned the responsibilities for tourism to the Ministry, resulting in the addition of the Bermuda Tourism Authority and related grants.

The reorganisation also saw the departure from the Ministry of responsibility for the Department of Energy, which included oversight of broadcasting, telecommunications and the Bermuda Regulatory Authority, and its associated budget of \$783,169.

The Headquarters Budget includes funding for the three business units mentioned previously, as well as the Current Account Operational/Expenditure Grants and Contributions, as seen in the Ministry of Tourism and Transport Headquarters, Subjective Analysis of Current Account Estimates, Grants and Contributions, budget line located on page B-196, and Schedule 1, Grants and Contributions, on [page] C-18 of the Budget Book. This budget includes the Bermuda Airport Authority grant in the amount of \$13.3 million and the Bermuda Tourism Authority grant in the amount of \$22.5 million.

For the fiscal year 2019/20, the Ministry Headquarters' Budget also includes Grants and Contributions for entities such as the World Triathlon Series, in the amount of \$2,070,470, which is year three of a five-year commitment; and JetBlue, in the amount of \$60,000, which is year three of a three-year cooperative marketing agreement.

ADMINISTRATION SECTION

Hon. Zane. J. S. De Silva: Mr. Chairman, the Administration Section within the Ministry of Tourism and Transport Headquarters, cost centre 58000, will have a budget of \$38,960,785. The majority of this allocation comprises the two Authorities' grants, about which I will provide more information later in this brief. For now, I will move on to the Transportation Planning Team.

TRANSPORTATION PLANNING TEAM

Hon. Zane. J. S. De Silva: Mr. Chairman, the Transportation Planning Team within the Ministry of Tourism and Transport Headquarters, cost centre 58010, is allocated a budget of \$140,660 and can be found on page B-195 of the Budget Book.

The Transportation Planning Team oversees cruise ship operational, regulatory and legislative matters. Together with the Bermuda Tourism Authority, the Transport Planning Section sets the cruise ship strategy, which has a strong focus on increasing cruise ship passenger spending and attracting a mix of cruise brands that can visit the Royal Naval Dockyard, as well as the City of Hamilton and the Town of St. George's.

Mr. Chairman, the Transportation Planning Team spearheads the logistical support for various government departments, on Island stakeholders, hoteliers and cruise ship partners to ensure the efficient integration of transportation services to meet expectations in Bermuda. Planning initiatives for this year include, but are not limited to, the following:

1. Meeting regularly with transport operators to plan for the 2019 season;

2. Stakeholder consultation and communication regarding the cruise ship schedule and high-impact areas such as ground transportation and services required during one-day and weekend cruise ship calls;

3. Implementing a revised plan for traffic coordination of taxis, minibuses and public buses at Horseshoe Bay Beach, where over 5,000 visitors can be found on any given day during the cruise ship season, to be executed by the Department of Parks, with TCD traffic officers assisting when necessary;

4. Identifying the correct number of minibuses to meet resident and visitor demand, particularly for those persons with special needs who require heavy wheelchair-accessible transport options;

5. Working with the Department of Parks to increase the presence of lifeguards, earlier and later in the season, especially at Horseshoe Bay Beach;

6. Working with the Department of Works and Engineering to arrange much-needed shading at the Horseshoe Bay Beach General Transportation Area for visitors and transport operators;

7. Working with the Department of Marine & Ports Services to identify and implement supplemental ferry service to accommodate an extended cruise ship season and an increase in cruise ship passenger arrivals, and with the Department of Public Transportation to organise ground support staff to help with passenger queuing and pass validation in the Royal Naval Dockyard;

8. Ensuring that the Bermuda Visitor Services Centres in Dockyard are open when a cruise ship arrives alongside;

9. Championing the need for public transportation services to implement a digital fare media system alongside a public transportation trip planning app with real-time information on the status of buses and ferries, in time for the 2020 cruise ship season; and finally,

10. Advocating for bow-loading capabilities for public ferries at Hunter's Wharf in St. George's by 2020 so that persons who use wheelchairs can travel to and from Dockyard to St. George's by ferry.

Mr. Chairman, I would also like to update you now on cruise ship activity. In 2018, Bermuda received 171 cruise ship calls, bringing 484,339 passengers to our shores. In 2019, we expect 194 cruise ship calls, with an estimated 545,000 cruise ship passengers. This represents an increase of 23 calls and approximately 60,000 passengers compared with 2018.

Mr. Chairman, cruise ship passenger on Island spending is also expected to increase significantly in 2019, to \$123 million, an increase of \$12.9 million over the \$110.1 million spent by cruise ship passengers in 2018. The Government of Bermuda is also expecting an increase in cruise ship tax revenue, from

\$24.1 million in 2018 to \$32.3 million in 2019. This increase—a portion of which will go to the Bermuda Tourism Authority, with the remainder destined for the Consolidated Fund—is attributed to a restructuring of the cruise ship and cruise ship passenger taxes, which have not been uplifted in almost 13 years.

CRUISE SHIP AND CRUISE PASSENGER TAXES IN EFFECT FROM 1 APRIL 2019

Hon. Zane. J. S. De Silva: Cabin tax will be repealed. Passenger departure tax will remain the same for ships berthing in, or at anchor and tendering to, the Town of St. George's and the City of Hamilton, at \$20 per person per 24-hour period or any part thereof, to a maximum of \$60. There will be an increase of \$5, to \$25 per person for passenger departure tax for each 24-hour period or any part thereof, to a maximum of \$75 per person per call, for ships berthing in Dockyard or at anchor and tendering to Dockyard.

We will introduce a \$22 per person tax, called the large ship infrastructure tax, for passengers sailing on vessels with gross tonnage exceeding 149,000 tons, exceeding 1,120 feet in length or exceeding 4,000 passengers, whichever is applicable. There are two ships identified in the 2019 cruise ship schedule that fit these criteria: the Royal Caribbean's *Anthem of the Seas* and the Norwegian Cruise Lines' *Norwegian Escape*. The large ship infrastructure tax revenue will be used to help fund infrastructure improvements.

There will be a new cruise ship passenger fee of \$16 per person to fund destination marketing and on Island product and experience development by the Bermuda Tourism Authority. This fee will be paid directly to the BTA and, as a result, the Government will be able to reduce its annual grant to the Authority.

Simply stated, Mr. Chairman, the cabin tax of \$14 per cabin per day is replaced with the flat fee of \$16 per person for the new BTA cruise ship passenger fee. Government's passenger departure tax increases \$5 per person per 24 hours for ships berthing in Dockyard. And for the passengers travelling on the larger ships, an additional tax of \$22 per person is being levied to help fund cruise ship infrastructure projects.

Mr. Chairman, Government taxes from cruise ship passengers and the BTA cruise passenger fee combined will generate an estimated \$40.2 million in revenue between April 1st and the 31st of October 2019. This is an estimated increase of \$16 million in taxes and fees over the 2018 cabin tax and passenger departure tax revenue. The cruise ship strategy to extend the cruise ship season and incentivise cruise ship calls to Bermuda in the off-peak season will remain. Therefore, neither the government taxes nor the BTA cruise passenger fee will be charged between November 1st and the 31st of March.

Mr. Chairman, it will come as no surprise that the cruise lines really do enjoy calling into Bermuda

and that Bermuda remains a profitable destination for one-, two- and three-day calls. The Transport Planning and BTA teams have been tracking the economic value of the cruise ship business to Bermuda more closely in recent years. With an increased emphasis on onboard activities, it is documented that the Bermuda vendors have suffered as a result. However, the cruise ship passengers do add vibrancy to all ports and contribute an average spend of \$227 per person per visit on transportation, meals, retail shopping and tours. The best retail months are reported to be May, June, July and early August, when younger cruise passengers travel with their families.

Mr. Chairman, I would like to share with you what cruise business actually means to Bermuda. We have estimated that \$178.7 million will be circulating in Bermuda's economy by the end of the 2019 cruise ship season. This includes passenger spending of \$110.1 million, crew spending of \$5.5 million, Government taxes of \$31.8 million, BTA passenger fees of \$7.82 million, and the cruise line disbursement expenses of \$10 million paid to on Island vendors via the cruise lines' port agent during each call.

Mr. Chairman, the season for contracted cruise ships starts on Sunday, the 14th of April, with regular calls running through Sunday, the 17th of November. It includes the *Grandeur of the Seas*, with 18 calls; the *Anthem of the Seas*, with 24 calls; the Norwegian *Escape*, with 27 calls; the Norwegian *Gem* (which replaces the Norwegian *Dawn*), with 22 calls; and the *Celebrity Summit*, with 17 calls.

In addition, Mr. Chairman, Norwegian's Regent Seven Seas and Oceania brand ships will continue to make 12 contract calls to St. George's between Friday, the 5th of April, and Monday, the 18th of November. The City of Hamilton will receive 15 calls between the 5th of April and the 24th of December in 2019.

Carnival cruise ships will make 20 occasional calls, which is an increase of seven calls in 2019. The *Disney Magic* will return with five occasional calls between the 27th of September and the 25th of October. Two Holland America Cruise Line ships will visit Bermuda this year. They are the *Zuiderdam* and the *Rotterdam*. Bermuda will also host five inaugural cruise ship calls in 2019:

- MS NCL *Pearl*, April 20–21;
- MS NCL *Jade*, April 25–26,
- MS *Celebrity Edge*, April 30–May 1;
- MS *Adventure of the Seas*, May 19; and
- MS *Spirit of Discovery*, December 31–January 1.

Mr. Chairman, the Transportation Planning Team has identified 11 dates when Bermuda will experience a significant number of cruise ship passengers in port at the same time. These dates have been highlighted with industry stakeholders as peak transport challenge days, and early preparation is underway. The cruise ship schedule can be downloaded

from the Marine & Ports website at www.marineandports.bm; it is updated regularly.

REGULATORY AND POLICY/HOTEL ADMINISTRATION

Hon. Zane. J. S. De Silva: Mr. Chairman, the third business unit in the Headquarters, Head 48, is Regulatory and Policy/Hotel Administration. This unit within the Ministry of Tourism and Transport Headquarters, cost centre 58020, has been allocated a budget of \$373,714, as found on page B-195 of the Estimates of Revenue and Expenditures.

The variance between the 2019/20 budget and revised budget for 2018/19 is nil. As noted earlier, this section was transferred to the Ministry of Tourism and Transport from the former Ministry of Economic Development and Tourism, in November last year.

Mr. Chairman, the unit is responsible for the inspection and licensing of properties listed on the hotel inventory. As of the 1st of May 2018, there were 41 operating licensed properties comprising the following: four large resort hotels; ten small hotels; four cottage colonies; three clubs; seven large cottages, suites and apartments; six small cottages, suites and apartments; two inns; four bed and breakfasts (not to be confused with Airbnb); and one "floatel" (a boat used as a hotel).

The unit jointly administers the new Vacation Rentals Act 2018 with Consumer Affairs (in conjunction with the Ministry of Home Affairs). Unlike the process of inspecting and licensing properties listed on the hotel inventory, vacation rental proprietors are required to complete a self-check application form before being issued a vacation rental certificate or a vacation rental (rent control) certificate.

Mr. Chairman, the Vacation Rentals Act 2018 amended the definition of a "hotel" per section 1 of the Hotels (Licensing and Control) Act 1969, to mean a place which provides sleeping accommodation for 10 or more guests (increased from six or more guests). As such, a vacation rental unit is one that provides sleeping accommodations for nine or fewer guests. Those proprietors are required to register and secure a vacation rental certificate issued by either the Minister responsible for tourism or the Minister responsible for rent control.

Recent research unveiled that there are at least 662 properties posted on various platforms as vacation rental properties, including, but not limited to, Airbnb, Bermuda Rentals, and Vacation Rentals by Owner (VRBO). These properties offer sleeping accommodation to nine or fewer guests. Our research also unveiled that there are 44 properties posted on various platforms which can provide accommodation for 10 or more guests and which are *not* on our hotel inventory list. The Regulatory and Policy Unit is addressing the compliance issue, meeting with each property owner individually, and expects these proper-

ties to be listed as hotels by the end of the upcoming fiscal year.

Mr. Chairman, the unit is also responsible for the administration of the Lotteries Act 1944 on behalf of the Secretary to the Cabinet. So far, in the current financial year, 42 raffle permits and 24 business permits have been issued under this Act.

Mr. Chairman, the Regulatory and Policy Unit also administers the Tourism Investment Act 2017 (the successor to the Hotels Concession Act 2000), which became operative on 10 November 2017. The Tourism Investment Act 2017 revoked 14 inactive or spent Hotels Concession Orders, leaving eight active Hotels Concession Orders in place.

Mr. Chairman, the Tourism Investment Act 2017 provides relief, depending on the level of investment in the property, as follows: for a new hotel for a period not exceeding 10 years; a refurbished hotel for a period not exceeding five years; a new restaurant for a period not exceeding three years; an existing restaurant for a period of one year; and an attraction for a period of one year. Honourable Members will recall that the very first Tourism Investment Order was recently approved by this House for the Bermudian Beach Resort.

MANPOWER

Hon. Zane. J. S. De Silva: Mr. Chairman, the Ministry of Tourism and Transport Headquarters employs nine full-time equivalent employees under the following cost centres: 58000, four persons, the Permanent Secretary, Ministry Comptroller, an accountant administrative officer, and an executive assistant; 58010, one Transportation Coordinator; and 58020, four persons, the Senior Manager for Tourism Regulation and Policy, two compliance officers, and an administrative assistant. Compensation, not including overtime, is estimated at \$939,139, or 0.02 per cent of the budget.

REVENUE

Hon. Zane. J. S. De Silva: It is anticipated that, in 2019/20, the Ministry Headquarters will generate approximately \$16,653,000 in revenue from the following sources:

- Bermuda Civil Aviation Authority, \$16 million;
- cruise ship casino licences, \$615,000; and
- hotel licence fees, \$38,000.

This revenue estimate represents a decrease of approximately 55 per cent, again primarily the result of the November 2018 ministerial realignment, which shifted the revenue attained from the Regulatory Authority of Bermuda (approximately \$17,950,400) to the Ministry of Home Affairs.

Also contributing to the decrease in the estimated revenue at the Ministry Headquarters is the decline in revenue receipts from the Bermuda Civil Aviation Authority (BCAA), estimated to be \$16 mil-

lion, in 2019/20. The decline represents a 19 per cent decrease over the prior year's revenue estimate of \$19,850,000.

The decline in revenue is attributed to two changes put in place effective April 1, 2018. First, the BCAA changed its revenue recognition policy to defer revenue for Certificates of Airworthiness, Continuing Aircraft Management Organisations certificates, and [Aircraft] Maintenance Organisations certificates, which are generally issued 60 to 90 days before their date of validity.

Second, BCAA effected an internal change in accounting practice to improve the accuracy of the calculation of deferred revenue for these certificates. These changes will better reflect the actual revenues earned in each period without the need for cumbersome revenue deferral calculations, and will ensure that airworthiness revenue recognition is consistent.

Mr. Chairman, I would now like to discuss the year ahead with respect to the two authorities that receive grants from the public purse. I will start with the Bermuda Tourism Authority.

BERMUDA TOURISM AUTHORITY'S 2019/20 BUDGET HIGHLIGHTS

Hon. Zane. J. S. De Silva: Mr. Chairman, the Bermuda Tourism Authority, commonly known as BTA, was established with a mission not only to promote Bermuda as a destination, but also to be a catalyst of economic development and to ensure the social and economic enhancement of Bermuda through the expansion of tourism.

Mr. Chairman, in 2018, following hundreds of stakeholder interviews, working groups and public input, the National Tourism Plan was released. The objective of the National Tourism Plan is to build a multi-year roadmap for our aspirational future for tourism and its effect on the Island as a whole. The vision of Bermuda's having a growing and balanced tourism business by 2025 is underpinned by the opportunities within the seven strategic pillars of the plan.

NATIONAL TOURISM PLAN'S STRATEGIC PILLARS

Hon. Zane. J. S. De Silva: The National Tourism Plan's strategic pillars are as follows:

- Awareness and Relevance—to be seen as an alluring destination set apart not only by our geographic location, but also by our way of life;
- Greener—to become one of the "greenest" tourist destinations, and attract visitors who value this, through more eco-friendly practices and better use of our natural resources;
- Infrastructure—to offer frictionless experiences from arrival through departure in a way that

not only satisfies visitors, but adds to their positive experience of the country;

- Local Involvement—to tap the vast creative and entrepreneurial potential and hospitality of local residents for the mutual benefit of both visitors and residents alike;
- Innovation—to have a visitor-centric approach and use technology and data to enhance visitor experiences;
- Teams and Groups—to be known as an exclusive, convenient and sought-after destination for specific groups, especially in the non-summer months; and
- Year-round—to offer an attractive value proposition for visitors to come any time of the year.

It is purposeful that these strategic pillars spell “AGILITY.” We must be focused, passionate and agile to build on recent growth. The BTA will work with its partners and stakeholders in order to achieve the aims of the National Tourism Plan.

Mr. Chairman, the introduction of the new vacation rental property fee in 2018 and the proposed cruise ship passenger fee announced in the Budget, both payable to the BTA, has enabled the Government to reduce the grant to the BTA from \$26 million in 2018/19 to \$22.5 million in 2019/20, without compromising the ability of the BTA to deliver on its objectives. The current account expenditure can be seen in the Ministry of Tourism and Transport Headquarters, Subjective Analysis of Current Account Estimates, Grants and Contributions, budget lines located on pages B-196 and C-18 of the Budget Book.

The BTA will continue with the successful strategy of investing the funds available in integrated marketing campaigns designed to generate in year demand for Bermuda as a destination. The majority of the investment will be concentrated in key markets and include out of home, television, digital marketing and events. The BTA will also move forward with the sports strategy and seek opportunities for marketing partnerships with a high return on investment in order to bring major events to the Island.

Mr. Chairman, in 2018/19, the BTA received funding to ensure that Bermudians are ready for and willing to participate in the employment opportunities coming in the Island's tourism sector with two five-star hotels scheduled to open next year. This initiative, in partnership with the Department of Workforce Development and Bermuda's hoteliers, is now in process. It will deliver a thorough future needs assessment and gap analysis across skilled, unskilled and management employment in our hotels, and will provide a pathway to prepare Bermudians to seize those opportunities.

Mr. Chairman, tourism represents Bermuda's best opportunity to create inclusive economic growth that benefits Bermudian homeowners, workers, and entrepreneurs. The BTA is proud of its track record of

success over the last three years and is committed to further growth of the tourism economy.

Moving on to the Bermuda Airport Authority.

BERMUDA AIRPORT AUTHORITY'S 2019/20 BUDGET HIGHLIGHTS

Hon. Zane. J. S. De Silva: Mr. Chairman, the second Authority which receives a grant from the Government is the Bermuda Airport Authority.

The Bermuda Airport Authority is nearing the end of its second year as a quango under the Ministry of Tourism and Transport. The current account expenditure can be seen in the Ministry of Tourism and Transport Headquarters, Subjective Analysis of Current Account Estimates, Grants and Contributions, budget lines located on pages B-196 and C-18 of the Budget Book.

MANDATE OR MISSION

Hon. Zane. J. S. De Silva: Mr. Chairman, the Bermuda Airport Authority delivers a range of essential air navigation services, also known as retained government services, at the L. F. Wade International Airport, including air traffic control, ground electronics, and Bermuda weather and aeronautical information services. As the owner of the airport, on behalf of the Government of Bermuda, the Authority also oversees the performance of the airport developer, Bermuda Skyport Corporation [Limited], and its 30-year concession to operate, maintain, and redevelop the new airport, scheduled for completion in the summer of 2020. The Airport Authority also regulates airport fees and charges.

Recently, the Airport Authority's inaugural annual report, including audited financial statements for 2017/18, was laid in the House, thus fulfilling this statutory requirement.

EXPENDITURE OVERVIEW

Hon. Zane. J. S. De Silva: Mr. Chairman, the total Ministry of Tourism and Transport operational expenditures grant to the Bermuda Airport Authority will be \$13.3 million for 2019/20. It remains unchanged from the Airport Authority's operational expenditures grant provided in 2018/19. Increases in budgeted finance and administration costs have been offset by reduced airport oversight services costs, as a result of the Authority's strategic initiative to insource a major overseas vendor's services, effective April 1st, 2019. The same, mostly Bermudian, professional workforce will now provide essential air navigation services as direct employees of the Airport Authority, thus enjoying long-term job stability under the management of a local leadership team with a high-performance culture. CPI-based cost increases for salaries and benefits, insurance and energy will be offset by operational efficien-

cies and reduced costs for overseas vendor management fees.

Mr. Chairman, the Bermuda Airport Authority 2019/20 capital budget of \$2.5 million, as seen on page C-18 of the Budget Book, cost centre 75342, represents the same level of planned capital expenditure as 2018/19. The major capital costs in 2018/19 were for the instalment payments of approximately \$1.4 million for the manufacture and installation of new equipment to replace the ageing Doppler Weather Radar system. Major capital projects scheduled for 2019/20 include completion of the aforementioned weather radar system installation, replacement of the Airport Instrument Landing System, upgrade of several Airfield Navigation Equipment telecommunication links from copper wire to fibre cable, and replacement of the Air Traffic Control Tower Voice Switch.

Mr. Chairman, the Airport Authority currently employs 12 full-time equivalents (FTEs), headed by a Bermudian CEO, who reports to a board of directors. The Authority's FTEs will grow to 46 in 2019/20 when it insources the air navigation services currently provided by an overseas vendor, upon expiry of their three-year service agreement.

The Airport Authority continues to report on the performance of Bermuda Skyport Corporation, in accordance with the terms of the project agreement. This includes monitoring key performance indicators such as technical design specifications, airport regulated revenues, and airport terminal energy consumption.

Mr. Chairman, that concludes the brief on the Ministry of Tourism and Transport Headquarters, Head 48. Mr. Chairman, I would like to take this opportunity to recognise the hard work and professionalism of the staff of the Ministry of Tourism and Transport Headquarters. Also, I would like to thank the staff and boards of the Airport, Tourism, Civil Aviation, and Shipping and Maritime Authorities, who quietly go about fulfilling their mandates for the betterment of Bermuda.

Thank you, Mr. Chairman.

The Chairman: Thank you, Minister.

It is now 10:51.

The Chair recognises the Shadow Minister for the Ministry of Tourism and Transport, from constituency 30.

Honourable Member Scott, you have the floor.

Ms. Leah K. Scott: Thank you, Mr. Chairman.

Mr. Chairman, I am going to speak to [cost centres] 58000 and 58101. Mr. Chairman, this year represented a three-peater for the Department of Tourism, when they had three years of successful growth. And it demonstrates that tourism, as an independent body, does well by itself. Kevin Dallas, Glenn Jones, and the staff at the BTA have done an excellent job in being creative and in doing things that bring

tourists to Bermuda and sustaining our tourism numbers.

Mr. Chairman, I am going to ask your indulgence. I do have a lot of notes here and a lot of papers that I would like to generate some of my questions from.

So, the Tourism Authority is trying to create all kinds of experiences for Bermuda, and also create experiences year-round so that people do not come to Bermuda just in the summertime or when the weather is warm. And they are also trying to create a Bermuda that is not their grandparents' Bermuda. To date, they have actually been successful. I believe that the number of people who are arriving in Bermuda from the ages 45 and above has increased.

So, Mr. Chairman, if you would allow me to first speak to the Bermuda Tourism Outlook 2019, and just a couple of things that I would like to raise in that.

The Chairman: Yes, Shadow Minister. If I could, just for a minute, I want to inform Members and the listening public that this debate is a full hour debate. It started at 10:18 this morning.

ANNOUNCEMENT BY THE CHAIRMAN

HOUSE VISITOR

The Chairman: And I would just recognise the Senator Jason Hayward in the Gallery.

Thank you for your attendance.

[Committee of Supply continuing]

The Chairman: You may continue.

Ms. Leah K. Scott: Thank you, Mr. Chairman.

So, Mr. Chairman, looking at the Bermuda Tourism Outlook 2019, the air capacity for Bermuda from 2015 to 2018 has increased. The 2019 projections have a 4 per cent decrease. And I would just be interested to know why those numbers are going down. On what basis do they project a decrease?

The strategic priorities for the BTA are the emphasis on the non-summer seasons, which I understand and appreciate, and empowering Bermudians to participate in the tourism industry. And one of the interesting things, just in going through the notes that I have read, is that . . . and I actually participated in a lot of the National Tourism Planning sessions. And one of the things that always comes up is that Bermuda suffers from a "culture of no." So, we actually like to go to other places and do things and enjoy things that make us have a good vacation. But we do not want to have those same things in Bermuda. So, we have to kind of open up our minds and broaden our minds.

And I think the BTA is trying to do that in terms of bringing things to Bermuda that are not tradi-

tional, but will create jobs for Bermudians, which is our number-one thing, and also create a tourist experience so that people will want to continue to return to Bermuda. So, I think that Bermudians getting involved and participating in tourism and actually being tourism ambassadors is a good thing.

The BTA, in their outline, has set out a number of signature events for Bermuda. And they actually sound really interesting. They have got the Bermuda Triangle of Sailing. They have got the Marion Bermuda Race, the Atlantic Rally for Cruisers, and the Bermuda Triple Crown Billfish Tournament. And I would like to know what a “billfish” is, because I have never heard of it.

[Laughter]

Ms. Leah K. Scott: The National Trust Talk: The Bermuda Gombey festival. But they have, you know, a bunch of things that are going on. And one of the things that I would like for Bermudians to do is to recognise that tourism is not just for people who come here. There are a lot of experiences and things that are offered by the BTA that Bermudians should take advantage of. And I am speaking to myself, as well, because they do offer things that I should participate in, but I do not.

I was out the other night having dinner. And I sat beside this young woman who actually told me that she runs a food tour programme. I did not even know that Bermuda had food tours. She said it has been quite successful. And I participate in food tours when I travel. But she said it has been quite successful, and the people enjoy the restaurants, and the interaction with the waiters and the owners of the restaurant. One thing that I would like to say is that I would like to see more Bermudians in the restaurant industry so that people could have a true Bermudian experience. And I think that if we can get Bermudians interested in the hospitality and tourism industry, as they were many years ago, it would create a better Bermudian experience.

I know when I travel, I want to go where the locals go and I want to be with the local people. I do not want to travel to India and meet Japanese people serving me in the restaurant. And I am not saying that discriminatorily. But it just adds to the experience and the genuineness of the experience when you have the people who actually live and work there.

So, the Tourism Authority is also looking at doing some arts and cultural events. Some of them I have been to, the Fashion Festival, the Art Walk, and Gombey Saturdays. And in their Strategic Action Plan, they have a plethora of ideas that I think will be very attractive to people who want to come to Bermuda and participate. I note that their Visitor Service Centre should be opening up in April. I would like to know whether or not we are on track for that to open up. I

have been watching the development of that building down on Front Street.

Mr. Chairman, the other day I went on the BTA's website and found that they have (if I can read from it) “21 Free or Affordable Things to Do in Bermuda.” And these are things that I did not even know they had. The “21 Free or Affordable Things to Do in Bermuda” from the BTA website, things to do on our Island. So, there is a Skirling Ceremony at Fort Hamilton. Did you know they had a skirling ceremony? Do you know what a skirling ceremony is?

The Chairman: Enlighten me, Shadow Minister.

Ms. Leah K. Scott: Well, the skirling ceremony is where they have killed pipers, drummers and dancers perform to the bagpipe skirl of the Bermuda Island Pipe Band. I did not even know that. And that is every Monday through the 31st of March at twelve o'clock. I did not even know they had that.

You can visit the Unfinished Church. There is a tour of the Perfume Factory, Bermuda Gombey Revue, Birdwatch at Spittal Pond, hiking up to Fort Scaur and God's country, the home of the cup. You can also—

The Chairman: That could be a point of order. But continue on.

[Laughter]

Ms. Leah K. Scott: There is the Featherbed Alley Print Shop, and there is a place where you can go, Rock Island Coffee, where you can sip locally roasted coffee. So, there are a lot of things that people can do when they come to Bermuda. I am actually proud of Bermuda and the things that the BTA has actually accomplished.

Finally, before I get into the numbers, Mr. [Chairman], and the National Tourism Plan . . . they have identified things that they would like to do and areas that we need to focus on as a country. So, their executive summary sets out some of the challenges. And some of the challenges, and again I spoke to this earlier . . . the key challenges that most people have are reducing the effects of seasonality, so it is actually enjoying Bermuda no matter which season it is; regulation; and then the negative mind-set, the *culture of no*. So, we have got to be able to be accepting of change and be accepting of things that are going to make Bermuda a jurisdiction that people want to come to. And the cost of doing business and taxes—so, how do we balance the cost of doing business here and having a pleasant experience with taxes and things like that?

Now, from a shareholder perspective, the Bermuda shopping experience is that people want to see more Bermudian things in the stores. Some peo-

ple do not come to Bermuda to shop. I know when I travel, I go to shops.

The Chairman: Shadow Minister. Can you just tie it in to the line item here?

Ms. Leah K. Scott: Oh, yes. Sorry, sorry, sorry.

The Chairman: Just keep to the line.

Ms. Leah K. Scott: So, if you have people who are producing more Bermuda items, then people are shopping; then that money is going to go to our revenue, to our bottom line.

[Pause]

Ms. Leah K. Scott: I do not want to talk about that one.

Okay. So, Mr. Chairman, going back to Head 48 [cost centre] 58000.

The Chairman: You are on Head 48, yes.

Ms. Leah K. Scott: [Cost centre] 58000, Administration. So, in 2017, Mr. Chairman, there was a payment made of \$100,000 to the Bermuda Sailing Trading Association for the Tall Ships Regatta. And I know that the tall ships are not coming. But what happened to that \$100,000 allocation? Has that money been allocated to do something else? In 2018, it was anticipated that our spending would go up to \$59,800 for cruise tax revenue dollars. Have we seen that increase—

Hon. Derrick V. Burgess, Sr.: Mr. Chairman, if you do not mind.

The Chairman: Point of order?

Hon. Derrick V. Burgess, Sr.: Well, I just want to know what line item we are talking from. I would like to follow.

The Chairman: Yes. I believe it was on—we are on page B-195, cost centre 58000, Administration. The Shadow Minister said she was dealing with 58000, Administration.

Hon. Derrick V. Burgess, Sr.: All right.

The Chairman: Yes. Continue on.

Ms. Leah K. Scott: Okay. The tourism plan is to increase visitor arrivals in Bermuda to 428,000 by the year 2022, and in 2018 we are five years before that goal date. Is that number still anticipated? Do we still think that we are going to be able to make that? And I

say that just in that we are looking at a decrease for 2019 for air arrivals.

The *Disney Magic* cruise ship came here five times this year. Did we see an increase in our revenue, because it was anticipated that, when those boats called here, those are people who actually were spending money and would spend money? So, did they add any increase to our revenue?

The *Norwegian Breakaway* was replaced with the *Norwegian Escape*. And that ship had a capacity for 500 more visitors. Did those 500 more visitors actually spend more revenue in Bermuda? And if they did, what was the projected amount and what was the actual amount?

In St. George's, the first cruise call, it was anticipated that St. George's would have 50 cruise calls in 2018. Did they actually have 50 cruise calls in 2018, and what was the revenue that was generated from that?

Mr. Chairman, it is hard to . . . I am going to go down to [cost centre] 58010, the Transportation Planning Team. And the last transportation management report was in 2002. That report actually highlighted some things from a public survey that was taken from the Bermuda public. So, I am going to ask whether these things are still relevant. And if you would allow me to read, please, from the [Official] *Hansard [Report]* at 2nd of March 2018?

[Pause]

Hon. Derrick V. Burgess, Sr.: Mr. [Chairman], with all due respect, we are doing the Budget Debate, right? When you want to talk on an item, you have got to lay out the line number, the head, and everything else. You are doing reports? All of that should have been in general debate. We are dealing with the budget, Revenue and Expenditures.

The Chairman: Mr. Deputy Speaker, I have been following the Member as she has spoken to matters that are in the brief that the Minister, quite rightly . . . well, we appreciate his sharing. I did not have a problem with the questions that she was asking. They were relevant to what was presented by the Minister. And I was able to follow. In fact, I actually turned to page 11 when she was making reference to questions related to the cruise ships, which were there.

But, Member, if you can keep your rhetoric succinct as you relate to the Minister. Thank you.

Ms. Leah K. Scott: Thank you, Mr. Chairman.

So, Mr. Chairman, it is kind of difficult. Last year, tourism and transport were contained in the same Ministry. And so, one of the things that I would like to know, and I may have to wait until Friday when we do the Transport debate, is, as we are trying to increase our tourism revenue and trying to increase our air lift numbers and the people who are contrib-

uting to our economy, we have to make sure that our transportation system is working. So, I would like to know what the Transport Management Team is doing in terms of working out how we can increase—

The Chairman: Well, you might have to save that one for that—

Ms. Leah K. Scott: Yes, Friday. Okay. No problem.

The Chairman: Okay. I think you answered your own question. Yes.

Ms. Leah K. Scott: Okay.

And, Mr. Chairman, I guess I may have to wait for Friday on this one, because I was going to talk about the modernisation of a cashless payment system, which they were going to be looking at, and I want to know the status of that. But that would fall under Transport, as well, I would imagine.

The Chairman: Yes. Yes.

Ms. Leah K. Scott: Okay.

The Chairman: We have got enough heads here as we deal with Tourism and the Authorities that come under those particular heads.

Ms. Leah K. Scott: Right. Okay.

The Chairman: And some of them are just line items. So, if you can keep it specific to that, we will appreciate it.

Ms. Leah K. Scott: Okay. So, I will go back to [costs centre] 58000 under Administration. And last year's budget, there was a funding of \$400,000 that was ring-fenced for an initiative for Bermudians. And that was going to be in partnership with the hospitality industry. And I would like to know if further funds will be allocated for that, and how that project worked for 2018. There was \$100,000 that was allocated for the BTA's Beach Economy vision. Is money going to be allocated for that? What is happening with the Beach Economy vision? Is there going to be anything that is going to be going on with that?

Mr. Chairman, the BTA received \$7.9 million in direct income last year. And I would like to know what they received this year in terms of direct income.

Mr. Chairman, last year there was, under, again, 4801, Administration, 58000, a \$37,000 increase in professional services. And there was money set aside for the Bermuda Event Authority. Has money been set aside again for the Bermuda Event Authority? And if it has been, what is it? Because I do not see it listed in the grants section.

The Chairman: Professional Services, you are relating to [page] B-196?

Ms. Leah K. Scott: Yes.

The Chairman: In the Subjective Analysis?

Ms. Leah K. Scott: Yes.

The Chairman: Okay.

Ms. Leah K. Scott: And then, under 4801, Administration 58000, there was a \$39,000 increase in travel fees for 2018. What was the amount of travel fees for this year? And what has been allocated for that?

And, let me see.

[Pause]

Ms. Leah K. Scott: Mr. Chairman, in 2017/18, there was \$1 million allocated to America's Cup for sponsorship. And that money was supposed to be diverted in 2018 for integrated marketing campaigns or marketing blitzes. Is money going to be allocated for that? And what would those campaigns entail? The other thing is that—

The Chairman: Is that under Grants and Contributions? I am just trying to, you know, just so we can follow where you are referring your numbers to.

Ms. Leah K. Scott: I am referring to my brief from 2018.

The Chairman: Okay. Yes. It will be helpful, as you relate to numbers, if you could keep us on track as to where your numbers are coming from so that Honourable Members can follow.

Ms. Leah K. Scott: Because I am thoroughly confusing you?

The Chairman: No. I just want to make it relevant to the Budget Book that we are debating.

Ms. Leah K. Scott: Okay.

The Chairman: And I am sure that the numbers that you refer to would be, should be, here.

Ms. Leah K. Scott: Right.

The Chairman: And so that we can cross reference.

Ms. Leah K. Scott: Okay.

[Pause]

Ms. Leah K. Scott: Let me see.

The Chairman: Page C-18, C-18, Member, is Grants and Contributions for the Ministry of Transport and Tourism.

Ms. Leah K. Scott: Right. But I do not see—

The Chairman: So, if there are numbers that you are going to refer to, that would have been listed in the Budget either this year . . . if you cross reference it, they should be listed in here. If you could just make reference to that.

Ms. Leah K. Scott: Okay. So, what I do not see is the number for the Bermuda Event Authority.

The Chairman: Yes. You could ask that of the Minister.

Ms. Leah K. Scott: So, I am asking whether or not, because it is not in here . . . does it necessarily mean that there is not going to be a grant allocated for it at some point?

[Inaudible interjection]

Ms. Leah K. Scott: You did not; I know. Okay.

[Inaudible interjections]

The Chairman: Continue.

[Pause]

The Chairman: For the listening public, we are on Head 48, Tourism and Transport. There are four hours allocated for this head, under Ministry Headquarters. We are on page B-195. Grants and Contributions are listed on page C-18.

Shadow Minister from constituency 30, you have the floor.

Ms. Leah K. Scott: Okay. Thank you.

So, Mr. Chairman, on page B-196, under Grants and Contributions, last year there was a grant to the Bermuda Hospitality Institute. And because Grants and Contributions is an aggregate number, will they be receiving a grant this year? The Visitor Services Centres also got a grant under last year's budget. Is that included in this aggregate number? The National [Service] Standard Programme and Certified Tourism Ambassadors Programme also got a grant. Is that included in this aggregate number?

[Pause]

The Chairman: Continue on.

Ms. Leah K. Scott: I am just looking for . . . I am not sure whether this would come under communications.

In the grant for last year, there was a commitment to strategise on previous spending to maintain the momentum of the tourism comeback. So, I do not know whether that would fall under communications . . . or advertising and promotion.

And I think that I do not really have any further questions, Mr. Chairman. A lot of what I wanted to ask has been covered in the brief by the Minister. And a lot of the other questions that I want to address will come under the Transportation head on Friday.

I have some questions, but I am not sure . . . okay. This will come under training. There is a certified waiter/server programme. I would like to know what the status of that is, and is that included in the training budget?

Hon. Derrick V. Burgess, Sr.: Mr. Chairman, you know—

The Chairman: Point of order?

Hon. Derrick V. Burgess, Sr.: If I may.

The Chairman: Just for a moment. Yes.

POINT OF ORDER

Hon. Derrick V. Burgess, Sr.: You have got to lay out the line, what head you are talking about, what line item you are talking about. I like to follow this here, right?

The Chairman: Yes.

Hon. Derrick V. Burgess, Sr.: And I am finding it very difficult to follow if you do not specify what you are talking about.

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

Can you just specify the line item that you are referring to?

Ms. Leah K. Scott: Okay, so page B-196.

The Chairman: Yes.

Ms. Leah K. Scott: Under Training, the line item is Training.

The Chairman: In the Subjective Analysis?

Ms. Leah K. Scott: Yes.

The Chairman: Training, yes.

Ms. Leah K. Scott: I am not sure whether these would come under Training. But there was a certified waiter/server programme in 2018. Do they still have

that programme, and if there is that programme, is that number included in the Training budget?

And again, page B-196, again under Training, there was the Tourism Ambassadors Programme. We had tourism ambassadors, 400 people. Is that programme still existing? Is money being allocated for that?

Again, under . . . I am not sure what this would come under. Last year, they had the Neighbourhood Beautification Project. I am not sure exactly what that would come under, under the Subjective Analysis? And then, this would, I guess, come under Training. There was an internal rotation development programme. Does that programme still exist?

The Chairman: Under Tourism?

Ms. Leah K. Scott: Yes, under Tourism, page B-196, under Training. As I said, I am not sure what specific line item that would come under. I would think that it is Training. Do they have that programme, and is it still in existence? What were the results of the previous programme?

And I think that is all of the questions that I have for the Minister under this, Mr. Chairman. And I apologise for any confusion that I have caused to the Members by not, I guess, identifying the items the way that they need it, to be able to follow.

Thank you, Mr. Chairman.

The Chairman: All right. Thank you, Shadow Minister.

This debate started at 10:18. It is a four-hour debate. We are one hour into this debate.

I will share one thing for clarification. For persons who speak further, Tourism and Transport under Head 48 is a grant to the Bermuda Tourism Authority. So, anyone who speaks on Tourism, as I have done for many years in this House, knows that there are no line items that are associated. So, there may be questions. I have exercised some latitude, knowing that questions will arise that might not be covered by a line item. And certainly, for the edification of a very important topic, I have seen some things in the brief. I know those particular line items are under that grant, but would not be covered in this book. But I appreciate the Deputy Speaker keeping me on track to be able to point those out as I am doing so now.

So, I would encourage Members to relate to the line item. And if it is something that comes under Tourism, that would be under the BTA or Event Authority or any other Authority that is listed, to make the relevant reference so that persons listening and other Members can follow you, as well. And as you relate to the Subjective Analysis on relevant pages, make those reference points, as well.

There are three hours remaining for this four-hour debate.

Hon. Derrick V. Burgess, Sr.: Mr. Chairman, can I?

Mr. Chairman, I would just like to clear something up. There is the allocation of four hours. But if the debate takes two hours, that is it. It does not have to last four hours.

The Chairman: Thank you, Deputy. Thank you.

[Inaudible interjections]

The Chairman: No.

Members. The Deputy Speaker, actually, for clarification, does allocate the Chairs, which is why I am here. So, I am guided by his reminder.

And I am here to share that we have three hours remaining. Would any other Member care to speak to Head 48 that we are on? It is a three-hour debate.

Any other Member?

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

The Chairman: The Chair recognises the Honourable Member from constituency 10.

Hon. Michael H. Dunkley: Yes, sir, 10. Always a 10. Thank you, Mr. Chairman.

Mr. Chairman, I thank the Honourable Minister for the brief which he presented today. Just a few questions: The Honourable Minister mentioned \$2 million set aside in the next financial year for the Bermuda Triathlon that comes up at the end of April. Could the Honourable Minister please give some specifics on how this \$2 million is going to be spent?

Also, the Honourable Minister and the Shadow Minister did touch on cruise ship arrivals. And I congratulate the Government on continuing the trend to increase cruise ship arrivals. Whereas there always is a debate about the profitability and what they do for Bermuda, I think all of us in this Chamber are well aware of the fact that cruise ships, while they might not be as good for business as air visitor arrivals, they certainly are very strong for our economy. And, certainly, the Government capitalises on the taxes.

And the Minister did go to some length to talk about the change in taxes. I would ask the Honourable Minister if he could just give a breakdown on how we arrived at those specific numbers. And if you would allow me to give a little context, Mr. Chairman—

The Chairman: And we are on Tourism?

Hon. Michael H. Dunkley: Yes.

The Chairman: Which head?

Hon. Michael H. Dunkley: The only head we are discussing, Head 48.

The Chairman: Thank you. Which line item?

Hon. Michael H. Dunkley: Which line item? You can take it on cost centre 4801, if you would like, Mr. Chairman.

The Chairman: Thank you. Thank you.

Hon. Michael H. Dunkley: But, Mr. Chairman, it is obvious that Government is going to raise a significant amount of revenue. And I think we have the potential, over the coming years, to capitalise on the strength of the cruise industry in Bermuda, even though it is a shortened season because it is tough cruising the North Atlantic from December to the end of March. But Government has seen fit to increase taxes on them. And I am sure that there was some back-and-forth with the cruise ship principals.

But what I am interested in is how we arrived at those numbers to make sure that they are appropriate. Could they have been more, or could they have been less? And I say that because Bermuda is a unique destination. There are not many jurisdictions, certainly in our nearest competition like the Caribbean, noting, Mr. Chairman, you can cruise all over the world. But at a lot of the destinations in the Caribbean, the cruise ship companies have to anchor off [shore] and [the passengers be] ferried in. They do have private islands where they do their own thing. And so, I think Bermuda has, in the last number of years, offered value for money because our cruise ships, 99 per cent of them come right to a dock, whether it is in St. George's, whether it is in Hamilton, or whether it is up in the West End of the Island. They come right to a dock. So, how did the Minister and colleagues arrive at these numbers to ensure that these are the right numbers for the increase in taxes?

Another question to the Honourable Minister, and I know he has got his technical team in the room today, and I want to take this opportunity to thank the technical team for the support that they provide and will continue to provide. I heard very little in the brief about hotel investment. And my honourable colleague talked about her liking to see Bermudians involved in the hotel industry. And I think all of us in this House of Assembly share that. And as we travel to other jurisdictions, we are very impressed by having locals involved in their industry. And we need to do a better job in Bermuda.

But at the same time, I believe, Mr. Chairman, we need to have more hotel investment in Bermuda. Because airlines are very competitive. The Honourable Minister in his brief talked about an airline incentive, I think, for \$60,000 to JetBlue, and [this was] the third year for that. If we do not keep those passenger numbers high throughout the season and certainly in the off season, we stand the risk of losing seat capacity coming to Bermuda. I think we need to continue to build the seat capacity in the shoulder months and in the summer months. And that will be done with more hotel investment.

So, I would like to ask the Honourable Minister, through the Ministry of Tourism, and I am sure it works in conjunction with other ministries, what is the focus for the Government this year in hotel investment? Are there new irons in the fire? How are we making out with the current hotel investment? What is an update on Morgan's Point? Because, clearly, I think there is opportunity. Bermuda is still the best place in the world. And I think there is plenty of opportunity for that. So, I ask the Honourable Minister to answer those questions. And I look forward to hearing the answers. And I look forward to opportunities to say a few more words in this debate.

The Chairman: Thank you.

Would any other Member care to speak? We are dealing with Head 48, Tourism. It is a four-hour debate.

Hon. Jeanne J. Atherden: Sorry, Mr. Chairman. I just have a question because I know that my colleague was trying to get to something. And I just want to see if this is the way for us to get to it.

On [page] B-197, [cost centre] 58010, in terms of employee numbers, full-time equivalent, for the estimates for 2019/20 there is an indication that there is one person who is supposed to be in the Transportation Planning Team. And I guess that is what people will be interested in from the perspective of, there is someone there; and therefore, what people would be wondering about is what that person did. Because when you look at performance measures on [page] B-198, there is no reference to that planning team and there is no reference to performance measures. And I think you will hear me hitting home all the time when we look at these things. Monies, performance measures so that the public can see what they are doing and how well it is spent.

Thank you, Mr. Chairman.

The Chairman: Okay. Thank you, Honourable Member from constituency 19, I do believe.

Would any other Member care to speak to Head 48, Tourism and Transport?

No other Member?
Minister.

Hon. Jeanne J. Atherden: Sorry, Mr. Chairman. I just have a question because I know that my colleague was trying to get to something. And I just want to see if this is the way for us to get to it.

On [page] B-197, [cost centre] 58010, in terms of employee numbers, full-time equivalent, for the estimates for 2019/20 there is an indication that there is one person who is supposed to be in the Transportation Planning Team. And I guess that is what people will be interested in from the perspective of, there is someone there; and therefore, what people would be wondering about is what that person did. Because

when you look at performance measures on [page] B-198, there is no reference to that planning team and there is no reference to performance measures. And I think you will hear me hitting home all the time when we look at these things. Monies, performance measures so that the public can see what they are doing and how well it is spent.

Thank you, Mr. Chairman.

The Chairman: Okay. Thank you, Honourable Member from constituency 19, I do believe.

Would any other Member care to speak to Head 48, Tourism and Transport?

No other Member?

Minister.

Hon. Zane. J. S. De Silva: Okay, Mr. Chairman. I will try to answer a few of the questions that have been put so far.

For MP Scott, she asked about a billfish. That is a pretty easy one for me, as my brothers are fishermen.

[Inaudible interjection]

Hon. Zane. J. S. De Silva: Yes. The jury is out on that one whether or not he is a golfer.

[Inaudible interjection]

Hon. Zane. J. S. De Silva: Well, he does occasionally. He does take my picture occasionally. But I think I take his a bit more than he takes mine.

But that being said, a long story is that it is one of the thin fishes that basically spend most of their time on top of the water, and they have a long, pointed snout, as the marlin, your sailfishes and fishes of that nature. So, I thought I would just point that out.

Ms. Leah K. Scott: Thank you.

Hon. Zane. J. S. De Silva: I am sure that my brother is not listening. But if he were, I am sure he would appreciate that.

A couple of questions were asked. Let us see. Let us see what I have here. Let us go through my notes. Visitor Services grant, there was a question about those grants. They are actually programmes, so they are not really grants. The other question was—let me look through my notes. I think with regard to how much money—you asked about the *Norwegian Escape*, I think. I think that those things are getting really down to details. I can get those for you. I will give you an undertaking that I will get that for you in due course.

The air capacity projections, down 4 per cent. I think that the Shadow Minister will know that the American Airlines flight, they withdrew one of their flights, one of their daily flights. So, the capacity we

are projecting will be down. So, that is the answer to that question. And I will get that other information to you with regard to the individual cruise line questions that were asked.

Incoming fees for \$8.1 million will go to the BTA. The integrated marketing partnerships, they are still occurring in 2019, with several partners, which include digital marketing prints events and email marketing, as well. You had asked about the Beach Economy. We all know that there was a lot of fanfare over Shelly Bay Beach. We will look at continuing to do something on our beaches with consultation with the President of the Bible Belt, Mr. Burgess, the MP, the Honourable Member and his colleagues. So, we will do that as we move forward. It is certainly something that I cherish.

I think we all remember when Mr. Thomas wanted to open up a concession at Long Bay Beach in Warwick. I mean, I thought we were well on our way. But, of course, that was shot down by the environmentalists and a few other groups.

I think that that is an untapped market because, as many of us will know, Horseshoe Beach is just super crowded during the season. And if we could start filtering . . . and I think the plan for us to start to try and filter our tourists around the Island on some of our other beaches, we are going to put some emphasis on that, going forward. But I think something like Long Bay Beach would certainly help with the crowds that we currently experience at Elbow Beach.

The rotation programme within the BTA, yes, it is ongoing. You had asked about the Bermuda Hospitality Institute [BHI] and the \$400,000. You may not know this, but what we have done is brought that back under the Tourism Authority. And I think Karla Lacey is the original—she was there from when we started the Hospitality Institute, way back when. So, she is very familiar with it. She was the person who headed it back then. She is going to work with the current board that were over at the BHI. And so, we will have some more news about that in the future. But that is where that is.

Ms. Leah K. Scott: Okay.

Hon. Zane. J. S. De Silva: I am optimistic that, hopefully, in terms of budgeting, we will save maybe between \$50,000 and \$100,000, which will be poured into the training of people who want to go into the industry.

[Pause]

Ms. Leah K. Scott: Certified waiter.

Hon. Zane. J. S. De Silva: Yes.

I am just looking. Give me a second, if you do not mind, Mr. Chairman, just to look through some of my notes.

[Pause]

Hon. Zane J. S. De Silva: The Honourable Member Dunkley asked about the triathlon and how that money would be spent. It will be through organising the continued marketing and anything that has anything to do with the triathlon. I mean I can—and certainly, as their parliamentary questions will be one if he wanted to delve down into the weeds. But I do not mind supplying that information if the Honourable Member so wishes to go down that deep. But I think that the Honourable Member is quite aware that the World Triathlon series is not a small event. It is a huge event, which will require a lot of organisational skills and professionalism to make sure that it comes off correctly.

Honourable Member Dunkley also asked about, you know, is there any news on new hotel development? Not really. You know, we are talking to some people about possible development on the Island. One thing we do not want to do is make the mistake of, you know, jumping in a backhoe and having a big press conference, and then have it come to naught. We have seen that in the last couple of years. So, we want to try to avoid that if we can. It is good press. It might get some people interested in the Island. But, of course, if it does not come to fruition, then it just leaves a little bit of an empty space.

The Honourable Member Dunkley also asked about Morgan's Point. He might be well aware that Morgan's Point are actually in default of their—

[Inaudible interjection]

Hon. Zane J. S. De Silva: Yes. During his tenure as the Premier. So, he would certainly know that this loan was in default. And work is being undertaken at the moment to see if we can do something about that. And as we work through that, I can assure you that this Government will inform the people of Bermuda where things stand with regard to that development, unlike the former Government. You would have thought that if the loan was in default, they would have let the people of the country know. We had to find that out after we won the election, which was a little bit sad, to be honest.

I think that is about it for now, Mr. Chairman.

The Chairman: With just under three hours remaining, would any other Member care to speak?

The Chair recognises the Honourable Member from constituency 19.

Hon. Jeanne J. Atherden: Sorry, Mr. Chairman. My question with respect to the . . . let me just find it.

The Chairman: [Cost centre] 58010, I think, page B-197, I think you asked a question in relation to?

Hon. Jeanne J. Atherden: Yes. Yes. That has not been answered.

The Chairman: Would any other Member care to speak?

Honourable Member from constituency 10, you have the floor.

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

Mr. Chairman, I appreciate the answers by the Minister. Just to remind the Honourable Minister that I asked questions about the cruise ship taxes that were there and the justification for them in comparison to other jurisdictions. And that was not touched.

In regard to the triathlon, I would have thought that, during the Budget Debate, the Minister would easily be able to justify the \$2 million that had been spent, rather than coming back at a later date.

In regard to hotel investment and Morgan's Point, I think this House knows that there is a big difference between Morgan's Point and many other places, in that it was government land that is annexed out (my words) on a long-term lease. So, we do have some security there. So, I ask the Honourable Minister, what is the progress on construction? Are they still undergoing construction at the place, and have they made any progress to get some more money in to seed the development, going forward?

I was surprised to hear that an American Airline flight has pulled back. And I ask the Honourable Minister, what are we doing to try to increase capacity? Because decreasing capacity is a very worrying sign, going forward.

Mr. Chairman, \$22.5 million has been given to the BTA. I ask the Honourable Minister, are there performance parameters around that? Because, in addition to the \$22.5 million, there is also a significant amount of money that is going to them in direct taxation. So, that is one question. The second question is, the Honourable Minister, when he sat on this side of the House, was very vocal about the compensation for members of the BTA. And has the Honourable Minister looked into the compensation? And I assume, now that we have not heard anything about that, he believes that the compensation levels that currently exist are fitting and appropriate.

Thank you, Mr. Chairman. I look forward to more answers, and I will have some more questions.

The Chairman: Would any other Member care to speak?

I recognise the Opposition Leader.

Hon. L. Craig Cannonier: Yes. Thank you, Mr. Chairman.

I just want to follow up on my colleague, Michael Dunkley, the Honourable Member, when he was speaking to the grant. I noticed in the Budget Statement this year that it said that there is a reduction in

Government's grant from \$26 million to \$22.5 million. If you look on page C-18, you will see that it says 6835, Tourism Authority Grant, \$25 million. So, I am not sure which one is correct. Is the Statement correct in saying \$26 million? Or is the Budget Book?

The Chairman: On page C-18, it says \$22.5 [million].

Hon. L. Craig Cannonier: Sorry. I am looking at the actual 2017/18. If you look at the Statement it says it is going from \$26 million. So, the actual was . . . in the Budget Book, it says \$25 million. I am wondering which one is correct. Is it the \$25 million or is it the—

The Chairman: You mean the brief? I would say we are not debating the brief. We are debating the Budget Book.

Hon. L. Craig Cannonier: Yes. But there is a discrepancy in the numbers.

The Chairman: Okay.

Hon. L. Craig Cannonier: There is a discrepancy in the numbers. It says \$26 million to \$22.5, page 41 of the Budget Statement. But if you look on page C-18 [of the Budget Book], it says \$25 million down to \$22.5 million. So, I am just trying to find out which one is correct.

The Chairman: Okay.
Would any other Member care to speak?

Hon. Derrick V. Burgess, Sr.: Yes. Mr. Chairman, if you see on page C-18, it is \$22.5 million. So, \$25 million was for the 2017/18 Budget.

The Chairman: Yes.

Hon. Derrick V. Burgess, Sr.: Right.

The Chairman: And just for clarification, Members, the Budget Statement is just that, a statement. The Budget Book is what we are debating. And if there was something that needed to be corrected, which has been done over many years, it would come in an erratum, which would be inserted into the Budget Book. I do not see one as it relates to this yet. But . . . so today we are debating Head 48 on [page] C-18, under cost code 6835. For 2017/18, it says \$25 million. And in the Minister's brief, he said that there was a decrease as it related to tourism. And he explained why. And it is \$22.5 million. So, we are debating the Budget Book. And if you want to put out a question, I want to remind you that we are debating what is in this book right now.

Hon. L. Craig Cannonier: I did put out the question already.

The Chairman: Yes. Yes.

Hon. L. Craig Cannonier: I was just trying to figure out which one is correct.

The Chairman: Right.

Hon. L. Craig Cannonier: If the Statement . . . there should have been in a clause in the Statement then to say that it should not be \$26 million; it should be \$25 million.

The Chairman: Okay.

Hon. L. Craig Cannonier: So, I am trying to figure out which one is correct. Everything else that I have heard is irrelevant. If the Statement says one thing and the Budget Book says another, we are referring to the Budget, I am trying to find out which one is right.

The Chairman: Okay. Thank you, Honourable Member.

Any other Member care to speak to Head 48, Tourism and Transport?
Honourable Member, constituency 19.

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

I want to do something which, and I am conscious of the fact that I am having to look at the Budget Book and we have to make sure that there are lines that we are looking at. But I have to continue with my consistency.

With respect to the Grants and Contributions, there is an indication on page C-18 that, for 2019/20, we have \$2,070,000 that is going to be given for the World Triathlon series. Also, there are going to be \$205,000 given to external bodies.

The Chairman: Yes.

Hon. Jeanne J. Atherden: What I want to find out is, why are there no performance measures for these types of grants? Surely, when money is given out, there is an indication as to what value you think that you are going to get, whether it be the number of tourists, if you think they are going to come on the Island, or whether you think about the amount of revenue [coming in]. Because, later on when the Statement comes out, there is going to be some reference as to whether it failed or did not fail, to say, like the America's Cup. You know, when we talked about it, did we get enough people here? Was it value for money? I am just suggesting that performance measures need to be in these books as we go forward to make the public understand why this money was spent, so they could see for themselves whether there was value for money and whether the success of the programme was achieved. Thank you, Mr. [Chairman].

The Chairman: Thank you, Honourable Member.
The Chairman opens the floor [to debate].
Shadow Minister, you have the floor.

Ms. Leah K. Scott: Thank you, Mr. Chairman.
Just on page B-196, and I believe this probably will go under advertising and promotion. I know that the majority of the tourism investment dollars were spent in the markets for New York and Boston. But it was indicated that other jurisdictions will be targeted as considering Bermuda as a destination. And one of those markets was Asia. And I am just wondering if any of those advertising and promotion dollars are being used to target other jurisdictions outside of Boston and New York.

The Chairman: Any other Member care to address Head 48?
Minister.

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

To the Honourable Opposition Leader's question. And I can see why he is getting a little confused. Because what happened is, year before last, we had Tourism and Economic Development together, which was \$26 [million]. And so, when we separated, and Economic Development went away from the Ministry, that is where you get the \$25.5 [sic] million. And that is why the \$26 million is referred to in the budget. So, I think that is where the . . . it confused me, too.

[Inaudible interjection]

Hon. Zane. J. S. De Silva: No, no, the number is actually right. Yes, that number . . . I looked on page 41, too. That number is actually . . . it was \$26 [million]. But when they had the breakup, or the separation, between Economic Development and Tourism, that is where that came in.

[Inaudible interjection]

The Chairman: Yes.

Hon. Zane. J. S. De Silva: Yes. Yes. That is correct.
American Airlines, the loss of flight. Well, the Honourable Member, I think it was Honourable Member Dunkley who asked the question. The Honourable Member probably does not realise this, but let us point it out to him. We now have the airport that is not run, not owned, not operated by us anymore. It is operated by Skyport. And I am sure the Honourable Member, when he was Premier, signed off on that agreement. Surely, he recognises and remembers that Skyport, under the agreement, are responsible for getting airlift and approving marketing incentives. If they do not support marketing incentives to the country, quite frankly, we may lose not only American, but we may lose a few more.

[Inaudible interjection]

Hon. Zane. J. S. De Silva: So, you know, when the Honourable Member mentions that, I think he needs to reflect back on the agreement that he signed when he signed off our airport for the next 30 years. And I can tell you we are having challenges right now with the current airlines. And let us hope that we do not lose many more because of that agreement.

The Honourable Member, MP Atherden, asked about the one employee. That one employee is one person. And I think she may know who it is. It is Ms. Stacy Adams. And she has responsibility for transportation, which we can talk about more on Friday, but with regard to TCD [Transport Control Department], Marine & Ports, and the Department of Transportation, as well as our cruise lines.

The Honourable Member Dunkley also wanted some more explanation with regard to the triathlon. Again, that triathlon was engaged whilst the OBA were the Government. And just to give a further breakdown, I mean, I can give you breakdowns out of the ying-yang, but let us give a few more. The grandstands, the coursework, the barriers, the event execution, TV coverage, management, licensing, marketing—I mean, you know, I can give you that number. I mean, you know, certainly you know, MP. So, if you want any more than that in any specific details, I would suggest that you ask a parliamentary question to get, if you wish, more specifics.

And certainly, with regard to MP Dunkley's comment with regard to the \$22.5 million, I think he was asking, and he can correct me if I am wrong, but I think he was asking for a further breakdown of the \$22.5 million. Well, certainly they were Government not long ago when it was \$25 million. You know, if anything at all, what we have done is reduce that. So, certainly he must be aware of how some of that money is spent, if not all of it.

Performance measures—it is the same process that the OBA had, when you asked for the performance measures of some of the BTA and their staff. Those annual objectives are set by the board, and the board monitors. And they act accordingly, depending on how the employees perform throughout the year.

The Chairman: Thank you, Minister.

Would any other Member care to speak?

Honourable Member from constituency 10, you have the floor.

Hon. Michael H. Dunkley: Thank you, Mr. Chairman.
I am incredulous. I stand here this morning and I hear the Minister endeavour to give answers about budgets that are allocated in this House, for a Budget Debate, and is somewhat reticent about giving numbers. And his go-to phrase all the time was, *They should know. They were the Government before.* But,

wait a second, Mr. Chairman. Let me be very clear. They are not the OBA. They were not elected to be the OBA. And they said that they would do things differently than the OBA, Mr. Chairman. So, to come here in the Budget Debate, Mr. Chairman, and to say—

The Chairman: All right, Honourable Member. If you can say—

[Crosstalk]

Hon. Michael H. Dunkley: And to say that they should know what the numbers were—I am getting to the point, Mr. Chairman.

The Chairman: Honourable Member, stay focused on the budget.

Hon. Michael H. Dunkley: Mr. Chairman—

The Chairman: You are drifting a bit.

Hon. Michael H. Dunkley: Well, Mr. Chairman, maybe I am learning from you.

The Chairman: Well, I am not speaking . . . Honourable Member, have a seat. I am trying to stick and keep this Budget Debate on track on numbers and not let it drift into a general debate and wide-ranging, whilst trying . . . and I will be honest with you. I am trying my best to encourage debate on a subject that is very near and dear to my heart. Okay? Very near and dear to my heart. But I am not going to allow it to become what it need not to be.

And since you want to go to drift, let me just drift and say this. Tourism deserves this debate to be drilling down. People should be jumping to their feet from the Opposition to drill down on these item numbers. So, please, please do not go there, because we may have to go to Education sooner rather than later.

Continue on, Honourable Member. You have the floor.

Hon. Michael H. Dunkley: Mr. Chairman, Tourism does, like any head, deserve to be drilled down.

The Chairman: We are on Head 48.

Hon. Michael H. Dunkley: We are on Head 48, and I am talking right now about the \$2 million for the triathlon.

The Chairman: Right. Continue.

Hon. Michael H. Dunkley: And I think it is poor performance for the Minister to say, just generally, *just like the OBA should have done it, you know, for grandstands, for concessions, and things like that.* I

want to know how the spending has changed, where the spending is going to, what reliability do we have to get value for money? I support the triathlon. We support the triathlon. It is a good thing. It does great for Bermuda, especially when our champion won it here last year.

The Chairman: Right.

Hon. Michael H. Dunkley: We hope the champion can win it again here this year. But this is a Budget Debate. So, if the Minister says, *We're spending it exactly like it was spent in the past,* I will accept that answer. But I have not heard that yet.

Now—

The Chairman: What is the question?

Hon. Michael H. Dunkley: Is the \$2 million being spent in exactly the same way it was spent under the OBA?

Now, Mr. Chairman, moving on. I am still looking for some background information on the cruise ships. How we came to that tax level. How we decided that those increases were appropriate. How we decided that to repeal a tax was appropriate, Mr. Chairman, in comparison with some of our keen competition just a few hundred miles, 1,000 miles, to our south.

Very concerned to learn that the Minister believes that there might be a potential for more flight shrinkage. Because I remember in this Honourable House, the Honourable Minister did give a Statement that he was, at this point (and these are my words, not the Minister's), *disappointed with the working relationship at the present time between all the partners involved in attracting new flights to Bermuda.* And that was the Airport Authority, Skyport, the Ministry and all of that.

But, Mr. Chairman, in all due respect, here is the question. Whilst Skyport might have some jurisdiction in attracting flights, the Government still has a great deal of responsibility. And in my humble opinion, Mr. Chairman, if the Government wants to use the excuse that it is somebody else's problem, not ours, that is a cop out. The Government needs to be building relationships.

Mr. W. Lawrence Scott: Point of order, Mr. Chairman. Point of order.

The Chairman: The Chair recognises the Government Whip.

POINT OF ORDER

[Misleading]

Mr. W. Lawrence Scott: Yes. The Honourable Member is misleading the House. And as the Chairman of the Airport Authority, who oversees Skyport and over-

seas the project agreement, under the project agreement it is Skyport's responsibility to attract and incentivise airlift into the country. If Skyport does not do that and does not uphold their responsibility, then we run the risk of airlines leaving.

So, therefore, if the Government has to budget money or spend money to incentivise airlines, that means Skyport is not doing, not fulfilling their responsibility. And that project agreement was signed under the administration in which the Member who just took his seat was Premier. So, that is what he should know, and that is why I am surprised that he is actually asking these questions. Because it was his administration, it was his party, and it was basically his Finance Minister who allowed this deal to go through in the first place.

The Chairman: Thank you for that, Honourable Member.

The Chair recognises the Honourable Member from constituency 10.

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

The Honourable Member could speak any time during the debate and bring up that point of order at the time. But I go back to what I was saying. If the Government wants to blame Skyport for being deficient at this point in time in that, it is a cop out. Because you cannot sit by and let something—Mr. Chairman, you cannot sit by and let—

The Chairman: Honourable Member, we are not going to have a back-and-forth general debate. I will say this. The Honourable Member gave a point of order because he was in a position of knowing to be able to give you probably the most informed answer to the question. If you could speak to the line item, it will be appreciated.

Hon. Michael H. Dunkley: Mr. Chairman, I am speaking to the same line item that the Minister referred to, the \$60,000 to JetBlue and the fact that the American Airlines have withdrawn a flight. We have to work together on this, Mr. Chairman. And it is very concerning for me to, in my words again, to see that the Government might be sitting back to let Skyport fail. We cannot have that happen. And so, I ask the question to the Honourable Minister.

Mr. W. Lawrence Scott: Point of order, Mr. Chairman. Point of order.

The Chairman: Point of order.

POINT OF ORDER

[Misleading]

Mr. W. Lawrence Scott: The Honourable Member is misleading the House yet again. The Government has

put up money when they should not have had to in order to make sure that the country does not fail. And that means that we have to support Skyport. We are in negotiations. We are working very closely with Skyport, as closely as we possibly can, with that project agreement, which does not allow any variations.

So, therefore, the money that the Government has spent, we should not have had to spend in the first place. And that is how we are supporting Skyport. That is how we are ensuring that they do not fail, because their failure is the country's failure. And this Government will not allow the country to fail. So, it is incorrect for that Member to say that we are sitting back and not doing anything and allowing Skyport to fail.

The Chairman: Honourable Member, may I ask you not to try to [impute] improper motives of the Government?

Hon. Michael H. Dunkley: Oh, I am not doing that, Mr. Chairman.

The Chairman: But just speak to and ask any questions that you—

Hon. Michael H. Dunkley: Oh, I am not doing that, Mr. Chairman. I am just asking.

The Chairman: Okay.

Hon. Michael H. Dunkley: Now we get an answer.

So, I ask a question to the Honourable Member who just spoke and the Minister, *How much money has Government put up?* And what the Honourable Member, MP Scott, referred to, how much money is put up? And he can come back and speak rather than [raise] a point of order, Mr. Chairman, because the comments from the Minister were very concerning. And airlift is very critical to Bermuda.

The Chairman: Yes.

Hon. Michael H. Dunkley: And so, if the working relationship is not as strong as it should be, it is under the Government's leadership to make that relationship strong. We believe in the deal that was signed. We believe that it is a very proactive deal going forward. We do not need to get into debating it today. The questions come because the Honourable Minister—look, he expressed a very real concern. And I wrote it down. *Let us hope we do not lose many more because of the agreement.* And we need to be proactive to make sure that the Minister's concerns do not become a reality.

So, the question is, How much money has been put up to date? And how does the Minister believe that we can get to a better position where he has more confidence in it?

So, Mr. Chairman, I look forward to some answers there. But before I wait for the answers on that and the cruise ships, as well, returning to the BTA, I ask the Honourable Minister, as my honourable colleague from constituency 19 did as well, what performance measures and standards are put in place for the BTA? And is the Minister comfortable with the remuneration for the senior executive in the BTA, bearing in mind that when he sat in another position, he was quite vehement in his comments about them?

Thank you, Mr. Chairman.

The Chairman: Any other Member care to speak before we go to the Minister?

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

Getting back to the question that I asked with respect to page B-197, the Transportation Planning Team, having looked back into transport, I did not see any reference to performance measures for that team. So, I have to come back to where the head is right now, which is the Transportation Planning Team. There is one individual. And what I want to find out is, what is that individual's role, and what type of things does the individual do? Because my understanding is that there is some element of the planning for tourism. And if that is the case, then why are we not able to even know [if] the team has come up with a plan, or is there something with respect to what is happening? Because the head is here.

And then, going back to the question that we were just asking with respect to the World Triathlon, as well as the grants to the external bodies, I apologise if I did not hear it. But I did not remember hearing where the \$205,000 was spent. Because the bottom line is, I am assuming, when grants get given to these people, there is something that we hope to get from them and some way that we will measure whether they have delivered on the programme. So, back to my question, which is, if the Transportation Planning Team has been doing something, what is it? Has it delivered on the plan? How soon are we going to hear about it? And how do we determine that we have success?

The Chairman: Right.

The Chair recognises the Honourable Member from constituency 6.

Honourable Member, you have the floor.

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

Mr. Chairman, let me just say a little about the cruise ship fees. As you are aware, I am the Chairman of the Efficiency Committee. And this is one of the things that we did look at. Let me just say where it was and where we were able to encourage the BTA and the Transportation Ministry to go forward. You will recall, at least other Members will recall, that a channel was dug by, at that time, Royal Caribbean [Cruis-

es Ltd. RCL]. And they took up a loan, or it was a cost to them. And the government of the day, that was the OBA Government, decided to put an agreement in place that locked in the passenger tax and the cabin tax for a period of time. So, the Government of the day could not raise any additional revenue on the side.

So, what we did, we looked at it and said, *Well, this doesn't make sense*. Because not only was RCL locked in, as far as its increase in passenger tax; NCL [Norwegian Cruise Line], which was another large cruise line, also said, *Well, we're not going to be increasing our fees. You're not going to increase our fees unless RCL increases theirs*. So, that was RCL, NCL and every other little, small ship [line] after that.

So, the first question I asked was, how much was outstanding? And I think at that time it was about \$6 million. I said, well, that does not make sense. Why don't we take up the loan, that is, BTA take the loan on? And they have taken it on, which allowed the Government to increase their passenger tax. It made just common sense. So, you have got \$6 million, their share. We raised an additional \$24 [million] to \$32 [million], so automatically we are collecting more than we were, and allowed the BTA to get a portion of the passenger tax, which they will collect themselves. I think also part of the . . . because there was a passenger tax, and there was also a cabin tax.

So, the Government of the day, through good management, was able to get additional money that the former Government was not able to even think about. And so, that is where the additional revenue came from. And Mr. Dallas and his team went down to Florida and negotiated a good price that we have been able to get, as far as room rates—passenger tax, rather, what I was going to say. It was a little back and forth. But at the end of the day, every other cruise ship came on board, and RCL came on board with us. So, that is where we are right now.

The Chairman: Would any other Member care to speak?

Honourable Deputy Speaker.

Hon. Derrick V. Burgess, Sr.: Yes. Mr. Chairman, every line item in this Budget Book does not have to have a performance measure. If you go through this book, you will see it. They do not have to.

The Chairman: Thank you.

Honourable Shadow Minister.

Ms. Leah K. Scott: Mr. Chairman, on page B-196, under the Revenue Summary, in last year's budget, 2017, there was a line item for vacation rentals. And there is not one here for 2018. Has that moved somewhere else? And then, I have another question. Out of the total budget allocation to the BTA, in 2017, there were \$3.1 million used for product and experience development. And that was for grants to entre-

preneurs and other experience developers, and on Island events promotions and activation costs. What amount is going to be allocated this year, if any, for those things?

The Chairman: Minister, you have the floor.

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

A couple of things, Mr. Chairman. The triathlon. Honourable Member Dunkley asked what are we doing differently. Are things going to be less? Are they going to be the same? They are actually going to be less this year. And I have to declare my interest. I have . . . Island Construction has provided some services for the triathlon. Many of those free of charge. And some other things that the triathlon are doing which will be . . . obviously, there will be cost savings involved. The preparatory work, the equipment is being re-used. They will not have to pay duty on things that they paid duty on in the first go-round. So, there will be savings. So, with regard to the triathlon, that is where we are on that.

How are we going to measure performance? The impact of the event, PwC [PricewaterhouseCoopers] actually did a report and showed that there was 152 per cent return on investment. There was a \$4.4 million impact on our GDP [gross domestic product], not counting legacy impacts. There were almost \$18 million in media exposure. So, you know, the impact report will be repeated annually. So, that will be for all of us to see.

With regard to advertising dollars, the focus is going to be on . . . I think one of the Members opposite asked about, you know, what are we doing in terms of advertising? We are going to be focusing on cities like New York, Boston, Washington, Philadelphia and Toronto. In the National Tourism Plan, you know that some of the nurturing cities are going to be Baltimore, Hartford, Atlanta, Chicago, Dallas, and even as far as San Francisco.

Honourable Member Dunkley said we have to work together with Skyport. Let me inform that Honourable Member and the people of this country that I have had many meetings with Skyport to date in my short time—many meetings with the Bermuda Airport Authority, their team. We have been engaged. My team at the Ministry, we have engaged the Bermuda Tourism Authority, Kevin Dallas in particular. We have spent many hours meeting with Skyport and looking at ways in which we can not only secure what we have, but increase airlift to the country. So, let us not be fooled. There is a lot of work being done behind the scenes.

You know, I cannot help but wonder when I get up and hear a former Premier of the country, not that long ago. . . I can understand if it was maybe a decade or two ago, maybe he has lost his memory. But for him to get up and, you know, make comments about incentives, about losing airlines, *What are we*

doing? Are we working together? You will know, Mr. Chairman, that this country, whether it was under the OBA or the PLP, has given millions of dollars, millions of dollars for airline incentives for this country—millions. The challenge is that the OBA decided to give the airport away. That is the challenge.

You have Skyport, whom we are trying to work with. And more details will come out in the future, trust me. The people of this country are going to know what is going on. It might be a little early just yet. But we are trying. And when you get this Government or the OBA Government that has given millions of dollars in marketing incentives in the past, and you have got a partner saying, *Okay. I'll give you \$100,000; you work the rest out from there*, Mr. Chairman. That is the space we are in.

Now, you want to talk about that airport agreement? You ought to see some of the other things. It is atrocious what is in that agreement, Mr. Chairman. It is an affront to the Bermudian people, the things we are uncovering in that agreement. And here we have an OBA Government that said, *We are the business leaders of Bermuda! We are the smart people!* I tell you what. A lot of that is going to be revealed in the future, too.

But we are getting through it. And we will get through it. And that information is going to come to this House. And the people of the country are going to know exactly what is in that agreement. Every time we turn around, Mr. Chairman, there are millions—not hundreds—*millions* of dollars, *millions* that the people of this country are going to be saddled with for many years to come.

The Honourable Member Dunkley asked about the remuneration for the BTA staff and said that when I was in Opposition, I chastised those wages. And do I think they are justified? Well, you remember, because the Honourable Member who made that comment does not remember. When I chastised the wages that some of the executives of the BTA were getting, it was at a time when we produced numbers that were 15. . . that were the lowest number of visitors we had had in this country in, what, 48 years I think it was. And we were paying out. . .

Look. Let me tell you something. And I said. . . Go back to Hansard! I said, *Listen. Someone making \$400,000 or \$500,000 a year doesn't faze me, you know. In my world, there are a lot of people who make that money. That is fine. But you've got to perform.* That was my problem. You had to perform, Mr. Chairman! And I will tell the Honourable Member, any of the Honourable Members opposite, look, \$400,000, \$500,000 [or] \$1 million a year does not scare me, you know. But I will tell you what. You had better perform. You don't perform, then you make changes. If you are running a company, whether it be in Bermuda or anywhere else in the world, if you do not perform, you might find yourselves out of a job with that company.

Now, Mr. Chairman, we talked about the cruise tax, and I thank the Honourable Member Furbert for giving his explanation. I thought it was a very good one. But let me tell you something else I have found since I have been there. Former Finance Minister Bob Richards struck a deal with cruise lines. *We are going to dredge the harbour so we can get the larger ships in. That's great.* But you know what the cost was, Mr. Chairman? [It was] \$16 million. And we did not want that—

[Inaudible interjection]

Hon. Zane J. S. De Silva: [It was] \$16 million! Okay?

But this is our OBA Government, a former Finance Minister. You know what deal he strikes? *Okay, cruise lines. You know, we don't want anything else on our books. You pay for it.* But with those cruise lines comes extra tax. *So, what we'll do is we'll keep all the extra tax, and we'll put it towards the loan.*

And there are a couple of things that really bothered me when I got the information. One is that we are paying over 6 per cent interest on that money, number one. Number two, during the duration of that so-called loan, we could not raise our taxes at all until that loan was paid off. And let us give credit where credit is due. I think it was Mr. Dallas and his team who said, *Listen. You know what? We are paying way too much money for this. Let's go and get it re-financed.* And we did, for about 2.5 per cent less, or thereabouts. And guess what we could do now, Mr. Chairman? We are raising the taxes, which I outlined in my brief. That is going to give the country millions of dollars in extra money this year, Mr. Chairman.

So, if you want to talk about some of the things, you are talking about looking under the hood. Some of the things that we have found in just those two items alone, it is millions and millions of dollars, Mr. Chairman. I wonder what else we are going to find in due course?

Now, the Honourable Member Jeanne Atherden wanted to get more information. I mean, I do not know if she was listening, but I will repeat it. That one employee whom she asked about with regard to the Transportation Planning, I called her name. And I must say it is not often that I walk out of that office late at night and she is not still working, number one. So, she certainly deserves all the praise, as well as everybody else in the Ministry, I have found, too, by the way. And, you know, we cannot praise the people who work in the Ministry enough.

But let me just say again, she is involved with the development of the cruise ship strategy, which is number one. She has been very good at that. She is involved with all transport, whether it be DPT, TCD, Marine & Ports, the ship agencies, parts, excursion companies. She gets involved with all of that. And I think you asked about the performance measures, MP Atherden. That is currently being reviewed at this

time, as most departments do undergo reviews. And you asked, I think you asked when we might hear something. You will hear something on that very soon, by the way.

[Pause]

Hon. Zane J. S. De Silva: There was a question about a line item for vacation rentals. I think it was you, MP Scott. That is under the remit of the Regulatory and the Policy Section, which works in conjunction with the rent commissioner, [cost centre] 58020. It is in the Budget Book there. And I think that is it for now, Mr. Chairman.

The Chairman: Government Whip. The Chair recognises the Government Whip.

Mr. W. Lawrence Scott: I just want to speak to page B-196, Grants and Contributions, which is [page] C-18 [of the Budget Book]. And also speaking to the Member from constituency 10, to give just a bit of background on where we are. The Bermuda Airport Authority, the Bermuda Tourism Authority and Skyport are all working together to create a policy which speaks to airline incentives. Now, the reason that this has come up is that, under the past administration, they were giving money to airlines without . . . and as the Honourable Member Atherden has asked about performance matrices, how do you know that you are getting value for money? How do you know that it is being spent in the right ways or most effectively or efficiently?

Under the former administration, the former administration which the former Premier Dunkley was the head of, they were just spending money and giving millions and millions of dollars to stakeholders in the industry without having any way of knowing whether it was efficient or effective. So, now what we are doing is we are actually creating a policy which outlines the way and we have the means—

[Hon. Derrick V. Burgess, Sr., Chairman]

The Chairman: Honourable Member.

Mr. W. Lawrence Scott: Yes. Yes, sir.

The Chairman: We are into the Budget, not doing a general debate.

Mr. W. Lawrence Scott: No. I am speaking to Grants and Contributions, page B-196.

The Chairman: What is your question on that?

Mr. W. Lawrence Scott: Well, I am actually providing an answer to the Member who asked a question to the

Government about the Grants and Contributions when it comes to the airport.

The Chairman: Be specific.

Mr. W. Lawrence Scott: I am. And I am also speaking on [page] C-18 of the Budget Book.

So, therefore, we are stopping the government from spending unnecessarily when it comes to the Grants and Contributions on that one.

Now, also what happens is that, regardless of whether you believe that the airport or the project agreement was a good deal or a bad deal, the Airport Authority has been able to get an optimisation agreement worth \$15 million more, or \$15 million in added value to the country. So, that way, this is how we are helping to save the government money. We are working with the other stakeholders, which is the BTA and Skyport. So, therefore, that goes also under the project agreement, under the optimisation. That is where Skyport is supposed to put an additional couple of million dollars towards airline incentives. So, therefore, this is why the Government should not be having to budget for airline incentives under Grants and Contributions, page B-196.

So, hopefully, that helps provide some background, some clarity to what the Member was asking.

The Chairman: Thank you.

Any other speakers?

The Chair recognises the Honourable Member, Ms. Atherden. You have the floor.

Hon. Jeanne J. Atherden: Thank you, Mr. [Chairman].

I will be very specific so that I can get an answer.

The Chairman: Yes. Please do.

Hon. Jeanne J. Atherden: With respect to C-118 [sic], in terms of—

The Chairman: C-18?

Hon. Jeanne J. Atherden: C-18, with respect to the World Triathlon series, I am pleased that the Minister told us what happened last year from PwC. What I am trying to find out now is that, the grant has been given. What type of increased air arrivals are we hoping will come for the triathlon? How much extra spending do we hope will be a spin-off? And also, what type of potential might there be with respect to jobs for Bermudians?

The Chairman: The Chair recognises the Honourable Minister. Mr. De Silva, you have the floor.

Hon. Zane. J. S. De Silva: Well, that is an interesting question, because one of the things that I did research when I took over the Ministry was that I looked at some of the past press statements, Mr. Chairman. And to answer the Honourable Member's question, our former Minister Fahy, I remember very clearly that he stated in one of his press conferences that it is the hope that Bermuda experiences in the region of around 1,200 visitors to the Island for the triathlon during its tenure. I think the number came up a little short.

[Inaudible interjection]

Hon. Zane. J. S. De Silva: Yes, yearly, yes, 1,200 annually. Yes, yes.

I think the number came up a little bit short the first year. So, let us hope that with all of the marketing and all of the efforts that are being put into it that we do see a significant increase in those numbers this year. Which, to answer your question, we are estimating.

The Chairman: The Chair recognises the Deputy Leader of the Opposition, Ms. Scott.

Ms. Leah K. Scott: Thank you, Mr. Chairman.

Just one question that I think the Minister missed, and it would be from page B-195, under [cost centre] 58000, Administration. Out of the total budget last year, \$3.1 million was granted for the product and experience development. What amount is being allocated for that this year? Will it be the same amount, or will it be increased or decreased?

The Chairman: Any further speakers?

The Chair recognises the Honourable Member, Ms. Susan Jackson. You have the floor.

Ms. Susan E. Jackson: Thank you, Mr. Chairman.

My question would, I believe, come under Grants and Contributions, [page] B-196. I personally have not heard that much about the Event Authority during this Budget Debate. And I was just wondering if I might be able to get an update—

The Chairman: What line item on page B-196?

Ms. Susan E. Jackson: Well, it would come under Grants and Contributions, [page] B-196, I would suspect. But I guess one of my questions is, when the Event Authority does start, what line item would it fall under? And then, if we could maybe get an update on the progress of that Authority, as well?

The Chairman: Minister.

Hon. Zane. J. S. De Silva: There was no mention of the Event Authority in my brief at all. So, you know, that is just a non-issue for me.

The answer to the product development (I believe you asked, MP Scott) is yes. That is going to be \$1.3 million, which is additional funding that is moved under Sports Tourism.

The Chairman: The Chair recognises Ms. Scott.

Ms. Leah K. Scott: Thank you.

Again, going back to page B-195, [cost centre] 4801, Administration. It was \$3.1 million, and that is my understanding. It was \$3.1 million in 2017, and it has gone down to \$1.2 million for this year. Why is there a decrease?

The Chairman: Where are you reading from, Ms. Scott?

Ms. Leah K. Scott: It would come under Administration, on B-195. So, the question I had asked was, under the total funds allocated to the BTA, \$3.1 [million] of that was allocated for the product [and experience development]. Now it is \$1.2 million, so I just want to know why it has gone from \$3.1 million to \$1.2 million.

The Chairman: Any further speakers?

The Chair recognises the Honourable Member, Ms. Jackson.

Ms. Susan E. Jackson: Thank you, Mr. Chairman.

Again, this is under Grants and Contributions on B-196. So, does that mean that there is not an appetite, that we are not going to have an Event Authority?

The Chairman: Minister.

Hon. Zane. J. S. De Silva: To have an Event Authority in itself, not at this present time, no. Might we have a separate division that concentrates on larger events? Yes.

With regard to the question again, MP Scott, just to clarify, it was \$3.1 million last year. So, we are going to keep the \$1.3 million. But the \$1.8 million is going to be moved to concentrate on sports events and things like that.

The Chairman: Any further speakers?

There appear to be none.

Minister, you have the floor. Do you want to wrap up?

Hon. Zane. J. S. De Silva: Yes, Mr. [Chairman].

Mr. [Chairman], before I move that we end the debate, I would just like to thank Members for their contributions. And while we are here, I would like to thank all of the staff for the work that they have done and continue to do. I think that I have been around the block a little while now, Mr. [Chairman], and I have had the good fortune to serve in several ministries in

my time. And the myth about all of our government workers you heard in the general debate, and you hear talk in and around the Island about our civil servants. I will tell you what. And you have been there, Mr. Chairman. I do not think we praise our civil servants enough. Even in this House, I watch how our civil servants work their backsides off. And I do not think we give them enough praise. And I would just like to take this opportunity to thank them all for their hard work and what they do.

You know, contrary to popular belief, a lot of our civil servants do take their jobs very, very seriously. They take it very seriously. And I have seen passion. I have seen passion in some of our civil servants that I would like to see in the private sector, to be honest. It is just astounding to me the criticism that is put in and about our civil servants. And I find time and time and time again that so many people at different levels go beyond and above.

So, with that, Mr. Chairman—

The Chairman: Do you want to move the head?

Hon. Zane. J. S. De Silva: Yes. I would like to move that Head 48 be approved.

The Chairman: Head 48 has been moved. Are there any objections to that?

There appear to be none. Head 48 is approved.

[Motion carried: The Ministry of Tourism and Transport, Head 48, Headquarters, was approved and stands part of the Estimates of Revenue and Expenditure for the year 2019/20.]

The Chairman: Deputy Premier.

Hon. Walter H. Roban: Mr. Deputy Speaker and Chairman, I do move that we adjourn for lunch until 2:00 pm.

The Chairman: We will adjourn until two o'clock. And we will come back, and we will do Education, Heads 16, 17, 18, 19 and 41.

We now adjourn for lunch.

Proceedings suspended at 12:29 pm

Proceedings resumed at 2:06 pm

[Mr. Hubert (Kim) E. Swan, Chairman]

COMMITTEE OF SUPPLY

ESTIMATES OF REVENUE AND EXPENDITURE FOR THE YEAR 2019/20

[Continuation thereof]

The Chairman: Good afternoon, Members.

We are in the Committee of Supply to consider Heads 16, 17, 18 and 41, which come under the Ministry of Education. And the Honourable Minister, Diallo Rabain, from constituency 13, has the floor.

Minister, continue.

MINISTRY OF EDUCATION

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

Mr. Chairman, I move that the following: Head 16, Ministry of Education Headquarters; Head 17, Department of Education; Head 18, Libraries and Archives; Head 19, Archives; and Head 41, Bermuda College, be now taken under consideration.

The Chairman: Thank you, Minister. And at 2:05 pm you will commence. This is a four-hour debate.

Hon. Diallo V. S. Rabain: Mr. Chairman, today I am pleased to present the budget of 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 2019/20 budget for the Ministry of Education is \$136,950,000. This is found on page B-140 of the Estimates of Revenue and Expenditure for the year 2019/20. This represents an increase of \$239,000 compared with the 2018/19 original budget. However, as a result of the transfer of the Department of Workforce Development to the Ministry of Labour, Community Affairs and Sports, and the discontinuation of the Community Education and Development Programme, the true net increase in the budget for the Ministry is \$552,000.

HEAD 16—MINISTRY HEADQUARTERS

Hon. Diallo V. S. Rabain: Mr. Chairman, I will commence the budget debate by detailing the expenditure for the Ministry of Education Headquarters.

The mission of the Ministry Headquarters, which is found on page B-141 is: *To provide strategic leadership, supervision, and policy direction for the support of a transformative public school education system and lifelong learning for all children and adults.*

Mr. Chairman, the Ministry of Education Headquarters has been allocated a budget of \$3,579,000 for the 2019/20 fiscal year.

Programme 1601—General Administration

Hon. Diallo V. S. Rabain: Within Programme 1601—business unit 26000, General Administration, \$1,037,000 will support the administrative functions of the Ministry. This increase of \$168,000 comprises additional salary of a ministry comptroller (who was transferred from another Ministry) and two officers

whose salaries were previously accounted for under the discontinued Community Education Development Programme.

Mr. Chairman, business unit 26080, which funds Grants to External Bodies has been allocated \$1,116,000 an increase of \$479,000. Of this total \$279,000 has been set aside to fund a merit-based College Promise programme towards public school graduates with a GPA of 3.0 or higher for scholarships to attend the Bermuda College. These monies will be provided on an as-needed basis.

Mr. Chairman, \$1,426,000 has been set aside for business unit 26090 for the administration of the Ministry's Annual Scholarships and Awards Programme. The increase of \$206,000 allows for additional awards to be granted for teacher training, exceptional students, mature students, and further education awards.

Mr. Chairman, in 2018 approximately 389 applications were received from students requesting financial support. The Ministry funded a total of 14 Bermuda Government scholarships comprised of new and existing scholarships; a total of 5 non-traditional student awards; 6 teacher education scholarships; and 33 further education awards. Also, in response to community feedback received, the Minister's Awards were further extended and awarded to include: four Minister Achievement Scholarships; two Merit Scholarships, three Applied Technology Scholarships, four Exceptional Student Awards, three Technical and Vocational Awards, and six Bermuda College Book Awards.

Mr. Chairman, on page B-142, the Subjective Analysis of the Current Account shows all line items of expenditure lower than in the 2018/19 fiscal year estimate. The decreases are all directly related to the discontinuance of the Community Education Development Programme as a portion of the salary and operational costs moved along with the Department of Workforce Development to the Ministry of Labour, Community and Sports.

Mr. Chairman, the last line item of \$2,411,000 has been budgeted for the distribution of External Grants and Scholarships and Awards. This is an increase of \$674,000. Of this total \$537,000 has been budgeted for Grants to External Bodies to assist in providing educational services and programmes to schools. This is in line with the previous year's spend. Equally, the remaining monies, as mentioned earlier, has been set aside to fund a merit-based College Promise programme for public school students to attend the Bermuda College. The full detail of this allocation can be found on page C-17 of the Budget Book.

Mr. Chairman, the number of full-time equivalents [FTE] in the Ministry of Education Headquarters increased from three FTEs to seven FTEs. The additional four FTEs reflect two posts transferred from the discontinued Community Education and Development

Programme, a policy analyst, and a ministry comptroller.

Mr. Chairman, I am grateful to the Ministry Headquarters team under the leadership of the Permanent Secretary, our policy analyst, the ministry comptroller, the scholarships and awards programme manager, the administrative accounts officer, and my executive assistant. All have provided me with excellent technical and administrative support. I am pleased to have a team of professionals who are diligent and committed to deliver the Ministry's mandate and policy initiatives.

Thank you, Mr. Chairman, and this concludes my presentation of the budget for the Ministry Headquarters.

HEAD 17—DEPARTMENT OF EDUCATION

Hon. Diallo V. S. Rabain: Mr. Chairman, I will now present the budget for Head 17, the Department of Education, and also speak to the Department of Education's plans for the upcoming year.

The vision of the Department of Education as outlined on page B-144 is: *To see all students educated to lead personally and professionally, contribute locally, and compete globally.*

Mr. Chairman, the mission of the Department of Education is: *To provide all students with an equitable access to holistic, high-quality instruction that is culturally relevant and empowers students to reach their full potential.*

Mr. Chairman, our vision and our mission are captured in the strategies that are being executed for Plan 2022.

Mr. Chairman, a multi-year 2018–2022 strategic plan, known as Plan 2022, is steering public school education. Plan 2022 will enable the achievement of the department's mission and vision for the execution of strategies that fall under five priority areas which focus on:

1. increasing academic rigour and student engagement;
2. ensuring career and college and workforce readiness;
3. enhancing the quality of teacher practice and system leadership;
4. improving infrastructure and instructional resources; and
5. ensuring system success.

Mr. Chairman, we are confident that Plan 2022, a plan that was developed through the collation of over 3,000 pieces of information from participants and stakeholders in a consultative process and one which identifies the way forward for public school education in Bermuda, will help to better meet the needs of our children.

Mr. Chairman, Plan 2022, with its adaptive and technical strategies aligned with international best practices, will transform public school education in

Bermuda and ultimately lead to greater successes for our students. As promised, Plan 2022 did not sit on a shelf, nor did it collect dust after it was shared with the community in December 2017. Plan 2022 is a living and working document that will steer public school education in the years to come. Therefore, costs must be allocated to the strategies within the Plan to ensure that we continue the momentum that we have already gained.

Mr. Chairman, page B-140 shows a total of \$114,243,000 has been allocated to the Department of Education for fiscal year 2019/20. This is in line with the 2018/19 fiscal year. The nil increase does not, however, tell the full story. The department has undertaken a full review of its budgeted costs and vacant salary positions for the 2019/20 fiscal year to achieve greater efficiency. As a result of this exercise, roughly \$2,300,000 will be reallocated toward key strategic deliverables identified in Plan 2022. These initiatives are as follows:

- At the preschool level an expenditure of \$327,000 will support the implementation of an ASD programme, enable the introduction of foreign languages to expand learning opportunities, support programmes to educate parents, and cover the cost of an Early Childhood Quality Assurance Officer to provide professional training and coaching for preschool teachers.
- At the primary level \$770,000 will be spent to cover the cost of continuing the STEAM education programme, inclusive of professional development training for teachers, updating the social studies curricula, and expanding the literacy programme to focus more on students' literary skills.
- A total of \$473,000 will be used to continue the implementation of a standards-based grading education system covering the department and site-based professional development training; and roughly \$539,000 will be set aside to address the urgent need to increase the bandwidth for schools at the primary and middle school levels.
- At the senior level \$129,500 will enable the continuation and expansion of the City & Guilds Programme in English and mathematics and support the introduction of a virtual job shadow programme to create a unique experience for students as part of the Career Pathway Programme.

Mr. Chairman, the Department of Education staff continues to execute the strategies supporting Plan 2022. Currently, we are in the process of preparing an annual report to inform the community as promised on the progress made during the past year of implementing Plan 2022.

Mr. Chairman, I move on to highlight the expenditures of each business unit that falls under Head

17, on page B-145. However, as mentioned earlier, the identified savings of \$2.3 million that will be reinvested into initiatives will not be reflected within the Budget Book line item estimates as reallocations will occur once the 2019/20 estimates have been approved.

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, and monitor the work that takes place at the Department of Education and in our schools.

Mr. Chairman, the monies budgeted for the upcoming year for business unit 27000, General Administration, will cover the inventory purchases of educational and office supplies for the school year. There is no change in expenditure for the fiscal year 2019/20.

Mr. Chairman, business unit 27001, holds the budget of 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 administrative and operational costs to support the Office of the Commissioner are also included in these costs and have been reduced marginally year on year. The Commissioner of Education and direct reports will be responsible for overseeing, monitoring, and reporting on the progress of work carried out in the department and the delivery plans for Plan 2022 as executed by department sections in our schools.

Mr. Chairman, business unit 27030, Human Resources, funds the salaries of eight professional, technical, and administrative staff in the Human Resources Section who deliver Human Resource functions and services to both the department and public schools. In addition to Plan 2022, the Human Resources Section focuses their efforts on key job responsibilities, specifically as it relates to Priority #3—“Enhancing the Quality of Teacher Practice and System Leadership.”

Mr. Chairman, a total of \$985,000 has been allocated to this section to support priority initiatives consistent with the previous year.

Mr. Chairman, in 2019/20, funding for business unit 27031, School Improvement, remained in line with the previous year’s budget of \$686,000. These funds will be used to provide a major source of funding for training and professional development arising from Plan 2022 and school improvement plans, training which is necessary to enhance the skills and competency of our teachers, educational staff, and school leaders. In support of Plan 2022, Strategy 1.5.2, our new school improvement plan format has been developed which captures data to moni-

tor student performance and gains over time and key performance measurements for the department.

Mr. Chairman, business unit 27090, Educational Standards and Accountability, has oversight of our 18 primary schools, 5 middle schools, 2 senior secondary schools, 1 special school, and 2 alternative programmes. This team comprises assistant directors who supervise school principals and programme coordinators to ensure quality teaching and effective leadership in our schools and programmes.

The work carried out by the assistant directors is essential for the growth and development of school leaders and overall school improvement. In upcoming years this team will ensure that principal evaluations are in place and begin the work on principal certification, and develop and implement a succession plan strategy for future principal leadership roles.

Mr. Chairman, business unit 27095, School Attendance, funds the salaries of a school registration and attendance coordinator and four school attendance officers. It is the responsibility of this section to ensure that children of compulsory school age are in school on a daily basis. The school registration and attendance coordinator 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 to ensure improvements in the process for the following year. The coordinator requires monthly attendance reporting by principals, conducts audits of school attendance data to determine each school’s progress in reducing chronic absences, one of the key outcomes of Plan 2022 and a department performance measure for schools. In 2019/20, the budget for this unit remains relatively the same as 2018/19 at \$340,000.

Mr. Chairman, schools need to ensure that quality teaching and learning experiences continue to take place when teachers are sick or on leave. The funds allocated for business unit 27160, Substitutes, has been decreased by \$2,416,000, but has been offset by an equal increase in business unit 27079, Paraprofessionals, of \$2,147,000. Several paraprofessionals were initially hired using the Substitutes budget; however, these positions have been shifted to business unit 27079 to accurately reflect the cost of providing paraprofessional services.

Mr. Chairman, the overall budget for the Central Administration programme is \$4,455,000 for the 2019/20 fiscal year, which is considerably lower than the previous year’s budget due primarily to the reallocation between the Substitutes and Paraprofessionals budgets.

Programme 1702—Student Services

Hon. Diallo V. S. Rabain: Mr. Chairman, let me shift to programme 1702, Student Services. The Student Services [Section] facilitates the provision of 13 pro-

grammes that support the diverse and exceptional needs of our student population.

Mr. Chairman, business unit 27061, Behavioural Management, funds behavioural therapists for preschool and primary schools, as well as one Education Officer for Behavioural Management. In addition, the fund covers our Alternative Education Programme, which facilitates suitable alternative education environments for students with behaviour challenges.

As we implement Plan 2022, educational therapists will play a critical role in creating a comprehensive, system-wide, positive behaviour framework based on international best practices in support of Plan 2022, Strategy 1.4.9. Further, as outlined in Plan 2022, [Strategy] 1.4.5 we have begun the research for alternative school models in preparation for transforming our current Alternative Education Programme. The ultimate aim of this process is to ensure that our alternative models are aligned with the most current research and based on student needs.

The 2019/20 budget for this business unit will increase by \$85,000 to hire additional educational therapists.

Mr. Chairman, business unit 27063 includes our school psychologists, who support administrators and address student needs in areas of behaviour, mental health, and learning. They deliver comprehensive psycho-educational evaluations; provide consultations; short-term counselling; and intervention and preventive services across the system. They are engaged in and are valuable resources for schools as it relates to the Multi-Tier System of Support (or MTSS) process, a Plan 2022 System Priority of Strategy 1.4.6. The 2019/20 budget will increase by \$105,000 reflecting a reallocation of a school psychologist post from business unit 27072.

Mr. Chairman, business unit 27064, the Adaptive Physical Education programme, is a developmentally appropriate physical education programme [PE] delivered by three teachers that helps students with diverse needs get active and stay active by providing the adaptive support necessary to integrate them into regular physical education programmes. Physical education lessons are implemented on an individual basis in small groups and within regular PE settings. Students receive adaptive physical education services, and have individualised education plans with goals and objectives which are in line with the physical education curriculum.

The business unit 27065 is the Deaf and Hard-of-Hearing Programme which provides students with academic instruction and they also collaborate with classroom teachers to ensure that teaching and learning is effective and student needs are met during academic instruction. Funds budgeted for this business unit are for salaries, disability specific resources and materials, hearing aids and equipment, and consultant audiology services. Some funds will also be used for professional development.

Mr. Chairman, [business unit] 27066 is the Vision Business Unit. Students with visual impairment have unique educational needs. In order to meet their unique needs students must have specialised services, books, and materials in appropriate media including Braille, as well as specialised equipment and technology to ensure equal access to the core and specialised curricula, and to enable them to most effectively compete with their peers in school and, ultimately, in society.

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, two administrative assistants, and seven learning support teachers. The increase of \$170,000 reflects two additional funded posts which are due to the regularisation of a duplicate position number.

The department's Counselling Programme, 27072, is a comprehensive developmental school counselling programme based on an international model with four components: classroom guidance; core curriculum; individual planning; response services; and system support. More specifically, school-based counselling programmes provide early intervention, crisis intervention and prevention, treatment and promotion of positive social and emotional development.

This business unit funds the salaries of one education officer and counsellors at the preschool/primary and middle school level. Salaries for senior school counsellors are funded from the senior school budget. During the 2019/20 school year, counsellors will continue to allocate their time delivering social/emotional lessons focused on decision-making and coping skills, academic educational plans, individual and group counselling, coordinating services with community members, and supporting initiatives listed in Plan 2022.

Mr. Chairman, business unit 27074, Learning Support, funds two education officers for special education and learning support, in addition to close to 40 learning support teachers who provide services to our preschool, primary, and middle schools, Dame Marjorie Bean Hope Academy, and our trauma responsive programmes at our primary, middle, and senior Success Academies. This funding also includes assessment materials needed to ensure appropriate diagnosis of students with special needs. This business unit increased by \$252,000, reflecting two learning support teacher posts.

In the upcoming year, the department will begin to focus on laying a foundation for the implementation of the inclusive and special education policy, and strengthen the framework to ensure students with exceptionalities have their needs better addressed.

Mr. Chairman, business unit 27076 reflects the funding for the salary of the Education Officer for

Early Childhood Education and an operational budget for the Early Childhood Section. Funds will be used to hire an Early Childhood Quality Assurance Officer to support preschools and to provide professional training and coaching. Professional development will focus on implementing the creative curriculum, the inquiry model, authentic assessment, the SEE-KS Programme, and training to strengthen the MTSS process for children on the autism spectrum.

Mr. Chairman, business unit 27079 provides for the delivery of paraprofessional services for our students who have a diverse range of learning needs. The paraprofessionals provide instructional support, ensure protection and safety, and provide support for transition and life skills for children with special needs. This includes providing adequate support for students with physical exceptionalities, including deafness and visual impairments. Further, during this school year and in alignment with Plan 2022, we will lay the groundwork for developing standards for paraprofessionals who will also participate in specialised training to better equip them for supporting students with exceptionalities. As previously mentioned, the increased budget in this business unit is a direct offset with the reduction of the budget for the Substitutes programme.

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 funding also covers operational costs for equipment repairs, maintenance, and supplies. The 2019/20 budget of \$687,000 will fund these costs and also costs for autism training for all teachers and paraprofessionals.

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 the Department of Education partner programmes which offer additional alternative programme choices for our students. During this year, as outlined in Plan 2022, staff will begin to explore alternative education school models that are based on research and the evidenced needs of students.

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 2019/20 fiscal year, is \$19,755,000.

Programme 1703—Finance and Corporate

Hon. Diallo V. S. Rabain: Now, Mr. Chairman, I would like to focus on programme 1703, the Finance and Corporate Section of the Department of Education.

Business unit 27002 supports the staff in the Financial Administration Section. They include a department 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 and responsive financial services to support Plan 2022 Priority #5; procurement and contracting services; and corporate planning solutions for the department's management, employees, and schools. Under the direction of the department's comptroller, this office coordinates the payment of salaries for approximately 1,130 educators and department staff, and pays all suppliers and vendors for goods and services purchased, as well as organises the collection of receivables. This office will play a key role in finding ways to reduce non-instructional costs and to identify cost inefficiencies.

Mr. Chairman, Office Accommodation, business unit 27003, funds the salary of the receptionist, annual rent, office maintenance, electricity and communication costs of the Church Street Building where the Department of Education is physically located.

Business unit 27040, Educational Stores, supports the salaries of five staff. The Stores Section provides centralised purchasing, inventory management and distribution [services] to all public schools, the Bermuda College, and other government departments such as the Ministry of Youth and Sport. We have completed an analysis of Stores operational efficiencies in support of Plan 2022 Priority #5 and will now review the findings and develop a plan for the most efficient and most effective way of delivering these services.

Mr. Chairman, business unit 27041 funds the salaries of three bus drivers and two bus attendants, who provide transportation for children who attend the Dame Marjorie Bean Hope Academy and for students within our ASD programme at different schools. Also included in these funds are the salaries for two groundsmen who maintain school sports fields; and one Labour, Transport, and Safety Officer. The centre also funds the costs to maintain the department's motor fleet.

Mr. Chairman, business unit 27042, Buildings, Grounds, and Equipment, funds the salary of the Facilities Manager who will play a pivotal role in the school inspections and research guidelines for providing modern educational facilities, as stated in Plan 2022.

Mr. Chairman, the final business unit 27050, for the Finance and Corporate Programme, is Information Technology Support. One of the major achievements for this team last year was the installation of Wi-Fi in primary schools. The focus of the work in the fiscal year will see the installation of a broadband fibre optic network to all pre, primary and middle schools. This team will simplify the IT structure and create a high quality availability data centre, develop

more efficient and effective channels for using PowerSchool, and ensure greater IT mobility and access to correct information for our user community.

Mr. Chairman, the Finance and Corporate Section provides key services for our public schools and has been allocated \$6,239,000 for the 2019/20 fiscal year.

Programme 1704—Preschools

Hon. Diallo V. S. Rabain: Mr. Chairman, I now turn to page B-146, line item 1704, which is the programme for our 10 preschools.

The 2019/20 budget for all preschools is \$4,752,000. Of the preschools budget, 90 per cent funds salaries. Ten per cent of the budget is used for operational costs such as electricity, part-time cleaners, phones, office equipment rental, and drinking water. Funds will be used for training and development of our preschool administrators and teachers with an emphasis on SEE-KS training (and SEE-KS stands for Social Emotional Engagement–Knowledge and Skills).

Programme 1705—Primary Schools

Hon. Diallo V. S. Rabain: Mr. Chairman, the next programme is 1705, Primary Schools, for which we have a budget allocation in 2019/20 of \$30,073,000. The primary school staff have participated in professional learning focused on Standards-Based Grading and will continue over the next four years.

Mr. Chairman, seven more primary schools are implementing the Engineering is Elementary curriculum this year in support of the STEAM education and Plan 2022 Strategies 2.9.5 and 1.1.4.1. In addition to the summer STEAM Academy held in July 2018, we also offered a STEAM Academy in [October] 2018.

Business unit 27120, Dame Marjorie Bean Hope Academy, provides services to students who have severe to profound multiple challenges. The main focus of the programme at Dame [Academy] is to increase students' independence and to help them achieve their ultimate potential. During the fiscal year 2019/20, this cost centre will be funded with a budget of \$734,000 to provide quality services for our students.

Programme 1707—Middle Schools

Hon. Diallo V. S. Rabain: We now turn to page B-147, [programme] 1707, relating to Middle Schools. Middle School staff participated in professional learning for Standards-Based Grading and are focused on improving their grading and assessment practices in alignment with Standards-Based Grading. All five middle schools are offering enrichment programmes in support of Plan 2022 Strategy 1.1.4.3. Mr. Chair-

man, the total 2019/20 budget allocation for our five middle schools is \$17,135,000.

Also, Mr. Chairman, you will recall that this Government promised in its election platform to reform public education by phasing out middle schools and introduce signature schools that focus on the learning styles and interests of our children. These include, but are not limited to: academic, technical, the trades, business, sports, arts and special needs education.

To date, several stakeholders have been consulted and research has been undertaken and findings collated. The next step will be to use the feedback and information acquired to steer a round table on determining options on how to move forward with this initiative.

Programme 1708—Senior Schools

Hon. Diallo V. S. Rabain: Mr. Chairman, programme 1708 refers to our two senior secondary schools, the Berkeley Institute and CedarBridge Academy. 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 a diverse local and international curricula and programmes that prepare them for post-secondary education. Students have also had the opportunity to take advanced level courses and participate in dual enrolment programmes at the Bermuda College.

Senior schools are focusing their efforts on safe school environments, the mental health and well-being of students, and the required support for students as well as the enhancement of their programme offerings for students' college and career readiness.

For fiscal year 2019/20, the Berkeley Institute and CedarBridge Academy have maintained the same funding as in 2018/19.

Programme 1709—Curriculum Assessment

Hon. Diallo V. S. Rabain: Mr. Chairman, programme 1709, Curriculum Assessment, funds the Cambridge International Curriculum 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 students to sit the annual Check Points and IGCSE [International General Certificate of Secondary Education] examinations.

Mr. Chairman, we are in our eighth year of implementing the Cambridge International Examinations at P6, M3, and S2. The examinations are funded from business unit 27020, Assessment and Evaluation. As we continue to invest in Cambridge Assessments, it is with the understanding that our results for these assessments must improve.

Mr. Chairman, business unit 27520, Design, Development, and Implementation, funds salaries for seven education officers who are responsible to ensure 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. Officers are focusing on curriculum implementation, quality instruction and practice, and the refinement or development of curricula.

Mr. Chairman, the Curriculum Assessment Programme, 1709, has been allocated a 2019/20 budget of \$2,555,000 for continued delivery of these educational programmes and services during the next fiscal year.

Programme 1712—Early Childhood Education

Hon. Diallo V. S. Rabain: Mr. Chairman, the final programme on page B-147 is 1712, Early Childhood Education. This programme funds the Child Development and After School Care sub-programmes. Early Childhood Education represents the foundation for student success at the primary, middle, and senior levels.

Business unit 27175, Child Development Programme (CDP) currently funds the salaries of the CDP staff and programmes implemented by this team. The team works diligently to maintain their accreditation status and engages in quarterly performance quality improvement sessions. The increase in funding of \$126,000 will in part fund a quality assurance officer to ensure operational standards are maintained with the delivery of services.

Mr. Chairman, the final line item on page B-147 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 pre-schools and one school for students with special needs.

In summary, the continued delivery of services for programme 1712 for the fiscal year 2019/20 has been allocated a total budget of \$1,935,000.

Subjective Analysis of Current Account Estimates

Hon. Diallo V. S. Rabain: Mr. Chairman, I now refer to page B-148, the Subjective Analysis of Current Account Estimates for the Department of Education.

Note that we have already covered these expenditures as this page provides an aggregate of the detailed line item expenditures previously mentioned. The variances of significance for the categories are as follows:

- Salaries increased and Wages decreased by \$56,000 and \$53,000, respectively, mainly due to the reorganisation of substitutes.

- Training costs are \$32,000 lower due to that reallocation of local training funds to other line items.
- Transportation remained the same.
- Travel costs associated with overseas training increased by \$43,000 as per the reallocation mentioned above.
- Communication costs increased by \$33,000 in part reflecting the completion of a number of projects linked to Information Technology Support.
- Professional Services remained the same.
- Rental costs increased negligibly by \$1,000.
- Repair and Maintenance costs decreased by \$10,000 due to a dip in expenditures for repairs and maintenance.
- Energy costs increased by \$33,000 mainly reflecting an underfunded budget in 2018 for electricity costs at some schools, for example, T. N. Tatum.
- Material and Supplies expenditure is \$40,000 lower as a result of reallocation of electricity costs.
- Grants and contributions decreased by \$29,000 maintaining the funding to two senior schools.

Employee Numbers—Full-Time Equivalents

Hon. Diallo V. S. Rabain: Mr. Chairman, pages B-149 and B-150 show that there 1,120 FTE posts, a net change of six compared with the 1,126 FTEs measured in the revised 2018/19 [budget]. The decreased number of FTEs primarily reflects the regularisation of the substitutes and paraprofessionals. The department will continue to monitor and review the number of FTEs to ensure both efficiency and effectiveness with staff resources.

Performance Measures

Hon. Diallo V. S. Rabain: Mr. Chairman, pages B-151 [to] B-156 list the Performance Measures for the Department of Education. These measures reflect the diversity of programmes and initiatives currently being undertaken by the schools and Department of Education staff in the areas for which they will be monitored and held accountable.

Mr. Chairman, let me acknowledge all staff at the Department of Education—our teachers, principals, administrators, all educators, and our support staff—for their commitment to public school education and our children. I want to especially acknowledge our Commissioner of Education who has done a sterling job in leading the Department of Education. It is the individual and combined efforts of everyone, plus the commitment to our students, that will enable us to achieve the intended outcomes for Plan 2022.

Mr. Chairman, that concludes my presentation on Head 17, the Department of Education. I now will turn to Head 18, the Department of Libraries and Archives.

HEAD 18—DEPARTMENT OF LIBRARIES AND ARCHIVES

Hon. Diallo V. S. Rabain: Mr. Chairman, you will see on page B-162 a note stating that effective April 2018, Head 19, Archives, merged with Head 18, Department of Libraries. Therefore, I am presenting the 2019/20 Estimates of Expenditure and Revenue for the Department of Libraries and Archives, Head 18, which are found on page B-158.

Mr. Chairman, the mission statement of the Department of Libraries and Archives reads as follows: *The Department of Libraries and Archives preserves and facilitates access to Bermuda's printed historical records, cultural works, and the government's administrative records. We encourage lifelong learning by dispensing educational and recreational resources and are committed to providing for the present and future needs of our community.*

Mr. Chairman, on page B-158 the 2019/20 budget allocation for the Department of Libraries and Archives is set at \$3,222,000. There is no change in expenditure level over 2018/19. Also, page B-158 shows the General Summary table for the department's six programmes as listed. The difference in funding levels for the six programmes when compared to 2018/19 is due to a reallocation of funds within the department.

The 2019/20 budget allocation for business unit 28000, Collection Management, of \$561,000 represents an increase of \$24,000 compared with the 2018/19 original budget of \$537,000. This increase represents the reallocation of funds to be used for digitisation of Bermuda materials. The full-time equivalent (FTE) count for this cost centre is five, as shown on [page] B-159.

Mr. Chairman, the 2019/20 budget allocation for Adult Services, business unit 28060, is [\$586,000.] The increase of \$78,000 is largely due to salaries as funds are included for the circulation supervisor post. The full-time equivalent count for this cost centre increased by one FTE, for a total of seven, as shown on page B-159.

Mr. Chairman, page B-158 shows a 2019/20 budget allocation for business unit 28100, Archival Services, of \$396,000. This represents a 3 per cent decrease, or \$12,000, when compared with 2018/19. The full-time equivalent count for this cost centre is four, as shown on page B-159.

Business unit 28110, Youth Services, includes programmes catering to the youth, which continue to be popular with families and children younger than age 14. The 2019/20 budget is \$444,000, a 13 per cent decrease, or \$64,000 decrease, when compared

with the \$508,000 allocated in 2018/19. The full-time equivalent for this cost centre is four, as shown on [page] B-159.

Business unit 28120, Records Management [Services], totals \$795,000. This reflects a marginal increase of [\$31,000], or 4 per cent over 2018/19. The Government Record Centre, located in Southside, St. David's, provides storage for the government's non-current records in one building. This has created more efficiency in the ability of staff to undertake day-to-day records management and has eliminated the need for staff to travel between facilities to store and retrieve records.

Mr. Chairman, the last line item in the general summary table, on page B-158, shows a net decrease in expenditure estimates for business unit Administration 28130, of \$57,000 for fiscal year 2019/20, when compared to last year. The decrease is due to the promotion of trainee library to assistant library position, thus decreasing the FTE count in this section by two FTEs, as shown on page B-159.

Subjective Analysis for Current Account Estimates

Hon. Diallo V. S. Rabain: Mr. Chairman, the combined Subjective Analysis for Current Account Estimates for the Department of Libraries and Archives can be found on page B-158.

Salary-related expenses show a decrease of \$29,000. There was also a decrease in funding allocated for professional services and energy. The largest increase of \$47,000 is for Repairs and Maintenance. This is due to an increase in funding for maintenance of the facility to ensure [the] health, safety and well-being of the staff and the general public. Funding in other areas remained in line with 2018/19.

Mr. Chairman, page B-159 shows the FTE count for the Department of Libraries [and Archives] to be 26 persons in 2019/20. The staff comprises entirely Bermudian professionals and constitutes the following: one director, five librarians, two appraisal archivists, two records officers, three supervisors, three information desk assistants, two record assistants, two archive assistants, four circulation assistants, one local studies assistant, and one administrative officer.

Mr. Chairman, the operations of the Bermuda National Library and Archives are not a major source of revenue for the government, as outlined in the revenue summary table on the top of page B-159. Fees are charged for the duplication of archival materials, book fines, library programmes, computer fees, and photocopier charges. These fees are estimated to provide revenue of \$13,000 for this fiscal year.

Mr. Chairman, the Performance Measures for the Department of Libraries and Archives are listed on pages B-160 and B-161, showing the 2018/19 revised and 2019/20 original outcomes. The department issued 40 ISBNs [International Standard Book Number].

to local authors who took advantage of this free service provided by the department. The Bermuda book collection is expanding as books are added to both the reference collection and the circulating collection with local authors publishing a wealth of books both in Bermuda and overseas.

There were decreases in the number of general reference questions answered and the number of people using the library's PCs for internet access. This decrease in the use of PCs can be attributed to a number of people bringing their personal devices into the library and accessing the free Wi-Fi.

Mr. Chairman, as the Records Management Section prepares to launch new records management policy, a number of new performance measures are being put in place. These new measures can be seen on page B-161.

Mr. Chairman, as seen on page C-11, the Capital Acquisition budget for the National Library for fiscal year 2019/20 is \$27,000. These funds will be used for the replacement of the fire alarm system at the main library.

At this time, Mr. 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 for our community and to preserve the essential and administrative records of the Bermuda Government and the historical records of Bermuda while facilitating access to these records to the members of the public.

Mr. Chairman, that ends the 2019/20 budget for Head 18, Department of Libraries and Archives. I will now move on to the Bermuda College, Head 41, found on page B-165.

HEAD 41—BERMUDA COLLEGE

Hon. Diallo V. S. Rabain: Mr. Chairman, Bermuda College is the only tertiary level institution in Bermuda. Its mission is: *Setting Bermuda's students on the path to success through the provision of comprehensive academic and technical education along with professional training, personal and academic support services, quality facilities, and interactive partnerships with local and international entities.*

As the only post-secondary institute on the Island Bermuda College has also realised the significant role it plays in the economic growth agenda of the Government. Bermuda College is committed to the success of Bermuda's students offering transfer programmes that lead to success at the university level. It also provides professional technical and training programmes leading to the success in the workplace and preparatory programmes leading to the success in the classroom.

Mr. Chairman, the Bermuda College receives a grant from the Ministry of Education and the allocation for financial year 2019/20 is \$15,906,000. This is

the same amount that was received last year. The College also receives a capital grant in the amount of \$200,000.

Mr. 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. The other members are: Mrs. Romelle Warner, Deputy Chair; Mrs. Cherie Dill; Mr. Thomas Famous; Ms. Delight Morris; Mr. Jerome Reid, Jr.; Mr. Bruce Sharpe; Mrs. Kathleen Sharpe-Keane; Mr. Nasir Wade; Mrs. Valerie Robinson-James, Permanent Secretary of Education (ex officio); Mrs. Malika Cartwright, National Training Board Representative; The Honourable Randolph Horton, Chairman of the Honorary Fellows; Ms. Necheeka Trott, Faculty Representative; Mr. Romeo Ruddock, Support Staff Representative; and Ms. Latifah Smith, Student Representative.

Mr. Chairman, Bermuda College, as an accredited institution with the newly named New England Commission on Higher Education, continues to be the most economical choice for Bermudians to start their journey into higher education. Not only does it afford great value for money when compared to the first two years of any four-year institution in the UK, North America and the Caribbean, but also offers a safe, personal, and student-oriented, student-centred learning environment.

2018/19 Highlights

Hon. Diallo V. S. Rabain: Mr. Chairman, one of the major highlights of the College during this past year has been the completion and adoption of the new five-year strategic plan "Delivering Success." The plan was developed with the assistance of a consultant and input from various internal and external key stakeholders and was adopted by the Board in October 2018 and is currently being implemented.

The Dual Enrolment Programme, a partnership between the Bermuda College and the Department of Education, continues to be a success and is increasing in popularity. This past year the Bermuda College graduated 16 dual enrolment students from the first cohort of the Certificate in Applied Science Technology Programme.

To better serve students the College piloted a hybrid learning option for its students, whereby much of the course is offered online using the College's online course management. These courses provide more flexible learning options for students who are not physically able to attend classes for three hours or more each week.

Mr. Chairman, as Bermuda College fulfils its mission of setting Bermuda's students on their path to success, the ability for its students to transfer their credits to overseas institutions to complete their [baccalaureate] degrees is key. To support the objective, in November the Bermuda College hosted its first

“Bermuda College Transfer Pathways Fair” which saw several of its four-year institution partners visit the campus and share their programmes with college students.

Mr. Chairman, to support the Certificate in Applied Science Technology Programme, the College installed a mini aquaponics unit outside the Tech Hall Building. The unit is supporting 12 plant species which are fertilised by fish waste while plant roots filter the water for the fish; hence, there is almost zero waste within the system.

Mr. Chairman, as Bermuda’s community college, Bermuda College continues to do its part to not only educate students, but also educate and inform the community at large through various events organised through the year. Such events include the College’s annual Science Week activities and its public forums.

During the 2019 Science Week events, the College welcomed more than 600 public and private students and members of the general public to its campus. The public forum featured Bermudian, Dr. Carika Weldon, a Bermudian biochemist and researcher at Oxford University. More than 150 individuals attended her lecture entitled, “Knowing your Genetic Code; How DNA Sequencing is Becoming More Personal.”

The Science Demo Day was attended by 260 middle school students, while the master class saw participation by 75 high school students. Other events included the increasingly popular *Live, Love, Eat* culinary arts demonstration with Chef Teneika Eve and her culinary art students which, once again, saw capacity crowds fill the cafeteria.

Mr. Chairman, in November 2018 the Bermuda College organised and hosted a “Race and Resistance” conference in cooperation with Oxford University and the Human Rights Commission. This conference saw participation from various local and overseas presenters and was attended by more than 250 individuals.

The Nursing Department also hosted a forum on Alzheimer’s, which has become a major issue for Bermuda with our ageing population and this forum was attended by more than 90 individuals.

Mr. Chairman, in October 2018 Bermuda College Foundation was incorporated as a Company Limited by Guarantee; and as the fund-raising arm of the Bermuda College its main objective is to increase private and individual support for the College.

Three new Honorary Fellows were inducted into the Bermuda College Company of Honorary Fellows. Mr. Andrew Banks, Mr. Peter Durhager, and Dr. Wilbert Warner were honoured and celebrated for the significant contributions they have made to their respective fields.

Output Measures

Hon. Diallo V. S. Rabain: Mr. Chairman, supporting output measures for the Bermuda College’s activities are as follows:

In 2018 Bermuda College graduated 150 students with associate degrees, diplomas, or certificates.

In addition, six individuals received Bachelor of Business Administrative degrees through the Bermuda College’s long-standing partnership with Mount Saint Vincent University.

Mr. Chairman, in December the division on Professional and Career Education (PACE) awarded 104 professional designations and Workforce Development certificates. In addition, 14 public high school students received their certificates in nursing assistant as part of the Department of Education’s Dual Enrolment Programme with 209 high school students earning their City & Guilds entry-level introductory award in Employability Skills at their high school graduation. The awards represented 12 areas of specialisation.

Mr. Chairman, in fall of 2018 the College enrolled 712 students. There were also 527 registrants through PACE in the same period. This year student enrolment surpassed the numbers of fall 2017 when 652 students [were] enrolled while 327 were serviced through PACE. The increase in student enrolment can be directly attributed to this Government’s \$300,000 grant given to the Bermuda College to support students who needed financial assistance.

Mr. Chairman, in 2018, Bermuda College received \$15,906,000, or 78 per cent of its operating budget from the Bermuda Government grant. The 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 198 awards, ranging from \$233 to \$8,600, were issued to students with financial need in both the academic and PACE divisions at the College during the 2018 academic year.

The College also received \$125,000 specifically allocated for training in the areas of landscaping, gaming and nursing. As a result of the additional funding seven landscaping students are on track to complete the programme over the next fiscal year and 14 nursing students were assisted in financing their mandatory overseas practicums at SickKids in Canada and Temple University in the United States.

Revenue of \$4,357,410 from all other sources, included: student tuitions and fees for credit courses; revenue generated by PACE; bookstore revenue; testing centre revenue and rental income, including Coco Reef Resort. This amount together with the Government’s Grant made up a total revenue figure for 2018/19 of \$20,257,410.

Mr. Chairman, during this period salaries and benefits accounted for \$13,389,000, or 66 per cent of the budget. This represents a 1 per cent decrease in

salaries when compared to 2017/18. This decrease is mainly attributable to the College not filling select posts vacated during the year as it continues to decrease its labour costs.

During the 2019 fiscal year, the College expended \$69,123 to develop its new five-year strategic plan "Delivering Success" and started the first year of implementation. This included hiring a consultant to assist with the initial phase of rebranding the College.

The IT expenditures for the year include \$200,000 of hardware purchases and \$400,000 on contracts and licences to support teaching and learning as well as the College's administrative functions. The College also upgraded its Internet bandwidth from 75 megabits per second to 200 megabits per second to improve the user experience on campus.

Maintenance and improvement of the physical plant of the Bermuda College continues to be part of the College's commitment to provide a safe and healthy environment for the students and employees. By the end of this fiscal period the College is projected to spend approximately \$280,000 in cleaning contracts, \$330,000 on maintenance, and \$45,000 on basic campus upgrades.

Bermuda College expends \$450,000 on insurance and is projected to spend \$1,095,000 on electricity and other utilities during the 2018/19 fiscal year.

In total, \$150,000 of financial assistance was allocated to students enrolled in academic divisions who demonstrated financial need. This amount doubled during the 2018/19 academic year to offset the change in the College's tuition and fee structure which resulted in significant increases in tuition for full-time students.

The College expended \$100,000 towards incorporation and operation of the Bermuda College Foundation.

As a result of \$500,000 in capital funding received in 2018/19, Bermuda College was able to continue to make much needed upgrades to its aging plant. This included upgrades to its network infrastructure, replacing outdated computers, replacing chairs in some classrooms, replacing automatic doors, replacing lighting poles, and completing upgrades to the student centre. The College started the process of replacing carpets throughout the campus with tile flooring to provide a healthier work environment for its employees.

Mr. Chairman, the Bermuda College continues to utilise internal stakeholders as part of its annual budget process. The Budget Committee includes representatives from the Student Government Council, faculty, support staff, members of the executive, and a selection of budget managers. The goal of the Budget Committee is to prepare a balanced budget to present to the Board Finance Committee and, ultimately, the Board for final approval.

Salaries continue to form a 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 for its students.

Mr. Chairman, "Delivering Success," the Bermuda College's new five-year strategic plan, will be a blueprint to steer the College towards its 50th anniversary in 2024. Being set aside is \$150,000 for implementing the first year of the plan which includes the next phase of rebranding the College.

Utilising the \$300,000 grant to assist students with financial need, the College will endeavour to ensure no student is prohibited from attending Bermuda College as a result of limited household income. It is anticipated that a similar number of students will be assisted with the 2019/20 financial assistance grant.

Mr. Chairman, \$125,000 will be utilised to provide training in three areas: landscaping, nursing, and compliance. As there continues to be a shortage of Bermudian landscapers and nurses on Island \$40,000 will continue to be provided for students entering these two industries. With so many industries requiring compliance professionals, Bermuda College is working with its Compliance Advisory Board and will offer a range of compliance courses and certifications to those new to the industry as well as those who are currently in the industry but have no certification. Forty-five thousand dollars will be set aside to support students in this emerging industry.

Additionally, approximately \$40,000 will be used to support the development of the National Educators Institute, which will provide a centralised entity for public and private school educators and counsellors at all levels to engage in and benefit from professional development, professional learning and research.

The \$200,000 capital grant will be utilised to continue upgrades to the College's ageing plant.

Mr. Chairman, as stated earlier, one of the action steps coming out of the "Delivering Success," Bermuda College's five-year strategic plan, was to rebrand the College. The process is expected to be completed by the beginning of the next academic year. In July 2019 Bermuda College will celebrate its 45th anniversary and its focus will be reconnecting with its alumni, with the ultimate goal to have an accurate database of their alumni, including the three antecedent institutions.

Bermuda College will continue to work with the Department of Education to provide college courses to qualified students through its dual enrolment programme. The Bermuda College will continue to forge alliances with professional credentialing and accrediting agencies for Workforce Development, and professional certification, such as the Association for Chartered Certified Accountants (ACCA); Building Owners and Management Institute (BOMI) for building

owners and managers; and City & Guilds for the applied sciences.

As part of the new compliance offering, the College will establish partnerships with the UK-based International Compliance Association and a US-based Association of Certified Anti-Money Laundering specialists and the Caribbean-based KIXKO.

During the 2019/20 academic year, the first Allied Health course will be offered through the newly established division of Nursing and Allied Health.

Bermuda College will develop a Marine Science Programme with the assistance of its newly established Marine Science Advisory Committee consisting of the various marine science professionals. The first courses are expected to be offered in the fall of 2020.

The Bermuda College also expects that the Bermuda College Foundation and the National Educators Institute will be fully operational during the next fiscal year.

Mr. Chairman, as I close I wish to thank the Board, the executive, administration, faculty and staff of the Bermuda College for their hard work throughout the year and I look forward to working with them in the upcoming year.

Thank you, Mr. Chairman, and this concludes the budget on Head 41, the Bermuda College, and my overall presentation of the 2019/20 budget for the Ministry of Education.

[Mr. Rolfe Commissiong, Chairman]

The Chairman: Thank you, Minister.

Are there any other Members that wish to speak to the respective Heads?

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

The Chairman: The Chair now recognises the Shadow Minister of Education, the Honourable Cole Simons.

You have the floor, sir.

Mr. N. H. Cole Simons: [Microphone off] . . . the exercise, yet again.

First of all, I would like to begin by stating that I am delighted that the Plan 2022 has, basically, taken grips. And when I first reviewed the Budget Book I saw that all Heads, visions, and objectives were realigned to the Plan 2022. So I know that the Plan has taken a lot of work, a lot of community input, and as a consequence it is comforting to see that movement has progressed in reshaping the Ministry to meet the needs of the community.

In addition, from a general point of view, for Heads 16, 17 and 41, I have to also indicate that there is a sense of fiscal discipline. The Minister has stayed within his means. I do not see any large overcharges or increases from last year, so I applaud the team for

their fiscal discipline in working with the resources that they have.

Mr. Chairman, now I would like to get into the general situation. I would like to refer to Community Education [on page] B-141. I find it very interesting that the Community Education Development has moved out of the Ministry [since] only last year the Minister said that “the Government’s platform aligned the Community Education Development Programme with the Ministry of Education to ensure life-long learning and accessibility to education. Thus, the CEDP now falls under the responsibility of the Ministry of Education.”

Those were his words last year, Mr. Chairman, and my question is: What happened? What changed in one year? It, to me, made eminent sense and if you are committed to life-long education, I felt that it should have remained under the Ministry of Education. I have heard the Minister’s brief and I did not hear his justification for the move from the Ministry of Education to the other Ministry. And I think that the community deserves an explanation in that space.

Mr. Chairman, the other issue that I would like to address under the General Administration is the issue of the Parental Involvement Committee. This Committee, basically, was established in, I think, 2016/17 and I think it is still an active committee. Their mandate was to get parents involved in the education process and also [to] provide support to our teachers, principals and the Ministry of Education by, basically, being on the same page as the Department and our teachers and principals. So my questions are, How many times have the Parental Involvement Committee met? And what recommendations have they put forward? And what have they achieved to date? I thought that [committee] would be useful for the community because, I think, again, this was a noble initiative and I thought that we have to keep on top of their contributions as they provide a valuable resource to education.

Ministry Headquarters, as was said earlier, this level of funding is a reflection of monies allocated for the continued development and delivery of the strategic plan and the implementation of, as I said, the Parental Involvement Committee, in the past. In 2019, there was an allotment of \$3,579,000, an increase of 40 per cent, or \$1.53 million. The increase was attributed to \$368,000 going to the General Administration and that was up 55 per cent; and Grants to External Bodies to 1.16 per cent, and that was up 75 per cent, or \$479,000. Scholarship Awards were up 17 per cent.

Obviously, I have some questions and I would like to address my questions. Line 260 [*sic*], the Minister began to provide some of the achievements in regard to the 2022 Strategic Plan. I noticed some of them were IT related, some of them were repositioning of departments, in addition there were the Standards-Based Grading issues—they are all part of that

Plan. What are his expectations for 2019? I heard what he said he did for 2018, but I did not get a clear picture—

The Chairman: Shadow Minister, just for a point of clarification, which line are you dealing with right now?

Mr. N. H. Cole Simons: Line 26000.

An Hon. Member: You said 260.

Mr. N. H. Cole Simons: Sorry, 26000.

The Chairman: Okay. Continue.

Mr. N. H. Cole Simons: So what does he expect to achieve in 2019? He gave us a clear indication of what was achieved in 2018, but what can we expect in 2019?

As far as the staffing complement, I see we increased the staff for that area from three to seven, up 133 per cent. From the Headquarters' point of view, the other question I have that has never been resolved publicly is, Can the Minister provide details on the final dollar settlement for the former Commissioner of Education? Because that issue was never made public and I think community funds were allowed—

An Hon. Member: What line item is that?

Mr. N. H. Cole Simons: It is under . . . the same . . . 26000.

An Hon. Member: That is not under that line item.

Mr. N. H. Cole Simons: I will continue, Mr. Chairman. That is my question, what is going on in regard to the settlement and how much does . . . how much did the Minister pay for that because they were public funds?

The other issue I would like to address—it is like all strategic plans, you have a vision, you have objectives, you have targets—has the Minister considered an organisational structure in the Headquarters to make sure that the organisation in the Headquarters is properly aligned with the strategic plan? I know when I was the Minister I met with the consultant and we discussed this issue. And he thought that, you know, for maximum effectiveness the Headquarters could consider reorganising itself to be more compliant and to make it more efficient in the delivery of the 2022 Strategic Plan. So I would like for the Minister to provide details on the organisational restructuring of Headquarters to make sure it is in the best position to deliver the strategic plan.

While on the Headquarters, Mr. Chairman, like every professional we have to do professional development days, leadership training, and governance training. I have not heard anything in that re-

spect. Do we have a professional development or leadership training programme in place for the senior officers of the Ministry, i.e., the Commissioner of Education and the PS? Because, like all professionals, we have to keep our skills up to date and we all can do with a bit of fine-tuning and improving our skills.

Hon. Diallo V. S. Rabain: Mr. Chairman.

The Chairman: The Chair recognises the Minister of Education.

Hon. Diallo V. S. Rabain: Again, what . . . I just want to know what business unit he is speaking to? If he is talking about . . . he was talking about the Headquarters, now he is talking about the Department of Education. If he has moved on—

Mr. N. H. Cole Simons: No, no, no, no, no.

Hon. Diallo V. S. Rabain: —if he has moved on to talk about the Commissioner, whose budget comes under the Department of Education, not the Ministry of Education, then just keep us . . . just keep us in line so we can follow.

[Inaudible interjections]

Mr. N. H. Cole Simons: Mr. Chairman?

The Chairman: Shadow Minister Simons, you are dealing with 26000, General Administration, right now, are you still there?

Mr. N. H. Cole Simons: That is right, General Administration, Mr. Chairman. And General Administration can include leadership in providing guidance and support to the Headquarters executive team. And that is where I am going.

The Chairman: You may continue.

Mr. N. H. Cole Simons: So, Mr. Chairman, again, I think this is crucial. We recently have had issues with the vote of no confidence by the Bermuda Union of Teachers, and to me the biggest challenge is not necessarily the capabilities of the professional leadership of the department. I think the biggest challenge that we face is communications, communications, communications, communications. And I have to admit—

Hon. Diallo V. S. Rabain: Mr. Chairman, again, he keeps mentioning the department. He is talking about the Headquarters.

Mr. N. H. Cole Simons: Mr. Chairman, I am talking about General Administration.

Hon. Diallo V. S. Rabain: He is talking about the Headquarters—seven employees, Cole. You were the Minister. You know where everyone sits.

Mr. N. H. Cole Simons: Mr. Chairman—

The Chairman: Okay, just have a seat there, Shadow Minister.

Minister, your concern, again, is what?

Hon. Diallo V. S. Rabain: My concern, Mr. Chairman, is the Shadow Minister keeps talking about things that fall under the Department of Education while he is still talking about Head 16. If he is going to talk about Head 16, talk about Head 16. If he is going to talk about the Department of Education, Head 17, then talk about Head 17. But do not mix the two. We are here to do an economic debate of what is here within the Budget Book.

The Chairman: Thank you, Minister.

Mr. N. H. Cole Simons: Mr. Chairman—

The Chairman: Can you move on—

Mr. N. H. Cole Simons: —Mr. Chairman, as I said earlier—

The Chairman: —Shadow Minister, please?

Mr. N. H. Cole Simons: —we are talking about the strategic leadership and direction of the Ministry of Education through its Headquarters. And, as a consequence, what I am trying to do is to make sure that the senior team in Headquarters gets the skills and support that they need to do a more effective role.

Mr. Chairman, and so—

Hon. Diallo V. S. Rabain: Mr. Chairman, I am trying to help out my learned friend. I am trying to help out. I am trying to help out. The senior team in . . . the senior team in the Ministry Headquarters is the Minister, the Permanent Secretary, and the administrative assistant. He is referring to the Department of Education. And if he wants to refer to that, move on to that page.

Mr. N. H. Cole Simons: I will be moving to that next.

The Chairman: The Chair recognises the Shadow Minister. Shadow Minister, hold on a second. Are you going to move to that section?

Mr. N. H. Cole Simons: I want to finish where I am first because at the end of the day the leadership of the Department . . . of the Headquarters, is led by the PS—

The Chairman: Are you at the point now where you can wrap that up and move forward?

Mr. N. H. Cole Simons: Yes, I am.

The Chairman: Okay. Well, I will allow you to—

Mr. N. H. Cole Simons: I would like to ensure—

The Chairman: —please let us wrap that up and move forward.

Mr. N. H. Cole Simons: —that the PS has more support from a leadership point of view, from a training point of view, and developmental point of view. Like all professionals . . . we all need it. We need guidance and support, and I think she could do with some of that help.

An Hon. Member: Who is “she”?

Mr. N. H. Cole Simons: “She” is the PS.

Hon. Diallo V. S. Rabain: Mr. Chairman, I demand that this man show the Permanent Secretary of Education the respect that she is due.

Mr. N. H. Cole Simons: I have no problem.

Hon. Diallo V. S. Rabain: I do not want to hear him referring to anyone in our department as “she.”

The Chairman: Okay, look, when . . . also, when we get on our feet, can you state the nature of why you are getting on your feet, please?

Mr. N. H. Cole Simons: Mr. Chairman, I have the all respect—

The Chairman: You know, if it is a point of order—no, hold on, sit down, Shadow Minister.

If it is a point of order please state it and state the reasons for your point of order. Let us keep the proper decorum here.

Mr. N. H. Cole Simons: Mr. Chairman, I have all the respect for the PS, the Permanent Secretary, and I know, as a professional, I need support and guidance and I need to be sharpened up every now and then. And so, I think she, like every other professional, should get the support that she deserves so that she can do the best that she can do in the time that she is in that role.

The Chairman: Mm-hmm.

Mr. N. H. Cole Simons: I know that they have had, you know, issues in regard to—

[Inaudible interjections]

Mr. N. H. Cole Simons: —in regard to the Union. And, you know, I said that it is unfortunate, and I believe that they need the support so that it does not happen again. And I will say the same thing when I get to the Commissioner of Education, because I know that the Commissioner of Education is new in the job. And when I saw that, I was like surprised and, again, I believe the challenges faced by the Commissioner of Education—

The Chairman: Okay, you are at—

Mr. N. H. Cole Simons: —I am now on Head 17.

The Chairman: Mm-hmm. Okay.

Mr. N. H. Cole Simons: Okay? Head 17.

The Chairman: You may proceed.

Mr. N. H. Cole Simons: First of all, I would like to, again, as I say, commend the Commissioner of Education for maintaining a tight ship financially. It is difficult in these trying times. And the fact that she has so many people reporting to her, so many priorities, I think that it should not go unnoticed.

As was said, the Department of Education provides “students with equitable access to holistic, high-quality instruction that is culturally relevant and empowers students to reach their full potential.”

In addition, you know, [the Department is] responsible for developing critical thinkers, making sure that our literacy strategy has been adhered to and achieved, [overseeing] Success Academy, investing in quality teaching through international and professional development—they have a very, very broad mandate. And so, again, I know it is a difficult task and I want to commend the Commissioner of Education. I see some green shoots of hope. I will say to her, *Keep at it. It's going to be difficult.* And all I can do is keep the lines of communication open and show real leadership. I know you have done it in the past. Keep up the good work. Again, as I said, I was disappointed or felt very uncomfortable when I saw the no confidence vote in both the PS and the Commissioner of Education. So keep up the good work, keep the lines of communication [open].

And, again, I say to you, Commissioner of Education: We all need support and if the Ministry can provide you with the resources that will help you develop further in your leadership skills, in your management skills, and negotiation skills and communication skills, then I will support it and applaud it 100 per cent. So, again, keep focused because the community is depending on you.

I would like to move now to centre 27000, again, 171, General Administration. The General Ad-

ministration will cover inventory purchases of additional educational and office supplies for the school year. Other administrative expenses covered include freight charges, customs duties, and shipping costs.

Mr. Chairman, we still have a problem in this space because many teachers have come to me and indicated that they are still taking money out of their pockets to pay for supplies for their classroom, some up to \$100–\$150 a term. And this problem has been a perennial problem. It was a problem when I was there and now I see the problem still exists under the new Ministry. We need to address this issue. I heard the Minister say that a study had taken place and they are trying to bring this matter to some resolution. I think it needs to be done sooner than later.

In addition, I think something needs to be done to reimburse our teachers for the money that they have spent out of their pockets to provide supplies and, in some cases, food to our students who have been . . . to some students who cannot afford or are not privileged enough to be able to bring lunches and breakfasts, and have breakfast and lunch before coming to school. So, again, I think that we need to somehow support these teachers, reimburse them for any out of pocket expenses that they indulge in to make things work and to make things better for our students to make sure that they are well positioned to provide and get the best outcome from our educational system.

The other issue that I would like to speak to is the issue of Standards-Based Grading. Mr. Chairman, I have to admit I went to a public meeting and I thought the public meeting was very, very informative. I think the leadership of that meeting did a fantastic job in explaining the process to everyone in attendance. There were a lot of questions, a lot of queries, but I think the biggest challenge that the parents found was that no one from the Ministry was there.

They kept saying, *Where is the Ministry representative?* That is all they kept saying. They kept saying, *Where is the Ministry representative?*

Well, we had the teams doing the leadership and, you know, providing the direction for the programme charting a new course—Standards-Based Grading—and, as I said, they did a great job in providing details. I felt comforted in the programme and I recognised that we have a long ways to go and that this programme will take a number of years to implement. So, again, we have to keep to the wicket, be focused, be measured, and do our best to ensure that it is delivered on time and that we have a proper implementation plan.

I have a schedule that I saw, they kindly provided this schedule here—year one, year two, year three—the multi-year transitional and implementation plan. This, to me, is a great step in the right direction. But like all plans, they need to be adhered to. They need to have discipline and the team members must meet their targets and deadlines. And I understand

that the Commissioner of Education will be responsible for the overall delivery and ensuring that these targets are met. So in this respect we have laid the foundation and it is upon the Department of Education and the Commissioner to ensure that the delivery is on time and on budget. You have a four-year delivery and implementation plan. It appears to be complete. And so I just trust that you are provided with the resources to make sure that we are on target at the end of each year and that by year four the entire programme is implemented.

The Chairman: Shadow Minister Simons, there has been a general trend here on both sides to migrate in the Committee to debates, and an excess of comments, observations and analysis that quite rightly belong in the realm of the general debate. And both sides have been doing it over the last few years. We know this.

We just ask, without being too punitive, that you spend some time drilling down on the numbers here as well. And let us try to respect the fact that we are in Committee and spend sufficient time dealing with those matters that reflect that.

Thank you.

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

With that . . . I accept the Chairman's comments, and so I am going to put this question to the Minister: Now that we have a transition and implementation plan, how much does he think will be allotted for each year? And how much does he think the entire implementation plan will cost because that has never been made public?

So I would suggest, now that we have a transition plan, that he provide the finances to support each year and provide the community with comfort that these finances are being well spent. And that at the end of each year they can say \$1 million or \$2 million has been allotted and spent to achieve the objectives of year one and this is how that money was spent; year two the allotment was \$4 million, it was used by the Steering Committee, it was used for training, it was used for professional development, and so on and so forth. Again, basically a breakdown on how the funds will be applied from year to year for the implementation of the Standards-Based Grading. Again, it is all part of the blueprint to move forward, Mr. Chairman.

Mr. Chairman, I will move on to Human Resources. Basically, Human Resources provides support to the Ministry and is responsible for a number of things. They develop standards for professional learning that are aligned with international standards. They develop a list of approved universities and colleges for prospective teachers. They lead the process for recruiting professional development officers. And they administer and employ engagement surveys.

Again, these are monumental tasks. These are required. And, as a consequence, I would like to ensure that they are well positioned to succeed.

While on Human Resources, the Minister spoke of the number of teachers that we had in our school system today. My question is, Does he have a further breakdown on how many male teachers we have in our system? And how many new male teachers we basically took on board in 2018/19 and 2019/20? The other question is, What per cent of our teachers are Bermudian and what percentage are expatriate?

I am asking that because I would just like to see—

[Inaudible interjection]

Mr. N. H. Cole Simons: I am asking that because I would like to see whether we have many new teachers in the pipeline and [what are] their opportunities for them when they return home given that there possibly could be a team of expatriate teachers within our system. So if he can give us that breakdown, it would be appreciated.

The other question that I have has to do with SCARS training. And I was listening carefully to see whether this programme continues and whether we still have, as a requirement, that SCARS training should be required for all primary school teachers, all middle school teachers, and all secondary school teachers. Where do we stand in ensuring that the SCARS training is taking place? How many teachers have completed it? How many have yet to complete [it]? And when do we expect to have all of our teachers on board and qualified in the space of SCARS training?

The other issue that I would like to address is succession planning. The Department of Education, like any other business, has to continue on. We have to ensure that we have the best people at the top and the best people for our students and the best people for our community. Can the Minister tell us what succession planning framework he has in place for the Department of Education at the senior level? And will he be willing to table and make public that succession planning document?

School Improvements, Head 1701, 27031. This cost centre funds the salaries of four mentor teachers. My question is, How many teachers do we have registered in the teacher mentoring programme at this point in time? How long is the programme? And how are these mentors trained themselves to ensure that they meet international best practice standards for mentor teachers?

I know that these mentor teachers are first class teachers, they are master teachers, and they have a passion for what they do. I have met them. I have seen them at various events and they love what they do. And, again, like the senior team, I believe that

they too are entitled to support, they too are entitled to training, leadership skills, pedagogy skills, improvements, just to make them better at what they do and to also allow them to have more job enrichment. Most of these mentor teachers are young teachers. They have a long way to go and so I just want to make sure that they have the skills to be the best that they can be and that they can be proud of the role that they have as mentor teachers and they can give the best to the teachers that will follow them.

So, again, how many teachers are currently registered in the mentor teaching programme? How many were registered last year?

The other issue that I would like to speak to is the school improvement plans. The Minister touched upon the school improvement plans, and my question is, Have all of our schools completed a school improvement plan? That goes from our preschools to our primary schools to our middle schools and to our secondary schools. Are they all finished? If they are not finished, when do we expect to have all the plans finished? And when will the recommendations of the plans be ready to be implemented?

It is fine having the plans, but they must be effective if the children will benefit. So my questions are: What percentage of schools has school improvement plans completed? How many are still in process? And what percentage of the schools has begun to implement the recommendations in the school improvement plans once they have been approved by the Ministry?

Mr. Chairman, this department is also responsible for the initiatives to improve the Cambridge Checkpoints and the IGSC results for math, English, and science. Last year we had two Cambridge International consultants on the island to observe the delivery of the curriculum in our three core subjects and the Minister had indicated that he would provide—

The Chairman: Excuse me, Shadow Minister.

Mr. N. H. Cole Simons: Yes.

The Chairman: Have you moved on now to Educational Standards? Or are you still on School Improvements?

Mr. N. H. Cole Simons: I am on School Improvements. This is all part of School Improvements.

The Chairman: Okay. I am just seeking some clarification.

Thank you.

Mr. N. H. Cole Simons: Okay?

And so, as I said, we have . . . we were going to develop a comprehensive plan that will focus on improving the teaching of mathematics in our schools. And the Minister said last year that he would keep us abreast of where things stood in that space.

Hon. Diallo V. S. Rabain: Point of order, Mr. Chairman.

The Chairman: Minister, what is the point of order?

POINT OF ORDER

[Misleading]

Hon. Diallo V. S. Rabain: Our . . . he . . . the Shadow Minister is misleading the House.

Are we having a general debate of how money was spent last year? Or are we having a debate about what we are going to do in the upcoming year with the budget that we presented?

The Chairman: Yes, well, I did address that with him. I do not know if it—

Mr. N. H. Cole Simons: Mr. Chairman—

The Chairman: I do not know if we can characterise him as misleading the House in that regard.

You can have your seat, sir.

Mr. N. H. Cole Simons: Mr. Chairman, what I am trying to do is this. Last year the Minister made a number of commitments. I have seen some of his commitments, again, this year. They have not been delivered. So how am I to believe—

The Chairman: Well, now, hold on . . . both of you. Have a seat.

Hon. Diallo V. S. Rabain: Cole, you can ask parliamentary questions if you want, not during the debate.

The Chairman: Yes, I mean . . . okay, hold up, hold up. Gentlemen. Gentlemen . . . gentlemen—

[Gavel]

The Chairman: Like I said, we have traditionally, historically, had some leeway in this regard, particularly over the last few years. Shadow Minister, if you would have maybe elucidated some of that in your opening comments it is fine, but by this time you should be into the . . . into the numbers, the matters at hand here with respect to the issues under consideration by this Committee—

Mr. N. H. Cole Simons: Mr. Chairman, I take your point but—

The Chairman: But let us . . . can—

Mr. N. H. Cole Simons: —like I say, numbers reflect action. Numbers reflect action and priorities.

The Chairman: Well, we are hearing very few numbers at all, so—

Mr. N. H. Cole Simons: Well, the Minister is supposed to give those numbers—

The Chairman: Can you tie . . . attempt to tie them all together?

Mr. N. H. Cole Simons: So what I can easily do . . . and I can say that this head had “X”-thousand dollars, they were down 10 per cent or 5 per cent and those are the numbers, because that is the overarching for that particular section of the Ministry.

The Chairman: Right.

Mr. N. H. Cole Simons: I can easily do that and then talk about the action behind the numbers.

The Chairman: Yeah, well please try to adhere to that. Thank you.

You may continue.

Mr. N. H. Cole Simons: Okay. Mr. Chairman, I would like to now move to Substitutes.

An Hon. Member: What was that again?

Mr. N. H. Cole Simons: Substitutes, 1701, 27160, page B-145. For your sake, there was an allotment of \$639,000. In 2018, there was an allotment of \$3.05 million, down 79 per cent, and as the Minister said that the \$2.4 [million] was transferred to the Paraprofessionals.

Those are the numbers, Mr. Chairman.

The Chairman: Yes.

Mr. N. H. Cole Simons: So my question . . . I find this transfer interesting, because, in essence, we reduced the number of substitute teachers. And, as you said earlier, schools have a genuine need of coverage for teachers who are either sick or need to take time away from school for various personal reasons as per their collective bargaining agreement.

Now, the Minister has moved the \$2.415 million to the Paraprofessionals. When he said that to me the question that jumped to my mind was this, the last time I noted, substitute teachers are qualified teachers and have different skill sets than paraprofessionals and so they cannot be used interchangeably. So my comment is, if we had so many substitute teachers last year and we managed to cover the absenteeism of other teachers, how does he envision addressing this challenge this year with such a lower number of substitute teachers in the system?

So that is just—

[Inaudible interjection]

Mr. N. H. Cole Simons: Well, I do not . . . if he gave me a brief, I would be able to read it. But he did not share the brief with me so I cannot read it. I have to go by memory and notes.

The Chairman: Continue.

Mr. N. H. Cole Simons: The other question that I have is . . . I did not see an allotment for the Orientation Workshop for Uncertified Substitute Teachers. Can he give us an update on the workshops for substitute teachers in general and how much was allotted for training and an orientation workshop for the substitute teachers? I suspect this amount should have been reduced because of an allotment that was transferred to the Paraprofessionals. So if the Minister can give me an update on the Orientation Workshop for Substitute Teachers it would be greatly appreciated.

Okay, now we are moving on to Student Services. Student Services is on page B-145 and the total allotment for Student Services is \$19,755,000. Okay? These services include gifted and talented education, behaviour management, school psychologists, adaptive physical education, deaf and hard-of-hearing support, visually impaired, special education, counselling, paraprofessionals, autism spectrum disorder, and alternative education and out-of-school suspension.

These, Mr. Chairman, are special needs students. And I would like to know if the Minister is able to quantify the number of students that fall into this special needs category. I heard him say, off the record, *Was I serious?*

I said, *I am very serious because if you are going to resolve a problem you have to quantify it.*

And so my questions are, How many students do we have in the system that fall into the special needs category that we need to provide with additional support? And have we completed individual education programmes for all of them? If we have, great. If we have not, then what are we doing to ensure that the individual education programmes are in place for those children?

Now that we have the educational programmes, how often do we meet with the parents of these students so that we are all on the same page? We are in this together—the parents, the Ministry, and the students. How often are they required to meet with the parents? Because, for it to work, we all have work together as a team. So will the Minister provide us with an insight as to how often the parents will meet with the team to go over the individual education plans for their child or children?

Mr. Chairman, the other question that I have in this space is, What ongoing training do we have for teachers and paras in the special needs arena? Because, again, we want the best out of our teachers, we want the best out of our paras. You will find that I am very keen on training to make sure that the pro-

professionals do the best that they can and that our students get the best outcomes.

Behavioural Management, that is 27061. The total allotment for that is \$1,164,000. That is on page 5 [sic]. Can the Minister give an update on this “alternative school models”?

The Chairman: Page B-145?

Mr. N. H. Cole Simons: Page B-145, Behavioural Management, at line 27061.

Can the Minister provide details on the research that he has found in regard to alternative school models in his preparation for transforming our alternative education programmes?

[Inaudible interjection]

Mr. N. H. Cole Simons: *What does this have to do with the budget?* the Minister said.

Well, guess what, Mr. Chairman? At the end of the day we are in the midst of delivering the 2022 Plan—the educational strategic plan—and in that Plan there is an accommodation for this. And I am asking the Minister to do what he has to do and provide the community with this information. Had he not rushed through his brief and not provided the details, I would not have to ask these questions, Mr. Chairman.

[Inaudible interjection]

Mr. N. H. Cole Simons: As long as it takes.

Hon. Diallo V. S. Rabain: Point of order, Mr. Chairman.

The Chairman: What is the point of order, Minister?

POINT OF ORDER

[Misleading]

Hon. Diallo V. S. Rabain: I think the Shadow Minister is misleading the House. I did not rush through my brief. I cannot help it if he was not listening.

The Chairman: Okay. Thank you.

Shadow Minister, are you prepared to proceed once more?

Mr. N. H. Cole Simons: Of course, I am prepared to proceed.

The Chairman: We are still at 27061, Behavioural Management, or have you moved on?

Mr. N. H. Cole Simons: Yes.

The Chairman: No? Okay.

Mr. N. H. Cole Simons: Yes, we are still there. We are talking about educational therapists as well.

The Chairman: Mm-hmm.

Mr. N. H. Cole Simons: So right now we have a number of educational therapists in the system and they basically provide support to high-risk students. How many students do we have in this programme? What is the caseload?

I just want to make sure that the educational therapists are not stretched too far in the delivery of the services that they provide. I just want to ensure that they are effective in providing the resources and support that our young people need. And, again, for each of these at-risk students do we have a personal improvement plan?

School psychologists, we are on page—

An Hon. Member: One forty-five.

Mr. N. H. Cole Simons: —B-145, School Psychologists, 27063. School psychologists play a vital role in the execution of our aims and objectives, and they support our schools’ commitment to all students in the public education system. The school psychologists support school administrators and students in the areas of behaviour, mental health and learning. They deliver comprehensive psycho-educational evaluations; provide consultations and short-term counselling.

The questions I have are: How many school psychologists do we have? What caseload is there for each of the school psychologists? And, again, how many at-risk students need to be supported in the programme.

So my questions, I repeat: What is the caseload for each school psychologist? And how many at-risk students are in the programme across the Island? If we are spending this money we have to know the scale of the challenge (I am not going to say “problem,” I am going to say “challenge”), because these people are our loved ones and we need to give them the support that they rightfully deserve.

The other question I have [about] the psychologists is: How many comprehensive psycho-educational evaluations, consultations, short-term counselling, and intervention and preventive services do they have logged up for the year?

So that is it for the psychologists.

I now move to cost centre 1702, 27064, Adaptive Physical Education. And that, basically, has an allotment of \$273,000, Mr. Chairman. Okay. Adaptive physical education is another student services programme that supports students with specific needs by providing access to services through modifications adapted to meet the needs of those students. Therefore, the adaptive physical education could be considered the art and science of developing, implementing and monitoring a carefully designed physical educa-

tion instructional programme for a learner with disability.

Again, like my other question, how many students are involved in this programme? And is this linked to the personal development programme for each child? And have you seen any trends across the schools in regard to the programme and the services being delivered and the challenges that we have found in the schools and in the adaptive physical education? There may be trends taking place that we can address that would help a number of the students.

Hearing, that is cost centre 27065. There is an allotment of \$302,000. The Deaf and Hard-of-Hearing Programme provides students with academic instruction within the public school general curriculum through services that support each student's learning needs as determined by their individual educational plan.

How many students do we have who are hearing challenged? I do not want to say "impaired"—hearing challenged. And how many schools support these students? How many students are in each school? The Minister did not provide those details, so I was wondering if his support team can provide the House with those details. Again, how many schools support the hearing challenged students? And how many students are in each school? I know at one point we had a presence at Prospect Preschool, Gilbert, Dellwood, and CedarBridge. I do not know if this is still current. In addition, we had two at Dame Marjorie Bean Hope Academy. So, I wonder if they can give us an update on those numbers.

Now, Mr. Chairman, I would like to move on to Vision Impaired. That is on page B-145, line item 27066. It is a well-documented and understood fact that students with visual impairments have unique educational needs, which are most effectively met using a team approach of professionals, parents and students. In order to meet these unique needs, students must have a specialised service, books, materials, in appropriate media. Now, Mr. Chairman, I understand that we have adjusted to the Cambridge Curriculum so that these students are supported through some type of compensatory skills, so that the students are visually supported.

Now, at one point I knew that we had 72 students. I think that was around 2016/17. If the Minister can tell us how many we have now, what is the case-load? How many students did we have in 2018/19, and how many students do we have in 2019/20? That is, how many visually impaired students?

How many students at this point have graduated from our senior schools? Because at the end of the day, the success of the programme will be defined by those students who basically graduate from our middle schools and senior schools. So, the question becomes, in regard to the visually impaired, how many of them have graduated from our senior schools

in 2017/18? Again, it is called, *Is this money getting value?*

[Inaudible interjections]

Mr. N. H. Cole Simons: I did not interrupt you when you gave your presentation.

[Inaudible interjections]

[Gavel]

Mr. N. H. Cole Simons: Okay. So, we continue. I would like to now move on to Counselling, 27072.

[Inaudible interjections]

[Gavel]

Mr. N. H. Cole Simons: For Counselling, there was an allotment of \$2.884 million. The Counselling programme provides our students with a multitude of direct and indirect counselling services and activities that are an integral component of the public education system. We provide funds for 10 middle school counsellors and two counsellors for the senior schools. Last year, we were going to provide complete global career training for officer certification for the counsellors.

The questions are, is this programme ongoing? Did the counsellors who participated in last year's programme graduate? How many are currently registered, and how many, as I said, completed the training for the officer global career training for officer certification in the counselling space? Again, we are investing in these people, and we need to ensure that they, basically, hold up their end and that the schools get what is best for their students. So, again, have the counsellors been certified in regard to the Global Career Training Programme?

We spoke about the learning support teachers, so I will just pass on that for now.

Early Childhood Education. Mr. Chairman, Early Childhood Education, which is line item 27076, and the budget was \$115,000, up \$1,000 from last year. As was said earlier, this cost centre basically reflects the funding of the salary of the Educational Officer of Early Childhood Education and provides an operational budget. It also is responsible for supporting the Inquiring Minds Framework. To support the implementation of the Inquiring Minds Framework in our preschools, we need to ensure that all preschool teachers are well trained and on board.

So, can the Minister provide an update on where things stand on the Inquiring Minds Framework? And have all the teachers been trained in this space? In fact, I think I heard him say that he was going to hire an early childhood quality assurance officer to provide support and training for coaching of the

preschool teachers. The department was going to hire this person.

And, see, Mr. Chairman, he said it this year. He had the same thing down last year. Again, how can we assure ourselves that he is going to deliver again this year? This is a repeat from last year, and that is the challenge that I have. This is why I am going back in 2018/19. I got this from the Hansard, Mr. Chairman. And so, at the end of the day, if you are not going to deliver one year, how can I feel confident that you are going to deliver next year?

So, again, as I said, I am looking forward to see where we are with the full implementation of the Inquiring Minds Framework for our preschool teachers. They play an invaluable role. They lay the foundation for learning. And they basically are there to prepare our youngsters for the primary schools and lifelong learning. And, to me, that foundation has to be spot-on and sound. So, again, can we get more details as to where we stand on the Inquiring Minds Framework? How many students are enrolled? How many teachers are enrolled? And how many have graduated in the last year?

Paraprofessionals. This is line item 27079, and this was an increase of 57 per cent, or \$2.4 million. And the total allotment was \$4.214 [million]. And I see that we will have 111 paraprofessionals this coming year. And I would like to have heard, with the additional 23 paraprofessionals, how they will be used. The Minister obviously thought there was a need for 23 more paraprofessionals, and he had a reason for that. I understand that when we had our challenges with some of the schools, one of the challenges was paraprofessionals. So, can he tell us how the additional 23 paraprofessionals will be deployed, where they will be deployed to, and which programmes do we have in place for training these new paraprofessionals to ensure that they get the best outcomes for our students?

Autism Spectrum Disorder, programme 1702, business unit 27083. We have allotted \$687,000, up 3 per cent. Last year, the Ministry made a commitment to provide training to autistic teachers and paras.

[Inaudible interjection]

Mr. N. H. Cole Simons: I am sorry—for the teaching of autistic students, and paras. Actually, it is interesting that you raise this point, that you raise “autistic teachers.” Because I was speaking to—

[Inaudible interjections]

Mr. N. H. Cole Simons: If you will allow me one minute. I was speaking to a neighbour, and her son is autistic. And I said to her, *How is your son doing?*

And she said to me, *Oh, he graduates in April.*
I said, *What is he going to do next?*

She said, *You know, he is such a go-getter. He has signed up for English as a second language and will be teaching English in China.*

And so, to your point, “autistic teachers” . . . we have autistic teachers, and they are [as] effective as anybody else.

[Desk thumping]

Mr. N. H. Cole Simons: They have different [teaching] styles, but they are getting and taking their rightful places beside us. So, Minister, thank you for allowing me to share this with the community.

[Inaudible interjection]

Mr. N. H. Cole Simons: So, again, training, training, training.

Dame Marjorie Bean Hope Academy. At one point, I understand, they were looking for a designated classroom for the autistic students. Where do things stand in that space? Are we in a position to provide them with one? When can they expect to receive one? Or is it in progress already?

Again, my favourite perennial question is, How many students do we have in the Autistic Spectrum Disorder Programme across our school system? How many students, and where are they located?

In addition, under the Autism Spectrum, there is the issue of the Autistic Diagnostic Observation Schedule, a screening and assessment opportunity. This is basically performed by the Child Development Agency. And my question is, from an autism perspective, what percentage of the two- to three-year-old population that has been screened through the Autistic Diagnostic Observation Schedule—what percentage of their population show signs of some degree of autism? And do we have a support programme for them? So, if the Minister can give us an indication of whether it is 1 per cent or 2 per cent or 3 per cent of the two- to three-year-olds who come in and show signs of autism, so that we know what we have to deal with from a planning point of view in primary schools and preschools.

Now, Mr. Chairman, I am moving on to business unit 27084, Alternative Education. That has an allotment of \$1.336 million. This programme funds the operation of both the Alternative Education Programme and the two new Success Academies, which were established in 2016. They support at-risk students and students with trauma in their lives. My question, again, is how many students do we have at each of the two Success Academies? I know that in 2016, we had 59 students. In 2017, we had 15 students. How many students do we have in 2019?

Then, my other question is, you know, we try to re-integrate these students into regular schools and regular classrooms. What is the success rate for the re-integration into the regular classroom? How many

students in 2018/19 were re-integrated back into the regular classrooms?

And another thing, when I was reading this I thought, *Is there a recidivism rate in this space?* Do you take students out when you think they are ready? And at some point, do you have to put them back in because they were not quite ready? And so, is that an issue for this school? Do we see a recidivism rate for our students who pass through the Success Academies for the alternative education?

Thank you, Mr. Chairman. Now, I will move on to programme 1703, Finance and Corporate.

As the Minister said, “¹Under the direction of the comptroller, this office coordinates the payment of salaries for approximately 1,130 educators and department staff . . .,” suppliers and vendors, et cetera. They are doing a respectable job. The only question I have is [about] the Office Accommodation. The Minister indicated that Headquarters moved from Southside to Church Street. And this is business unit 27003, Mr. Chairman.

[Inaudible interjection]

Mr. N. H. Cole Simons: Just getting up, were you?

So, my question is, can the Minister quantify the total cost of the transfer from Southside to Church Street? The Minister indicated that \$176,000 in the budget was attributed to rental increase. What was the rent at Southside, and what is the current rent being paid in Hamilton? And at this point, Mr. Chairman, I would like to know whether the—

An Hon. Member: What line item are we talking about?

Mr. N. H. Cole Simons: Office Accommodation, 27003.

[Inaudible interjection]

Mr. N. H. Cole Simons: No. You did not listen to my question. Listen to my question.

Hon. Diallo V. S. Rabain: That is why I am asking for clarity.

Mr. N. H. Cole Simons: My question is, What was the cost to transfer offices from Southside to Hamilton?

What was the rent that you paid at Southside, and what is the rent that you are currently paying at Hamilton? If you had stated it in the brief, I would have known there was \$100,000 less. But you chose not to provide those details.

The Chairman: Gentlemen, can you speak to the Chair, please.

Mr. N. H. Cole Simons: Okay.

Educational Stores, business unit 27040. There was an allotment of \$790,000. The Educational Stores supports salaries of stores managers, storekeepers, drivers, labourers, and the clean-up. The stores provide centralised purchasing inventory management, distribution services to all public schools and Bermuda College, and other government departments such as the Ministry of Youth and Sport. In accordance with the 2002 Strategic Plan, the Minister said there that he was going to perform and conduct an operational effectiveness and efficiency review of this department. I heard that it was completed, from his brief. What were the general findings? And when will the implementation take place?

Again, I said we need to address reimbursing teachers for out-of-pocket [expenses] that they accrue to provide supplies for their students and their classrooms. The Minister chided me when I was Minister, on and on and on, on this topic. And funny enough, now that he is in the seat, he has the same problem. I would have thought that he would have had it addressed by now. But it has not been addressed.

The Chairman: Which business unit are you addressing now?

Mr. N. H. Cole Simons: I am now moving on to business unit 27042, Buildings, Grounds and Equipment. This allotment funds the salary of the Facilities Manager. The remainder of the budget covers the cost of repairs and maintenance of facilities at all educational and administrative sites that fall under the Department of Education.

Mr. Chairman, last year, we funded a position for a second person to support the gentleman who had worked in this department. And this second person was to support the Facilities Manager. I looked in today's budget. I see that we are back to one person. So, I am led to believe either that person came and left, or we never hired the second person. Again, I am raising this because in 2018, we said we will do one thing, and in 2019, the thing that we said we were going to do in 2018, we are reversing in 2019. So, again, how can I place credence on the deliverable?

So, Mr. Chairman, as you know, we have about 30 schools in this country. And you also will note that it is almost impossible for one facilities manager to do a decent job in managing our school campuses. He, Mr. Chairman, will be stretched too far, and he will be set up to fail. We need more bodies to support this gentleman. I understand he has had some difficult times. He has been pulled this way and pulled that way. And he is not a happy camper. So, I think we need to give him the support that he needs and take a real good look at this department to ensure that we provide the number of resources that are needed to ensure that our plants are safe and healthy.

¹ *Official Hansard Report* 9 March 2018, page 1564

The other thing I would like to mention is that we have said a lot about mould, historically. Again, this falls into this area. And I heard the Minister of Works and Engineering talk about his plans. And I have no doubt that he would do his best to get there.

But I would like to also say that there are some healthy classroom programmes that need to be implemented that can be directed by the facilities team and the staff at the Ministry, simple protocols like opening windows during the day for the circulation in the classroom—just simple, simple housekeeping protocols that will help to mitigate the risk of mould and bad circulation in our schools. Just a simple recommendation for simple things that can basically address more challenging problems.

IT Support. This is [programme] 1703, line item 27050, which shows an allotment of \$2.55 million. The Minister indicated that he has the Wi-Fi in the primary schools installed and broadband in other schools. I commend him. I know that the Department Manager basically has to address over 90 servers and 25 apps across the 33 school locations. And it is a monumental task. And in addition, the team has to support 13,000 users. So, Mr. Chairman, again it speaks to what we spoke to last week in the House. One of the issues that keeps coming to my mind is a cyberattack.

And the Minister of National Security indicated that there will be protocols in place to support departments from cyberattacks. And I was wondering if the Minister of Education would provide additional financial support to this IT team so that they can mitigate some of the cyberattack risks that are prevalent in businesses today?

The other issue that I would like to have addressed is the PowerSchool systems. When I went to the meeting at Whitney for the standards-based grading, a number of the parents and the facilitators indicated that they were having problems loading data in the PowerSchool system. Has this problem been resolved? Is the PowerSchool system up and running? I mean, surely, this should have been an integral part of the standards-based grading implementation plan, as this is the key medium that would link the standards-based grading report with our parents, students and teachers.

So, it is vital that we have this corrected, remedied, ASAP, and ensure that we are on top of it. So, if the Minister could give a status report as to whether the challenges that we face with the PowerSchool system have been resolved as they pertain the Standards-Based Grading Initiative?

Preschools. That is programme 1704. I do not have much here. I just have, How many students? I know that in 2017/18, we had 328 students. The Minister did not share with us the number of students we have for 2019/20. I just want to see the numbers. Is there a decline in this student population? Or is there an escalation of the number of students into our pre-

schools? Right now, we are saying that we are basically allotting 10 students per class, and hence the 33 classes last year. In addition, there are the SEE-KS training. This gets some update on the SEE-KS training.

An Hon. Member: Which training was that?

Mr. N. H. Cole Simons: S-E-I-K [*sic*].

Okay. The other issue, I think I touched on this earlier on the Inquiring Minds Framework. Has the training programme been cascaded down to all of the teachers? I think we addressed this already, so I will pass on.

Now we move on to Primary Schools. That is [programme] 1705, line item . . . well, all of the primary schools. (Please bear with me for a second, Mr. Chairman.)

[Pause]

Mr. N. H. Cole Simons: Right. Primary Schools, on page 146. The total allotment is \$30,073,000, down 1 per cent. Mr. Chairman, all 18 primary schools should have school improvement plans that the parents, guardians, community partners and the general public have access to. Have these three-year development plans been made available and accessible to the community and the stakeholders? Again, are they all finished for the primary schools? If they are not finished, when does the Minister or the Commissioner expect for the school improvement plans for the 18 primary schools to be completed? And when will they be made available to the public, as stated in the narrative?

The other question is, What progress are we making with the implementation of the STEAM [science, technology, engineering, art and mathematics] education in our primary schools? I know that is the initiative that a lot of energy was spent on integrating into our primary school system. The Minister did not say much about it in his brief, so I wonder if he can give me an update on the implementation of the STEAM initiatives in primary education? And how does that dovetail with the curriculum?

Programme 1706, Dame Marjorie Bean [Hope Academy], line item 27120. Dame Marjorie Bean Hope Academy provides services to students from the age of four to eighteen years old who have severe to profound multiple challenges. In 2017/18, there were 19 students enrolled at the school, although there is a maximum of 24 students. How many students do we have today? And how many teachers do we have to support them? I think we have the teacher numbers, so do not worry about the teachers. How many students do we have? And how often do we meet with the parents of those students?

I note that we increased the staff complement from six to eight employees, can the Minister tell us,

what will be the mandate for the two additional employees?

Now, I move on to the Middle Schools. I smiled when the Minister spoke about the “transitioning plan” for the middle schools to signature schools. And I said to myself, *If he can do the analytics and take a measured approach to the transition from middle school, then why could he have not done that in the very beginning and tell the people why he was transferring from middle schools to signature schools, in a measured way?* Because all of the academic professionals say, *We’re not saying no. Just give me the evidence. Give me the evidence that this is best for our students.*

But, no. The PLP took the position that, *This is what we are doing, and we are not responding to the community.* When professionals locally, professionals with 30 years of teaching experience said, *It makes no sense to make a monumental decision like closing the middle schools, without proper support, without evidence.*

So, again, I just smile when I see that we are taking a measured approach through the transition. I suspect that it is because of our new Commissioner of Education. Because she is a numbers person—

Hon. Diallo V. S. Rabain: Point of order.

[Laughter]

POINT OF ORDER

[Misleading]

Hon. Diallo V. S. Rabain: Point of order, Mr. Chairman.

The Shadow Minister is intentionally misleading the House. He would know that I announced the transition away from middle schools last summer in a three-part plan of how that will happen.

What I announced is that we are passing into the second part of that three-part plan. He would know that, or he should know that.

[Ms. Susan E. Jackson, Chairman]

The Chairman: Thank you, Minister.
Would you like to continue?

Mr. N. H. Cole Simons: Indeed, I will.

So, I am not going to harp much on the transition because, at the end of the day, a lot has been said in the public domain about middle schools. And the Minister knows, quite frankly, where most of Bermuda stands on this issue.

So, it is just that he has to listen to the community—

Hon. Diallo V. S. Rabain: Point of clarification.

The Chairman: Please take your seat.
Yes, Minister.

POINT OF CLARIFICATION

Hon. Diallo V. S. Rabain: The clarification is that this Honourable Member knows where the public stands on middle school transformation, as well, by the results of the 2017 election. The public overwhelmingly voted for this Government, who stated that we will transition from middle schools.

The Chairman: Thank you, Minister.

Mr. N. H. Cole Simons: Now, I would like to move on to . . . while on middle schools, there is another sensitive issue that needs to be addressed. This sensitive issue has to do with a transition from an “aided” middle school to a “maintained” middle school. And why do I raise this issue, Madam Chairman? I raise this issue because one of our middle schools no longer qualified to be an aided middle school, because its campus is fully owned by the government. So, the question that I have—

Hon. Diallo V. S. Rabain: Point of order.

The Chairman: What is your point of order?
Take your seat, please, Member.

POINT OF ORDER

[Misleading]

Hon. Diallo V. S. Rabain: The point of order, Madam Chairman, is I believe the Member may be unintentionally misleading the House, because he just made an untrue statement. There is no aided middle school that is formally owned by the government.

Mr. N. H. Cole Simons: No, you did not hear. This is not what I am saying.

The Chairman: Thank you, Minister.
Member.

Mr. N. H. Cole Simons: Obviously, the Minister is not listening. What I said was that there was an aided school whose property was owned by trustees and was recently purchased by the government. And so, as a consequence, it qualifies as a maintained school. So, my question is, given that it is a new day and that in the past, there were a number of aided schools, because there were many benefactors in the community who provided support and funding for the development of education in this country, today it is not happening. And I feel concerned that other aided schools may fall into this category.

So, I would like to know whether the Minister or the Commissioner of Education has a transitional

template that can be used and applied when schools are transferred from [being] an aided school to a maintained school? And for those aided schools that basically depend on the government for much of their financing, will the Government encourage them to embark upon more fundraising campaigns so that they can be more self-sufficient, as well?

You know, I agree that the Government should help them. But, as the label says, it is an aided school. An aided school does not mean that 100 per cent of the financing comes from government. I suspect that we should see what can be done to encourage our aided schools to do more fundraising, to be a bit more self-sufficient.

The Chairman: Member, the Minister would just like an update on the line item. You did clearly mention the head, but the line item, please.

Mr. N. H. Cole Simons: Okay, just a moment. I will be happy to do that. We were talking about middle schools, and we were talking about . . . if he wants to be specific, I was talking about 27600. Thank you.

The Chairman: Thank you.

Mr. N. H. Cole Simons: Does he want any more clarity?

[Inaudible interjection]

Mr. N. H. Cole Simons: Okay. Now, let us move on to Senior Schools. Actually, I do not have much to say about senior schools, so I will pass over that.

[Programme] 1709.

The Chairman: Thank you.

Mr. N. H. Cole Simons: Curriculum Assessment, 1709, page 147. The total allotment was \$2.555 million. This cost centre funds the Cambridge International Curriculum, related initiatives, salaries for educational officers for the curriculum and assessment, and the Career Pathways Programme. This department pays an annual fee to Cambridge International for the curriculum and for students to sit the annual Checkpoint and the IGCSE examinations.

My questions are these: How much do we pay annually for the Cambridge International licence? How much have we paid over the past eight years, in total, for the Cambridge International licence? The other question that I have is that we will have the educational officers in place . . . no, I will pass on those questions. I will pass on this. So, those are my two questions on the curriculum assessment. How much have we paid for the Cambridge International licences each year and how much have we paid for eight years, and how much are we committed to for 2019, given that we have the Strategic Plan 2022?

Cost centre 1709, [business unit] 27020, Assessment and Evaluation. Well, we have done that already. I will continue. My questions on that section are, Where do we stand with the Cambridge Mathematics Professional Development Officer Training for our teachers and students? When will the training for the Mathematics Professional Development Officer be completed? And when will he [be in a] position to implement some of the recommendations that he has learned through the training programme so that we can enhance the results of our students and make our teachers more proficient in teaching mathematics? So, those are my only questions on that.

Early Childhood Education and Career Pathways, 27524. The total allotment for that was \$1.945 [million], a \$40,000 increase. I have to admit, as I said earlier when I opened my comments, I will give the Minister and his team some kudos for being disciplined in financially managing the department this year. I have to give you [credit] and be honest and say, *as I see it*.

Early College and Career Pathways, cost centre 27524, funds the salaries of two Career Pathway programme coordinators and the cost of student transport and educational certifications. The coordinators administer the programme at both senior schools. The structure of the programmes allows students to select and focus on one of five categories of career pathways consisting of art, athletics, communications, applied technology, business and hospitality, and health and human services.

How many teachers have been allotted to be trained this year in regard to the STEM pedagogy, given that it is going to form an integral part of our curriculum this year? I know that there are issues in regards to training in robotics, drones and other high-tech instruments and equipment. So, again, this takes special skill. And how many teachers have we identified to take training, and when will the training be completed? Last year, there were 18 identified. What is it for this year? And when will they be in place to basically progress the STEM curriculum in our middle and senior schools?

The other question is, Can the Minister provide details with any placement programmes that these students may have with the private sector? And if he could provide just a brief summary on the internship programme that we have in place with industry and the private sector when it comes to STEM curricula and STEM students?

Now, I would like to move on to line number 27700, After School Care. That is on page 147, and that is 2008. We have allotted \$208,000. Now, I raised this issue last year, and will raise it again this year. We have after school programmes at Devonshire Preschool, Prospect, Victor Scott, Warwick and Dame Marjorie Bean Hope Academy. My question is, Are we going to make similar schools available in St. George's or Somerset? What happens to those stu-

dents who live at either end of the Island? This is a question I asked last year.

Subjective Analysis, I just have two issues on Subjective Analysis. We spoke to travel costs. They went up 66 per cent, from \$65,000 to \$108,000. The Minister said it was a reallocation. Can he provide more details on this reallocation? Because, quite frankly, I did not get an answer in regard to the justification for this 66 per cent increase. I know that we had professional development training. But I am not going to assume anything. So, can the Minister provide how this reallocation caused the increase of travel to exceed 65 per cent? That is on page B-148. We have addressed the rental costs, so that is fine.

So, [Madam] Chairman, that brings to a conclusion Heads 16 and 17.

What I am going to do now is move away from tradition and move to Head 41, and I will do Head 18 last. First of all, I would like to commend the work that is being done at Bermuda College, commend the board that they have, and commend Dr. Greene for keeping the College on the cutting edge. And one thing I find very positive when I attend the College, for whatever reason, be it professional or to a graduation, is that the College always has a good spirit. There is a good feel when you go to the College. You can see that most of the students are very positive, and they feel positive about being there. And to me, that sets the tone for success.

So, Dr. Greene, whatever you are doing, keep up the good work. Because that positive spirit goes a long way to academic success.

I would like to also commend the new chairman, Peter Sousa, and his team. I worked with him in a professional capacity, and I think he does a sterling job in directing and providing leadership and guidance to the board.

Now, we spoke a lot about scholarships, earlier. And the Minister said that last year they issued 198 student awards.

An Hon. Member: Just academic.

Mr. N. H. Cole Simons: Just academic. [There were] 198 student awards. My question is this: What percentage of the school population is on scholarships, if we know that answer?

An Hon. Member: Awards?

Mr. N. H. Cole Simons: Both scholarships and awards. What percentage of our student population is on scholarships and awards? Because that would determine how much further we have to go if we are trying to make it more affordable to more people.

I am delighted that we have more students in the dual enrolment programme, 19 students, again, public schools. I think we should make this available to all schools, because it is a wonderful programme.

And it just bodes well for the careers of those young high school students who can say, *I graduated from college before I graduated from high school*. That is amazing, absolutely amazing. So, I would encourage the public/private schools to get on board to encourage their students to get involved in our dual enrolment programme, because it is world class and it provides students with access to a wonderful education and career experience.

[In] a previous brief that I have seen, the College said that it had put a stronger emphasis on increasing male enrolment during the academic year, with several initiatives. Can the Minister give us a brief on the trends in regard to male enrolment? What percentage of the school population was male in 2018? What percentage is expected in 2019? Are we capturing more and more males in the programmes? Now, I am asking this because the College made a commitment that they were placing more emphasis on increasing male enrolment. And I know we can do it through the academic programmes, the applied technology programme and other initiatives that are in place, and even the dual enrolment programmes.

So, again I would like to, just for my edification, get a response to that. Because I think our males, again, are getting a bad rap. A lot of males in Bermuda are doing great things. But they are being scarred by the actions of a very, very few. And I will stand up for our young males as best as I can and as often as I can.

I know the Bermuda College has a robust articulation programme, with other schools. The questions that I ask are, have we answered any new articulation programme in 2018/19, and how many do we have in the pipeline for 2019/20? Again, what new affiliation programmes do we have on the horizon, and what programmes will be offered as a result of these new affiliation programmes?

Last year, the College made a commitment to upgrade the classrooms and computer labs. Can the Minister provide an update? And what plans do they have in regards to 2019/20? What will their priorities be for this coming year? As I said, last year they made a commitment to upgrade classrooms and the computer labs. So, what are their commitment and priorities for 2019?

In addition, the College indicated that they would streamline their fee structure to bring it in line with best practices. Has this been completed? And will the Minister share with us the new fee structure and how it has been brought in line with best practices? How has it been made simpler for the parents to understand, and how is it easier to administer at the College?

We spoke about the strategic plan, and I applaud the Minister and the President for the strategic plan. And I was sitting here, and I was wondering, yes, we have a strategic plan. But no one has shared with the House or the community what the vision is for

the strategic plan. What is the top-line vision for the strategic plan? What are the short-term priorities and objectives for the strategic plan? Can the Minister share that with us? I am sure that, with the players at the College, the plan will be successful and effective. But, just give us some more information that we can go on with to support it, going forward. In the event we are asked [about it] ourselves.

The Minister also touched upon the Regulatory Compliance Programme. He said that \$45,000 is committed to that. This plan was a continuation from last year. I know that we had, I think, 45 people enrolled last year (I think it was 45). How many do we expect, or how many are currently enrolled? And how many have graduated? And how many are working in industry? Do we track this information to assess the success of the programme?

[Pause]

Mr. N. H. Cole Simons: Okay. The other thing that I find interesting is that the College provides financial aid. And they have been doing it for a while. Last year, I think they gave \$50,000. I think with all of the grants, scholarships, financial help that is provided by government, and the private sector, what gap exists that will encourage the Bermuda College to also provide financial aid, given that we have made a commitment for millions of dollars to provide financial aid? I am talking about, last year we had \$50,000. So, the questions are, Are we doing it this year, as well? And if so, what gaps are they filling that are not filled by other scholarships or other financial support to the students?

[Pause]

Mr. N. H. Cole Simons: I know that the College also is an accredited testing and assessment centre. And I think there is a great opportunity for them to increase or boost their revenue, because there is a need for a responsible testing and assessment centre that meets its national criteria. I know that the centre can be used for accounting exams, IoD exams, insurance exams. And I think we can do a better job in marketing this service. Because it is a niche that is needed. And I think that the College can capitalise on this service a bit more. And I think, in fact, they may even get support from professional organisations in regard to this space. Because, basically, a lot of these professional organisations do not have examination centres, whereas you have an accredited one. And this just helps make their lives easier. So, I think this is an untapped resource that the Bermuda College can capitalise on.

While I am talking about that, I just remembered something. The issue of alliances with professional credentialing and accrediting agencies . . . I know that in 2018/19, you had associated with the

Association of Chartered Certified Accountants, the Chartered Institute of Legal Executives, City & Guilds, and Building Owners and Managers International. Do we have any more alliances in the [pipeline] in this professional credentialing and accreditation space? Do you envision our having more of those types of qualifications, going forward, in 2019/20?

I know that, shifting gears, still on the College, the campus basically installed campus-wide energy and management systems. I know that the Coco Reef was connected to and possibly still is connected to the energy system that is in place for the College. Can the Minister tell me what reimbursement, the amount that was reimbursed by Coco Reef to the College for energy for this year?

As I said, we touched upon the strategic plan, and I asked about the vision. Obviously, if we have a new plan, we have a new vision. Can the Minister give us some insight on what the rebranding might look like? Because the rebranding will dovetail with the vision and priorities.

So, if he can share with the community what the rebrand will be like? Will we be moving from, what, a community college to an international college, or a university? I do not know. And so, we are going through the rebranding programme. Can the Minister give us some insight as to what the rebranding may look like, going forward? Because I think that would be interesting for the community.

[Madam] Chairman, that brings an end to my contribution on the Bermuda College, on page B-158.

[Pause]

Mr. N. H. Cole Simons: Libraries and Archives. As a custodian of our distant past and our recent history, the Libraries and Archives of Bermuda are a key resource for all Bermudians who wish to gain a better understanding of who they are individually and collectively. Indeed, this demonstrates the crucial role that the libraries and archives play in Bermuda's social fibre. I just have few questions on this. The Minister touched upon it. Can the Minister give us an update on the digitisation strategy? I know he touched upon it, but he did not say what had been achieved in 2018 and what we plan to achieve—some measurable benchmarks that we can hold each other accountable to. So, if he could provide details on what was achieved in 2018 and what we are going to achieve in 2019 in regard to the digitisation strategy for the department?

The other interesting thing that I thought I might ask, in regard to the [business unit] 28000, Collection Management. Do we have a strategy in place for the Talking Book Programme? Do we have a collection of talking books? How accessible is it to the physically impaired—i.e., those with vision impairment? And do we have books in place for those who are hearing impaired? So, that is one question that I

have. I know last year, we had challenges with mould remediation. The questions are, Has this been addressed, and do we have an ongoing plan for mould remediation in the library and the archives?

Now, I understand and I know that in 2018, we merged archives with the libraries. And my questions are: How old is the archival management system? When was it last updated? And could the Minister provide more details in how the archival management system was integrated into the library system in 2018? What roadmap do we follow? What quality assurance did we follow? And what assurance did we have to ensure that the integrity of the data was transferred? And I am concerned because the archives have so much rich and important history and data, because, as you know, data are very important today. And it is important that any information that we are archiving, be it in electronic format or hard copy, that information should be protected and stored in a secure manner.

Now, there was one other thing, and then I would be done.

[Pause]

Mr. N. H. Cole Simons: Oh. I know that the Parliament is going through some changes. And our library system is challenged at this point. And I want to know whether the Parliamentary Library and the Parliamentary Archives will be something that could be considered for management under the library and its team. I think there is a role for it. And I think it would be best that we have our archives in one space. And the Parliamentary Library is in desperate need of help. And I was wondering if the Ministry could lend support to Parliament to ensure that something of that nature happens.

And with those remarks, I bring my contributions to a conclusion. Thank you, Madam Chairman.

The Chairman: Thank you, Member.

Is there anyone else who would like to speak?

The Member from constituency 12, the Honourable Craig Cannonier, Opposition Leader.

Hon. L. Craig Cannonier: Thank you, Madam Chairman.

I was just on page B-145, under 27160, Substitutes. I recognise, and the Honourable Member did say that he had, under 27079, Paraprofessionals, included in these substitutes, substitute teachers. So, I can see, well, it is a \$1,000 difference there. But I can see where the difference is weighed out. But what I do recognise is that under 27160 there is still allocated \$639,000. What is the difference between those substitutes and the substitutes that we have included under 27079, Paraprofessionals? I am just trying to understand that.

[Inaudible interjection]

Hon. L. Craig Cannonier: It is not the same thing?

Okay, yes. I was just curious. And if it is not the same thing, then how many substitutes then are we talking about who have been moved into the paraprofessional area? If he could qualify that, I would appreciate it. I just did not understand quite clearly. There were not any explanatory remarks to that.

Also, I did not know. There was a lot of talk before, I did not hear in the brief, about Internet coverage. And I did not know if it fit under IT support or not—maybe not. If whether or not under IT support where there is a slight increase, whether that was including to ensure that all of the schools are adequately covered. I know that we were covering the schools, but whether or not they are adequately covered.

Also, over on, I believe the Honourable Member Cole Simons may have answered my question, but under performance measures, B-151, where it says, “percentage of students who graduate with one or more industry recognised credentials.” I was just curious as to whether we could get all of those credentials listed out as to what they are so that the public is aware of what those are.

And there was one other thing that I wanted to ask, and that was over on page B-153 under performance measures. If you look at preschools and primary schools, there is a lot of talk there about performance measures and ensuring that our students stay within the school system, graduating, moving through to the next class, percentages of that. But I did run into two sets of parents whose kids were out-performing the class that they had been in. And they had actually been put ahead a class. But even after putting them ahead of the class, they were still at the tops of the classes that they were put ahead in.

And I was not quite sure. It might be nice to be able to identify some of these students who are out-performing in the school system. But there is nothing that described exactly what happens to these students, how we are pushing them along. We do know that, eventually when they reach the high school level, that they wind up getting into programmes with the College. But at the preschool and primary levels, we are identifying these kids. But I am not sure exactly what programmes we have that are catering to these kids so that we can move them along, as well. There was one particular parent who was a bit frustrated, trying to understand what else could be done.

So, those are the few questions that I had.

The Chairman: Thank you, Member.

Would anyone else wish to speak?

The Chair recognises the Member from constituency 19, Jeanne Atherden.

Hon. Jeanne J. Atherden: Thank you, Madam Chairman.

I have just a few questions. The first one relates to, and it is on page B-149, and it goes from [pages] B-149 to B-150. There is an indication that, in 2017/18, we had 1,116 full-time equivalents. And then, in 2018/19, we were up to 1,126. And then, in 2019/20, we are down to only six heads.

And I guess I would like to ask the question that I know that Mr. and Mrs. Bermuda want to know, because this whole question of full-time equivalents and how many bums are on seats is an issue that keeps coming up, because when you start having things that come up during the year and someone says, *Oh, well, we didn't have enough manpower. Positions were unfilled*, my question to the Minister is, You said that your budget for 2019/20 [has] six fewer people. How many bums are not on seats right now? Which means that you do not have people there to fill these programmes. Because I realise that it impacts on the number of . . . whether it be the number of teachers in the school or the number of paraprofessionals, if the bums are not on seats, then you are not able to deliver on the programmes.

My second question relates to the whole thing of the STEM education. And the Minister was talking about what we were doing with respect to education and what we were doing in terms of challenging our students. And there was an indication that you were getting students at sort of like the middle school area age and that they were starting to be exposed to what I call the STEM education. And I just wondered whether the Minister is aware that there is now a new study out which is indicating that maybe that was too late. So, I am wondering whether there is any consideration being given at the primary level as to whether there is any indication that we would start to teach [STEM] at that level.

And I say that because they were talking about girls. They were talking about the number of girls who were starting to get involved in the computer areas. And they were finding that, by the time girls got exposed to computers, et cetera, they had already turned their minds off or they had already changed. So, it then ties into this whole thing of our education and what we are doing with respect to the programmes.

And I think that the only other question I had related to this whole issue of performance standards. And I am asking this because, in the Budget Statement, there was a clear indication that more money was going to be spent on, they were indicating, autism. And so, I just wanted to understand. And I say this because I have said right from the get-go that, when I look at programmes, I go and look in the Budget Book for standards. So, I went to look into the Budget Book to see whether there were any performance standards with respect to that, and I could not find any performance standards. So, I just wondered, what performance standards are going to be implemented for the new programme that you are going to

put into place for those people who are going to be teaching the autism, learning the autism education? So, I just wondered.

Thank you, Madam Chairman.

The Chairman: Thank you.

Would anyone else like to speak to the heads?

All right. We are debating the heads under Education, Heads 16, 17, 18, 19 and 41.

With no other speakers, Minister, would you like to take the floor?

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

There have been quite a few questions. I think I want to start with the last speaker first because, Madam Chairman, I take education very, very seriously in Bermuda. And by taking education seriously, that means you have to . . . we cannot just come up here and just talk because that is something to do.

And I refer to a few questions that the last speaker just spoke to. I want to draw her attention back to last year, June, when I made a Ministerial Statement in this House, detailing the STEAM Education Programme in primary schools that had been [ongoing], that had been ongoing for a year, a pilot programme already at that point, and we were implementing it in eight more schools in September 2018, and we would be in eight more schools in September 2019. So, I hope that answered the question that she asked of, What are we doing with STEAM education at the primary school level?

I also want to draw a reference to the statement about FTEs [full-time equivalents] that was mentioned in the Budget Statement that I gave earlier today, and I gave an explanation of—

The Chairman: Minister, if you would not mind. Member.

POINT OF ORDER

[Misleading]

Hon. Jeanne J. Atherden: I believe that the Minister is misleading the House. I did not indicate. I asked you whether, based on the fact that there is now an indication that perhaps at the middle school . . . at the primary school it is too late, whether this was something that was going to be considered with respect to getting more girls into what I call the computers and sciences.

The Chairman: Thank you, Member. Minister.

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

I am sure that, when we receive the Hansard later this week, we will hear that Honourable Member say, *middle school, and what are we doing to start it earlier in the primary school level?* But we will move on from that, because it is being done and the question is answered. STEAM education is present within our primary schools, and it will continue to be within our primary schools.

The second question was asked about FTEs. In the Budget Statement, it was also explained about the FTEs decreasing from 1,126 to 1,120. So, that was already answered within the Budget Statement, the Budget Statement that I gave earlier.

Hon. Jeanne J. Atherden: Point of clarification.

The Chairman: Point of clarification.

Minister, thank you.

All right.

POINT OF CLARIFICATION

Hon. Jeanne J. Atherden: Because there has always been a concern about the number of people who are actually in there, I was asking the Minister whether he could clarify for the people of Bermuda how many people are physically in the school, in the system? Because whenever you get into this whole issue of full-time equivalents, there is always a question that comes up later as to whether people are actually there or whether the book says that you have this number of heads. But when you go and look into a programme, you actually find that, instead of 16 people in the actual building, you only have 12. And that means that you have six fewer people to carry out the programme.

So, could the Minister ask his technical officers how many full-time equivalents are not matched by bums on seats?

The Chairman: Thank you, Member.
Minister.

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

And I will get that complete answer. But, from the Budget Book, I think it is clear for us to . . . I need to make it clear to the public, as the Honourable Member said, that all 1,120 of those people are ensuring that education is delivered at the highest quality. So, whether they are exactly in the schools or they are at the Department of Education, they are all part of the same mechanism to deliver education.

So, Madam Chairman, I would just like to answer some of the questions that were [asked]. Question, what happened to CDP [Child Development Programme]? The justification for removing CDP was shared with the community in a Ministerial Statement in the House last year. Some of those Members went

to the Department of Education. Some of them went to the Department of Workforce Development. As Workforce Development was moved to another Ministry, the persons who were within that department stayed with Workforce Development.

Has the Minister considered organisational structure of the Ministry to align with Plan 2022? As the former Minister would know, the Ministry Headquarters is not responsible for Plan 2022. It is the Education Department's responsibility. But I will let him know that there is an organisational review, as recommended by Plan 2022, which is taking place. And I do believe it started when he was the Minister, but I could be corrected.

Has the leadership training plan [been] put in place for the Commissioner of Education and the Permanent Secretary? The question is—so you are assuming that there is no leadership training and development programme that they are currently involved in. And the answer to that question would be no. You have assumed wrong. They are always looking to upgrade their skill set.

Mr. N. H. Cole Simons: Madam Chairman, he is misleading the House.

[Inaudible interjection]

POINT OF ORDER

[Misleading]

Mr. N. H. Cole Simons: I asked the question. I did not say they were not. I just asked the question, were they getting the support they need in regard to leadership and professional development?

The Chairman: Thank you, Member.
Minister.

Hon. Diallo V. S. Rabain: And the answer is yes.

Madam Chairman, again, speaking to the question about aligning the organisational structure with Plan 2022, I just want to reiterate to the listening public and to Members opposite, the Ministry of Education is responsible for the operations of the Department of Education, the Department of Libraries and Archives, and the Bermuda College. The Department of Education is responsible for the delivery of education—i.e., Plan 2022.

Next question. What are the expectations for Plan 2022? Answer: Continue with the execution of strategies of Plan 2022 that will extend across all five priority areas. In my budget brief, I mentioned that we are in the process of producing an annual report on the progress of Plan 2022, and that will outline to the public at large, and including Members of this House when I table it here, what has happened between the start and the year on from where we are.

Next question was, How many are in the mentoring programme? In the teachers' mentoring programme, the answer is 31. How long are they in the programme? Three years. Are mentors trained to meet international best practice standards for mentor teachers? The answer is yes. Mentors participate in overseas professional development.

Question: How many times have the Parental Involvement Committee met? Answer: The Parental involvement Committee meets once a month with the Commissioner of Education. The committee receives updates on Plan 2022 and discusses matters pertaining to curriculum, instruction, assessment and other matters concerning parents. The committee is also currently working on a newsletter which will be used as a communication tool for the public.

How much is allotted each year for standards-based grading? In 2019/20, we will allocate \$430,000. In 2020/21, we have a rough estimate of \$360,000.

SCARS [Saving Children And Revealing Secrets] training should be required for all teachers. It is mandated for all teachers.

Succession planning. What succession planning framework is made up for the senior team? Will this be made public? (Okay. I am sorry. That is on another piece of paper.)

Ah, here we go, Succession Planning. [The] succession planning, policy and framework is in place, and they have been shared with staff. The MOE [Ministry of Education] succession planning work is structured in three organisation levels: executive and head of the department; senior manager and senior professionals; and middle managers, technical and professionals.

How many students have IEPs [individualised education programme], special needs? Seven-hundred and six are on IEPs. How often do schools meet with parents? Parents are involved in the IEP process throughout the year, and schools aim to meet with them at least once per quarter. How many students are serviced by educational therapists? Educational therapists support students with tier 1, tier 2 and tier 3 behaviours—that is, from mild to severe behaviours. Thirty-four students are currently on behaviour intervention plans.

The Quality Assurance Officer is scheduled to be in place in September 2019. The Quality Assurance Officer works in collaboration with the Department of Health to provide support and guidance for private preschools and childhood facilities.

What curricular, academic and social are being taught at the preschool level? And give an overview of each. (I am sorry. That was not a question.)

What professional development has been provided for preschool teachers and leaders? One, the Social Emotional Engagement-Knowledge and Skills (or SEE-KS); the MTS, multi-tiered system of support; First Aid, CPR, and SCARS; Creative Curriculum and Teaching Strategies GOLD; and training on

implementing GOLD in MyTeachingStrategies; and training through community partnerships with deepening knowledge and skills of teachers in the area of brain development, creative minds, flexible mind-set, mode to development and inquiry-based teaching and learning.

There was a question asked about the Facilities Department. And, yes, there was funding provided for an additional person within Facilities. However, with efficiencies introduced, which have resulted in better reporting and addressing of school repairs and the hiring of a new Facilities manager, he seems to have everything under control as is.

Rent was asked about. As shown in the Budget Book on page C-25, rent at Southside was \$410,558. Rent for the City of Hamilton is \$307,365, a difference of just over \$100,000.

Question: How many counsellors complete the global training for the Officer Certification Programme? Answer: Berkeley Institute has five counsellors who have completed the programme and utilised the information during informational planning meetings with students and their parents. CedarBridge has one counsellor who has completed the training and three who are nearing training.

You asked for a few numbers. Here we go. The number of students receiving Adaptive PE is 87. The number of visually impaired students, 13. The number of hearing impaired students, 8. The number of students at Success Academy in Devonshire, 10. The number of students at Success Academy, Heron Bay, 6. The number of students in Primary ASD, 18; middle ASD, 5; senior ASD, 3. And I will give you some extra information. The number of students in functional programmes at the primary level, 3; the middle school functional programme, 13; and at senior, 11. The number of students in alternative programmes other than Success Academy is 15.

Professional development provided during the 2018/19 school year. We had learning support teachers, at October, professional development with officers. Paraprofessionals had behaviour learning with officers and ETs (educational therapists), TCI and Webinars, which is trauma checklist indicator. Educational therapist assistants, behaviour training with officers. Devonshire Success Academy, TCI training in September; Success Academy, Heron Bay, TCI training in September. MTSS [multi-tiered system of supports] coaches, monthly with system MTSS coaches within the schools. Learning support officers, according to JFP CCE Conference school psychologists, JFP and NASP [National Association of School Psychologists] Conferences; and educational officer, JFP; educational officer behaviour, Webinars and AD student services, CEC Conference and leadership conferences.

Is the ASD classroom at Dame set up? The reply is, Not yet.

There was a question about school enrolment. Current school enrolment at the preschool level is 315, and projected enrolment in September 2019 is 251.

Just some more updates on the STEAM education. Who is leading the STEAM initiative? The GATE [gifted and talented education] Officer is leading the STEAM initiative as the technical officer. Assisting with this initiative are the Education Officer for the Arts and Information Technology Facilities and information technology managers, and the Director of Academics.

The STEAM office will be responsible for all STEAM programme functions, as the current implementation management is not part of the GATE [Education] Officer's remit or description.

The total number of primary schools currently implementing STEAM is seven primary schools. Those seven schools are Dalton E. Tucker, Gilbert Institute, Northlands Primary, Paget Primary, Prospect Primary, Purvis Primary, and Victor Scott Primary. And as I mentioned previously, there will be eight more schools coming on board in September. The total number of middle schools implementing STEAM are Clearwater Middle School, Sandys Secondary Middle School, and Dellwood Middle School.

And, lastly, professional development offered to STEAM during STEAM education, which includes summer professional development offerings, is implementing the EiE [Engineering is Elementary] curriculum, which is the curriculum used in the primary schools; the EiE Teacher Institute; and the EiE preparation for implementation.

What caused the increase in travel funds? The increase in travel funds is due to a reallocation within the PD budget from local training to auxiliary travel expenses with an emphasis on airfare and accommodations.

How much have we paid for Cambridge in the last eight years? A total of \$1.3 million.

What is in place for cybersecurity? We are constantly scanning and updating our secure cyber defence systems, i.e., firewall and edge systems. We are in the process of developing data classification structures and an intrusion response strategy. Data classifications are regulatory, confidential, sensitive and public.

The question was, Is PowerSchool functioning? The answer is yes.

The next question was, What is the progress of research for alternative school models? The answer is, consistent with Plan 2022, we are researching alternative education models. Specifically, we are moving away from the last-chance, or punitive, model for behavioural problem students. We believe that alternative schools, going forward, should be positive, proactive and responsive to the needs of children and family for whom traditional school just does not fit.

How much is allocated for training of subs, orientation of subs? This is in-house training done by the HR Section. What do workshops and orientation involve? Brief system overview, research-based strategies for teaching, classroom management techniques. Mentors model effective strategies to engage students to maximise time in the classroom.

Updates and libraries. The update on digitisation. The *Royal Gazette* microfilms have been digitised up to 1945. For the upcoming year, we hope to complete films up to 1950. The availability of talking books? The library has provided talking books for many years, starting with books on tape and progressing to books on CD. Currently, in addition to books on CD, the library provides e-audio through the library website. These books are available to anyone with a library card.

Mould remediation. Mould remediation has been completed in both libraries and archives. To stay on top of this, funds have been increased in the budget for regular cleaning. We will continue to work with the Public Works Department to maintain the buildings and reduce the number of leaks we experience.

Archival systems. The archives system was last updated in 2016. The system has not been integrated into the library systems, as this was unnecessary. And Parliamentary Library and Archives, with additional qualified staff, it is possible to bring these units under Libraries and Archives.

One question here was, what is the number of two- to three-year-olds screened for ASD, who have ASD? The answer is 4 per cent.

And I believe there was one more question. A question from the Honourable Member Cannonier was about the substitutes and the paras. Well, what was happening in the past was that paraprofessional salaries were being charged to the substitute budget. And so, what I have done is asked them to, please, just move the money to the paraprofessional budget.

There was no moving of actual persons. It was just the funding, so that we can accurately reflect what we are paying for paraprofessionals and what we are paying for substitutes. I think for a number of years up in this House, even when I sat on that side, it was always this question of, Why is the substitute budget always budgeted for one thing and going over, year over year? As we know with substitutes, we cannot accurately predict how many substitutes are going to happen for the year.

And as you have seen, we just mentioned, I think I said it was 609 students that require IEPs and the like. Those types of students have gone up. The number of paraprofessionals that we need in the classroom has gone up, as well. And this is why it is critically important for us to come up with new strategies of addressing this type of student, so we can be more effective and utilise the funding that we do have more strategically.

There were some questions about Bermuda College. I will be happy to share with colleagues the strategic plan that has been put together. That has been released to the public. I am not quite sure why it never made it up here. But it is something that I will happily engage to bring forward for colleagues to have.

The Chairman: Are there any other questions?

Mr. N. H. Cole Simons: Yes. I wanted to thank the Minister for his response. The answers have provided great insight as to what is going on.

One thing that he raised that caught my attention was the Quality Assurance Officer for the pre-schools. I think he indicated that it would cover private schools and the public schools. So, will the Quality Assurance Officer also put in place training programmes for private school teachers and administrators? And will that person . . . no, no. Because you said "private." You said "private" in your presentation. So, I am asking the question.

So, the other concern that I have is, we have a lot of these private preschools. And I am concerned that the quality of the curriculum may not be where it ought to be, or they ought to be. So, the question is, Will the quality assurance also look at and assess the quality of the curricula for each of the private preschools and make recommendations in how they can be improved? Those are my questions.

The Chairman: Minister.

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

The easy way to answer that question is that those policies are being looked at now in conjunction with, not just the Ministry of Education, but also the Ministry of Health, and with the Child and Family Services, as well. You will be pleased to know that that is well advanced, and we are working to put something in place in the upcoming year to address exactly that concern.

Another question that was asked by MP Cannonier is, Are we adequately covering schools with Internet? I mentioned in the brief that we have allocated nearly \$600,000 (I want to say it is around that amount) so that we can upgrade the bandwidth to all of our schools. And that is something that is being worked on as we speak, and something that we hope will be in place very, very quickly. For the listening public, unfortunately, in our schools we are saddled with 10 megabits per second going to all of our schools. And we are looking to upgrade that to at least 100 to all of our schools.

But that will require a lot more than just flipping the switch. In the brief I talked about how we are looking to pipe in fibre to the schools so that we can get that. What happened is that all of our schools are

fed by copper wire. And they just cannot go any faster than what it is. So, we just ask for patience as we look to get that implemented and work it out between the providers that we have been talking to.

I just wanted to answer some questions about Bermuda College. What percentage of school population is on awards and scholarships? The answer is 25 per cent in the academic division, 15 per cent in PACE. How many articulation agreements does Bermuda College currently have, and how many are in the works? Bermuda College currently has 28 agreements that are signed, and 9 are in progress. Would the Minister provide details on the strategic plan? I just addressed that. And if you are technically inclined, you can go on the website of Bermuda College, because it is posted on there, as well.

Promotion of testing centre assessment. Bermuda College is working with professional organisations to promote the testing centre. New partnerships have been established with the Actuary Association and the Bermuda Hospitals Board.

Has there been improvement in male enrolment? Male enrolment has been steadily increasing, 31 per cent in 2015. This current year it is 41 per cent. Does the College have a new fee structure, as stated last year? Yes, the new fee structure has been streamlined to a flat fee of \$155 per credit.

[Inaudible interjection]

Hon. Diallo V. S. Rabain: Yes, that came in place last fall, in the fall of 2018.

Why did Bermuda College have to provide financial aid of \$150,000 last year? The amount was awarded to support full-time students whose fees increased as a result of the restructuring of fees.

Reimbursement by Coco Reef for this year. I cannot give you the actual amount at this time, but they are paying their total electrical bill, as it is now metred. What does the rebranding look like? We are looking at logo, tagline and colours.

The Chairman: Would anyone else like to speak?
The Member from constituency 19.

Hon. Jeanne J. Atherden: Thank you, Madam Chairman.

Obviously, I am listening to the Minister as it relates to all of the primary schools that are going to be rolled out with respect to the STEAM education. So that is very good. I am just wondering whether the Ministry tracks the number of girls who are involved in computers. Because there has been a really recent study that is indicating that girls need to get exposure to computers earlier, so much earlier that it should now be at the kindergarten level.

And I just wondered, recognising that there is a belief that boys tend to be more involved, do we track the results, and are we satisfied that rolling it out

at primary level is going to get the girls involved, or whether we have to consider this new study that says girls should be involved in computer-type information back at the kindergarten level?

And my last question to the Minister relates to performance measures. And I know in the Budget Book on page 33 we are talking about preschool level expenditure of \$327,000, implementing the Autism Spectrum Disorder Programme. And I just wondered whether any performance measures had been put in place for that, because as I have said right from the get-go, I believe new programmes should have performance measures that come along with them if they justify inclusion and reference in the Budget Book. And I just wondered if there were any for that programme.

The Chairman: Thank you, Member.

Would anyone else like to speak?
Minister, you have the floor.

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

Madam Chairman, speaking of the ASD programme, as the Member noted, it was in the Budget Book because it is something that is being developed. And we are looking to implement this starting in September. And so, all of the things that she is talking about, ways to measure the success of it, will be built in, like it is built in to all of our other programmes.

The other question about, do we track the number of females and males, when we do our programmes within our schools, all of the students in the class have to join in. And so, it is not an optional programme when we are talking about at the primary level. It is the entire class. And, as we have more females than males at our primary school level, there are obviously going to be more females who are grabbing hold of this than males. As they progress up . . . I can understand the question. As they go into senior school, where they can elect certain things that are outside of the core subjects, that would be something for us to look at. And I take that under advisement.

I also wanted to mention and make the Member aware of an additional programme that has started in our schools, and that is a coding programme at the primary level. It is something that, when I came in as Minister, I was keen to implement in 2007. And with the help of private partners, I would like to say thank you to Hamilton Re for their unwavering support of this particular programme, and ConnecTech, with Coral Wells. They actually visit the schools. Every single primary school gets visited every day of the week for an hour of coding. And right now it is limited to P5 and P6. But, as we move forward, it is something that is going to be integrated into the curriculum if I have anything to say about it. Thank you.

The Chairman: Thank you, Minister.

Would anyone else like to ask questions?
Would anyone want to speak?
Minister, you have the floor.

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

Once again, I want to thank everyone for this robust debate. I think we all recognise how important education is. And I do want to say thank you to Members of the opposite side, who did take this very seriously, this particular debate, and asked . . . There were some really, really good, probing questions that the public did deserve to have answers for.

I do want to thank the technical staff who came down. I see the Permanent Secretary, the Commissioner of Education, the Department Comptroller, and Dr. Greene from the Bermuda College. Thank you for your support. We cannot do it without these phenomenal people steering the ship as they are.

And with that, Madam Chairman, I move that Heads 16, 17, 18, 19 and 41 be approved.

The Chairman: It has been moved that Heads 16, 17, 18, 19 and 41 be approved.

Is there any objection to that motion?
No objection.
Agreed to.

[Gavel]

[Motion carried: The Ministry of Education, Heads 16, 17, 18, 19 and 41 were approved and stand part of the Estimates of Revenue and Expenditure for the year 2019/20.]

Hon. Diallo V. S. Rabain: Madam Chairman, I move that the Committee rise and report progress, and ask for leave to sit again to initiate the considerations of the next heads.

The Chairman: It has been moved that the Committee rise and report progress and ask for leave to sit again.

Is there any objection to that motion?
No objection.

[Gavel]

[Motion carried: The Committee of Supply agreed to rise and report progress, and sought leave to sit again on Wednesday, 6th March 2019.]

House resumed at 5:46 pm

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

REPORT OF COMMITTEE

ESTIMATES OF REVENUE AND EXPENDITURE FOR THE YEAR 2019/20

The Speaker: Members, are there any objections to the matters that were discussed today, the two heads that were discussed, being reported to the House?

No objections.

So done.

That now brings us to the next order on the Order Paper today. And the next orders are all being carried over, I understand.

So, Deputy.

ADJOURNMENT

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

I now move that we adjourn until March 6th, Wednesday, at 10:00 am.

The Speaker: Yes. Any objection to that?

No objections.

Are any Members speaking to that?

None.

This brings us to a close of the day's Orders. Thank you, Members.

[Laughter]

The Speaker: Have a good evening.

[At 5:47 pm, the House stood adjourned until 10:00 am, Wednesday, 6 March 2019.]

BERMUDA HOUSE OF ASSEMBLY**OFFICIAL HANSARD REPORT****6 MARCH 2019****10:03 AM***Sitting Number 12 of the 2018/19 Session**[Hon. Dennis P. Lister, Jr., Speaker, in the Chair]***PRAYERS***[Prayers read by Mrs. Shernette Wolffe, Clerk]***The Speaker:** Good morning, Members.*[Gavel]***CONFIRMATION OF MINUTES***[Minutes of 1 and 4 March 2019]***The Speaker:** Members, the Minutes of the sittings from March 1 and March 4 have been circulated. Are there any amendments or omissions to be made?

There are none.

The Minutes stand confirmed as printed.

*[Minutes of 1 and 4 March 2019 confirmed]***MESSAGES FROM THE GOVERNOR****The Speaker:** There are none.**ANNOUNCEMENTS BY THE SPEAKER
OR MEMBER PRESIDING****APOLOGY****The Speaker:** We have received notification that the Deputy Opposition Leader, Ms. Scott, will be absent today and is not well. We will keep her in our thoughts.**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:** We have one Statement this morning in the name of the Minister of National Security.
Minister.**Hon. Wayne Caines:** If it pleases you, Mr. Speaker.**The Speaker:** Yes, continue.**GANG PREVENTION IN PRIMARY SCHOOLS****Hon. Wayne Caines:** Mr. Speaker, this morning I am delighted to provide this Honourable House with an update on the [prevention and intervention programmes](#) administered by the Gang Violence Reduction Team [GVRT] within the Ministry of National Security.

Mr. Speaker, Honourable Members and members of the public will be aware of the Gang Resistance Education and Training (G.R.E.A.T.) programme. Throughout the school year, the programme curriculum is delivered to students in Primary 6 and middle school, M1. The programme continues to rotate through the schools. Most recently, G.R.E.A.T. graduation ceremonies were held at the Port Royal and Heron Bay Primary Schools. The programme is on track to be delivered to all public primary and middle schools by the end of the school year.

Mr. Speaker, the delivery of this programme has been made possible by officers from the Bermuda Police Service and the Customs Department who have volunteered to be trained in the G.R.E.A.T. curriculum. Their involvement and the impact it has on the students is immeasurable. The Ministry of National Security anticipates that the training will also be offered to officers of the remaining uniformed services that are under its remit.

Mr. Speaker, on Thursday of last week, I had the opportunity to visit the Elliot Primary School to participate in a session of a pilot programme. The programme is being delivered by the Gang Violence Reduction Team in conjunction with the school administration and the Living Legends community organisation. The Targeted Primary Prevention Programme is currently in its seventh of fourteen weeks. The programme is designed to reduce risk factors, enhance protective factors and increase developmental factors

in the young people participating. It focuses on building self-confidence, positive relationship-building skills, teamwork and resilience. The young men are fully engaged, and the school has reported that there has been a decrease in discipline referrals and an increase in class participation for the young men involved in the program.

Mr. Speaker, during my visit, the 14 young men spoke to me on what they are enjoying most about the programme and their biggest takeaways. For the majority of the young men, the programme is a safe space where they can speak about their challenges, fears, and even their triumphs. I was invited to lead a session on trust, positive affirmations and the importance of being your brother's keeper. From my observations, the young men were all committed to their intellectual and emotional growth. They shared frankly and had respectful and supportive interactions with each other.

Mr. Speaker, it is anticipated that this programme will be delivered in two other targeted schools, based on the results from the Trauma Indicator Checklist. I am looking forward to seeing equally uplifting results in the young men at these selected schools.

Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

REPORTS OF COMMITTEES

The Speaker: There are none.

QUESTION PERIOD

The Speaker: There are none.

CONGRATULATORY AND/OR OBITUARY SPEECHES

The Speaker: Would any Member wish to speak?

We recognise the Honourable Member from St. George's.

Honourable Member Ming, you have the floor.

Mrs. Renee Ming: Good morning, Mr. Speaker and listening audience.

The Speaker: Good morning.

Mrs. Renee Ming: I would like to rise to my feet today to just give a condolence note to the family and friends of Allan Leroy Bean, commonly known around St. George's as "Beanie Man." And if you have ever been down on the square or at any family function—does not matter if it was his family—he was there at every family function. He has attended my Thanksgiv-

ing dinner every year and any breakfast or anything that we have.

But he has passed away. And we just want to let his family and his friends know that they are in our prayers and that he will surely be missed around the town, on the waterfront and at about every family function he could get his hands on. I would like to associate MP Swan with those comments, as well.

Also, I would like to extend a condolence note to the family of Mr. David "Joe" Kelly, another one who, if you are ever down in the square, his boat is always parked down by White Horse, been there for years, *Masseron*. And he too has passed away. So, St. George's has actually lost two of its iconic waterfront figures. But we extend well wishes to the family and friends of them both. Thank you, Mr. Speaker.

The Speaker: Thank you, Member.

Does any other Member wish to speak?

We recognise the Honourable Member Commissioning. Member, you have the floor.

Mr. Rolfe Commissioning: Good morning, Mr. Speaker, and thank you.

I just want to take time out quickly to acknowledge and offer condolences to the family of Ms. Melba Edith Lavinia Smith. She is the mother of Mr. Norbert Simons, who is a leading civil servant within the Department of Sports.

The Speaker: Yes.

Mr. Rolfe Commissioning: She also is a distant cousin of mine, through my mother.

Secondly, I have the loss that I wish to announce of one of my constituents from the Cavendish Heights area, Ms. Florence Lillian Dearing, who passed away recently. She was a pillar of that Cavendish Heights community, having lived there for decades. What is interesting about Ms. Dearing is that she had three sons who predeceased her, going back into the 1990s and early 2000s.

So, I just want to offer my condolences to [the families of] both of these fine, upstanding women in our community. Thank you.

The Speaker: Thank you, Honourable Member.

We recognise the Minister of Works.
Minister.

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

The Speaker: Good morning.

Lt. Col. Hon. David A. Burch: I would ask that congratulations be sent to the Keep Bermuda Beautiful committee, who celebrated their AGM [annual general meeting] yesterday and really celebrated another year

of success, honouring eight individuals for their contributions to keeping the Island clean. I had the opportunity to attend and present the certificates of appreciation to them, Mr. Speaker.

On a sadder note, I would like to ask that condolences be sent to the family of Mr. David “Jelly” Place. He was a 24-year employee of the Ministry of Public Works at the Prospect Depot. Mr. Speaker, that area of the Ministry, more than any other, is very much like a family. And I had the occasion this morning . . . And, by tradition, they tend to gather when they lose one and invite the family to come and just share in reflection on the various employees. We did that this morning with his widow and his son, who also works at the depot, Mr. Speaker.

Mr. Place—who is the brother of probably a more famous Place, i.e., Coleridge Place, of tennis fame—was a quiet, but effective man. He was an electrician, who once told his supervisor who told him to *hurry up* that, if he wanted the job done right away and at speed, he should get somebody else to do it. But if he wanted it done right, he should leave him alone and let him get on with it. He was quite an accomplished electrician, who was not reluctant to share his skills with some of the younger workers at the depot. So, I would ask that condolences be sent to his wife, son and daughter. Thank you, Mr. Speaker.

The Speaker: Thank you.

Does any other Member wish to speak?

We recognise the Honourable Member, Ms. Atherden.
You have the floor.

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

Mr. Speaker, I would like to ask the House to send condolences to the family of the late Mary Gosling. Mary was the widow of the late Malcolm Gosling and the mother of Nancy and Malcolm, as you know the Gosling Brothers of the Gosling establishment. But Mary, unfortunately [*sic*], lived to a ripe old age. I think it was 97 or something along those lines.

The Speaker: Unfortunately? That is very fortunate.

Hon. Jeanne J. Atherden: No, as I said, “fortunately.” Sorry. I meant to say *fortunately*.

The Speaker: Oh. Okay. All right.

Hon. Jeanne J. Atherden: Fortunately.

The Speaker: Yes.

Hon. Jeanne J. Atherden: To me, if you live to that age, then you had a good inning. I mean, she was a golfer as well, and she also played bridge. And she was one of those individuals who, at the time I knew her, she was at Riddles Bay golf club and was one of

those persons who was always very pleasant and always aware of what was going on in the community. So, I would like to have condolences sent to her family. Thank you.

The Speaker: Thank you, Member.

Does any other Member wish to speak?

We recognise Honourable Member Swan.
Honourable Member, you have the floor.

Hon. Hubert (Kim) E. Swan: Thank you, Mr. Speaker. Good morning to you.

Mr. Speaker, I would like to be associated with the condolences to the family of Ms. Mary Gosling, whom I knew also through golf and through my tenure at Gosling Brothers Limited, as well; to “Beanie Man,” a well-known feature in St. George’s; and to the family of my good friend, Mr. Joe Kelly, who has passed away.

On a happier note, I would like a suitable letter sent to two of my golfing colleagues, Mr. Daniel Augustus, who had some success in Florida recently. Young Daniel Augustus is a great example of someone prepared to pursue his dream. And he is doing well. And that \$5,000 that he won in Florida is going a long way towards helping him with his confidence, and it certainly helps him with his expenses, as well.

And also, to my good friend, Chaka DeSilva. I am sure the Honourable Member from the Bible Belt would like to be associated with those congratulations, because he is his son-in-law, MP Furbert’s son-in-law. He won the Bermuda Professional Golfers’ Association Championship last week. And it is a very fitting championship, because I had the pleasure of growing up playing, as a young boy, against both of his grandfathers, DeSilva and Van Putten, who were both very accomplished golfers. I am sure that the one grandfather who is still around, Noel Van Putten, is very proud to see his grandson doing so well in golf.

Thank you, Mr. Speaker.

The Speaker: Thank you.

We recognise the Honourable Member Tyrrell.
Honourable Member, welcome back.

Mr. Neville S. Tyrrell: Thank you, Mr. Speaker, and good morning, all.

Mr. Speaker, I had the privilege of attending the recent Commitment Awards at the HSBC. We would all probably know them as long service awards, but they call them their Commitment Awards. There were four young ladies whom I hope that we could send congratulations to.

The first two did 50 years at HSBC—

The Speaker: Fifty! Fifty?

Mr. Neville S. Tyrrell: Ms. Lynette Smith and Ms. Sharon Jacobs. Fifty years. Can you imagine that?

The Speaker: Wow.

Mr. Neville S. Tyrrell: I will associate MP Jackson—

The Speaker: You can associate the whole House. Do the whole House.

Mr. Neville S. Tyrrell: The whole House, Mr. Speaker.

Next to that was a 45-year person, Felicity Jacobs, a very good friend of mine. And last, but not least, one who did 10 years, and I would declare my interest, Nakisha Tyrrell. Thank you very much, Mr. Speaker.

The Speaker: Thank you.

Does any other Member wish to speak?
We recognise the Premier.
Premier, you have the floor.

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

Mr. Speaker, today I am pleased to stand and ask that the House recognise and send congratulations to a young Bermudian who is a shining example of the rich talent of which this country produces. There is a Bermudian goalkeeper. His name is Nathan Trott, and he plays for none other than the West Ham United Football Club!

An Hon. Member: Associate the House.

The Speaker: The whole House. Do the entire House.

Hon. E. David Burt: I will associate the whole House, as this young man, this young 20-year-old, whom I have had the opportunity to meet, has just signed a contract extension with the best club in London, West Ham United Football Club.

[Inaudible interjections]

The Speaker: Well. Well. Well . . . well, you should not mislead the House, Mr. Premier.

[Laughter and inaudible interjections]

The Speaker: But continue on.

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

And he has signed a contract extension until 2022. Honourable Members would know that he has been with West Ham United since 2016.

The Speaker: Yes.

Hon. E. David Burt: He has certainly made a number of appearances for West Ham and won a number of

trophies, not in the first team, but in the second team. And it is just delightful to see that his work is being rewarded with a contract extension to 2022.

I did send my personal congratulations to him, Mr. Speaker, but I wanted to make sure that we note it in this Honourable House. Thank you, sir.

The Speaker: Thank you.

Does any other Member wish to speak?
We recognise the Honourable Member Famous.

Honourable Member, you have the floor.

Mr. Christopher Famous: Good morning, Mr. Speaker.

The Speaker: Good morning.

Mr. Christopher Famous: First, I would like to thank the people of St. Kitts and Nevis and CARICOM, who hosted us for the 30th Intersessional meeting last week. Everybody was like, *So, when are the other people coming from Bermuda?* And they called your name.

The Speaker: That is family there. That is home.

Hon. Hubert (Kim) E. Swan: Well.

The Speaker: But go ahead.

Mr. Christopher Famous: Mr. Speaker, it gives me great pleasure to rise to speak of a young man who comes from a long line of business people from constituency 11, a young man who is named Ahmani Peets. (I may have pronounced it incorrectly.)

The Speaker: Ahmani; you are good, yes.

Mr. Christopher Famous: But Ahmani is now a baker, he now bakes cookies. And he sells cookies for one dollar each. So, I am taking donations on his behalf. But I would like to say Ahmani is a product of a family who stands behind him no matter what challenges—father, grandfather, extended family. And that is an example of the fact that some of us are differently abled, but we are differently talented. Because many a young man, including myself, cannot bake. But Ahmani can. So, I would like to ask the House to send a letter of congratulations to this young man—and if we would help to sell his cookies and to encourage his peers to do positive things [it would be good]. Thank you, Mr. Speaker.

The Speaker: Thank you. Thank you.

Does any other Honourable Member wish to speak?

No other Member. We will now move on.

MATTERS OF PRIVILEGE

The Speaker: There are none.

PERSONAL EXPLANATIONS

The Speaker: There are none.

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

The Speaker: There are none.

INTRODUCTION OF BILLS

GOVERNMENT BILLS

The Speaker: There are two Government Bills, yes.
The Minister of Health is going to do these on behalf of the Minister of Finance, yes?

FIRST READING

MISCELLANEOUS TAXES AMENDMENT ACT 2019

Hon. Kim N. Wilson: Yes. Thank you, Mr. Speaker, and good morning.

I am introducing the Bill, which, according to section 36(3) of the Bermuda Constitution, requires the Governor's recommendation, so that it may be placed on the Order Paper for the next day of meeting, namely, the Miscellaneous Taxes Amendment Act 2019.

The Speaker: Member.

The Clerk: The Tourism matter.

The Speaker: Is somebody going to do Tourism?

Thank you, Deputy. You can do the [introduction for the] Minister of Tourism.

Hon. Walter H. Roban: Yes, I will do it on behalf of the Minister of Tourism and Transport.

The Speaker: Thank you.

FIRST READING

BERMUDA TOURISM AUTHORITY AMENDMENT ACT 2019

Hon. Walter H. Roban: I am introducing the following Bill, which, according to section 36(3) of the Bermuda Constitution, requires the Governor's recommenda-

tion, so that it may be placed on the Order Paper for the next day of meeting: Bermuda Tourism Authority Amendment Act 2019.

OPPOSITION BILLS

The Speaker: There are none.

PRIVATE MEMBERS' BILLS

The Speaker: There are none.

NOTICES OF MOTIONS

The Speaker: There are none.

ORDERS OF THE DAY

The Speaker: Members and listening audience, that brings us to the start of our Orders of the Day. And as we all know, we are here for the resumption of the debate on the budget, Committee of Supply. And this morning, the first Ministry that will be up for debate is the Ministry of National Security, and that will be led by the Minister Caines.

Premier, would you like to move us to that point?

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

Mr. Speaker, I move that the House do now resume in Committee of Supply to consider the Estimates of Revenue and Expenditure for 2019/20.

The Speaker: Any objections to that?

No objections to that.

ANNOUNCEMENT BY THE SPEAKER

HOUSE VISITOR

The Speaker: As I call on the Chairman to come forward, I would also just like to add a couple of remarks to the comments made by Mr. Famous in reference to the young man and his cookies.

I believe that some have been delivered to the House this morning for us to taste. And I would just encourage us, as the Member did, to support the young man, as we know that he faced challenges as an autistic child. But, as has been indicated, he has great parental support. And this is just evidence of that support, what we see. And, yes, his father is in the Gallery this morning. And we would like to acknowledge his father and encourage his father, as he continues to encourage his son—his father and his mother, as they continue to encourage their son.

[Desk thumping]

The Speaker: With those few remarks, Mr. Chairman.

[Pause]

House in Committee at 10:24 am

[Hon. Hubert (Kim) E. Swan, Chairman]

COMMITTEE OF SUPPLY

ESTIMATES OF REVENUE AND EXPENDITURE FOR THE YEAR 2019/20

The Chairman: Good morning.

We are in Committee of Supply to consider the Ministry of National Security, Heads 83, 6, 7, 12, 25 and 45. Five hours have been allocated for these heads, coming under the Ministry of National Security.

The Honourable Minister Wayne Caines, JP MP, you have the floor, sir.

And it is 10:23. This debate shall start. Minister, you have the floor.

MINISTRY OF NATIONAL SECURITY

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

Mr. Chairman, I move that Head 83, the Ministry of National Security Headquarters; Head 6, Defence; Head 7, Police; Head 12, Customs; Head 25, Department of Corrections; and Head 45, Fire Service, now be taken under consideration.

The Chairman: Continue.

HEAD 83—MINISTRY OF NATIONAL SECURITY HEADQUARTERS

Hon. Wayne Caines: Mr. Chairman and Honourable Members, I am pleased to present the current accounts estimate for the Ministry of National Security Headquarters, Head 83, which can be found starting on pages B-270 and 272 in the Estimates of Revenue and Expenditure book.

Mission

Hon. Wayne Caines: The mission of the Ministry of National Security Headquarters is to protect and enhance the welfare of our community effectively, efficiently and equitably.

Mr. Chairman, the Ministry's departmental objectives are to direct policy implementation and oversee programme management and departmental operations within the Ministry. This includes, but is not limited to, providing leadership, oversight and coordination of the Department of Corrections, the Customs Department, the Department of Immigration, and the Bermuda Fire and Rescue Service.

Mr. Chairman, the Ministry also facilitates the delivery of the policing strategy of the Bermuda Police Service and promotes the role of the Bermuda Regiment.

Mr. Chairman, there are several boards and committees that fall under the Ministry's remit, including the Parole Board, the Treatment of Offenders Board, the Police Complaints Authority, the War Veterans Commission, the Board of Immigration, and the Immigration Appeal Tribunal.

The Ministry of National Security Headquarters' budget allocation of \$1,560,000 for 2019/20 represents an increase of \$94,000, or a 6 per cent increase, over the 2018/19 budget allocation. This increase is due to the partial funding for the Gang Violence Reduction programme of an additional \$500,000. If you look in the Budget Book, Mr. Chairman, you will see that this was wrongly attributed to the Ministry of Immigration. You will see that this was wrongly attributed to the Ministry of Immigration, and at the appropriate time we will acknowledge that this should not have gone under Immigration, but it should have indeed gone under the Ministry Headquarters for the Gang Violence Reduction Unit budget. And I just ask, if at all possible, that we can pencil that in until the appropriate changes are made at the appropriate time, Mr. Chairman.

The Chairman: Thank you. The pages, the errata . . .

[Inaudible interjections]

The Chairman: And that was \$500,000 that you made mention to, Minister?

Hon. Wayne Caines: Yes, sir.

The Chairman: Thank you.

Expenditure Overview

Hon. Wayne Caines: The Ministry of National Security Headquarters has seven full-time posts, of which five are funded and filled. Salary costs are \$718,000, which is \$42,000 less, or approximately 5 per cent less, than the previous year.

Mr. Chairman, the Ministry of National Security Headquarters has increased the training budget to \$36,000, an increase of \$35,000 from the previous year. The increase is to cover the Disaster Risk Reduction and Mitigation Unit, or DRRM, that goes overseas for training, development, to the Institute of Leadership and Management training, and accounting courses.

The travel budget increased from \$21,000 to \$45,000. The increase of \$24,000 will cover the DRRM unit travel costs.

Professional Services have increased from \$427,000 to \$619,000. This is an increase of

\$192,000, or 45 per cent. The increase is primarily for the local consultant services—

Hon. Michael H. Dunkley: A point of clarification, Mr. Chairman.

The Chairman: Yes.

POINT OF CLARIFICATION

Hon. Michael H. Dunkley: The Honourable Minister said that there was an increase from \$427,000 to \$619,000. Did I hear that correctly?

The Chairman: In the Budget Book, it says 619.

Hon. Michael H. Dunkley: Yes. But the errata that the Minister just handed out says a different number. So, are we using the errata or the Budget Book?

The Chairman: Thank you.

[Pause]

Hon. Wayne Caines: What are you reading from again?

Hon. Michael H. Dunkley: The errata for page B-271 that the Honourable Minister had handed out in the Chamber today. I believe that is what we are going from.

Hon. Wayne Caines: That is correct. And the clarification for you? I am sorry?

[Inaudible interjections]

Hon. Wayne Caines: Yes. So, the answer is yes.

The Chairman: Yes. We have to tie in the statement to the errata. Thank you.

Continue on, Minister.

Hon. Wayne Caines: Professional Services have increased from \$427,000 to \$619,000. This increase of \$192,000, or 45 per cent, is an increase primarily for local consultant services, which includes funding for the ministerial appointed consultant and for the additional service providers required for the interdepartmental radio platform project and for immigration reform.

The Parole Board funding has increased to \$122,000, an increase of \$40,000, or 49 per cent, over the previous year. The increase in funding is required to cover the forecasted increase in meetings required due to the increase in the number of Parole Board cases.

The Disaster Risk, Reduction and Mitigation Unit, or DRRM, will have a budget for the first time, of

\$173,000. The budget will cover overseas training and equipment necessary to execute local disaster exercises such as cruise ship evacuation, oil spills, pandemics, and outreach sessions.

In the incoming fiscal year, one of the Ministry's principal projects will be to implement a new radio platform for all uniformed services. This significant project will allow services to communicate more effectively, using [uniform] equipment, and realise economies of scale in maintenance and supply. The platform will be extended to other areas within government, including Parks, divisions within the Ministry of Public Works, Ministry of Tourism and Transport, and the Ministry of Health.

Mr. Chairman, the Gang Violence Reduction Team (GVRT) will have a budget of \$600,000. This budget will allow the Gang Violence Reduction Team to effectively provide community outreach, intervention/prevention services and therapeutic programmes for at-risk individuals, families and schools involved and affected by violent crime in Bermuda. The team operates from a coordinated plan to tackle gang violence and antisocial behaviour through a series of strategically designed prevention, intervention and rehabilitation programmes and initiatives.

Gang Violence Reduction Coordinator

Hon. Wayne Caines: Mr. Chairman, the Gang Violence Reduction Team consists of the following personnel:

The Gang Violence Reduction Coordinator has been in place since September 1st, 2017, with the contract that is due to expire on August 31st, 2020. Expenditure for this role was \$92,000 in year one and is projected to be \$125,000 in years two and three.

The Gang Violence Reduction Coordinator is responsible for creating and implementing a National Gang Reduction Strategy. This involves, but is not limited to, the following tasks:

1. Create, develop and manage an action plan for the clergy and community;
2. Create, develop and manage a plan to secure employment for gang-affiliated members;
3. Create, develop and manage a support group for mothers whose sons have died as a result of gang violence;
4. Create, develop and manage a programme that helps men who want to transition away from the gang lifestyle;
5. Introduce a National Day of Peace to bring the country together to fully understand the significance of the gang violence lifestyle in Bermuda and to cause collective actions, and as a result, to heal the country;
6. Introduce an anti-bullying initiative and an online application to provide support services for persons subjected to all forms of bullying, including cyber-bullying;

7. Introduce and oversee a case management system to provide support to persons seeking to move away from the gang lifestyle and make better life choices, helping them with goal-setting and planning [sessions];

8. Intervention, coaching and mediation in murders, shootings, young offenders and others involved in antisocial behaviour;

9. Intervention, coaching and mediation to prevent retaliation and reduce tensions in response to violence, shootings and offensive behaviour; and supporting individuals through crisis situations;

10. Introduce a therapeutic gardening initiative aimed at empowering individuals as entrepreneurs and providing them with sustainable options as alternatives to violence, drugs and any other forms of antisocial behaviour; and

11. Introduce programmes in primary, middle, and high schools to discourage crime and antisocial behaviour.

Youth Intervention and Prevention Manager

Hon. Wayne Caines: This person has been in place since April 16, 2018, with the contract set to expire on March 31st, 2020. The expenditure for this role is \$85,000 per year. The Youth Intervention and Prevention Manager is responsible for working with young persons and schools. This involves, but is not limited to, the following tasks:

1. Develop, coordinate and implement school (prevention, at-risk, proven risk) programmes in high schools, alternative education schools, and targeted middle and primary schools;

2. Intervention, coaching and mediation for young offenders who are involved in antisocial behaviours;

3. Provide triage services and case management services which support youth seeking to get away from gang lifestyles, helping them to make better life choices, and helping them with goal setting and planning sessions;

4. Provide incident management support services to school and community organisations that deal with youth antisocial incidents;

5. Manage the Gang Resistance and Education Training Programme (G.R.E.A.T.) in coordination with the Bermuda Police Service, Department of Customs, and Department of Education;

6. Collaborate with the Gang Violence Reduction Team on the Ministry's preventative and intervention programmes that target in the reduction of antisocial behaviour and gang-related activities;

7. Manage the Coordinated Crisis Response Team as Community Leader; and

8. Intervene, coach and mediate in murders, shootings, young offenders and others involved with antisocial behaviour.

GVRU Plans for 2019/20

Hon. Wayne Caines: The GVRU plans to execute the following initiatives in the fiscal 2019/20 year:

1. Hire three part-time community outreach workers. These outreach workers will go into at-risk neighbourhoods, prisons, schools and communities, and [increase the outreach work] through direct interaction, plans, programmes with at targeted at-risk individuals;

2. Launch Redemption Farm, a 12- to 16-week therapeutic, incentivised farming programme for at-risk individuals;

3. MOM Bermuda, for moms whose sons or any family members have lost their lives as a result of antisocial behaviour. And they will host monthly support groups sessions for women impacted by violence around the Island;

4. Continue to provide case management for jobs, getting through difficult situations, finding homes, finding opportunities, managing risk, finding drug support, being tested for different problems, mediations, support, negotiations and restorative circle groups in our schools and in our community;

5. Launch a bullying app, a 100 per cent anonymous bully prevention programme and intervention app. The bullying app will provide valuable services to school administrators, including information about conflicts and resolutions, training and promotion services, monitoring school incidents and investigation tools to manage risks;

6. Launch high school intervention programmes at CedarBridge Academy, Berkeley Institute and Success Academy;

7. Launch the 12-week Targeted Prevention Programmes at three targeted primary schools; and

8. Launch of the Work Placement and Mentoring Initiative, a structured four-week paid work experience providing targeted at-risk young people with opportunities for career exploration and skills development, which employs those who have participated in our high school intervention programmes.

Mr. Chairman, the Disaster Risk Reduction and Mitigation Team will be engaged in the following projects:

1. Cruise Ships. The team will build on the preparations and exercises held in 2018 and engage stakeholders to develop contingency plans for the cruise ships, starting with the regular cruise ships that visit Dockyard. Once completed, this will expand out to the other ports;

2. Chemical Facilities. The team will work with Sol, RUBiS, prisons and the residents in the area at Ferry Reach to develop contingency plans for the fuel farm;

3. Counter Terrorism. Work with US entities and engaging Bermuda agencies to develop a meaningful counter terrorism exercise at the airport in 2020;

4. Cybersecurity. To continue to develop the cybersecurity strategy to make government and critical agencies that support Bermuda more robust to cyber threats;

5. Training. Hold two training workshops to ensure that the executive and other agencies that support the Emergency Measures Organisation understand their role and work cohesively; and

6. Emergency Broadcast Facility. Upgrade the emergency broadcast station, 100.1FM, from analogue to digital and ensure that it is more robust should we experience any natural disaster.

Mr. Chairman, this completes the presentation on Head 83.

Hon. Jeanne J. Atherden: Sorry, Mr. Chairman. May I just ask for a clarification before we go too much further?

The Chairman: Yes.

Hon. Jeanne J. Atherden: Because the Minister has indicated a change, which is affecting the . . . what is the group that he called?

The Chairman: Are you referring to the errata that was circulated?

Hon. Jeanne J. Atherden: Yes, affecting the errata.

In the course of your conversation, you were talking about hiring different people. But yet, when you look down in the book, you do not see any changes in any of the full-time equivalents, et cetera. So, it is a little hard to make sure that we are getting all of the errata that might have been in there. So, I just want clarification before we go too far.

Hon. Wayne Caines: We will go specifically into that with reference to DRRM. And I shared this on Friday in the House, that the Disaster Risk and Reduction [and Mitigation Unit] . . . at this stage the department is staffed by people who have all been seconded from [other] departments. There will be no new hires within the Disaster Risk Reduction and Mitigation Unit. Within the other part-time people whom we employ, they will be at minimal and nominal hours per week. And so, they will not form a part . . . they will come out of the allotment which is included in that \$500,000.

The Chairman: Okay. And for a point of just clarity, [pages] B-269, B-270 and B-271 are affected by the errata.

Hon. Jeanne J. Atherden: I am sorry to belabour this, but, Minister, I just want clarification. I understood about the people who were going to be seconded. But I just want clarity that there were no persons who were coming from the Immigration Department who

would impact on [page] B-271, which is the headcount for that Ministry.

Hon. Wayne Caines: That is correct. And we will have the opportunity to go through that, I am sure.

The Chairman: Continue on, Minister.

[Pause]

HEAD 6—DEFENCE

Hon. Wayne Caines: Head 6, the Defence.

Mr. Chairman, Head 06 comprises the Defence Department, the Royal Bermuda Regiment ("RBR" or the "Regiment"). The Regiment's role is to provide operational capacity to support the civil authority. It performs a number of critical functions including natural and man-made disaster relief (both on and off the Island), internal security, state ceremonial activity, routine and specialist support for the Bermuda Police Service, military training, social cohesion, and youth development. The primary legislation affecting this department is the Defence Act 1965, the Royal Bermuda Regiment Governor's Orders 1993, His Excellency's Directive to the Commanding Officer dated 21 September 2018, the Bermuda Volunteer (Reserve Force) Act 1939, and the Royal Bermuda Regiment (Junior Leaders) Act 2015.

The original estimate for 2017/18 was \$7,208,886. There will be no increase, so there will be no change for 2019/20.

Mandate

Hon. Wayne Caines: Mr. Chairman, under the authority of the Defence Act 1965, the Royal Bermuda Regiment's mandate is to be a military force maintaining the [necessary] standards of manpower, training and equipment to enable it to perform its assigned roles efficiently and effectively. The Bermuda Regiment is continuously training to remain at a state of readiness in order to accomplish its important missions and tasks for local and, potentially, overseas operations.

Mission and Roles

Hon. Wayne Caines: The mission and roles of the Regiment were confirmed by formal reviews in 2000, 2006, 2014 and in 2018. The extant mission is as follows: *The Royal Bermuda Regiment is to support the Civil Authority with the security of Bermuda, its peoples, property, livelihood and interests in order to maintain normality.*

At this time, the Bermuda Regiment has implemented a five-year strategic review in order to reorganise the Regiment in an effective and efficient manner, to ensure that missions and tasks are cur-

rent. This is a working document and will be used as a guideline, as it will be upgraded to offer a better solution than what was stated. The mission statement roles for the Royal Bermuda Regiment are as follows:

- a. recruit and retain an all-volunteer force;
- b. influence through a targeted information operations campaign;
- c. support the government in providing Military Aid to the Civil Authority (MACA);
- d. support the Emergency Measures Organisation in responding to Humanitarian Aid and Disaster Relief (HADR) operations;
- e. develop an externally focused Humanitarian Aid and Disaster Relief (HADR) capability;
- f. develop a force to generate a full-time professional inshore Coast Guard capability; and
- g. provide ceremonial support for official and national approved events.

Concept of Operations

Hon. Wayne Caines: The Royal Bermuda Regiment will better define and clearly articulate its roles and responsibilities and develop a sustainable recruiting and retention process that serves a post-conscription Regiment. It will also establish a professional development cycle and sustainable training plan in order to exercise interoperability and meet operational demands. It will conduct planned community and defence engagement activities to assist the transformation programme. Moreover, the Bermuda Regiment will measure performance and effectiveness, whilst communicating progress and success to [internal and] external audiences.

Furthermore, it will deliver operational capability through the use of Reserve soldiers, in the following areas:

Military Assistance to the Civil Authority (MACA)

Hon. Wayne Caines: The role encompasses the spectrum of assistance that the Regiment could be asked to give to the Civil Authority of Bermuda. MACA can be subdivided into three main areas: (a) assistance to civil power—to provide protection for high-value assets and other internal security operations in support of other governmental departments; (b) assistance to civil ministries—responding to a crisis beyond the Bermuda Government's immediate control or other more routine requests for assistance; and (c) assistance to Bermuda society—through the provision of a voluntary military experience, support the integration and development of the people of Bermuda.

In each case, the decision to embody the Royal Bermuda Regiment rests firmly with the His Excellency the Governor, the Commander-in-Chief of the Bermuda Regiment, in consultation with the Bermuda

Government and the commanding officer, where appropriate.

Humanitarian Aid and Disaster Relief (HADR)

Hon. Wayne Caines: The Royal Bermuda Regiment is mandated to assist the civil authorities in the event of a major disaster, either natural or man-made, that is befalling the Island.

The Commander-in-Chief will work with the Emergency Measures Organisation to coordinate the deployment of the Royal Bermuda Regiment, in order to protect and preserve the community and its property prior to, during, and after a disaster. Should a request for external assistance be received, then Government House will coordinate the potential deployment for the Royal Bermuda Regiment off the Island.

Coast Guard

Hon. Wayne Caines: In order to secure Bermuda's territorial waters out to 12 nautical miles, and in compliance with the Defence (Coast Guard Unit) Amendment Act 2018, the Royal Bermuda Regiment will develop a full-time Coast Guard capability that can undertake the following tasks, once approved:

- a. law enforcement of the inshore waters;
- b. search and rescue coordinated by the Bermuda Maritime Operations Centre;
- c. support HM Customs to interdict marine smuggling operations;
- d. support the Bermuda Police Service, working as a joint hybrid model at first, training and development, and then adopting joint operations concurrently, with a view to take over the affairs solely after a period of time;
- e. support the Department of Environment & Natural Resources to enforce fisheries regulations; and
- f. support the Department of Marine & Ports to enforce maritime regulations and ensure maritime border and port security.

Funding

Hon. Wayne Caines: Mr. Chairman, the total funding for Department of Defence for the coming year is \$7,208,886. This reflects no change from the 2018/19 budget for defence.

Capital Acquisition Funding

Hon. Wayne Caines: Mr. Chairman, the Ministry of National Security has approved \$247,560 of capital acquisition funding for the Department of Defence. This funding will allow the Bermuda Regiment to continue with its vehicle replacement plan with additional

funding provided for the much-needed replacement of computers, office equipment, and kitchen equipment.

Personnel

Hon. Wayne Caines: Mr. Chairman, the Bermuda Regiment employs 31 full-time staff. All besides three are full-time military personnel. The three civilian staff are employed in the administration of recruitment, accounting, and grounds maintenance at Warwick Camp.

Output Measures and Objectives

Hon. Wayne Caines: Mr. Chairman, the Regiment has successfully completed its preparations and training for the past hurricane season. In February, the Bermuda Regiment had a successful Recruit Camp with 25 volunteers participating. There will be an additional Recruit Camp in July 2019. Preparatory training has been established for the three overseas training events. These are as follows:

- The Potential Junior Non-Commissioned Officers (PJNCO) Cadre will be held at Camp Lejeune, North Carolina, in May 2019 for the culmination of their leadership and training course.
- “B” Company (HADR) will take part in Exercise Tradewinds in June 2019, in St. Vincent and Grenadines, as part of an international HADR training exercise for the regions’ response mechanism to natural disasters. The exercise is designed to combine joint inter-agency training, focusing on regional cooperation for complex multinational security operations.
- “A” Company (MACA) will travel to Lydd & Hythe training complex in Kent, UK, in late September 2019 to conduct internal security certified training.
- The Royal Bermuda Regiment Boat Troop will train locally, with the aim to provide support to the Bermuda Police Service Maritime Unit throughout the peak boating season. Additionally, they will continue to train in local disaster mitigation exercises with regards to oil spills and other man-made or natural disasters.

Major Achievements 2018/19

Hon. Wayne Caines: Mr. Chairman, in 2018/19, the Regiment again demonstrated its enduring agility and resilience in January and July 2018, with a total of 65 new recruits entering the gates of Warwick Camp. This was the first time in history that a summer Recruit Camp was conducted in order to attract young males and females, once completing high school in Bermuda, and the RBR achieved the aim. So, 65 volunteers

last year, with a view of doing the exact same thing this year—with 65 new recruits entering its gates last year with a view to do the same thing again this year.

The Royal Bermuda Regiment provided security and marshalling for the International Bermuda Triathlon in April 2018, dedicating a reinforced platoon on the ground, including senior officers operating at the Joint Service Command Centre.

The Royal Bermuda Regiment Potential Junior Non-Commissioned Officers (PJNCO) Cadre was deployed in North Carolina, Camp Lejeune, with 30 students being assessed and trained in a quite demanding environment.

The Royal Bermuda Regiment continues to work closely with the Bermuda Police Service, including the Joint Service Explosive Ordnance Disposal (JSEOD), as they conduct monthly training.

The Royal Bermuda Regiment Marine Platoon will continue to support the Bermuda Police Service on the waters, conducting regular civil authority training operations.

The Royal Bermuda Regiment Special Constable Recertification training continued, with 40 soldiers being re-authorised in April 2018.

The Royal Bermuda Regiment conducted the regular annual ceremonial parades including Beating of the Retreat Ceremonies for 2018 and is prepared to continue for the 2019 ceremonial schedule. The Royal Bermuda Regiment have developed B Company as the Ceremonial Company, which also acts as the HADR Company.

The Royal Bermuda Regiment sent two members of the Boat Troop to the Cayman Islands to train in defence engagement activities.

The Royal Bermuda Regiment attended the fifth meeting of the Caribbean Region Information Operations Council (CRIOC) between June 28 and 30, 2018.

Mr. Chairman, two senior officers attended and passed the Advanced Command and Staff Course at Shrivenham, UK. Four soldiers attended the All Arms Drill Course in the UK. A non-commissioned officer attended and passed a course at the Jamaica Defence Force.

During this past fiscal year, the Royal Bermuda Regiment sacrificed attending the annual overseas training camp in lieu of cost savings, which were to be used toward the initial start-up of the RBR [Coast Guard.] However, the anticipated training levels were not achieved due to the lack of the wide range of purpose-built facilities that were planned to be used in Camp Lejeune.

The Royal Bermuda Regiment conducted the National Academy of Police Diving (NAPD) Course and certified three soldiers and two Bermuda Police Services personnel in the Dive Team Management, Police/Special Response Diving Physiology, Dive Team Equipment, Underwater Search & Recovery, Underwater Crime Scene Investigation, Emergency

Medical Technology, Underwater Crime Scene Photography, Lift Bag Skills, and Police Tactical Diving, along with Hull and Seawall Searches.

Closing Remarks

Hon. Wayne Caines: Mr. Chairman, the Royal Bermuda Regiment is an organisation, with proud traditions and a structure, ethos, training and management, which is now being transitioned into a hybrid unit. The organisation is being modified and is being designed for what Bermuda needs today in terms of military capabilities and output. Over the last 20-plus years, many reviews and surveys have been conducted, but never fully acted upon. The Bermuda Regiment needs to adapt to the requirements of a 21st century Bermuda.

The Strategic Review 2018 is a living and a breathing document. It is being utilised to make decisions that will contribute toward success. It contains candid observations and recommendations which, when implemented, will provide excellent opportunities to ensure that its alignment is coherent with Bermuda's needs. It is an opportunity to transform the Royal Bermuda Regiment into a bespoke organisation which is more efficient, effective and professional. It will be able to respond to events in the HADR, MACA and Maritime domains, supported by a mix of full-time and part-time soldiers, held at graduated states of readiness.

The Royal Bermuda Regiment is well set to provide valuable services to the government as it moves to the second half of the century. The end state will demonstrate a fully operational HADR, Maritime Security, and MACA. These capabilities are underpinned by a coherent defence engagement plan with agencies on and off the Island, including the UK Ministry of Defence and partner nations. The Royal Bermuda Regiment's narrative is articulated by a communications plan targeting internal and external audiences.

The Bermuda Regiment will recruit all year round with flexible recruitment intake programmes, attractive terms of service, along with career paths that are clearly defined [in order] to recruit potential officers and soldiers. The Royal Bermuda Regiment will design a pathway for education and training, and as the competency of our people improves, we believe that the delivery service of the Bermuda Regiment will also improve.

Mr. Chairman.

The Chairman: Yes.

HEAD 7—BERMUDA POLICE SERVICE

Hon. Wayne Caines: The Bermuda Police Service is Head 7 and can be found at pages B-278 to 281.

Objectives

Hon. Wayne Caines: The objectives, Mr. Chairman. The mission of the Bermuda Police Service is making Bermuda safer by engaging in five priority areas:

1. tackling crime and antisocial behaviour;
2. engaging with the community;
3. making our roads safer;
4. investing in our people; and
5. optimising technology

Priorities

Hon. Wayne Caines: The priorities of the Bermuda Police Service, Mr. Chairman.

The Bermuda Police Service continues to operate in austere times, along with all other sectors in our community, meaning that limited resources must be deployed strategically. It is important for the Bermuda Police Service to be focused on the significant threats to public safety in Bermuda, as well as those things that most impact the feeling of community confidence in the police to keep Bermuda safe. To that end, the police have committed to the following priorities for the next fiscal year:

Tackling Crime and Antisocial Behaviour

Hon. Wayne Caines: The escalation of gang tensions led to unprecedented levels of gun violence. The development of a Gang and Violence Reduction Strategy was developed in 2010. It provided a framework for an enhanced law enforcement approach to reducing crime, coupled with opportunities [for] partner agencies in the community, involvement in tackling programme from all angles. The BPS will refresh the strategy and ensure that it continues to reduce the harm caused by the violence attributed to gangs and the criminal use of firearms.

The BPS will continue to work in partnership to target those criminals who pose the greatest threat to our communities. The BPS will further invest in government and training community partners that will deliver an integrated offender management (IOM) strategy and framework, alongside education and prevention programmes.

The BPS will continue to work with partners within the framework of the Interagency Gang Task Force (IGTF) and its associated levels, the Interagency Gang Enforcement Team (IGET) and the Interagency Community Response (ICR) Team. The work of the IGTF combines strategy with enforcement and community support. Again, I want to say that again, Mr. Chairman. So, this strategy of the BPS, outside of the first point—they will partner with—the first part is the de-escalation part through policing and policing strategies. The second part, they will continue to work within the framework with the Interagency Gang Task Force, and it is associating with the enforcement team

and the Interagency Community Response Team. The team will work to a combined strategy to enforce, with enforcement, in tandem with community support.

The BPS will assess risks and provide an appropriate intelligence-led policing response to local nightlife activities and sporting events with a newly introduced police licensing coordinator role. The police will also mount visible and effective patrols wherever needed to reduce crime and antisocial behaviour.

The police will monitor trends in organised crime and continue the excellent working relationships that have been forged with international law enforcement partners to protect against and mount appropriate responses to threats from terrorism, cybercrime, and organised and financial crime

The Bermuda Police Service supports initiatives that prevent crime and reduce offending. The Bermuda Police Service will collaborate with the criminal justice partners and other local organisations to help develop a system for restorative justice in Bermuda.

Finally, the Bermuda Police Service have invested resources to address victim vulnerability and other aspects of hidden harm, notably domestic abuse and child [sex] exploitation. The development of the BPS Vulnerable Persons Unit has been supported by the UK's National Crime Agency and places the BPS as a leading police service in this arena.

Engaging with the Community

Hon. Wayne Caines: The autumn Throne Speech highlighted the Bermuda Police Service's intention to introduce parish constables and a service accessible and visible in our local communities. Officers have been selected for parish constable roles and will begin their duties this month, and the community launch event is scheduled for March 14th. With the community launch event, additional officers from CID will be locally deployed to work alongside parish constables in community police stations.

The BPS will continue to develop and support community action groups, particularly in those neighbourhoods that will benefit most by that enterprise. Aided by the [existing police] Community Action Teams (CATs), the BPS will enhance public confidence by developing and implementing local solutions to local problems in their areas.

The BPS has introduced a new independent advisory group [IAG] to act as critical friend to the service in the development of policy, practice, and community engagement. Further, discussions will continue to introduce a Police Authority. The Authority, referred to in the autumn Throne Speech, will provide independent oversight on policing matters and enable greater liaison with local communities in the direction of the Bermuda Police Service.

The problem-oriented policing and partnerships [POPP] strategy remains the cornerstone of po-

lice operations. The Community Action Team officers rely on partnerships to build stronger communities; the Bermuda Police Service will make every effort to provide greater consistency in providing local community officers so that the relationships in the neighbourhoods are level, strong and enduring.

Strong enforcement will be complemented by strong education, prevention and diversion efforts. The police will continue to deliver the G.R.E.A.T. (Gang Resistance and Education Training) programme, in partnership with our schools and the Bermuda Customs Department, in an effort to weaken the grip of the gang culture on our young people. The BPS will also continue to support its members to enhance youth engagement with the police and to volunteer outside of the police to serve with other helping organisations.

Good communication sits at the heart of strong relationships. The BPS will develop media strategies and expand the use of its website and social media sites to keep the public informed and engaged with the latest news from the Bermuda Police Service.

Making Our Roads Safer

Hon. Wayne Caines: The Bermuda Police Service Road Safety Strategy is a community collaboration that is designed to save lives, make our roads safer and increase public confidence. The police will deliver operational plans to reduce the number of collisions, with an emphasis on reducing the number of deaths on the road. Patrols will be targeted to disrupt criminal use of the road and combat antisocial driving behaviours and patterns. The goal of the police is to calm the roads and reduce the frequency of impaired driving.

The approach to a safer road will include intelligence-led data analysis to determine traffic "hot spots" and areas that need attention. The police will raise awareness of poor driving behaviour through education, in concert with key stakeholders. The BPS will engage in enforcement that is combined with professional judgment and discretion so that punishment is balanced along with prevention.

Optimising Technology

Hon. Wayne Caines: The BPS will work to ensure that our technology infrastructure provides modern, automated assistance to our operations while simultaneously delivering value for money. We will consult with the Bermuda Government to invest in technology that is more efficient while enhancing public safety.

We will collaborate with Government on the opportunities to expand the capability of the CCTV network through the addition of new networks and by enhancing video analytics which will enable features such as facial recognition, traffic compliance and

speed cameras. Mr. Chairman, the BPS has embarked on a programme of progressive change. The programme entitled *7 Ambitions* involves seven strategic objectives, as follows:

1. vision and values;
2. organisational structure;
3. coordinated resources;
4. community policing;
5. focus on serious and organised crime;
6. protect the vulnerable; and
7. professional accreditation and leadership.

The BPS have begun to effect those changes firstly via its investment in a community policing module which utilises parish constables. The BPS will have parish constables assigned to each of the nine parishes. Additionally, the BPS has invested significantly in its specialist capability in the areas of financial investigation, specialist crime and vulnerable persons. This will enable the BPS to support partners in the addressing of money laundering criminality, bribery, corruption, and other aspects of hidden harm (domestic abuse and child [sex] exploitation).

Mr. Chairman, the BPS will utilise its training budget towards leadership development and ongoing training. Focus continues to be placed on public order training and accreditation in light of recommendations following the events of December 2nd, 2016. Senior officers will be trained to ensure the effective promotion of persons to the positions of inspectors and chief inspectors, and superintendents. The aim of the BPS is to ensure promotion from within, via a highly trained and developed staff.

The BPS will provide the personnel necessary to fully service the public. The BPS will do so via the coordination of demand and response. Currently, when the police are needed, there is only one number to call—911! Nine—one—one. Not every call into Police ComOps is an emergency warranting instantaneous police presence. The BPS will install a secondary number for non-emergency calls. The service needs to ensure that officers are ready and available for emergencies. The installation of a second number will ensure that officers can be deployed strategically.

Mr. Chairman, to ensure increased numbers of officers on the streets, the BPS has reviewed its entire organisational structure, with a view to civilianising positions not requiring warrant cards. The intention of the Bermuda Police Service is to take the *7 Ambitions* change programme and fully implement it within the next two financial cycles. At the same time, there is a proposal in place wherein assignments at Government House, the Premier's residence, and the House of Assembly will be transferred to the Royal Bermuda Regiment. This initiative, Mr. Chairman, is dependent on funding.

Mr. Chairman, the BPS is critically reviewing the practice of hiring consultants on a long-term basis. A decision has been made to reduce the reliance on overseas consultants. The budget for that sector has

now been reduced by 2 per cent. In addition, the BPS is reviewing those consultant positions to see which of the consultant positions can be civilianised.

Allocation of Staff

Hon. Wayne Caines: Salaries, cost centre 17000. The budget for police personnel is \$43.9 million and covers the cost of 426 officers. This includes allowances in compliance with COSO [Police (Conditions of Service) Order 2002]. Salaries and wages for the 95 civilian and support staff in the Bermuda Police Service in areas of Finance, Technology, Human Resources, Station Duty Officers, as well as a garage department, are budgeted at \$6.47 million.

Additional Resources

Hon. Wayne Caines: Mr. Chairman and Honourable Members, cited next are the elements of the budget which are deemed noteworthy for mention.

Investigative Assistance (consultancy posts) is now allocated at \$784,186, a reduction of approximately \$250,000 to previous expenditure in the last financial year. Reductions in this area will continue as the BPS transfers these specialist capabilities into its core policing resources.

Specific Capital Initiatives 2019/20

Hon. Wayne Caines: Mr. Chairman, the single most strategic opportunity to protect life in Bermuda is through effective roads policing. The proposed capital funding of \$150,000 for the purchase of vehicles is insufficient to maintain the level of resources needed to fulfil the requirements of the BPS Roads Policing Unit (RPU) capabilities. The BPS utilises transportation resources 24/7 and 365 days per year, in all sorts of conditions, on a regular basis and [in] emergency response driving. BPS vehicles incur significant maintenance costs and must be replaced annually on a scheduled basis due to excessive wear and tear.

The BPS is cognisant of the current economic climate faced by the Government and has made contingencies for this next fiscal year. The BPS was given \$83,662 to replace the generator that services PMU and the intelligence departments. The generator was purchased in 1987; it is 31 years old. Life expectancy of a generator is 20 years. Our generator is operating way past and beyond its useful life expectancy and is at risk of imminent failure.

Mr. Chairman, the BPS was funded \$200,000 in capital funds for key IT initiatives to be carried out in the fiscal year 2019/20. The initiatives include \$100,000 for the replacement of core network switches, which are at their end of life expectancy and due to become obsolete. Sixty thousand dollars will be used to replace CCTV at the Hamilton Police Station. The current CCTV has failed on numerous occasions

and is no longer deemed serviceable. In addition, custody interview machines will be replaced at a cost of \$40,000. These machines are at their end of life and are failing.

The Prospect property covers [approximately] 160 acres of land with aged buildings, some of which are uninhabitable. In the meantime, the BPS is forced to rent property in the private sector. Government has taken the first steps of addressing this issue by providing \$200,000 for capital development. The intention of the Bermuda Police Service is to have its architects assess Building 470 for structural efficacy and determine whether it is better to renovate or demolish the existing building.

If the building can be saved, the BPS will use excess funds to start the development; otherwise, the funding will be used in the demolition process to prepare the building for future development. It is the intent of the BPS to review all buildings in the future and, with the assistance of the Bermuda Government, come up with a long-term strategy for this valuable property.

Summary

Hon. Wayne Caines: Mr Chairman, the BPS has set a comprehensive change plan (7 Ambitions) to ensure the efficiency of the organisation's resources, the capability to address the threats of serious and organised crime, the ability to protect victims, and to reduce road fatalities and serious injuries. Additionally, the BPS has met the political commitments within the Throne Speech.

The BPS budget is based on a 77 per cent allocation to employee salaries, and any budgetary cut would have a significantly adverse effect on the ability of the BPS to maintain the required level of resources to meet the demand. Therefore—thank you.

Mr. Chairman, I would like to move to the Department of Customs, found on pages B-282 to 285.

[Inaudible interjections]

Hon. Wayne Caines: Yes, Mr. Chairman. Head 12, yes. Thank you. Thank you, Mr. Chairman.

HEAD 12—CUSTOMS

Hon. Wayne Caines: Mr. Chairman, the mission of the Customs Department is *to promote compliance with Bermuda's Customs laws through quality service and responsible enforcement, thereby contributing to the economic and social stability of our community.*

Objectives

Hon. Wayne Caines: The department has the following objectives:

- to assess and collect customs duty and fees on imported goods;
- to enforce customs laws and administer other statutes controlling the international movement of goods and people;
- to prevent the smuggling of drugs and other illegal commodities, enforcing international conventions for environmental protection and money laundering, and agency work for Immigration, Health, Transport Control and Environment; and
- to provide additional information and assistance to the public regarding customs laws and regulations.

The Budget allocation for the Airport Shift A [cost centre 22030] is \$2,049,000. The allocation for Airport Shift B [cost centre 22040] is \$2,120,000. The objectives shared by these cost centres are as follows:

- examination and control of all civil aircraft, passengers and air freight arriving into Bermuda;
- primary immigration control of all arriving passengers;
- enforcement of customs laws and regulations with respect to passengers and their baggage;
- collection of customs duties and fees;
- supervision and control of all in bond exports of liquor/tobacco by air;
- agency work for the Departments of Health, Environmental Protection and the Bermuda Police Service;
- the prevention and interdiction of all restricted and prohibited goods entering Bermuda, including plants, fruit, animals, firearms, pornography, prohibited weapons, and illicit drugs; and
- carrying out inspections of courier cargo.

The budget allocation for the Investigations and Audit Section [cost centre 22050] is \$973,000. The objectives of this section are as follows: investigate all suspected revenue offences; complete case files, including recommendations for the disposal of the case and, where applicable, the level of penalties; carry out the inspection of imported and exported cargo; and audit declarations of imports and exports for accuracy and compliance, with a particular focus on bonded operators and local inland clearance agents.

The budget allocation for the [Hamilton] Commercial Operations Section [cost centre 22070] is \$926,000. The objectives of this section are as follows: authorisation of the release of imported goods; interdiction of illicit goods and control of restricted goods; maintenance of prescribed service levels to clients; acknowledgment of correspondence within three working days and responding within ten working days; and providing guidance to the public with customs laws and processes.

The budget allocation for the Administration Section [cost centre 22080] is \$4,578,000. The objectives of this section are to process all entry declarations in accordance with our prescribed quality service levels; ensure that all customers' correspondence is dealt with in accordance with our prescribed quality service levels [a two-day response]; and provide all personnel, legislative, financial, budgetary, administrative and general operational services for the department.

The budget on the Vessel Clearance Section [cost centre 22090] is \$1,323,000. The objectives of this section are as follows: the examination and control of all sea-bound vessels arriving in Bermuda, including private yachts, cruise ships and cargo carry vessels; primary immigration control of all individuals arriving in Bermuda via the ocean; enforcement of customs laws and regulations with respect to cruise ship passengers and their luggage; and collection of customs duties and fees.

The budget allocation for the Interdiction Section [cost centre 22100] is \$4,108,000. The objectives of this section are as follows: the collection, analysis, and the managed dissemination of intelligence on the cross-border movements of illicit items, suspected persons and data on suspicious activities to enable a risk-based focused Customs enforcement environment; carrying out inspections of courier cargo and postal packages; and the interdiction of illicit goods and the control of restricted goods.

Seaport Enforcement Team [cost centre 22110]. The budget is \$868,000. The objectives of this section are as follows: the examination and control of all cargo containers arriving in Bermuda; the interdiction of illicit goods and control of restricted goods; and the verification and matching of declarations of imports to the contents of imported containers.

Mr. Chairman the total budget for the department for the incoming fiscal year is \$16,945,000. The 2019/20 budget allocated is \$6,000 greater than the original budget allocation of last year.

Employee Numbers (Full-Time Equivalents)

Hon. Wayne Caines: The department has 237 approved positions. At the time of preparing the budget estimates, the department had 184 members of staff and is currently seeking permission to fill nine vacancies. The department's staffing level during 2019/20 is, therefore, provided to be 193, a net increase of three employees from the original estimate for 2018/19.

Line Item Analysis of the Operational Budget for Head 12

Hon. Wayne Caines: The increased allocation of funds is reflective of the projected increase of nine additional employees for 2019/20 and a 2 per cent

increase in base salaries. Projected salary expenses are 87 per cent of the total budget allocations for 2019/20. The planned staffing consists of 134 customs officers, 33 supervising and managing customs officers, and 26 non-officer support staff. Other personnel costs are \$166,000; there is no change.

The principal expense under this heading is for call-out allowances. Since Customs offers a 24-hour-a-day service, it is necessary to pay officers a call-out allowance to ensure their attendance when required outside of normal working hours.

Training is \$6,000, a decrease of \$6,000, or 50 per cent. The decrease reflects an expected decrease in training activity as a result of the limited potential for recruitment of additional Customs personnel.

Travel. The main reason for travel by Customs staff is to attend conferences hosted by international customs and law enforcement bodies. Attendance at some of these conferences is essential to maintain membership (or executive membership) in the relevant bodies. Membership of these bodies brings with it benefits including, but not limited to, access to international best practice guidance, statistical information, and legal advice and training materials. Attendance at these international conferences affords staff members rare opportunities to develop contacts which are vital in the intelligence-gathering from which Customs benefits. The decrease in budget allocation is reflective of the department's desire to reduce travel to a minimum, with the aim of reducing that line of expense.

Professional Services costs consist of the contractor charges and membership fees for the World Customs Organization [WCO] and the Caribbean Customs Law Enforcement Council [CCLEC]. In 2018/19 the department engaged a consultant to advise the department on the preparations for the CFATF on-site and mutual evaluation. This engagement resulted in higher-than-normal expenditure on Professional Services in the 2018/19 fiscal year. Since then, there are no plans to engage a consultant during 2019/20; [therefore,] the projected expenditure has been arranged and correspondingly reduced.

In 2017/18, the Customs Department rented and occupied two premises in the City of Hamilton. In the 2018/19 budget, the department moved from the [two] premises into [one] building on 131 Front Street. The elevated costs in 2018/19 represent the rentals for a transitional period when the department had to contemporaneously pay rent for the facilities being vacated and the new facility that it was then moving into. This was partly due to logistical reasons, but primarily due to the lease termination period on the 40 Front Street premises. Consequently, the rental expense in 2019/20 is expected to be reduced by \$70,000.

[Repair & Maintenance, \$795,000, a decrease of \$12,000, or 1 per cent.] The decrease in the alloca-

tion is primarily due to the termination of a maintenance contract for an air-conditioning system. This contract is no longer required because the department has moved offices.

Energy \$140,000, no change.

[Clothing,] Uniforms & Laundry, \$94,000, no change.

Materials & Supplies, [\$226,000], increase of \$6,000, or 3 per cent.

Output Measures

Hon. Wayne Caines: Mr. Chairman, [output] measures have been established for the department, as shown on pages B-284 and B-285. I am pleased to provide the following results:

Since June 2016, the Airport Commercial Operations Section [cost centre 22020] ceased to operate; therefore, there are no [performance forecasts and] targets.

Airport Shift A. Shift A has collected forced duty in the amount of [\$75,144]. It is forecasted that, during [2018/19], forced duty in the amount of \$50,000 will be collected. The target for [2019/20] is \$60,000.

For 2017/18, Airport Shift A seized illicit items on four occasions. It is forecasted that during this year this shift shall seize illicit items on 10 occasions.

Airport Shift B. Airport Shift B collected forced duty in the amount of \$113,608. It is forecasted during 2018/19 that forced duty in the amount of \$40,000 will be collected. The 2019/20 target is also \$40,000. Airport Shift B seized illicit items on 210 times. It is forecasted that during this year, fiscal 2019/20, they will seize illicit items on 60 occasions.

The Investigations Unit. The Investigations and Audit Section [cost centre 22050] completed 55 investigations during 2017/18, resulting in \$28,740 in additional duty. By the close of the fiscal year 2018/19, it is forecasted that the Investigations and Audit Unit will complete 55 cases, resulting the duty collection of just under \$29,000 in additional duty. The target for this fiscal year is \$20,000.

During 2017/18, Hamilton Commercial Operations complied with the prescribed quality service levels in 90 per cent of all declarations processed. A total of 46,000 declarations were processed in that same period. In 2018/19, it was forecasted that Hamilton Commercial Operations will meet the quality service levels 95 per cent of the time. It is forecasted that 46,000 declarations will be processed. In 2019/20, the target outcome for that is minimum. The quality service levels will be achieved in 98 per cent.

Administration [cost centre 22080]. The Administration section met its established goals and ensured that BCDs [Bermuda Customs Declarations] were processed in compliance with prescribed the standards for 100 per cent of the time. The average time between receipt of purchase invoice and authorisation or rejection of payment was five days. In

2018/19, it is forecasted that BCDs will be processed in compliance with prescribed standards 100 per cent of the time and that the average time between authorisation or rejection of a payment will be five days

Vessel Clearance [cost centre 22090]. The Vessel Clearance section processed 100 per cent of cruise ship passengers and prepared and issued invoices with the value of \$1,627,080. In 2018/19, it is forecasted that the Vessel Clearance Section will process 100 per cent of cruise ship passengers and will prepare invoices for just over \$1.5 million.

In 2017/18, the Interdiction Section [cost centre 22100] made 238 seizures and had an 88 per cent success rate of positive results from all search and detentions. In 2018/19, it is forecasted that 175 seizures will be made and a 75 per cent success rate with search and detentions.

Seaport Enforcement Team [cost centre 22110]. The Seaport Enforcement Team inspected and reviewed 90 per cent of import cargo manifests in Hamilton and used the Hamilton Docks Gantry X-ray Scanner to scan 98 per cent of containers imported into the country.

In 2019/20, the target is that it will inspect and review 94 per cent of cargo manifests and scan 96 per cent of all containers into Bermuda.

Review of Major Capital Projects

Hon. Wayne Caines: Mr. Chairman, Computer Equipment, \$14,000. The department will be getting computer equipment. The allocation for \$14,000 is to replace PCs that are needed. Also, \$43,000 has been set aside, allocated to replace two vehicles which have been written off.

HEAD 25—DEPARTMENT OF CORRECTIONS

Hon. Wayne Caines: Mr. Chairman, the Department of Corrections, Head 25, is found at [pages] B-286 and B-288.

Mr. Chairman, the mandate is *to administer sentences imposed by the courts under conditions of safe custody and well-ordered community life so that convicted persons can lead good and useful lives on discharge.*

The main objectives are (1) to protect the public by holding inmates securely, reducing the risk of re-offending, providing safe, humane, well ordered and lawful regimes; and (2) to provide a humane but demanding regime aimed at reducing re-offence by presenting inmates with a range of opportunities in which reward is linked to effort (incentives and earned privileges), to prepare them for life after release.

The departmental outcomes are as follows: (1) The Government of Bermuda endorses the aim of the Department of Corrections to achieve and, where practicable, to exceed the United Nations Mandela Rules for the treatment of offenders; and (2) The peo-

ple of Bermuda are satisfied that the Department of Corrections makes an effective contribution to public safety and the rehabilitation of offenders.

Mr. Chairman, in a multiplicity of ways, the Department of Corrections remains a vital part of the criminal justice system and, by extension, the overall well-being of our country. We provide safety and security for those in our custody, whilst at the same time providing the inmates with opportunities to make positive changes in their lives.

The department is divided into 12 major cost centres, which comprise the following:

- Corrections Headquarters, 35000;
- Farm Facility, 35020;
- Co-Educational Facility, 35030;
- Westgate Correctional Facility, 35060;
- Therapeutic Community—Right Living House, 35090;
- Psychological Services, 35105;
- Social Services & Case Management, 35106;
- Health Services, 35107;
- Educational Services, 35108;
- Vocational Services, 35109;
- Recreational Services, 35110; and
- Chaplaincy, 35111.

The department's mission statement is *to empower inmates to be responsible and productive citizens*.

Mr. Chairman, the department has a responsibility for adhering to the following legislation:

- Treatment of Offenders Board Act 1979;
- Prison Act 1979;
- Prison Rules 1980;
- Young Offenders Act 1950;
- Senior Training School Rules 1951;
- Prison Officers (Discipline, Etc.) Rules 1981;
- Sections of the Mental Health Act 1968 and portions of other Legislation;
- Sections of the Parole Board Act;
- Sections of the Criminal Code Act.

The total current expenditure, which is found on page B-286, is \$25,082,000. It represents an increase of \$101,000.

Mr. Chairman, the budget provides funding for 231 full-time employees. In addition to full-time employees, it will fund facilitators and teachers for inmate programmes.

Headquarters, [cost centre 35000] represents \$3,759,000, or 15 per cent of the total budget. Corrections Headquarters, under the general direction of the Commissioner, Assistant Commissioners, and Programme Director provides directives to a decentralised organisation. The staff administer and coordinate the training, security strategies, human resources, programmes, financial resources and policy direction for the department. The budget will fund salaries and operating expenses for Corrections Headquarters.

The Farm

Hon. Wayne Caines: Mr. Chairman, cost centre 35020, Farm Facility, represents \$3,427,000, or 14 per cent of the total budget. The budget will allow for staffing of the Farm Facility, operating expenses, and inmate care. The Farm is an adult, male, minimum-security facility that houses, as of today, 93 inmates. Inmates must have completed their core sentence plan requirements, and be classified as minimum (low-risk) to be housed at this facility.

Inmates are also involved in work release programmes, charity programmes and other ongoing projects within the facility. This year, 21 inmates were enrolled in the work release programme and 15 inmates participated in the charity work programme. The plan for the upcoming fiscal year is to increase the number of inmates on work release and charity [release] with the charity work programme being geared up more for facilitating requests from government departments. The plan for this incoming year is to increase the number of inmates on work release, and the work release programmes will be geared to facilitating requests from government departments. This will be done in an effort to provide cost savings to the Bermuda Government and to the people of Bermuda as a whole.

The Farm Facility garden has supplied all of the facilities with fruits and vegetables (crops include beets, onions, lettuce, carrots, watermelons and bananas). In total, the Farm Facility gardens reaped approximately 9,000 pounds of produce, and this has contributed to cost savings.

The highlights from the 2018/19 budget include the Animal Programme, which was very successful and will continue in this year. Chickens were introduced, and they laughed. (When chickens were introduced, when we said it last year, they laughed) And at the Farm, to date, [the chickens have] produced 3,180 eggs.

The Farm Facility will continue with its initiatives, and the second phase of initiatives introduced last year will include the following:

Farm Co-operative—a therapeutic programme where animals that are owned by local farmers will be tended to by the inmates until such time that they have matured. The inmates are gaining skills in animal care and farming. And the facility currently has goats and chickens.

The pre-release programme will continue. It is designed to focus on improving the inmate's employability, social [and] human relation skills and interpersonal skills in order to facilitate a successful transition back into our community.

The Farm will introduce new initiatives such as the following:

Furniture Manufacturing—the facility will explore the possibility of creating and/or refurbishing minor furniture and appliances, as well as creating

more artwork. This will be a pilot programme. Once the programme is fully operational, it should be self-sustainable.

The Co-Ed Facility

Hon. Wayne Caines: Mr. Chairman, [cost centre 35030], the Co-Ed Facility represents \$2,988,000, or 12 per cent of the annual budget.

This facility, with a capacity of 56 cells, has separate, distinct provisions—40 adult females and 60 *[sic]* adult, living males between the ages of 16 to 21, and educational and vocational programmes are offered [based] on the needs.

During this fiscal year, year two inmates—

Mr. Ben Smith: Point of clarification.

The Chairman: Just quickly.

Minister, will you accept a point of clarification?

Hon. Wayne Caines: I will.

The Chairman: Yes, sir.

POINT OF CLARIFICATION

Mr. Ben Smith: Just quickly, the numbers between the males and females. Can you repeat those two numbers, please?

The Chairman: The Chair recognises the Minister. You may proceed.

[Pause]

Hon. Wayne Caines: The facility, with a capacity of 56 cells, has separate and distinct provisions to house 40 adult females and 60 *[sic]* adult male offenders—

[Inaudible interjections]

Hon. Wayne Caines: One-six. One-six. One-six. I apologise. Say it again, Mr. Chairman. I apologise. I apologise. Thank you, Mr. Chairman.

The facility, with a capacity of 56 cells, has separate and distinct provisions to house 40 adult females and to house 16 young male offenders between the ages of 16 and 21. And they are being housed, and they undertake educational and vocational training programmes offered on a needs . . . based on the needs of the inmates and trainees, that are identified through the case management process.

During 2018/19, two inmates participated in the work release programme.

The chicken programme was also introduced in November, producing approximately 12 eggs per week. A small garden provided various herbs and

peppers, which have been used in the facility's kitchen. There is a plan to expand the garden.

During this budget year, inmates participated in a therapeutic yoga class to help them to cope with stress. Additionally, a pilot programme offered by the Women's Resource Centre, "Life After Incarceration," commenced, with inmates participating in group sessions which were aimed to assist with the reintegration back into the community. Both the yoga and Life After Incarceration programmes will continue this fiscal year.

Other initiatives include the reintroduction of the mentor programme for female inmates, and the carpentry programme for male inmates.

The Westgate Correctional Facility

Hon. Wayne Caines: Mr. Chairman, [cost centre 35060] the Westgate Correctional Facility, represents \$10,092,000, or 40 per cent of the total budget. Westgate Correctional Facility is an adult male establishment with a capacity to house 208 prisoners in conditions of maximum, medium and [minimum] security. The majority of assessment and treatment programmes for inmates take place at this facility.

During this budget year, a number of inmates participated in their core offending behaviour programmes such as Thinking for a Change, Violence Reduction Programme, Sexual Offender Programme, and Drug and Alcohol Treatment and Education. Additionally, educational and vocational courses were offered.

The Westgate Work Programme continued to provide an opportunity for inmates to reintegrate into the community and gain additional skills; however, it has been suspended and will be revamped. A total of two inmates participated in the work programme.

The Westgate Correctional Facility will continue the charity programme which allows inmates to give back to the community.

Therapeutic Community Centre —Right Living House

Hon. Wayne Caines: Mr. Chairman, cost centre 35090, Therapeutic Community Centre—the Right Living House [RLH], represents \$1,311,000, or 5 per cent of the total budget. The Therapeutic Community, also known as the Right Living House, has been relocated at the Co-Ed Facility and is a segregated residential substance abuse programme with a capacity to house 18 residents. The programme was developed for adult male offenders with a history of substance abuse and associated criminality. The goal of the Therapeutic Community is to return residents to the broader community with an increased potential for a life free of drugs and crimes, by providing them an opportunity to realise their potential for change, as well as the inherent potential for [health and] success.

This funding provides for staffing, operational costs and inmate programmes.

In addition to the regular treatment programme schedule, during the 2018/19 budget year, Right Living House offered a “Getting Ready for Treatment” class for inmates at the Westgate Correctional Facility. The aim of this class, firstly, is to prepare inmates for admission to treatment at Right Living House and, secondarily, it also prepares them for treatment that they have provided at Westgate.

All residents participated in the Yoga Initiative, as well as the CPR and AED [course]. Due to unsuitability of the housing at the Farm Facility, the RLH programme and inmates participating in the programme were relocated to the Co-Ed facility. All of the refurbishing was completed in February 2019, and the programme has recommenced in full operation. Overall, the inmates who participate in this programme have benefitted tremendously, both whilst incarcerated and post-release, by way of the Aftercare Programme.

Inmate Services and Programmes

Hon. Wayne Caines: Mr. Chairman, Inmate Services and Programmes are designed to meet the needs of inmates who are identified in their individual case plans. The programme team is multi-disciplinary and provides various services/programmes including psychological, social and case management, health, educational, vocational, recreational and chaplaincy. Funding for inmate services is necessary, as the programmes provide tools and resources for offenders to assist them in returning to society as positive, productive and contributing citizens to society.

Psychological Services, [cost centre 35105] represents \$433,000, or 2 per cent of the total budget. The funding provides for salaries for three psychologists who provide psychological services to offenders at each of the three facilities—Westgate, the Prison Farm, and the Co-Educational Facility. It must be noted that the department currently only has one psychologist; however, despite recruitment challenges, we are still trying to fill the posts. Mr. Chairman, it is noteworthy that, even though the department has not filled the posts due to the shortage of people, we have been able to use psychologists in our community, who fill those services on an *ad hoc* basis. So, I do not want to give you, Mr. Chairman, the misguided notion that there are no services being offered. There are *ad hoc* services being given on a consultative basis by psychologists in our community. There is a plan in place to attract and hire full-time psychologists into the prison services.

The psychologists complete various assessments on individual offenders, including areas of risk associated with offending, emotional well-being and adjustment, personality factors and cognitive functioning. In addition to assessments, the psychologists fo-

cus on the provision of intervention to meet offender needs; this can be both group and individually based interventions. Interventions can include, but are not limited to, substance misuse programmes (i.e., drug and alcohol education), drug and alcohol treatment and relapse prevention, Violence Reduction Programme, Sexual Offender Programme, and cognitive skills programme [Thinking for a Change].

The psychologists bring an evidence-based approach to working with offenders, which assists them with making more objective and risk-focused decisions. The psychologists also support the Training and Recruitment Team and help to assess basic officer applicants, as well as provide training to recruits and custody and programmes staff.

In addition to individual assessments and therapy sessions, 43 inmates are participating in offending behaviour programmes. In the upcoming year, it will be a challenge to maintain the increase, as we did in the last fiscal year, due to anticipated staff shortages; however, the department is committed to exploring resources outside of the department.

The department completed 27 risk assessments for the Parole Board.

The intent for this year is the programmes that will be offered, as follows:

- Drug and Alcohol Treatment Programme;
- Relapse Prevention Programme;
- Cognitive Behaviour Psychotherapy Programme;
- Sexual Offender Treatment Programme; and
- Violence Reduction Programme.

Mr. Chairman, [cost centre 35106,] Social Services and Case Management, represents \$728,000, or 3 per cent of the total budget. Funding provides for two social workers and five case managers/assessment officers [and inmate programmes].

The department's two social workers, who are members of the department's multi-disciplinary team, deal with the following:

- Anger Management—Controlling Anger and Learning to Manage It (CALM);
- Parenting Programmes (Fathers/Mothers and Children Together);
- Narcotics Anonymous;
- Modified Cognitive Intervention Programme; and
- Risk Assessments.

The social workers also assist inmates in securing employment and housing [prior to their release]. They facilitate family support and intervention meetings.

Key activities this [year], they had Father's Day and Mother's Day activities that were held for inmates housed at Co-Ed and at the Farm and at Westgate. The aim of these activities was to strengthen relationships between fathers and their children.

Eighteen inmates participated in the Thinking for a Change programme. This is an integrated cogni-

tive behavioural change programme that assists inmates in improving their problem-solving skills.

There are five case managers and assessment officers. There is one post vacant. This post is a key element in helping to create the objectives to prepare inmates who will return to the community as law-abiding productive, responsible citizens.

Initiatives for this year include a training programme and a reintegration programme that assists inmates in reintegrating into society.

Health Services

Hon. Wayne Caines: Mr. Chairman, cost centre 35107, Health Services, represents [\$1,653,000], or 7 per cent of this year's total budget. This funding will provide for staffing and health care services for inmates. Health care services include, but are not limited to, physical examinations; dental treatment and dental hygiene; chronic disease management—diabetes, asthma, hypertension; physiotherapy/clinical massage; mental health evaluation and treatment; chiropody; ECG; HIV/AIDS counselling and surveillance; nutritional consultations; phlebotomy—blood drawing; drug detoxification—heroin, cocaine, alcohol; drug screening—marijuana, cocaine, heroin; suicide prevention; and counselling.

When fully staffed, Health Services is managed by a senior nurse and five registered nurses responsible for providing services to the inmate population. At present, this department has two vacant posts.

Health Services were able to conduct outstanding annual physicals on inmates, now bringing them up to date.

Some of the goals/targets for Health Services in 2019/20 are as follows:

- Implementation of the inmate health service handbook;
- Increase inmate health education sessions;
- Continue implementation of an electronic medical records system.

Educational Services

Hon. Wayne Caines: Mr. Chairman, [cost centre 35108,] Educational Services, represents \$300,000, or 1 per cent of the total budget. The allocation provides for salaries and educational supplies. Educational Services provide educational programmes at all Correctional Facilities to those inmates who wish to pursue their General Education Development [GED] Certificate, as well as to those who wish to strengthen basic numeracy and literacy skills. Educational Services are designed to enable inmates and trainees to achieve a higher level of education, enables inmates and trainees to participate in other programmes and daily life activities, and to prepare them for a vocation.

The programmes include the following:

- English Language Arts;

- Mathematics;
- Science;
- Social Studies;
- Remedial studies in Mathematics and the English Language Arts;
- Computer Studies;
- Personal Development Programme;
- General Education Development Certificate (GED); and
- College level courses.

There are 53 inmates actively involved in taking classes. Fifteen inmates engaged in the GED programmes, and four of them achieved their GED.

Vocational Services

Hon. Wayne Caines: Cost centre 35109, Vocational Services, 1 per cent of the total budget. Vocational Services is an integral part of the programmes, and these programmes are designed to assist inmates and trainees in pursuing vocational interests with a view to increasing their employability upon release. Funding allocated for this cost centre provides for staffing and vocational programmes, to include materials and supplies.

During the 2018/19 fiscal year, 121 inmates enrolled in various programmes in the facilities. This included Yoga at the Co-Ed Facility and the Right Living House, and Robotics and Mechanics at Westgate.

Vocational programmes and services that will be offered in this fiscal year at Westgate, Farm and Co-Educational facilities are based on the population and needs and include carpentry . . . for this year—Mr. Chairman, this is very important. For this year, at the facilities, Mr. Chairman, the programmes include Carpentry, an Autobody/Welding/Mechanics course, and classes that will lead to certification in the National Centre for Construction Education and Research [NCCER] courses. We continue to evaluate current programme outlines and goals to ensure that we are offering the best programming and using resources efficiently.

The Vocational Service, in conjunction with the Educational Services, have commenced upgrading the computer labs at all facilities, and it is anticipated that this will be completed in this fiscal year. The aim is to be able to offer distance-learning programmes that provide access to online testing and workshop and services offered by the Workforce Development.

Recreational Services

Hon. Wayne Caines: Cost centre 35110, Recreational Services, represents \$49,000. The role of Recreation Services is to provide structured leisure time activities in sports, hobbies and cultural events at Westgate, the Co-Ed and Farm facilities to promote constructive leisure time activities for offenders. Allocation

of funds will provide for activities such as art, ceramics, wood sculpture and sports. This also includes organising the annual Arts and Crafts shows to display inmate and trainee artwork to the public.

Chaplaincy Services

Hon. Wayne Caines: Mr. Chairman, cost centre 35111, Chaplaincy Services, represents \$41,000 of the total budget. Funding provides for two part-time chaplains, who will continue to offer spiritual enrichment and guidance for inmates. The chaplains coordinate religious instruction from the various denominations and also provide counselling to inmates. Prison Fellowship, whose focus is on restorative justice and religious programming, continues to partner with the Department of Corrections.

Mr. Chairman, we will continue to work on the goals outlined in our Strategic Plan: effective rehabilitation programmes; high standards of security; operational efficiency; physical plant upgrades; staff development and training; and efficient and prudent financial management.

Highlights of the 2018/19 Budget

Hon. Wayne Caines: The highlights of this year's budget include the following:

- Local training—in-house training and Human Resources Department-sponsored training;
- Overseas training sponsored by the Foreign Commonwealth Office, which included first line management, mental health and young offender training;
- The promotion of custody staff in the ranks of Assistant Commissioner, Chief Officer, Principal Officer and Divisional Officer;
- Recruitment and training of 15 correctional officers;
- 5th Annual Corrections Week 2018; and
- Upgrades to the fire alarm system and duress systems, as well as upgrades and additions to the CCTV systems.

Forecast Measures for 2019/20

Hon. Wayne Caines: The forecast measures for 2019/20:

1. The average daily total inmate population forecasted 2019 is 191, with 53 admissions being first-time offenders who received custodial sentences.
2. The forecasted outcome for 2019/20 of inmates released on parole is 20. To date, [18] inmates were successful in receiving parole for this fiscal year. Parole provides an opportunity for inmates to return to the community, under supervision, and receive the necessary support during their re-entry.

3. There were five assaults (one minor inmate-on-inmate, two major inmate-on-officer, and two minor inmate-on-officer) reported for the 2017/18 fiscal year. But it must be noted that staff are challenged constantly by inmates' negative behaviour, and the department has a zero tolerance to any assault in any of the aforementioned categories.
4. There were 567 inmates enrolled in development and treatment programmes aimed to address the offending behaviours, address educational and vocational needs, and improve skill development.
5. The Department of Corrections calculates its recidivism rates according to internationally accepted practices. Based on these standards, the rates include persons who have a conviction for a new offence within one, two and three years of their release. The actual outcome for 2017/18 is 22 per cent, 9 per cent for year one and 18 per cent for year two. So, let me just go back through that, Mr. Chairman. The recidivism rates for new offence within one and two—three years of the release, the actual outcome for 2018 is 22 per cent—2017/18 is 22 per cent. Year one, there was a 9 per cent recidivism rate, and in year two, there was an 18 per cent recidivism rate.

Despite the many challenges faced by the Department of Corrections, staff remain dedicated and seek ways to address them, including working with union representatives and other stakeholders and partners to achieve their mission and mandate.

Security breaches remain a concern, as there have been breaches to the outer perimeter, and on many occasions, they have been intercepted by Corrections staff. Recently, people have been using drones to attempt to make security breaches. The department has been working with the government and external agencies to address this new and significant challenge.

Maintaining staffing levels due to resignations and retirements. The department has taken advantage of legislation which allows officers to defer their retirement, based on the needs of the department.

Management of high-risk inmates, particularly those who are [gang] affiliated and sex offenders.

This fiscal year, 2019/20, [the Department] will continue to do a legislative review; recruitment to fill various vacant posts; to continue the implementation of the 2018–2020 Strategic Plan and the implementation of a new shift cycle which will allow the best use of our staffing levels and workload and regimes.

With the next amended legislation to the Criminal Code (Sex Offender Management) Amendment Act 2018, the department will work closely with other government departments as part of an Offender Risk Management Team to ensure supervision, rehabilita-

tion and monitoring of sex offenders during and upon release from prison.

HEAD 45—THE BERMUDA FIRE AND RESCUE SERVICE

Hon. Wayne Caines: Mr. Chairman, Head 45, the Bermuda Fire and Rescue Service. This can be found, Mr. Chairman, on pages B-295 to B-297.

The mission of the Bermuda Fire and Rescue Service, BFRS, or the Fire Service is *to provide adequate fire protection and emergency medical services for all areas of these Islands. To extinguish fires, to protect life and property in case of fire, road accident, or other calamity as defined by the Fire Service Act or subsequent Regulations, and to provide aircraft rescue firefighting at the L. F. Wade International Airport.*

The departmental objectives are as follows:

1. Replace second generation of Bermuda Fire and Rescue Services frontline trucks;
2. Replace the aging ambulance;
3. Replace expiring self-contained breathing apparatus;
4. Recruit 15 new recruits;
5. Continue to train middle managers;
6. Continue executive development;
7. Provide specialised training for recently employed technicians for fleet maintenance; and
8. Fill supervisory vacant posts.

The Fire Service budget is \$13,127,002, which represents, Mr. Chairman, a zero-dollar change.

The Fire Service has been working diligently to manage costs.

Central Emergency Fire Service

Hon. Wayne Caines: The Central Emergency Fire Service cost centre is \$6,240,450. The centre covers the Fire and Emergency Services from the Hamilton Fire Station, King Street. This station responds to fire, road traffic accidents and hazardous material incidents, as well as provides support to all the other fire stations when required. The Hamilton Station has 56 personnel providing 24/7 coverage. The cost centre remains the same, with a notable increase in manpower due to new recruits. There are three new recruits, representing a 5 per cent increase in staff numbers.

St. George's Emergency Fire Service

Hon. Wayne Caines: The St. George's Emergency Fire Services is \$1,412,691. The St. George's Emergency Fire Service covers the provision of fire and safety and emergency medical services for the Clearwater Fire Station, located at Southside, St. David's. This station responds to emergency medical, fire and hazardous material incidents, as well as provides

support to the Airport Operations Division of the Fire Service for all aircraft incidents. This business unit also provides joint ambulance service with the Bermuda Hospitals Board. The division has a total of 13 personnel providing 24/7 emergency coverage on a four-shift system. This cost centre remains the same and has been augmented by three personnel, which represents a 23 per cent increase of full-time recruits. The increase is because they got new recruits.

Emergency Dispatch

Hon. Wayne Caines: The Emergency Dispatch, \$640,417. This cost centre provides Emergency Dispatch for all 14 parishes, includes 14 personnel. They had 8,766 calls, of which 3,947 required the attendance of fire personnel. The budget for this section has decreased, from \$903,000 during fiscal year 2017/18 to \$640,417 in 2019/20, which represents a 29 per cent decrease, largely as a result of staff retirements and resignations.

Eastern Volunteer Division

Hon. Wayne Caines: The Eastern Volunteer Division, \$6,521. Funding for this cost centre, there are seven volunteers. These volunteers assist full-time staff and help in all manners of emergency incidents.

Airport Fire Station

Hon. Wayne Caines: Airport Fire Station, \$2,328,500. The cost centre provides aircraft emergency rescue and firefighting services at the L. F. Wade International Airport, and is a requirement of the Overseas Territories Aviation Requirements, part 140, and the Bermuda Department of Civil Aviation. The L. F. Wade International Airport operates as a Category 9 airport. This has 22 personnel, a reduction of 8 per cent reduced this year, as a result of retirements.

Capital Expenditure

Hon. Wayne Caines: The capital expenditure for the Fire Service is \$1,244,000. A total of \$25,821 was for [the 911] emergency recording system. There was an emergency generator for \$72,270; an ambulance at \$121,900; and a turntable ladder truck for \$345,292; desktop computers for the 911 dispatch, just over \$10,000; and a replacement of the current breathing apparatus at \$669,150.

Manpower

Hon. Wayne Caines: To meet our mandate to provide fire protection and emergency medical services to the Islands and to continue with succession planning, the following has been accomplished this last year:

The Bermuda Fire and Rescue Service has historically required supplementary funds in the aftermath of hurricanes or major incidents, to cover the additional operating expenses such as overtime salaries/wages, gas/fuel, food supplies and emergency supplies.

I am pleased to announce that Firefighter Lansdale Haynes was awarded the Firefighter of the Year award on January 25th. He has served in the Fire Service since 2015.

The annual volleyball tournament was held. Unfortunately, the cup was won by the National Security Ministry's team led by the Minister of National Security. The Fire Service will have a long wait in trying to get the cup for the next year.

As Honourable Members of this House are aware, [fiscal 2019/20] will be a challenge. The Fire Service will continue to provide emergency services at a high standard of operational efficiency. The dedication of all personnel has been confirmed on numerous occasions by letters of appreciation from members of the community for the services rendered and operations to the community, the efforts. I would like to thank all members of the Bermuda Fire and Rescue Service for their continued efforts on behalf of the people of Bermuda.

Mr. Chairman, that concludes my presentation.

The Chairman: Thank you, Minister.

Members, the Minister of National Security has finished his brief to the House.

Are there any other Members who would care to speak on National Security, Heads 83, 6, 7, 12, 25 and 45?

The Chair now recognises the Shadow Minister of National Security, Mr. Ben Smith.

You have the floor, sir.

Mr. Ben Smith: Good morning, Mr. Chairman. Thank you.

Firstly, I would like to thank the Minister for the detailed brief that he just presented to the House. At this time, I would like to start with Head 83, National Security Headquarters. On 93002, Parole Board, there was an increase from the amount of money that was provided for the Parole Board during the . . . there is an update, an increase in that. Can you just give us a little bit more clarification on what is going to be needed for that increase? So, that is under Parole Board.

Cost centre 93007, the DRRM [Disaster Risk Reduction and Mitigation], which was something that was actually discussed on Friday. There is, obviously, a lot of information given about this particular programme, which is something that the Minister has been working towards because there was actually a request of the Government to provide this service. There seems to be a bit of overlap between the EMO

[Emergency Measures Organisation] and the DRRM. And the main question for this is that there are people who are being used from different agencies in order to make this DRRM work. So, the cost over last year—obviously because it was a new programme that had to be implemented, meant that those people were seconded from other areas. The burden of that cost was from the area that they were taken from. And now, it seems that we are continuing in that same vein for this year.

So, the question becomes, At what point is this initiative going to be dealt with just by this particular agency? Because there is a change in how much money has been provided, to \$173,000. But that is not going to cover all of the cost of the staffing, I believe. So, at this point, obviously, this is a work in progress. The Minister is having to shift to this direction. But can the Minister explain what the overall cost will be, eventually, and how that transition from those people from one department to another [will occur], and what the effect will be from a personnel situation from the departments that they are being taken from?

Because the Minister on Friday spoke to the point that some of the departments have already said to him that they are now going to be short-staffed because these people have been taken to be part of the DRRM. So, obviously, this is not something that he is going to want to continue to do in the future. So, we will have to find a way to make them permanent in the DRRM and, potentially, replace the people who have been taken from the original areas that they were a part of.

If the Minister could explain whether . . . the departments that the people have been seconded from, obviously—there have been requests to the Minister that this was causing a reduction in their personnel. Can he give us an idea of what requests have come, to [outline] this impact on where they have been moved from? Just so that we have an idea whether continuing in this vein is going to have an impact from the lower personnel in the areas that they have been taken from.

There is a specific clarification that I want to get on the errata that was provided this morning. The Minister stated that the 2018/19 number was 427,000, and it was moving to 619. But that actually comes from the original Budget Book. And the new number looks to be \$1,119,000. So, if we could just get clarification that the number is actually moving from 427,000 to 1,119,000, and this number is going to be coming under Professional Services.

The Chairman: Shadow Minister, are you referring to page B-271, the errata sheet?

Mr. Ben Smith: Yes. Correct.

The Chairman: Okay. Thank you.

Mr. Ben Smith: With the information that was given specifically to this, it was mostly dealing with the Gang Reduction Task Force. So, obviously, this is an area that all of Bermuda is interested in. The rise in gang violence in Bermuda has been something that everybody in Bermuda has had their eyes on, because it has an effect on our overseas, international reputation. But more so, it is having a really terrible impact on our community. Within the neighbourhoods I know that the Minister has been working really hard to try to get a hold of this situation that has been going on for quite some time, and you have to attack it from multiple directions. And the gang task force and reduction task force is one of the options that has been put forward to do that.

Now, the question becomes, the Minister in his brief was able to give us a long list of things that this particular unit was going to be dealing with. For instance, starting with the head, which is Pastor Leroy Bean, his initial salary has changed from—

Hon. Derrick V. Burgess, Sr.: Point of order, Mr. Chairman.

POINT OF ORDER

Hon. Derrick V. Burgess, Sr.: Mr. Chairman, what head and line item is he talking from? Because right now he is into a general debate. Pastor Bean's name should not even come up in this debate.

The Chairman: Thank you, Member.

Shadow Minister, which line item or head are you addressing right now, and line item?

Mr. Ben Smith: [Cost centre] 93000. And the reason I brought up that particular spot was because it was brought up by the Minister for what he was discussing with what this unit was doing. So, I am just trying to have clarification, that there were a lot of items that are coming under the mandate of one person. So, what you start to look at is, as you grow, because this was a new initiative. So, as you are starting to figure out the pieces to it, you are going to realise that there are more tasks that are needed to achieve the end goal, which is for us to reduce the number of gangs and reduce the impact that it is having on our society.

So, as he is going through that and listing the number of things that are coming under that one person, it is difficult for one man to have to cover the entire Island with multiple pockets, [areas] where we are seeing gang violence, along with having to monitor programmes that are being put forward. It just—I guess my question to the Minister is, as you start to proceed, you are seeing that Pastor Bean is having to do multiple tasks. Is this a situation where we will be looking for more staff for him in the future in order for him to be able to cover all of the different pieces that

are important for us to get this gang issue in Bermuda under wraps?

The second person who was discussed in that would be the . . . let us see.

[Inaudible interjection]

Mr. Ben Smith: Yes, Programme and Education. So, I believe that is Darren Woods. This is another initiative where you are having somebody who is having to fill multiple roles. And a lot of it is hands-on. So, as you try to expand and you, potentially, get success in one area, it makes it difficult for one person to continue to cover all of those pieces. Because, once again, in the brief there were multiple lines of items that come under this one person to have to cover.

So, as we are moving forward, there is a cost for these items today. Are we going to see a need for an increase in funding for this initiative in order for us to reach our end goal?

There were also three part-time people. There was an introduction that there were going to be three part-time people, which I believe, will probably go to some of the answer, where they will be able to help both Pastor Bean and Darren Woods to be able to cover all of the different parts. So, the question is, you know, obviously, as a part-time, the amount of money that is needed is going to fluctuate, depending on where they are needed and what they are needed for. If the Minister could give us a little bit more information on what these individuals are going to be tasked to do, and what he sees as their ability to help the overall moving-forward of this initiative so that we can see the impact of the gang reduction?

[Pause]

Mr. Ben Smith: Give me one second, Mr. Chairman.

[Pause]

Mr. Ben Smith: On page C-14, the Public Safety COMS system. So, if the Minister can give us a little bit more detail on exactly what the changes are from the standpoint of, are some of these going to be just fixing some items that maybe have broken over the year? Or are we looking for new items in order to create a better system? So, just a little more clarification on what that difference in cost will be for this year.

Mr. Chairman, that will be the last question that I have for now, for Head 83, Headquarters.

I am going to be moving on to Head 6, Defence. So, my first question is going to come under [cost centre] 16085, Marine Operations. So, in last year's debate, there was quite a bit of conversation about the shift to a marine operation and a Coast Guard for Bermuda and what that was going to mean, and the potential of some of this being implemented in the summer of 2018. It seems that some of those

things have not happened. Can the Minister give us some more details on exactly what occurred during that period so that we have an understanding of why the delay?

Within there, last year the Department of Defence cancelled their overseas camp. And one of the reasons was, obviously they had meetings to discuss changing their overall mandate and figuring out where the Regiment was going to be going. And it was a good time for them to take a pause. But the money that was going to be saved for that was supposed to be used to start the implementation of the Coast Guard. So, can the Minister let us know whether the money that was saved was provided towards the Coast Guard? And if so, what was it used for?

There was discussion of the site at Boaz Island. Can the Minister give us [an] update on whether the facility has been completed, whether there are any other items that are needed for that facility? It is my understanding that there potentially is the need for some floating docks. And there might have been some floating docks that were left over from the America's Cup that could potentially be used for the Marine Operations.

I think it is important that, under the Marine Operations, we understand what the potential is for having a Coast Guard for Bermuda. I believe that what happens in Bermuda, a lot of times, is the population [in general] does not really pay attention to the Regiment until they actually need the Regiment. So, a hurricane happens, and for the weeks after the hurricane, the Regiment is a group that everybody is paying attention to because they were able to clear the roads and help. But, during the rest of the year, a lot of times, they are not giving them the same amount of attention. But the Regiment has to train every day to be prepared for any of the incidents that happen, which would mean, you know, if there is a hurricane in Bermuda or there is an incident that happens overseas, that we have a regiment that is able to provide the services that are needed.

Well, as we look at a local Coast Guard, this could be a very important area for us. The Minister over the last year has worked hard for some of the things that are happening on our local roads when it comes to road deaths and crime happening on the roads, with people drinking and driving and doing drugs and driving. Could the Minister give us an idea whether there would be some of those kinds of initiatives for what happens on the water? We have also had some incidents recently on the water which have resulted in death and injury. And in having a marine presence with our Coast Guard, this could be an area where we could see some significant change.

Anybody who has seen the non-mariners race recently and what it has expanded to, you can tell that you potentially have a situation where a major incident could happen with multiple people in the water, motor vessels going in between people, and some danger-

ous behaviour when you bring in the points of alcohol use and drug use while that is happening. So, to have a force that has the ability to monitor the behaviour on the water and, potentially, be able to enforce some rules on the water, I think, could be important as Bermuda, being a jurisdiction that is internationally known for our beautiful waters, we want to make sure that we are also providing safe waters.

If the Minister could give us some further details on whether the combination of police and the Regiment Boat Troop has actually started? He talked about the fact that there would have to be this beginning phase where the two [agencies] would have to be working together. It is my understanding that some of that has begun. And with the Minister talking about the diving course happening from the Regiment, but some of the police taking part in it, it seems that there is a start to that process. Just an understanding of how long we should wait until we start to see a full regiment force on the water. I believe that the initial setup was supposed to be for 14 personnel. If the Minister could let us know how much in the budget in the future we should be looking at, if that is our goal, to reach the 14 personnel, so that we can cover the waters fully, not just in our inside waters, but allowing for safety boats to get to the outside of our 12-mile range so that we can make sure that we are saving boats that are in distress, that we are maintaining [a defence of our] waters so that we do not have people trying to smuggle things into the Island.

One of the important things that I think that a lot of Bermudians are looking for is that, as we look at our gang issue, I am going to say that part of it is going to be that we have a gun issue. So, one of the ways that the guns and the ammunition are going to get in is going to be through our waters. So, having a robust team on the water that is able to monitor what boats are coming in, and being able to enforce, potentially, getting on a boat to find out whether somebody is bringing in something to the Island, I think is an important step for us. So, this would be a time for us to look. How long is it going to take for us to get it in place? How much is it going to cost for us to fully implement it? And, once it is implemented, when do you see our seeing the real change that would be put in place by having this force?

Still within the marines section, one of the things that was pointed out last year, and I know that the Minister spoke to it, was that a lot of the boats that are needed to have this marine force, both from the police side presently and from what the boat troop has, we do not have the boats presently to do some of the things that we need to do. The boats are old. They need upgrades. Or we need to replace them.

Potentially, what you are going to be looking at is to go out and get specific boats that allow us to move in the direction that we are talking about moving into. From an environmental standpoint, you need to have boats that allow for the troops that are going to

be maintaining this Coast Guard for Bermuda, the ability to do the collection of, potentially, an oil spill or a chemical spill. And we are also going to need to have boats that allow for the force to go out to rescue people or, potentially, to be able to go and board another boat. So, if the Minister could give us information on, has he started to look into details of what boats are going to be needed, and what the cost, potentially, is of these boats and when we could be looking to have the purchases of these boats?

With that, has there been any discussion [with] overseas bodies, potentially, you know, coast guards outside of Bermuda, international coast guards, on finding ways for us to get access to maybe some boats that they do not use so that we can reduce the cost, but still get the [vessels] that we are going to need?

[Pause]

Hon. Walter H. Roban: Mr. Chairman.

The Chairman: Shadow Minister, we are at just short of 12:30. I am going to recommend that we move to lunch.

Deputy.

Hon. Walter H. Roban: Thank you, Mr. Chairman.
I do move that we adjourn until 2:00 pm.

The Chairman: Thank you.
Any objections?
There being none, the House will resume at 2:00 pm.

Proceedings suspended at 12:31 pm

Proceedings resumed at 2:01 pm

[Mr. N. H. Cole Simons, Chairman]

COMMITTEE OF SUPPLY

ESTIMATES OF REVENUE AND EXPENDITURE FOR THE YEAR 2019/20

MINISTRY OF NATIONAL SECURITY

[Continuation thereof]

The Chairman: Good afternoon. We are resuming the Committee of Supply and we are debating National Security, Heads 83, 6, 7, 12, 25 and 45. The debate finishes at 4:53 pm.

I recognise the Shadow Minister.

Mr. Ben Smith: Good afternoon, Mr. Chairman.
I would like to continue with Head 6 for Defence.

The Chairman: You may proceed.

Mr. Ben Smith: So under line 16085, continuing on with Maritime Operations, I was wondering if the Minister could let us know whether there has been any thought to adding drones to go along with the bringing in of boats so that we can look at . . . overall [look at] what is happening on our waters.

I know that drone usage has increased significantly around the world. Specifically when it comes to the coast guards it allows them to cover a much larger area and potentially get details of specific situations. So, if there is an area where potentially somebody is in trouble and they need to get rescued, the drone could get there quickly and give them some added details around what potentially is needed. Also, when it comes to enforcing our laws on our waters, having the ability for [recorded] footage from drones could also help in investigations. And with the ability to have facial recognition with these drones, potentially, some of the footage can be used later on when you are going to prosecute somebody that has potentially broken the law.

So, if the Minister could let us know whether anything has been looked at, potentially, for using drones and, if so, what details can he give on whether that is something that will work in Bermuda's jurisdiction, and the potential cost if it is something that could work in Bermuda.

Moving on . . . actually moving backwards to 16040, Internal Security, during the Minister's brief (actually for another head) he mentioned that there was the potential for some of the jobs that are done by the police to potentially be transferred to the Regiment. I believe that he talked about Government House, maybe the House of Assembly, certain areas where tasks are presently being done by the police force, could be transferred to be covered by the Regiment.

My question is, As you are looking at it in detail, do you have any idea when we could expect that kind of change? How much information has been provided so far to find out what that change will give for Bermuda? One potential part that I have been thinking about over the lunch break is that there is a different pay scale from Regiment soldiers and police officers, so there might actually be a reduction in cost by moving to that different way of managing something that has been done a certain way for a really long time. So if the Minister could give us a little bit more detail about that, I think it would be something that everyone here would be interested in.

So 16010, for the Regiment Headquarters, I have a question regarding whether policies have been looked at to potentially make sure that with the transition in how the Regiment is operating . . . that we are making sure that we have something in place for how we deal with retirements and mandatory term limits for certain officers and whether we have a policy that

makes sure that we have Bermudians that are trained and ready to move into those roles so that we can continue to have a force that is operated at the highest level and that we make sure that we have Bermudians that are in those roles.

So, I know that the Minister was able to discuss that specific initiative when it came to the police, I was just wondering if he could give us some information whether . . . if those pieces were not already in place, whether there is something that we could look at policy-wise to make sure that those steps allow for us to have our soldiers trained so that they can be promoted to those positions. With moving away from conscription it means that the amount of soldiers that we are bringing in has changed, the different levels of soldiers that we brought in potentially has changed, so we need to make sure that we are addressing getting the talent into the Regiment and then training them so that we can continue to move in that direction. So any information that the Minister can give on that will be greatly appreciated.

On B-276, the Performance Measures, under 16010, Regimental Headquarters, again, the second line refers to a Regiment establishment of 420 [soldiers]. With all of the changes, is that number still a number that should be guiding us? Or should we be looking at a number that is more in line with the numbers that we are bringing in with the new set up for getting soldiers into the Regiment? If the Minister can give us some details on that.

In the brief the Minister referred to 25 recruits that came through in the recruit camp that just finished in February. With the . . . we are looking for a total of 65 for the year—new recruits. With only hitting 25 do you think that this potentially means that we are going to be in difficulty of reaching that target when we are going to have our summer recruit camp, which obviously was a new initiative last year, being brought in this year, to try to continue to get to that target so that we have enough soldiers to maintain the Regiment?

I know it is difficult because these are brand-new details [of] how we are dealing with our Regiment since conscription is gone. But we have to make sure that we maintain a certain [number] of soldiers in order for us to cover all of the needs that we have. And understanding that you will have retirements, that you will have people that have done their time within their volunteer [agreement] and they are going to move on, so you always have to replenish, so I know it is difficult to predict how many you are going to get in, but what do we do if we continue to miss that target?

Thank you. Now I am going to move on to Head 7 for the Police [Service]. Starting on page B-279, just looking at the amount of money that we are spending presently for the Police Service, I was wondering if the Minister can give us an update on what has happened with the negotiation for their new contract and whether . . . any details on when that will be completed and the potential changes in the shifts and

schedules of the police officers through that negotiation.

And now under 17010, Human Resources, there has been some information recently that has said that the Commissioner of Police has gone overseas to recruit [someone for] a new position. So I was wondering if the Minister could give us details on the Commissioner going overseas to look for a new role. What details are there of that role? How many candidates were looked at? And whether local candidates were also made available so that we can have some details.

Hon. Wayne Caines: Point of information.

The Chairman: Yes.

POINT OF CLARIFICATION

Hon. Wayne Caines: Is that with reference to one of the heads that we discussed today specifically? Could you just draw me to . . .

The Chairman: The Shadow Minister was speaking to [cost centre] 17010.

Hon. Wayne Caines: Could I have the heading again, please?

Mr. Ben Smith: [Cost centre] 17010, Human Resources.

So, because it is related to a new job, I was wondering whether it was something that we could discuss . . . just because, obviously, if there is a new position that is being looked at and the Commissioner has gone overseas to seek candidates for that position, have local candidates been looked at? And, you know, can we get details on what that position is? What the role is going to entail? And, obviously, if it is going to be a new position, we do not have a budget for that particular position right now, so is that going to lead to a supplemental because it is a position that has been added? So any information that we can have on that would be helpful.

Going to [page] C-14 for Police [Service] and looking under 76078 for Vehicles. In the brief the Minister spoke to the cost of vehicles, and obviously the wear and tear that happens to vehicles that have to be used 24 hours a day. Everybody here understands that when you . . . most people do not really think about the police until they need the police. But they are going to have to be driving in a car or a van, or [riding] on a bike. And those items are used every single day. So there is going to be wear and tear on them, we are going to have to get new vehicles. The Minister spoke to the point that, obviously, the amount of money that it takes to cover those vehicles might not actually be enough.

If you look in 2017/18, the number was 267 and now it is 136, and it is staying flat at 136. Is there enough money being provided to make sure that the vehicles that need to be changed is happening? Because, obviously, one of the issues that you have with an older vehicle is that an older vehicle becomes less efficient, it is going to break down more. So now there is going to be added cost because you are going to have to continue to fix that vehicle. So, potentially, it actually increases our costs by leaving vehicles on the road that should not be on the road.

So my question is, In knowing that that number has been reduced previously, and is now staying at that lower number, and knowing that the Minister also spoke to the fact that it, potentially, is not enough money, can the Minister speak to . . . if we need more money to pay for the vehicles so that the police can stay on the road and protect the public, what are we going to do about that?

[Cost centre] 17170 Intelligence—

The Chairman: What page are you on?

Mr. Ben Smith: I am going back to [page] B-278.

So I just spoke to this in regard to Defence. I am bringing it up again on whether drones are an option for Bermuda. When you look at the way policing is done outside of Bermuda you understand that they are using lots of different kinds of technology to make sure that they are apprehending the people who are breaking the laws. Obviously, there are some privacy issues when it comes to using drones that you have to look into. But when an incident happens, if the drone is in the air and gives you the ability to pinpoint where the person who has done the crime is headed, it actually is going to help the police to be able to apprehend somebody that potentially has done a crime, and everybody in Bermuda is hopeful that we are going to get that person off the streets as quickly as possible.

So is this another area where, potentially, this kind of technology can be looked at so that we can try to capture criminals quickly or actually prevent them from doing the crime in the first place because now they know that the potential of somebody being able to catch them quickly is there? Obviously, we have seen recently that the criminals are starting to use technology, so we need to make sure that we are not only at the same level as them, but we need to start to try to be ahead of what the criminals are doing. And it means that we have to give all the resources possible [to the police] to make sure that we are tackling the crime in Bermuda.

Knowing that gang violence . . . but, more specifically, there seems to be just normal violence happening in Bermuda, so the more resources that we can give to the police to ensure that the public feels safe and also that, potentially, the criminals feel that they do not have the room to actually start to behave badly or create these crimes, I think, is helpful. So any

information that the Minister can give on whether those initiatives are being looked at would be helpful.

[Cost centre] 17120, still on page B-278. So road safety has been an initiative that has been . . . there has been a lot of focus on it in the last year with road sobriety checkpoints and trying to get people in Bermuda to behave better on the roads. One of the things that I have been looking at since going through this particular debate is that there is also an issue with what is happening on the water. So, while we are spending this, I think, needed time focusing on what is happening on the roads and the deaths on the roads, we have to understand that we should also be looking at that same kind of option for what happens on the water. Because there are people that are behaving badly on the water, and the ability for that to turn into a catastrophe quickly is there.

So potentially, I guess, what I am saying is, is it possible for us to look at maybe the fines, the things that we can actually give penalties to the crimes that are happening on the waters so that they start to balance with what is happening on land?

POINT OF CLARIFICATION

Hon. Wayne Caines: Point of information.

The Ministry of National Security is not responsible for making or passing any law in Bermuda. That is not our Ministry's remit.

The Chairman: Thank you for the clarification, Minister.

Resume . . . Opposition.

Mr. Ben Smith: Thank you.

Continuing with the road policing under the same heading, so the idea of having more CCTVs, the ability to have traffic cams, can the Minister give us more information on whether we could be looking for the ability for the cameras to take pictures of people that are actually speeding, to take pictures of people that are potentially running red lights or running stop signs? You know, in other jurisdictions they will take that information and you will actually receive a fine for what you have done in your car when you did not get pulled over by a police officer but you were caught on the cam.

And with facial recognition and all the technology that is available now, these are technologies that will try to help to change the behaviour on our roads. Because we continuously have deaths on the roads that are not just from drinking and driving or from drug use on the roads, but just people that are not taking care of . . . not just themselves, but everybody else on the road . . . overtaking, popping wheelies, just behaviour on the road that is not the norm, but you are seeing more and more of it. So are we able to bring in some technologies that potentially are going to try to help to curb that behaviour?

Mr. Chairman, I am just going to go back to [page] C-14, 76078, for the Vehicles. I asked earlier some of the questions about the vehicles and the potential that we are not supplying enough money. Potentially, if we get some more details on the vehicles that are close to being retired off the road, the vehicles that presently are not operational, so that we have an idea of how many vehicles we have right now and how many vehicles we actually need so that we have a better idea of how much money we really should be putting toward the vehicles for the police so that we reach the level that allows them to do their job.

Now I am going to move on to Head 12 which is Customs. [Cost centre] 22080, Administration, there is a difference of \$178,000.

[Inaudible interjection]

Mr. Ben Smith: It is [cost centre] 22080, Administration. I was wondering if the Minister can give us some clarification on what that difference is.

On page B-283, I am looking at the differences between the shifts A and B. So the 2018/19 original was 32 staff numbers and it actually came in at 24. And now the estimate for this upcoming year is 29. So the difference is trying to add five. My question is, It looks like the intention was to have more staff a year ago and we were not able to reach that target, so what is being set up this year to ensure that we reach that target for this upcoming year?

Still looking at the shifts, now on page B-284, there seems to be a difference between the seizures for shift A and shift B—a significant difference. Shift A seizures were at four—

The Chairman: I am sorry, what line item are we referring to?

Mr. Ben Smith: We are on [page] B-284 and it is the shifts, so [cost centre] 22030 and 22040, Shift A and Shift B.

If the Minister could give us an explanation of what the difference is, why there seems to be significantly more seizures in Shift B than in Shift A.

[Inaudible interjection]

Mr. Ben Smith: Okay.

I am going to move on to Head 25, Corrections. I am going to start with 35105, Psychological Services. So the Minister spoke to the fact that there is only one therapist available at present and that they are looking into getting two more in order to reach the . . . what is supposed to be the [correct] level.

There is a difference when you look at how much . . . what the cost of having to use . . . I am gathering, looking at the difference from what the original was to what actually was the revised number from

2018/19, that there is an increased cost, even though we did not have the full complement. So is that difference because we are using—

Hon. Wayne Caines: Consultants.

Mr. Ben Smith: Consultants? So, obviously, getting staff in will reduce that cost, so that becomes a priority.

Looking at the employee numbers . . . obviously, you are going to have retirements. You are going to have people that are no longer working within that department. The number that is needed is significant to get back to the full complement. My question is, With the recruiting to get people into this particular industry, are we only going to be looking at local applicants or are we going to be going overseas to reach the desired number so that we can make sure that the Corrections are covered at a level that makes them secure while also trying to maintain a Bermudian force?

Looking at [page] C-14, 76597, there was an increase for CCTV systems in 2018/19 and there is further allotted money for the upcoming year. Can the Minister give us some details on whether the system, the way it is set up now, is covering everything that needs to be covered or have they actually found some gaps in the system and that is one of the reasons that we have to continue to add money to ensure that we have coverage. Or are we just trying to fix some of the systems that we already have?

I think the Minister spoke to, obviously, the drone situation with somebody trying to bring things into the facility. So, obviously, we need to make sure that our camera system is at a level that we can see all of the different areas around the facility as well as in the facility so that everything is covered at a level to make sure that the staff is safe and that there are no issues with getting contraband in or people getting out.

The Minister spoke in his brief about the Westgate violence reduction and potentially . . . so he talked about the Westgate facility in the whole. I was wondering if the Minister could give us an idea of how many inmates we have today compared to how many inmates we would have had last year.

There was also the therapeutic community. Is it possible for us to find out how many people are participating in that programme?

[Inaudible interjection]

Mr. Ben Smith: Say again.

Hon. Wayne Caines: Point of information.

The Chairman: Yes, Minister.

POINT OF CLARIFICATION

Hon. Wayne Caines: I did list the number and, specifically, by each programme how many inmates were involved in each programme at each facility during my presentation.

The Chairman: Thank you for the clarification, sir.

[Inaudible interjection]

Mr. Ben Smith: No, I was actually looking at the . . . I was on [page] B-287, so I was actually looking at Westgate and then I looked at—

An Hon. Member: Okay, thank you.

Mr. Ben Smith: So the Minister, I guess I am going to continue to be speaking on [page] B-287, so starting at 35020, for all the different facilities. The Minister spoke to the programmes that are available so there is the Farm, there is . . . the different programmes that have been put in place to try to make sure that we are rehabilitating people and preparing them for when they get out. And what we have seen from people leaving prison and not coming back to prison and the importance of trying to give them the skills to be able to maintain a proper life once they get out of prison so that they can get a job and they can get self-worth, which allows them to not get back to the . . . whatever it is that put them in.

Is the Minister able to give us some guidelines on what the performance measures are today on how we can . . . to make sure and measure the people that are coming in, the programme that they have done, and whether . . . which specific programmes are working best in order to stop people from coming back in, if you understand what I mean. So, in other words, if you can have the details of the programme that the person did, so that whether it is education, whether it is the farm, just so that we have a better idea of what we should be targeting the money on so that we can prevent people from coming back in. So just performance measures specific to that.

Hon. Wayne Caines: Point of clarification, Mr. Chairman.

The Chairman: Yes, Minister.

POINT OF CLARIFICATION

Hon. Wayne Caines: In the presentation, we highlighted the specifics as it relates to recidivism and the decrease in recidivism over the rate on a percentage basis.

The Chairman: Yes.

Hon. Wayne Caines: I think it would be most difficult to understand and to quantify why a person does not come back to prison because you do not have the benefit of getting that information from them once they leave the prison facility.

The Chairman: Thank you for your contribution.

Mr. Ben Smith: So, Mr. Chairman, potentially, this person, when they get out, they are going to have to stand in front of the Parole Board, they are going to have a parole officer that they are going to be communicating with. Potentially what we can do is try to get that information so that we know whether we are hitting our targets. It is important for us to know that the money we are spending and the programmes that we are creating are actually getting the results that we want because if they are not then we can focus that money on something which is working.

So the idea that I am mentioning is potentially we should be looking at the details. I know it is not something that is done right now, but is it something that we can figure out, a way to try to get as much information around this subject as possible so that we can prevent people from going back into prison?

The Chairman: Thank you. And can you tie it down to a line item to keep us focused, please?

Mr. Ben Smith: I was on—

An Hon. Member: [Page] B-287, 35090.

Mr. Ben Smith: Yes, thank you.

The Chairman: You may continue, sir.

Mr. Ben Smith: Mr. Chairman, I am going to move on now to Head 45, which is the Fire Service.

I actually meant to make sure that we send our appreciation out to all the people who are working in all of these services. As I was saying earlier, it is always difficult because most of the people that work in these services do not feel the appreciation until they are actually needed, right? You do not really think about the police officer until something has happened to you and you are having to deal with the police.

The same situation is going to, obviously, be in place when you are dealing with the fire department. And, you know, they have to run into the danger when everybody else is fleeing from the danger. These are the people that are going to be helping you if you have had an accident on the road and the fire truck has arrived. So it is just important that we show appreciation for the people every day that are putting their lives on the line to take care of our safety and to make sure that property is safe through . . . from fires.

So [page] B-296, I am looking at the employee numbers. There is a reduction for . . . let's see . . .

there is a reduction in General Administration of one and then there is reduction for Emergency Dispatch for four, and then another further reduction in Airport Fire Rescue. Can the Minister let us know whether prior to this reduction these services were running on the full complement of staff? If they were and now we have reduced them to these numbers, what impact is that going to have on the services that are provided? Potentially, is that going to increase the amount of overtime that is needed? Is that also going to tax the workers that are already there because now they are having to increase their share of the load when really what they would want is to make sure that you have a full staff so that people are rested so that they can focus on their job?

So I am just checking to see whether that reduction in employees is because we did not need to be at the number that we were at, or what impact it is going to have by having that reduced number.

On [page] C-14, I am looking at 76383. There was money put aside in 2018/19 for a turntable ladder. It did not happen in that year.

Hon. Wayne Caines: The cost is split over two years. It was so expensive so they split the cost over two years.

Mr. Ben Smith: Thank you.

The other [cost centre] is 76733, so it was a portable water pump. That was in the budget for . . . is this something that is just maintenance, like they have to keep purchasing more every time another one goes down, so really it is a stock issue as opposed to something that would have been an emergency to get? So that is the question I am asking.

The question . . . I am going to go to . . . just a second, Mr. Chairman.

The Chairman: For the public's edification, we are currently debating Head 45, Fire [and Rescue] Service, and the Shadow Minister of Security has the floor.

Mr. Ben Smith: So, Mr. Chairman, I am looking at [page] B-296 for the Fire Department and I am going to take this under the payments to the staff members. Specifically, all I am doing is tying it back to what I said previously when it comes to defence. Are we putting in a policy to make sure that we have young people within the fire ranks that are being nurtured and given the resources so that they, in their future, will be able to take the senior roles within the Fire Service? We need to make sure that we have a plan in place for when retirements happen that there are local fire fighters that have the experience and also have any certification that they are going to need so that they can take on those posts.

If the Minister is able to, could he give us some details on whether that policy is in place and

whether people have been identified to fill those roles in the future?

With that I will take my seat.

The Chairman: Thank you, Shadow Minister.

That brings a conclusion to the Shadow Minister's contribution. Is there any other Member that would like to speak to the Ministry of National Security, Heads 83, 6, 7, 12, 25, and 45?

I recognise the Honourable Michael Dunkley from constituency 10.

Hon. Michael H. Dunkley: Thank you, Mr. Chairman, and I thank the Honourable Minister for the brief and my honourable colleague for his very good comprehensive overview of a very important Ministry and very key Ministry, a Ministry as my honourable colleague and certainly as the Minister knows, has a lot of moving parts and can change from day to day and one that I am pleased that we do have a substantive amount of time set for the budget. And I hope that colleagues get involved because I found when I was the Minister, Mr. Chairman, this was a good place to thrash out, not only the expenditure involved, but also to listen to ideas and take some on board.

And I want to start with the Headquarters, but do something that is not often done. But I want to congratulate the Minister for continuing on with some very important programmes that I think have been successful over the past years. They have continued on with them, strengthened some. And I want to also start by, as my colleague did, to thank the staff within this Ministry for the work that they do. As he said, and they are good words, when everyone is running away [from danger] the emergency service personnel are running towards it. And the other thing I think is important is you never know when a situation is going to arise, but you have to be there. And that could be any time of day or night, it can be on weekends, it can be on a national holiday, but it is important that they are there. And in my relationship with these services, I am well aware that they are very professional, very good generally at their job, and they need our support. So this debate today is critically important.

As I start on Head 83, looking at the errata pages that were handed out early this morning before the debate started, let me just ask a few questions. Some will be piggybacking on what my honourable colleague said and some will be taking a slightly different approach.

If you look at page B-270, Mr. Chairman, the Minister did mention in his brief that the Parole Board will get extra revenue this year, \$122,000, which is an increase of \$40,000 over the current financial year. And the Minister did say, alluded to extra meetings that the Parole Board had to have. Now, I am well aware of the . . . not only the number of meetings that could be required and the inability to project when a meeting might have to take place (just because of the

business we have to do) but also that the Parole Board when it was set up was one of those boards that has a slightly different fee structure than other boards. For many reasons I supported that because there is quite a bit of work that has to be done, not only in the meetings, but outside of the meetings to prepare for the meetings.

So, a couple of questions to the Honourable Minister, the current financial year had a budget of \$82,000. It is estimated now to finish at \$104,000. So a question to the Honourable Minister, Is that due to the extra meetings? And if that is the case, can the Minister please provide—he will probably not be able to do it today, but sometime in the near future—the number of meetings over the last couple of years so that we can see an increase of these meetings as we have gone along and the estimate for the number of meetings for the current financial year?

And in relation to the Parole Board, as my colleague was drilling down on Corrections, but since the Parole Board is here, I will take my comments on this point. I think recidivism numbers are reasonable numbers to look at and I think we do a reasonable job in Bermuda with recidivism numbers. We have seen them decrease over the past, probably from seven or eight years ago, and we have seen them stay at the low level.

What I think is important for this debate as we look at an increase in funding for the Parole Board—we have seen they have overspent the money, \$22,000 this year, and it will go up to \$122,000 from the original \$82,000 last year—it would be prudent for us as Members of Parliament to have an understanding, Mr. Chairman, of just how many parolees actually come back into incarceration after their original parole. Because if we have those numbers and we know—and I am just going off the top of my head—but if we know that say, for example, 20 inmates were released on parole last year and we know that of those 20 none came back, we are doing the job. You cannot do it any better than that. But if we know that 17 came back, there has got to be a weakness in the system that we need to identify.

So the extra money we are spending for the Parole Board . . . I think my colleagues and I will support it if we know that we are being productive and fruitful in making sure our parolees go out and making sure they are successful in their rehabilitation.

And that is an important point, Mr. Chairman, because when people break the laws of this country and they are incarcerated, that is part of justice. But the real productivity of community is rehabilitation. And so it is important to break it down and make sure that we are being effective by having a system of parole where Bermudians from all walks of life get involved and spend their time doing it, that we are doing it effectively. And we need to see if we can do it better. So that is a question from [page] B-270, [cost centre] 93002.

In connection, staying on that page, Mr. Chairman, in connection with [cost centre] 93007, Disaster Risk Reduction and Mitigation, the Minister did outline that there was \$173,000 that is in the budget for this current financial year.

Here is a bit of the challenge that I have, Mr. Chairman, is that this initiative has been something that the Minister has alluded to on the floor of this House a number of times recently. This initiative has been something that the UK has been very keen to see implemented in overseas territories that are currently under their remit.

This initiative is something that, when I was the Minister, I pushed back on it for two reasons, really. One is that we were facing a real budget crunch. And two, I believed that, at the time, we could make some changes to the EMO organisation to cover some of these things. And I think the UK and Government House bought this approach. When Minister Baron took over, that was the same approach. Now it appears that the Honourable Minister now believes it is appropriate to set up a separate team, and that is all well and good.

Why I bring it up today is because if we take a look at that [cost centre] 93007, there was no money budgeted for the current financial year and we know there was some money spent. The Minister has given an explanation that, I believe, four individuals have been seconded from other parts of the Ministry to do that job. I do not . . . my personal opinion [is] I do not know if that is the most appropriate way to do those type of things because you have shortcomings in the places where those four individuals—highly qualified individuals—left, and maybe the [work they did there] is not getting done. But that is what the Government has decided to do, and if they are comfortable with that approach, as long as it falls within the rules, regulations and procedures that we have to follow, then so be it.

But here we are, now . . . we see \$173,000 that is estimated to be spent in the next financial year. And the Minister did give an elaborate outline of what the team is going to be responsible for—cruise ship exercises, chemical facilities—I do not need to go through all of those. I would ask the Honourable Minister, What does he entail the best use of this group is? And what will the budget be? And how many staff does he believe will be put into that? Right now, unless there is a change, it is four. There is \$173,000 budgeted to that. I cannot believe that four staff and the work required to be done in that will cost \$173,000, so I believe that money must be used from another section in the Ministry and it might be more fitting and appropriate to put it all under this head so there is a good accounting of it and we can track it in an appropriate way and there is no need for supplementaries going forward.

So, because this is important and because it appears that this Government sees the necessity for

this organisation, I would like to know what the long-term plan is, what we expect the capacity and manpower to be and what the budget will be because it is not going to be \$173,000 this year, I am sure [the cost] is shared over other ministries.

Turning my attention now to page B-271, the errata sheet that was passed around this morning, the line item for Travel started in the current financial year, Mr. Chairman, at \$21,000. It increased to \$79,000, an increase of \$58,000. I ask the Honourable Minister if he can give a breakdown of the increase for that travel and the need behind it. I did catch, during the Minister's presentation—although he was so excited about the presentation that he read it quite rapidly, but I do appreciate the presentation—during it the Minister said the increase from \$21[,000] to \$45[,000] was for the DRRM training and travel costs, and I accept that. I have asked what the \$58,000 is in relation to the current financial year.

And, Mr. Chairman, just for the edification of people who are listening, the numbers for 2017/18 now in this Budget Book are the final numbers, so occasionally I will refer to those because this is the first time we will see any changes that might have been made with final numbers in that regard.

Moving on down two line items further, Mr. Chairman, to the line item of Professional Services, I find . . . Professional Services, I know, is one of those areas where you lump a lot of different things in. And that is why I think it is important, not to say they should not be put in it, but I think it is important during the budget debate we can break down some of these line items. So if you take a look at the actual numbers for 2017/18 on Professional Services, the actual original Professional Services number, Mr. Chairman, which you probably will not have in your book because I had to get it from the Budget Book for that year, was \$647,000. So this year we are seeing that it has actually increased to \$842,000, an increase of \$195,000.

So my question to the Honourable Minister, What necessitated that increase? Was it an unbudgeted item? I assume . . . and I do not like to assume much because the old timers tell you what "assume" means, but I would suggest, Mr. Chairman—let me use that word—that this \$195,000 would probably be an unbudgeted item. And I do not know if a supplementary came to deal with gang initiatives and, perhaps, some of the gang coordination wages that we had to pay. So it was \$195,000 over the budget.

And then if we look at 2018/19 numbers (which are on the page in front of you, Mr. Chairman) you will see that that Professional Services line item dropped to \$427,000. So it is kind of . . . it would have me scratching my head that somebody could bring a budget and say, *Okay, we're going from \$842[,000] to \$427[,000]* and accept that. And so what have we seen, Mr. Chairman? We have seen that the revised number for 2018/19 is \$714,000. So, almost a

\$300,000 increase over the budget, and will we see a supplementary estimate come in which makes sure that it is done in the right way? And I will refresh honourable colleagues' memory to the Standing Orders, Mr. Chairman, which on page 52 it says:

Standing order 43(1) "If in respect of any financial year it is found" (and I move to part (b) of that) "that any moneys have been expended for any purpose in excess of the amount appropriated for that purpose by an Appropriation Act or for a purpose to which no amount has been appropriated by such an Act; the Minister responsible for Finance shall cause to be prepared and laid before the House supplementary estimates, showing the sum or sums required to be spent."

In this case, I think, that there might be a need to do that, but I would like the Honourable Minister to explain the [increase] budget from \$427,000 to \$714,000 and—

Hon. Wayne Caines: Say again?

Hon. Michael H. Dunkley: The original budgets estimate for this year going from \$427,000 to \$714,000 and just confirm what that is. I suggest it might be gang personnel, which we have talked about quite a bit in this House.

And then, Mr. Chairman—

The Chairman: Honourable Member, you said "this year." The \$427,000 to \$714,000 was for the year 2018/19.

Hon. Michael H. Dunkley: That is this year, Mr. Chairman. We have not finished this one year yet.

The Chairman: We are doing the budget for the 2019/20.

Hon. Michael H. Dunkley: Mr. Chairman, when I speak and I say "this year" I am talking about where we stand in time right now. We are actually doing the budget for 2019/20, which starts April 1st. But that is a good point. I am glad we clarified it so the listening audience can understand.

So the Budget Book has almost a \$300,000 increase and Minister, I look forward to the breakdown.

Carrying on that line a little further to the 2019/20 budget for the next financial year, we see an increase to \$1.119 million, which is a significant increase. And as part of the errata that just came through, there is a \$500,000 increase from the errata. So I would ask the Honourable Minister if he could break down those numbers for this Honourable House.

Continuing on page B-271, Mr. Chairman, Grants and Contributions, there was a \$200,000 item that was not used. And I am just wondering what that

is and has the money been saved or was it vired somewhere else?

I think that covers most of the comments from the National Security Headquarters. I would like to thank the Honourable Minister for providing some detail on the Gang Violence Reduction Team and the various responsibilities that they have had.

You know, sometimes we get into political debates back and forth, but you know this work had started in earnest a number of years ago and it has had some success. And, unfortunately, we still have the scourge of guns and gangs and violence in our community and we need to continue to stay committed to [resist] it. Because while we will make some progress, it seems that we will have surges and peaceful periods, and the more we work at it I think the more success we will have because it takes a community to make these things happen and to get some results. It does not happen without the community involvement and that is why it is very important we continue to have that involvement.

That is why, I think, successive governments have always spoke and lobbied to get the community involved. So we will support that approach as long as the information comes forward in the most transparent and accountable way.

Just a point that I think is quite important but gets glossed over all the time and, Mr. Chairman, if you take a look at page B-272, my honourable colleague from constituency 19 is not here, so I know she is listening somewhere, and it is one of her favourite subjects to talk about, Performance Measures.

You know I have said it many, many times—in Opposition, in Government, and now in Opposition again—is that we need to make sure that these pages of the Budget Book actually really mean something. They mean something in the interpretation of them and they actually mean something in the debate that you have. And I see them quite short and quite often repeated from years gone by.

So just one small thing I pointed out for the outcome on the first line “percentage of current Throne Speech initiatives that have been implemented” back to 2017/18, it is not 100 per cent. Because they have been talking about the new Police Authority, which was in the budget this year, and the Minister spoke about it. It has not been done.

That is just one of a myriad of things. I say that not to be critical; but to be [on] point. Because in throne speeches there are always a great number of initiatives that are put in, and you cannot get to all of them in that year.

And other things always arise that necessitate your attention. But if we could make these performance measures a little bit tighter and little more explanatory for people, I think it would help us as we move forward.

The last question in regard to—

Hon. Wayne Caines: Point of clarification.

Hon. Michael H. Dunkley: Sure.

Hon. Wayne Caines: Mr. Chairman?

The Chairman: Yes.

POINT OF CLARIFICATION

Hon. Wayne Caines: Mr. Chairman, I am actually confused at the point about Police Complaints Authority with reference to its completion. Are you saying that we took . . . that it was . . . not that we said that the Police Complaints Authority was completed and the Police Complaints Authority . . . excuse me, the Police . . . I just . . . can he clear that point up? I just . . . I am not sure if he said Police Complaints Authority or the Police Authority.

The Chairman: Honourable Member.

Hon. Michael H. Dunkley: Yes, thank you, Mr. Chairman, I appreciate the need for clarification. I hope I said “Police Authority.” I had not meant to refer to the Police Complaints Authority. But the Police Authority is something that you mentioned in your brief today, but it is an outstanding initiative for some time back and I just referred to it in the performance measures where it says the actual outcome from the Throne Speech was 100 per cent in the first column. It was not because of that. Small point, but you know it was just for accuracy.

So the last point I will make in regard to Headquarters (and I might come back once the Minister has a chance to answer questions) and I welcome the PS to be here, and the PS is still relatively new, but I am sure in that Ministry he has learned very quickly. And congratulations publicly on the position and I wish you all the best.

The Minister said in his presentation that partial funding of the gang violence programme, and then somewhere further along he said there was a \$600,000 budget. Is that the total budget? And if the Minister can give a breakdown of what in that budget goes to salaries and what goes to programmes.

So turning on to Head 6, Defence, I will touch on three specific points here and then do a little bit of laundry afterwards as well. The first point is Volunteer Recruitment. I appreciate—

The Chairman: The line?

Hon. Michael H. Dunkley: Volunteer Recruitment, you can put it into . . . it is on page B-274, but you can put it into the line item 16005.

The Chairman: You may proceed.

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

The Minister gave some explanation about the number of camps and, I think, the Minister did say there were 65 recruits in the last year. It seems now that most MPs in this House have supported the eradication of conscription. And it seems since we moved to volunteer recruitment a number of years ago, even when conscription was on the books, that we have had a harder time getting the numbers that are required. So we do not see the 200 camps anymore, we do not see the 100 camps anymore—

[Inaudible interjection]

Hon. Michael H. Dunkley: —but we see 60 to 70 to 80. And that is fine because I think the training is good. And that is fine as long as the roles and responsibilities of the Regiment can meet those lower numbers. So I just want to get clarification from the Minister going forward that if this trend continues, which it probably will because as the Minister said across the floor, the birth rate is down and there are a number of different things that are attached to it, if we continue with 60 to 70 and two recruit camps a year, will the roles and responsibilities of the Regiment be able to be met? And I will come back to that just a little bit more in a short moment, Mr. Chairman.

So, looking at the numbers specifically on line item 16005, Recruitment, there is \$54,000, Mr. Chairman, that was due to be expended in the current financial year 2018/19. It has risen to \$107,000 for this financial year. Can the Honourable Minister please provide a breakdown of the reason for this increase of \$53,000? I am sure it is probably because of the two recruit camps, but if we were doing the budget over a year ago for the current financial year, I would assume that we would have taken into account that we would have to have the two recruit camps.

I see that, you know, for the next financial year starting on April 1st that there is a much more significant increase to \$312,000. I would ask the Honourable Minister to provide a breakdown as to how that significant amount of money will be used. I am sure that it allows them to have the flexibility and the latitude to promote what they are doing in a much more appropriate way, but I think my colleagues and I would appreciate a breakdown of how that money is going to be used because we want to support the Government in getting those numbers to come forward.

And I take this opportunity to urge young men and women to get involved in your community because it is very satisfying to be part of a team, to learn new skills, to use those new skills. And, as the Minister said before, and the successive commanding officers have said, the skills you learn there will benefit you for the rest of your life and will help you in another career. And I honestly believe in that. So I appreciate the Minister's feedback in that area.

Mr. Chairman, my colleague has talked a bit about the Coast Guard and I want to reflect on that a little bit because it is an important initiative that has been talked about for a number of years in our community. And there has been general agreement by successive governments to do it. Obviously, it always comes down to money, especially when you are facing tough times—

An Hon. Member: Always money.

Hon. Michael H. Dunkley: Always money. But when you face tough times, you know, sometimes you make a decision that you cannot put a programme in [now], but you have to start somewhere and you have to do it. And that makes it important, Mr. Chairman, that we have a comprehensive plan on how we would do it.

Now I remember that when we discussed it there were a number of different options that were offered, and we wanted to get the programme moving so we selected an option. And so I am a bit concerned, Mr. Chairman, because when the budget was tabled for this current year—it was tabled last February—before we even had the Budget Debate the Minister gave a statement about the Coast Guard and that we were going to vire some money from various heads to make it happen. And that is all well and good if the Minister believes that this is the appropriate way to go.

What I would like to get is some comfort and understanding that as we develop this plan—and the Minister did refer to it in his brief, that the development of a full-time Coast Guard . . . and it had to be maybe 9, 10 or 11 different important points involved (I was trying to write them down but my writing is not that fast) but it was law enforcement inshore, search and rescue, support of HM Customs and [to combat] smuggling, working with the BPS in a joint hybrid model, joint operations with the BPS, support fishing regulations, support Marine and Ports for maritime regs, support maritime and border security—there is a lot in that. And so when we look this year \$349,000 was spent for this current financial year, which ends at the end of this month, there is no money put in for the next financial year.

But with the development of the Coast Guard there are going to have to be significant resources, so I suggest to the Honourable Minister that it would be very prudent for my colleagues and I to have an understanding of what the Government envisions is the model that they have—not the responsibilities because you have outlined those quite clearly—but what is the model? How many people does it involve in the first, second, third, fourth year? What [amount of] money is involved in it? What is the equipment that it needs to [be purchased] to run?

So, you know, it is obvious that the Government has a schematic of a plan, but we do not know much about the budget, we do not know much about

training, and we do not know much about the implementation time frame. Because there was a commitment to sometime in June last year and I believe that commitment has moved on from us at this point in time.

This is an important initiative that we have to get right. Now, it is always about the money, so I want to know what the plan is, how the money will be wrapped around it, the individuals concerned, training and things that I have outlined. And you know we support this initiative. But I have to imagine, based on comments from the Government about the need to move forward . . . I would have to imagine, Mr. Chairman, that the Regiment and the Bermuda Police Service are in a somewhat difficult position because they are working together to make sure the responsibilities (as they currently are aligned) are still in place. And that relationship cannot continue to work.

The police have some boats, the Regiment has some boats. That equipment is not cheap. So if we have a plan we need to have money wrapped around that plan and we need to make sure that we are accountable to this House, to the people in Bermuda, with the money wrapped around the plan.

Mr. Chairman, I turn to page C-7, I think it is (yes, C-7), for a short period of time, Facility. As the Minister knows, the Minister was an officer in the Regiment so he is well aware of the facility, probably every nook and cranny up in that facility. Unfortunately, one of the challenges that we have [is that] government has hundreds of buildings. I think the Shadow Minister of Public Works said over 700 buildings at one time when we were having that discussion and with that the necessity to maintain those buildings.

The Regiment is on a footprint that has need of repair along the way and there is nothing in [here] for the estimates for this financial year. And the question to the Honourable Minister is not so much the cost of what needs to be done, but is there a plan that has been moulded to look to make sure that over time and depending on what money Government can put to that, that the Bermuda Regiment will get the attention it needs in certain parts of their facility? Because as far as I know that footprint is not changing and so we need to have a plan that we can work over time and when we can apportion money to it in the appropriate way.

Mr. Chairman, I turn my attention now to the Police on Head 7, [page] B-277.

The Chairman: Yes, you may proceed.

Hon. Michael H. Dunkley: Thank you, sir.

Let me start by saying that, you know, this is one of those security service departments that are critical, but it is one where the roles and the responsibilities change so fast depending on what is going on in the community and how the world and our community changes. And so, you know, I appreciate the way

they adapt and the way they get things done. And I want to continue to express my support for the Bermuda Police Service and I want to publicly take this as the first budget that the new Commissioner of Police probably has had the opportunity to be involved in—I want to congratulate the Commissioner and his colleagues for the work they have done.

My colleagues and I do notice the community involvement that is taking place, we do notice the need to continue to bring partners on board in the community, and that is an approach that we will support going forward.

Let me use this opportunity on this head because it applies to other heads, that in the Budget Book, sorry, in the Budget Statement that the Minister of Finance read out, it said that the pay awards for some civil service personnel would be 2 per cent. Now, in the last Budget Book it said the pay award for civil service would be 2.5 per cent. So, I have a question . . . a couple of questions. Which number is right, 2 per cent or the 2.5 per cent?

And a question pertaining to these heads, Mr. Chairman, is, Where do we stand with the negotiations with the Police, with Corrections? I assume the Regiment falls in there and the Bermuda Fire and Rescue Service fall in there as well. And I know in all of those negotiations they are somewhat complicated because the police have a different scenario with their health care and the cost of the health care. So I would ask for an update from the Honourable Minister, Where do we stand with the negotiations? And has the money been built into the budget? I think that is the critical question: Has the money been built into the budget?

I know that not too long ago . . . the negotiation team has changed over time, but I understand that when all is said and done and when all the agreements take place it will have to be backdated to 2017. So, the longer the clock ticks the more challenging it normally is to get something done, and the more money it is going to cost because it has to go back to a couple of years ago. So, has any money been built into these organisations who have not yet been approved [for pay increases], and where do we stand?

My honourable colleague spoke about drones in a number of areas and I just—

The Chairman: Line item, Honourable Member, please.

Hon. Michael H. Dunkley: I am talking about line item . . . I am on [page] B-278—

[Inaudible interjection]

Hon. Michael H. Dunkley: No, it does not say drone, but it does talk about services that could be . . . services that are provided under the police.

And so I do believe that here, and also in Corrections, this is a relatively inexpensive way we could have security services work together to be successful in certain areas. And I do believe there might have been a pilot programme from a couple of years ago and I would urge the Honourable Minister to look at that and provide some updates on where we might stand.

Staying with [page] B-278, there are a couple of areas generally that I wanted to touch on. My colleague focused in on the fleet for the Bermuda Police Service, whether it is cars, bikes or other types of vehicles, and through reference to the Minister's comments that resources were in need and asked some very pertinent questions. What I find interesting is that . . . and as my colleague said, the Bermuda Police Service use their vehicles 24/7. Probably somebody gets out of a car and somebody else gets back in the car at the end of the shift.

What I find interesting is that there were \$300,000 allocated (and you can go back to [page] C-14, I believe it was, Mr. Chairman, \$300,000 allocated) for vehicles in the Bermuda Police Service in 2017/18, and only \$267,000 was used.

This year there is \$150,000 for that and . . . you know, that probably only buys two cars. But the Bermuda Regiment has an allocation for vehicles of \$200,000. And I found that quite striking based on the Minister's comments that the budget was probably a bit short in certain areas. So I want to support my colleague in understanding the age of the fleet of the Bermuda Police Service. And I think it is important to know how many vehicles are currently off the road, and are those vehicles able to be repaired or are they past their effective use date.

And the same thing applies with the police bikes. I know some of those bikes are back probably from 2010 vintage. And because now roadside sobriety is very important—and I commend the Government for making it happen. And the police are being quite effective with the number of days that they do it, it is being done to a large extent by officers who are using bikes, in many cases, and the stepped-up policing of our roads is done by bikes. So I think we need to support the police in making sure that the resources that we have can be fixed and repaired and that we are not impacting policing in any way because we cannot get the number of cars or bikes on the road, and that reflects basically right to page B-278.

Staying on page B-278, Mr. Chairman, if you look at the line item that deals with Drugs and Intelligence Division, 0708, you will see that the budget for the current financial year 2018/19 was \$2.788 million. You will see, Mr. Chairman, that the budget for the next financial year starting April 1st will be \$2.574 million, so that is a \$214,000 [decrease]. I would like to understand from the Honourable Minister the reason for that decrease. Obviously, policing is much more complex than it used to be and with the PACE regula-

tions there is much more that they have to pay attention to in making sure that they are conforming with the rules, regulations and procedures. We have financial crime, we have corruption, there is a new corruption and bribery Act that was put in place. We certainly have violence that hits our community, whether it is gun crime or murder.

And so questions arise around the reasoning for the reduction in investigations, because I know there has got to be many investigations that are taking place. So the questions to the Honourable Minister is, How many open investigations are there at the present time? How many investigations are unsolved and are cold cases? And what is the percentage of conviction on charges that are brought forward?

Now, I ask these questions and the Minister can answer in the way that he believes appropriate because I do not want to delve into any specific investigations because that is the remit of the police and we should allow them to get on with their job. But I want to make sure that the \$2.574 million that we have that is put towards that—a reduction—can actually get on and deal with investigations. Because in talking to family and people that I know who have been impacted by crime, certainly serious crime, one of the first things that brings them some type of comfort is to know that it is in good hands, that it is being investigated and justice will be done. And so it is important to know just how many cases we have that are unsolved . . . the percentage of total investigations that are unsolved cold cases, and the conviction rate we have when we [prosecute the] crimes that take place.

I guess another way to look at it is how much money is devoted in the Drugs and Intelligence Division or Scenes of Crime Unit—whichever one you want to call it—how much money is devoted to active cases and cold cases? And I think we need to support that as it moves forward.

I note, also staying on page B-278, Mr. Chairman—

The Chairman: Yes.

Hon. Michael H. Dunkley: I note that the line item 17120, Marine and Road Policing Unit, has a budget of \$475,000 which is unchanged this financial year to the next financial year. And I ask the Honourable Minister if he can provide a breakdown of how much of that actually is for marine and how much of that actually goes to the Road Policing Unit.

The Chairman: Yes.

Hon. Michael H. Dunkley: And as an offshoot based on what my colleague and I had been talking about earlier, how is the relationship worked this coming financial year between the police and the Regiment as far as our maritime policing? Are the resources going to be used for both [authorities] as we have [been do-

ing] with the money coming from both as needed and we to use it in an appropriate way? And how will we make sure that the budget is open and transparent and allocated to the appropriate heads?

Staying on Police, Mr. Chairman, if you go back to the end of the Budget Book to page C-14, I appreciate the Honourable Minister's mentioning the generator and the police computer systems update. There has been talk the last couple of years about using the CCTV system in more enhanced ways, and my honourable colleague touched on that, and I want to support that. And so a question in relation to that as we do move forward because some of the things that were said in the last year's budget are the carbon copy of what was said this year, you know, maybe speed cameras . . . enhanced use of it in certain ways, but Mr. Chairman—

Hon. Wayne Caines: Point of clarification.

The Chairman: Honourable Minister, you may proceed.

POINT OF CLARIFICATION

Hon. Wayne Caines: We just need to make sure we are talking about the right CCTV cameras. There are CCTV cameras for the headquarters and there are CCTV cameras for the country. To which is he speaking?

The Chairman: Thank you, Mr. Minister.
You may proceed.

Hon. Michael H. Dunkley: The country, unless we need cameras at the headquarters to watch speeding up there. But my question relies . . . goes back more to page C-14. The line item 76902, Public Safety COM System of \$3.1 million, can the Honourable Minister give a breakdown of how that is going to be allocated in this financial year? There was \$895,000 for the current financial year that has been used, so if the Minister can give some explanation of that.

Turning to page B-281, Mr. Chairman, there is a performance measure that says the annual cost of absenteeism among police personnel and the original forecast for 2018/19 was \$800,000. We see the actual outcome for 2017/18 now is \$936,543. That is a significant amount, but you have to remember that there are, you know, a lot of personnel in that department. So the revised forecast for the current financial year now is \$1.09 million and the targeted outcome for the next financial year is \$900,000.

So can the Honourable Minister please provide some understanding to my colleagues and I . . . the reason for an extra \$200,000 as the performance measure for the annual cost of absenteeism?

Now let me say so my comments are clear that it is a hazardous job at the best of times. But if we

see estimates or performance measures continuing to increase I think it behoves us, certainly as Opposition Members, to drill down and examine and to support the Government in trying to make sure we are more efficient, or to deal with the challenge that there might be within the Bermuda Police Service. So, while we know that it is very difficult to make their job less hazardous than it is, certainly in the times that we live in, it is important that if absenteeism is on the rise [and] it is costing the taxpayer more, that we take a look to see how we can make sure that we improve it where we can.

I was a little bit concerned—staying on that on page B-281, Mr. Chairman—a little bit concerned, if you look right at the bottom, at the percentage of reserve officers in the BPS establishment, the original forecast for the current financial year 2018/19 was 25 per cent and it has dropped to 10 per cent. It is 10 per cent next year. The number of hours per annum duty performed by the Bermuda Police Reserve was targeted at 18,500 and now it is going to be 9,000 for this financial year revised, and next year it will be 8,500.

I have always been a big supporter of the BPS Reserve and there obviously seem to be challenges in getting the numbers that we need and I ask the question to the Honourable Minister, What is being done to supplement, to augment those numbers? Because I think they play an important part and they are very professional. In fact, I know a number of individuals who have in the Reserves for a long period of time and I give them all the credit in the world for coming forward and getting involved, and it certainly helps our community. And I am sure they get a great deal of satisfaction out of it, so I [would] appreciate some overview from the Honourable Minister on the reason for that downward trend, which does get a bit concerning.

The last question I will have in regard to the police, the Minister did say in part of his brief that they were going to do their best to optimise tech—that was the word he used—so I am sure he can tie in some of the questions I asked in how we are going to optimise tech. I believe that with the camera system we have all over the Island, there are great uses for that camera system—great uses and improvements that we can have—as my colleague referred to.

And I think now it is time we will action it. It will cost us money to do it, there is no doubt about it, but the return on that investment, I think, will pay for itself in a very short period of time. And it is important that we actually use the system because we pay good money for it, we can enhance it in certain areas and, you know, optimising the tech just for regular tickets . . . simple tickets like running stop signs [and] more important tickets like speeding.

And also, you know, I know the Minister, in my belief, is keen on using the cameras to allow some of the communities who feel less safe than others . . . I

think we need to consider if we need to add cameras in communities where they will feel more comfortable having more cameras added into the system. So, I appreciate any update that the Minister can provide on that.

So, turning now to Customs on page B-282, Mr. Chairman, mostly people only identify Customs officers when they come in at the airport and they have got to clear Customs and Immigration, but they have important responsibilities and they have critical powers too. And so my question goes back to—the same with the police—where do we stand on the pay raise on the 2.5 [per cent] or the 2 per cent? And is it built into this budget?

One of the things that has been talked about over a number of years is the filling of vacant posts. And I am pleased to see that although there are 237 positions at [page] B-283, Mr. Chairman, there are 237 positions that have been approved for some time within Customs, that we are staying at the numbers, you know, just over . . . just north of 190, and they appear to be able to accomplish their responsibilities that fall within that.

However, with an organisation as large as Government it is very important that senior leadership positions are kept to the highest degree that we can, and that when people move on we have people who are ready and willing to step up. And I ask the Honourable Minister, What is being done about the future for senior leadership positions within the service? I know the Collector of Customs, who, I think, has done an admirable job for a number of years, has expressed some views on retirement over the past couple of years.

So I assume because her husband is now retired and he is using his boat to fish or whatever, that retirement will not be too far from her. Not that I am saying that I would like her to retire, but proper succession planning is important, especially for a critical department like the Customs Department. And so I ask the Honourable Minister to provide some update on that.

I thought it was interesting, Mr. Chairman, where the Honourable Minister referred to the various roles as associated with the line items on [page] B-282, such as Vessel Clearance, Interdiction, [and the] Sea Port Enforcement Team. And the question to the Honourable Minister, Now that there are significantly more cruise ship arrivals coming with more passengers, what is being done to ensure that there is the right amount of inspections taking place? The budgets have been relatively consistent over time, but I do see the Interdiction budget this year on [cost centre] 22100 has an increase of 4 per cent, or \$169,000.

And the Minister can correct me if I am not accurate on this, but interdiction, in my view, does not pertain to the ongoing and regular occurrence of vessel clearance as [they come] to the Island. And so the cruise ships, when they come to the Island, I am as-

suming they now fall into the vessel clearance category and this budget has not been increased from one financial year to the next. And I wonder what impact that will have with more cruise ships coming to the Island.

Turning to the next page B-283, Mr. Chairman, if you look at the object code description under expenditures, the very last line, Other Expenses—

The Chairman: Yes.

Hon. Michael H. Dunkley: —it says that in this financial year 2018/19 there is \$231,000 to be spent. It was not budgeted, but it is to be spent. And I assume there will be a supplementary coming for that. Can the Honourable Minister please provide some background on what that number is?

I am interested to find . . . and I did step out a for short time when my colleague was making his presentation, but on the Output Measures on page B-284, Mr. Chairman—

The Chairman: Yes.

Hon. Michael H. Dunkley: —I am interested to know why, [comparing] airport Shift A and airport Shift B, there is a big difference in the seizure of illicit items. One has 4 and one has 210. I would appreciate some clarification from the Honourable Minister.

Turning my attention to the Department of Corrections, Mr. Chairman, the same thing applies there in regard to the pay negotiations and senior leadership positions. What is particularly more interesting there in the senior leadership positions, Mr. Chairman, is the fact that the Commissioner of Corrections was seconded to, I think, the Ministry of Finance, and now recently has been seconded to the Cabinet Office. So the . . . there is an Acting Commissioner of Corrections. And the question to the Honourable Minister is, What . . . well, I was going to say what is going on, but the Minister just came back into the room. But I was going to ask for how long this position will stay acting, but more importantly, because there has been discussion over the past couple of years about staffing within Corrections and senior positions within Corrections, what is the succession planning for the senior positions in Corrections? I think that it is important to have a strong organisation.

Minister, I might have missed it when you were going through the presentation, but you did outline the numbers at the Farm facility, but the actual numbers in the Co-Ed and the actual numbers for Westgate, I did not catch those. So, if you could just repeat them because I got 93, but I did not get the other two numbers.

And I will jump to the Output Measures real quickly because when people get into discussions about—

The Chairman: What page, Honourable Member?

Hon. Michael H. Dunkley: Page B-288.

The Chairman: Thank you.

Hon. Michael H. Dunkley: When people get into discussions, whether it is politicians or concerned members of the community, about the cost of Corrections, they say . . . in this year's Budget Book it says "the average cost of incarceration per inmate is \$71,595" and that is based on maximum capacity. However, that is an output measure that we need to refine because if maximum capacity, as it says, is the total expenditure divided by 372, if you have got 200 inmates up there, your costs are not changing.

So I think we need to have a better performance measure rather than cost per inmate based on maximum capacity. Because we have not had maximum capacity in Corrections for a number of years and there are a number of reasons behind that—because, you know, the electronic monitoring devices, because of the effective use of parole, and all those things—so, you know, I would rather for a budget debate have a number that can mean much more to us than that.

Going back to page B-286, Mr. Chairman—

The Chairman: Yes.

Hon. Michael H. Dunkley: —the Honourable Minister did say that there was only one psychologist available and that they were working hard to get the other two.

[Inaudible interjection]

Hon. Michael H. Dunkley: And they are filling in with consultants. So there are a couple of questions here. How much have we paid for the *ad hoc* consultants over the last financial year? Because my honourable colleague did point out that the budget had gone up from \$429,000 to \$509,000. So how much did we pay for those *ad hoc* consultants? But more importantly, this is not a new issue. This issue has been going on for as long as I can remember politics. And when I was a Minister one of the most important things I tried to do was to make sure we had three psychologists up there just because of the key nature of what was . . . what was involved in that.

[Inaudible interjection]

Hon. Michael H. Dunkley: And I hear the Honourable Deputy Speaker say *we are not debating that*. But the Honourable Member can have a chance to say . . . I am trying to provide some context here. If . . . if we have a hard time in filling those positions—and that is a fact—it would be important to identify why it is so hard to fill those positions, why it is so hard to retain

those people for a period of time, and what can we do about it. Because, you know, it has got to come down to a combination of a couple of things. One, it might take too long to fill a position where these well-trained, well-qualified people, by the time you get back to them and say, *Mr. Jones, it's your job*.

They say, *Sorry, I already accepted another job three months ago*. It could be that. It could be the process is taking too long.

It could be one of salary—

The Chairman: Yes.

Hon. Michael H. Dunkley: —and, Mr. Chairman, if it is one of salary and we cannot retain people, but then we end up paying for *ad hoc* people to come in and spend a higher amount of budget, it would make sense to pay the appropriate salary.

The Chairman: Mm-hmm.

Hon. Michael H. Dunkley: All right? So I look forward to hearing some comment from the Honourable Minister.

I have a question to Honourable Minister.

The Chairman: Line item . . . line item?

Hon. Michael H. Dunkley: Line item [page] B-286, Educational Services. It says that the Educational Services, the \$300,000 attributed to this programme, and I assume that is the cost of the education manager and all supplies. And there was a comment in the paper today that the gang coordinator and the education manager at Corrections got the same remuneration. I would like confirmation that this is the case, that it is the same remuneration [of] \$125,000 a year. Because if that is the case, then we have only got a small amount of money for all the other educational services we have out there. And it is critical that the inmates up there have services that are required.

I already dealt with parolees in another area. I am aware, Mr. Chairman, that there . . . obviously, there is always fluidity in Corrections with at least four locations that the organisation is run from, whether it is headquarters, whether it is Westgate, whether it is the Farm, whether it is the Co-Ed facility. The Honourable Minister talked about the therapeutic community centre and it was displaced for a while and now it is back there. We spend a significant amount of money, I think the Budget Book in the back pages it is about \$156,000, for the Headquarters up in the Clock Tower. It is a nice headquarters. Is there any opportunity to look at moving those back within premises again? And I say that for a couple of reasons. I always thought it strange to have the headquarters up there, but if you are stressed and you need the facilities, that would be an appropriate place to put them. But, you know, if . . . if the Commissioner or any supporting

staff have to go from their headquarters up in the Clock Tower to St. George's that is a long drive unless they take the ferry, and the ferry does not run all day long.

So, now that Government is looking to bring stuff back in-house, and the Clock Tower is a nice resource to rent out in other areas, is there any place within the premises that we can bring those 12 staff back to, as per the Budget Book?

In relation to the Therapeutic Community Centre on line item 35090, I would just like some input, feedback from the Honourable Minister on how many people successfully graduated from that programme in the last year. I am well aware of the importance of that programme and the success it has had in the past.

[Inaudible interjection]

Hon. Michael H. Dunkley: The therapeutic community programme that you have within the facility.

The Chairman: Line item 35090.

Hon. Michael H. Dunkley: Thank you, Mr. Chairman, you are pretty sharp, man.

Turning to the Bermuda Fire [and] Rescue Services, Head 45, [page] B-295. It is interesting if you look at the Hansard from last year, and as my colleague talked about, a lot of the output measures are similar—to *replace the ageing ambulance, which provides emergency medical care for the East End of the Island*. So the money was appropriated in the budget and has not been used. *To replace the self-contained breathing apparatus, to employ 15 new recruits* . . . so if the ageing ambulance was a critical factor for the current financial year, has that provided any shortcomings over this financial year, because the number of calls is quite significant and the amount of time that those vehicles are on the road is quite significant.

I am pleased to see that the turntable ladder . . . one year down payment has been made and the next is coming. You know, it is an expensive piece of equipment that does not get used often, and people make excuses about it from time to time. But it is a piece of equipment that needs to be in the arsenal.

The Honourable Minister . . . a question in regard to . . . and this falls into page B-295 and General Administration. I look for an update on the implementation of the Fire Safety Act. And the reason why I said that is because that was probably one of the most drafted pieces of legislation that we had—I think it was 14 or 15 different drafts of it—that has implications to the community as far as safety, obviously, but also cost. And it is a cost to the Bermuda Fire [and] Rescue Service, so just an update on how that is being implemented and how we will handle the cost for it to go forward.

I might have missed it in the presentation the Minister gave, but last year they talked about the implementation and installation of five fire apparatuses, the mobile data terminals, and I am just looking for an update on those, if they were installed, and if they are continuing to install more of those in there.

Last year there was a great deal of conversation about investigations. And, Mr. Chairman, in everything that has come back to me the Bermuda Fire [and] Rescue Service do a fantastic job of investigating fires and that takes experience and well-trained personnel. I am just curious to know the outcome for the investigation on the fire on Front Street and the outcome for the investigation on the fire at Robertson's Drug Store in St. George's.

And I say that because significant resources were tied up into that and when you have large fires like that, thankfully, Mr. Chairman, we do not get them that often . . . if we can learn something from them on our techniques, or if things need to be improved as far as regulation or how people handle their buildings, whether it be a dwelling or a business, I think it is important that we implement those. And I think there was a commitment to make some statement on both of those investigations and I have not heard anything at this time in regard to those. So I thank the Honourable Minister in advance for that.

Mr. Chairman, I just have . . . and I am looking for the line item. The Honourable Minister gave a statement a short time ago about payoffs or pay-outs to 26 individuals who made complaints to the Police Complaints Authority. I would ask the Honourable Minister where the funding has come from, which line item is it budgeted from, and will there be a supplementary estimate for that?

The Chairman: Thank you.

ANNOUNCEMENT BY THE CHAIRMAN

HOUSE VISITORS

The Chairman: While I have a break, I would like to recognise the presence of the Attorney General and the various Senators from the Government.

Thank you.

[Committee of Supply, continuing]

[Inaudible interjections]

The Chairman: Are you done?

Okay. I would like to invite anybody else who would like to speak to Heads 83, 6, 7, 12, 25, and 45 for the Ministry of National Security. Is there anybody else that would like to speak to the Ministry and those heads?

No?

Minister, you may proceed with your responses. Well, you have approximately one hour left.

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

The Chairman: Yes, thank you.

Hon. Wayne Caines: Mr. Chairman, I am just going to answer these questions in no particular order as we have prepared responses to questions that were posed this morning by MP Smith and MP Dunkley.

The question was asked: The parole increase, why the increase and how much? The increase to the Parole Board is \$40,000. This is to cover the payment to the Board of fees due to the increase in Parole Board meetings.

Mr. Chairman, there is an increase and it is based on there being a number of people that are being considered for parole. There is another segment to that which is in contemplation of there being a review meeting. So a person comes and they [meet] the Parole Board. And after they [meet] the Parole Board there are specific meetings that are set up after that for different people who have been released from their incarceration. And they come back for parole review meetings. There was opportunity, and people said, *Well, just why are you having so many meetings?* Well, the meetings are held on a once-a-month basis in the main. But the challenges are that these are people that have day jobs, so you cannot have meetings all day. So there are prescribed meetings for two or three, maybe four hours a day, max, obviously, because people have to go back to work.

The DRRM (Disaster Risk and Reduction and Mitigation), what is the overlapping with the EMO? Just a general point of understanding, the EMO is an *ad hoc* committee that comes together when there is a crisis. So their planning is not something that takes place on an every day . . . on a regular basis. If there is a hurricane that is coming to Bermuda, or if there is a natural disaster, this committee is actually formed thereupon based on the imminent threat to the country. It does not allow us to plan for the future. It does not allow us to look at contingencies. It does not allow us to look at best practices. It does not allow us to talk about cybersecurity. It does not allow us to work on terrorism . . . threats of terrorism.

Now with the DRRM we are able to segment the training, segment what the country is doing with reference to threats—imminent threats to Bermuda—and put planning in place with specific people from different departments. The EMO has never had any full-time staff. Under the previous Government they had a senior police officer who coordinated the EMO activities. He was seconded full-time, and now heads up the DRRM. He is also the national disaster coordinator, the EMO coordinator, and the national events coordinator.

The DRRM costs overlap with other agencies. It does not consider all other staff costs (that was the question). The answer is: The salaries of the DRRM team are paid by the original departments for the duration of the project.

Now the question is: Why are we taking people from other different departments and creating the Department of Risk Reduction and Mitigation? The reason why is simple. It is one of money. If we had the opportunity . . . we saw from the Foreign and Commonwealth Office that they highlighted the fact that this was something that all of the [BOTs] [British Overseas Territories] had to do, this was something that we had to realise as a country.

The Finance Minister . . . and when we talked, everyone had departments. But you cannot at one bite of the cherry say, *Listen, this Government must be prudent. This Government must understand the debt ceiling. This Government must know what its limitations are financially.* We are responsible. And as Ministers of Government we have opportunity to look at what the budget is overall and make the necessary changes, adjustments to affect our debt ceiling, to affect the budget overall.

And one of the things we had to do differently on this occasion . . . and I will be the first to say it is not the perfect set of circumstances. It was my first and it was my wish to have the DRRM squared away, allow them to have all the facilities that they need, to have a designated budget for them to go forward. However, the budget does not allow for that. So what did we have to do? We had to look from within our departments, find key people, find people with the necessary skills, and make the best out of this situation. There is a plan in the not too distant future to look at making . . . to regularise this position. But you saw it. We had to do the same thing with the Bermuda Regiment. Yet, we are doing the same thing with the Coast Guard.

So we cannot say with any degree of certainty that next year this is what the numbers are, because it is based on the budget. If you look at the numbers for the Ministry of National Security, it is \$134 million. Well, we did not increase that because we could have come in here with a much larger budget with all of those things considered. Look at the number—it is still \$134 million. Look at the Police—\$64.5 million. Look at the police numbers again this year, \$164 million, in contemplation of the bigger budget.

And it is not done in absentia, but considering a number of other factors. So when you look at these things in a silo and then separate them, you say that this DRRM has not been considered properly. That is not correct. It has been considered properly based on the limitations that we have with the budget. We have had to work within those limitations to make sure that we have considered protecting all of the national vital interests of the people of Bermuda, and we have done so. And how have we done so?

We have a police inspector and he is representing the police, he is being paid \$117,000 a year. His name is Steve Cosham [and] he is salaried up until June 9, 2018. A Fire Divisional Officer, he is being paid \$112,000 per year, his name is Troy Furbert, and he is responsible, obviously, for the fire elements of it. We have a police sergeant, Mr. Lyndon Raynor, he is responsible for the event planning elements of it, he is being paid \$107,000. Warrant Officer Class 2 Llewellyn [Dean] Rubaine, he is responsible for putting all the military expertise behind the National Plan. Principal [Customs] Officer Kelly Trott, at \$104,000 a year, she is responsible for putting together all of the maritime . . . she is responsible for putting together the strategy with reference to the cruise ship terminals.

And that helps make up . . . and the total budget with salaries and the training piece is just over \$813,000 that has come from the requisite departments.

The next question was: If you have people that have been seconded from specific government departments, how does their being seconded affect the day-to-day running of the ministries from which they have come? The six seconded staff have brought contingency planning process from their home departments to the DRRM. In many cases this planning was not either completed or very little work had been carried out.

Actually, let me correct that, I just wanted to go . . . what is the effect on the departments the six staff are coming from? And I just want to talk about the six people are responsible for.

The Chairman: You may proceed.

Hon. Wayne Caines: Thank you, Mr. Chairman.

By centralising staff from within the Ministry, this allows for good collaboration in helping to develop a National Plan, which includes an Airport Emergency Plan, a Cruise Ship Plan (to include a mass rescue plan), the Marine Pollution Contingency Plan, the Counter-Terrorism Plan, updating Key Points Installation Plan, the National Cybersecurity Plan and Government's Cybersecurity Plan, the Chemical Facilities Contingency Plan. This also includes planning for national events and the coordination.

To clarify: Steve Cosham is responsible . . . he is the National Disaster Coordinator. He is seconded from the BPS. He leads on hurricanes, counter-terrorism, public health, climate change and adaptation. He is a member of the Airport Emergency Planning Committee.

Kelly Trott, the Principal Customs Officer. She leads on the Seaport Security Committee, cruise ship planning, mass evacuations, airport emergency planning.

Troy Furbert, the Divisional Officer. He is seconded from the Bermuda Fire and Rescue Service.

He is responsible for hazardous materials, chemical facilities, and BELCO plants.

Warrant Officer Class 2 Dean Rubaine has responsibility for revamping key point installations that are critical to key national infrastructure. Key points, Mr. Chairman, these are specific installations to Bermuda that, if there was a national emergency or national disaster or something with international security, they would come under the most risk. So BELCO would be one of the key installations.

The Chairman: Yes.

Hon. Wayne Caines: So the key operating plan is then for all the key points in Bermuda—Mr. Rubaine is responsible for putting together a plan around our national key infrastructure. He is responsible for the regional tsunami exercise and for putting together our hurricane planning.

Stuart Daniels, he is a security manager. He is seconded from the ITO Department. He is responsible for putting together our ITO strategy.

Lyndon Raynor, police officer, sergeant—he is the National Event Coordinator. He chairs the Joint Agency Event Safety meetings team. He is responsible for all agencies that contribute to safety at professionally run events. He also has to handle all national disaster plans. [We are] by nature a small Island, so he is responsible for putting the plans together around making sure that Cup Match is safe, the Triathlon. If we were to do a similar event to the America's Cup, he would be the person who would head up the National Event Planning Authority, making sure that all agencies are working together, a plan that covers the national infrastructure.

What is the plan to make the people permanent, and how do we deal with the staff shortages? The six staff seconded to the DRRM [Disaster Risk Reduction and Mitigation] . . . under the previous Government it was realised that one person could not complete all of the tasks that were being asked of him and extra staff would be needed. Under the previous Government, again, a review was completed on our disaster management capabilities, which were measured against 64 standards. Bermuda did not pass one standard—

The Chairman: Hmm.

Hon. Wayne Caines: —due to, mainly, there being no disaster management legislation being put in place. They wanted to lay the foundation for a disaster management programme and to codify the remit of the Emergency Measures Organisation [EMO]. The previous Government did announce a plan to draft this legislation. The disaster management legislation has been drafted and, when enacted, will formally establish the DRRM and codify the EMO into law.

In other words, the previous Government indicated that they would draft legislation to put in place the DRRM and codify it, and make sure the EMO had the necessary elements to put this in place. It was not done. This Government came in and we are now enacting a plan that was not acted upon as promised.

The Chairman: Thank you.

Hon. Wayne Caines: The disaster management legislation will be drafted and it will establish formally the DRRM, and will codify the EMO into law. This will cause the National Comprehensive Disaster Management Plan to be written and to establish the staffing of the DRRM. At this time it is expected that other skill sets outside the Ministry of National Security will be added.

Now, the DRRM team includes health management for disasters, as one of my colleagues in the Opposition asked about the health management elements of the disaster. This Government is looking at legislation, and steps are underway to start drafting. In other words, we understand that it is untenable for us to continue with pulling people from each department. It is going to require some legislation. After the legislation is put in place we will start at the drafting process . . . excuse me, we start the *consultation* for the drafting process. When that is completed, we then will obviously know the process. It will traverse to make that become law.

What requests have been made by the departments to have their staff members returned? The answer: The Minister is meeting with the department heads and the resourcing unit as part of ongoing discussions.

Explain the differences [of] Professional Services on [page] B-271. The \$500,000 from Immigration to Professional Services will bring the total to \$1,119,000.

The Gang Unit: How can all of this be done with one person? The question refers to the job descriptions of Pastor Bean and Darren Woods. The team does, indeed, only consist of two people. And the Ministry is well aware of how they are stretched thinly, and overworked, and constantly required to perform at a high level late into the night and, often-times, [on] the weekends. The team has built strong working relationships and partnerships with various government departments, quangos, and community stakeholders, and relies on their assistants to support and implement the coordination of programmes, services, and initiatives.

So, the question was, you have Pastor Bean and you have Darren Woods and these are two men. And you have given us a litany of things that they are responsible for: How will these men carry out their responsibilities? It is plain. [As] an example, there was a programme at the Elliot [Primary] School, and Darren Woods is the coordinator of the education pro-

gramme. But when he musters at Elliot School there is an education officer that takes the primary lead. There is another community programme director that also takes the lead. And so when he goes into the room, he is not the primary person responsible for it. He is the coordinator that is actually overseeing (that is my word), but he is the person, the conduit, for making sure all the programmes take place.

So you see when you have MOM Bermuda [Mothers on a Mission]. . . MOM Bermuda is another example of having Darren leading a community programme. The MOM Bermuda is a programme for mothers (or close family members) who have suffered the loss of a loved one due to gang violence. When they go to the meeting, Darren is responsible for the overall administration, but he does not run and lead the meeting. There are people from government helping agencies that are actually in the meeting as the social scientists, as the psychologists, as the administrators of the actual day-to-day running of the programme.

So, ultimately, when we are talking about accountability and putting the pieces together for the Ministry, documenting the direction that we are going, ensuring that we are on plan, they are responsible for coming back to the Ministry and making sure that we are on track. But the day-to-day running of these operations is taking place. Community stakeholders, quango partners, volunteers all make sure that this is running well.

The Ministry and the Gang Violence Reduction Team recognise the need for additional staff. It is intended that within this fiscal year three part-time staff will be hired to allow the team to have a dedicated pool of outreach workers who can maintain and provide services to meet the Government's mandate. The funding for these staff is included and has 83 within the allocation for the Gang Violence Reduction Team. This, again, bears explanation.

A big part of understanding the strategy is that it is being conducted in three parts. There is the IGET [Inter-Agency Gang Enforcement Team] parts, where the police and customs and the enforcement team are working on the enforcement. They understand the police strategy, making sure everything is taking place.

Then there is the education strategy. The education strategy is where we are fully thrusting and pushing out to make sure that we are going into schools. You will have seen about four press releases this week. Elliot School, things that are going [on] all around. That is in the full [throes] of developing a training programme of prevention in the schools. Yes, that is something that we have to understand.

The next part is the community piece. The community piece is where Pastor Bean actually sees the greatest benefit. This is outside of traditional working hours, where he has to go into the community. He has to make sure that if there is any difficulty, anything

that flares up outside of his day-to-day task [of] conducting restorative circles at Berkeley or being at a programme at CedarBridge . . . there are times where he is required to be directly involved in programmes in the community.

I received a call at ten o'clock last night from Pastor Bean. There was a gang-related incident in one of our communities. He was required to leave his home and go to that incident, help these two families and their sons resolve this matter. I asked him to give me a call when he finished. He called me back at two o'clock in the morning to say that he had finished with this family; the matter was resolved.

Now, in tandem with where we are going now, the three community workers that we hire are people who are going to be stratified, east, west and central. So if there are concerns in the central part of the country, the central parishes . . . that will be the conduit. If there are matters that need help [or] support, if there are (we call them) "tension flare-ups" in that part of the community, they go in and they look at the crisis and the tension indicators. And whether clandestinely or working in the community, they are the source.

If there is somebody in the community that has had a flare-up in a specific neighbourhood, or somebody is saying, *Listen, I have gotten some information that these two guys are about to start to have some problems . . .* their responsibility in the community is to be that community conduit to give them the right helping agency, to make sure that somebody gets to a counsellor, to make sure that somebody has help getting a job to diffuse a situation. Right now, that entire modality of balancing gang activity in Bermuda, because of where we are, is being dealt with by Pastor Bean.

Now, understand the challenges that we have. Why do they need \$600,000? In years prior we relied on the Confiscated Assets Fund, previous Governments. That is where the money came from to fund these initiatives. For reasons that are clear and beaten to death, we now have had to use a different form to fund a part of what we are doing with reference to the gang activity.

So the next question was, Why would the additional staffing be needed? I just explained that. We talked about additional staff members, the three additional staff members. The next question is, Why would they be needed? That was all encapsulated in that piece.

H4, Headquarters Capital (that is under [page] C-14). The question: Public radio safety system. What is the plan and what does this number consist of? The current radio system is obsolete and the project plan is to replace the entire system and the handsets from multiple departments and will cost \$3.1 million.

Now, that \$3.1 million . . . now, understand that a handheld radio, we commonly call them walkie-talkies, this is used by a multiplicity of government agencies. We have had an open tender process led

by the Department of Procurement (and pardon me for not using the correct terminology, [not] knowing that specifically). They have looked at it and they have had the opportunity to have a beauty competition and they have chosen one vendor that we believe will offer the service. It is to take the handheld radios and to allow them to be used across ministries and now included in that are some other of our government ministries. It is a system that has base stations. It is a system that has antennas that are included. It is a system that runs wires through specific locations.

In a former life, I had a much closer affinity to this. And for a government to have an entire handheld radio, independent operating system that is not contingent on anything else, I believe that it is not only indeed value for money, it allows us to build in our own controls, [our] own redundancies over our handheld radio system which forms a key part of our national vital infrastructure.

Drones, and the use of drones. We heard people talking about the use of drones in prisons and the use of drones as was used in the America's Cup. Listen, we did a . . . a test was done by the previous Government in the use of a drone. During the America's Cup there was a pilot programme that was done with the former Government under Minister Baron, using drones. I believe that it was a successful trial. Coming forward, looking at the budget again, we had to make some very difficult decisions. The difficult decision centred around not whether the drone company that was used was a good idea.

I have been to all the "good idea" meetings. This was a piece of kit that we believe would have great benefit to Bermuda. But when we are looking at the budget for each one of the departments, we have to look at how we maximise the use of human beings [and] how we maximise the use of technology. We have looked at what the drones could do [and] the limitation of drones. We had people come in from the Foreign and Commonwealth Office, specifically the Ministry of Defence. We discussed the option of drones and there were two challenges. Number one, we believed it was cost prohibitive. And number two, the military attachés that came to give us advice, they did not believe that the drones that were on offer were the best form and use of that form of technology.

Do I believe that we should use drone technology? I believe that there is a time coming when we have to consider that. What is the impediment to us doing that now? It is that there are budget constraints.

Jobs being transferred from the Bermuda Police Service to the Bermuda Regiment. So you have Government House, you have outside of this very door, our very door here, and you have the Premier's residence. They are all using police personnel. Now, the question cannot be one about the use of money because all we are doing, if it is based on money, is transferring money from the Police Department to the

Bermuda Regiment. It is different. This is about looking at the strength of both organisations.

What is the Bermuda Regiment doing? The Bermuda Regiment is actually changing its *modus operandi*. HADR [Humanitarian Aid and Disaster Relief] and MACA (Military [Aid] to the Civil Authority) and what we are doing with operating with reference to national disasters and emergencies. A huge part of making the Regiment bulletproof and using them in other ways . . . we believe that you can get more with the Bermuda Regiment soldiers manning static points.

The Bermuda Police Service, they are at 426 police officers right now. We believe to have police officers in a more operational capacity, it makes more sense taking police officers away from Government House, outside of our building, and away from the Premier's residence and putting them back in operational roles. It allows us to have more boots on the ground in an operational capacity.

Now, if you look at that in absentia of what the overarching plan is, the overarching plan for police for the Bermuda Regiment is to look at the landscape and tilt and twist and turn to make sure that our agencies are indeed fit for purpose. So what are we able to do with the Bermuda Police Service? Just watch it! The Bermuda Police Service, though the budget is shrinking, we have now laser-like precision, and we can say, *Okay, we are going to take in our parish constables*. In the parish constables though, in that office, we are also going to put members from the Criminal Investigation Department [CID] in that same office. Yes?

So understand the difference that we have now. Parish Constables Office . . . we all grew up with them. MP Smith is a little younger than me, so he might not know anything about the parish constables. But the parish constables are where you were able to have a community presence. They are able to be up and down the community. But just look at the stroke of genius. You take that same office, that will not require much, you put a member of the CID there. The police have limited resources with reference to manpower. So if you take them from Government House, if you take them from outside this building, if you take them from the Premier's residence, that allows them to be more operational and we believe that is more bang for the buck.

Policies. Are there policies being looked at about transitions in place for retirement and long-term limits of officers in the Bermuda Regiment? So the Bermuda Regiment has short-term positions and long-term positions. If my memory serves me correctly (and I will rely on it), there are 31 full-time members of the Bermuda Regiment. Yes? Within that full-time Regiment, the Bermuda Regiment and the uniform services . . . unlike most organisations, you know who is who based on the ranking structure. So, you cannot look at the Bermuda Regiment and say, *Oh, I don't know who is going to be the next Colonel*. Or, *Oh, I don't know who is going to be the next Sergeant Ma-*

ior. The beautiful part about a ranked uniform service is that, based on a person's rank in the Bermuda Regiment, you can tell based on that what comes next. It is a beautiful opportunity for training. It is a beautiful opportunity for development.

So if you look at the Regimental Sergeant Major post, then you look within the Warrant Officers and Sergeants Mess to the highest non-commissioned officer, which would be a Warrant Officer Class 2. And you will amongst all the Warrant Officer Class 2 and you will say, *I am choosing a Regimental Sergeant Major*. Well, then, you don't need to look outside the battalion to train anybody. The very nature of the organisation is that that is how you train and you develop.

So if you are on Civvy Street, you have to bring people in. The organisation, based on its rank-and-file system, begets people being trained for the next rank. The challenge is when we bring people in from overseas. The staff officer, historically, has always been a representative of the United Kingdom. I believe that that is a practice that will continue for the foreseeable future. I am not sure if that is by convention, or that is by law, but there are some posts that have come here from abroad.

But to your point directly, all the positions in the Bermuda Regiment . . . there is talent and there should be a mechanism in place for there to be a natural evolution for people to attain to those posts. The Bermuda Regiment understood that with the numbers they are having, that there was challenge in getting commissioned officers in the Bermuda Regiment. Last week they had a reception for a direct entry programme which has borne fruit in the UK. So you go directly to a pool of people who might have talent in specific areas and you target them directly and you pull them in and say that you want them in the Bermuda Police Service.

The next question is, Is 420 still the guiding number for the Bermuda Regiment? Should the number be revised? Let me say this, and talk about the revised number of the Bermuda Regiment. Everybody is focusing on the numbers of the Bermuda Regiment. And I believe that that is a failing. I believe it is a failing to look at numbers. Let me tell you why. You have to look at roles. Yes? Because when you are looking at a number, if the Bermuda Regiment said 10 years ago they had 500 people, a number of those people would not have been fit for purpose; they would have been conscripts. So at the end of three years and two months you would automatically see a mass exodus of people based on the fact that their time was over.

Now in the Bermuda Regiment, conscription has ended. If you get . . . and again, I am relying on my memory. If you had 65 soldiers at the end of two recruit camps, you then have people . . . there is no end to their term. So they are not saying at the end of three years they are automatically going to leave. And so when we were saying before, *Oh, my goodness,*

we are not going to have enough numbers, that was based on conscription, and a mass exodus at the end of three years and two months.

Now, when people are joining the Bermuda Regiment, we have to do things differently, and that is why we are trying to do roles specifically. Yes? We are saying that the terminology “Bermuda’s insurance policy” . . . I have always felt that that was a non-sense; because it is not purposed. It is not disciplined. We are saying HADR [High Availability Disaster Recovery], that we are going to focus on humanitarian training and humanitarian efforts. And so if there was a humanitarian need in Bermuda, they will be trained. They will be going to St. Vincent and the Grenadines, and our soldiers will be trained for humanitarian [efforts]. So if there is another earthquake, like we did in exercise RUMAN, our soldiers went to BVI [British Virgin Islands] and they helped. That is a part of HADR. And guess what? We will be compensated by the Foreign and Commonwealth Office for our soldiers going abroad.

Let’s look at that differently. MACA, Military [Aid] to the Civil Authority. If there is ever a need for internal security, the Bermuda Regiment soldiers will be trained. So what we have to look at differently is the evolution of the Bermuda Regiment into a different plan. We were so focused on getting numbers, we were not focused on the Bermuda Regiment having a clear purpose. The purpose of the Regiment is clear. And now we have to work on keeping soldiers.

Now, remember the thing that no one has discussed. The part that was discussed, if numbers get really narrow, or really thin, we have the ability . . . and that is in plan. So what was the first step? The first step was to end conscription. Yes? Last year we had the first couple of recruit camps, two in one year. And we saw that we got 65 at the end of the year. Last week Friday concluded another camp and we have 25 next year. Numbers are not great, but if we get another 25, we are at 50. Right? That in two years, those are solid numbers to keep the battalion strong.

After we finish this phase, the next part for the Bermuda Regiment is for the Bermuda Regiment to enact and mobilise its reserve unit. Now, the reserve unit are men like myself, who have finished their military service, got a little beer belly on them (mine is obviously from soda), and they have the military training. They would like to get together a couple days a year to have the military training [and] make sure that all the shooting cards, all the training is up to date. But that forms the backbone of what the Regiment will be like. So everybody is saying . . . and remember, we are controlling and understanding that they too will fall between HADR and MACA.

And so, the third part we are underpinning this is with the Coast Guard. Yes? And so this is why it is going to take some time developing the new opportunity, making sure the Regiment is fit for purpose.

The new plans for the Bermuda Regiment still remain a work in progress. I must highlight at this point, though, that operational control of the Bermuda Regiment does not lie with the Government. We have all seen the Constitution Order.

An Hon. Member: Yes.

Hon. Wayne Caines: So understand where that lies. However, understanding the plan, being a man of this country, I think we all have a deep commitment to making sure this goes properly.

The next question was, The Minister referred to 25 recruits, 65 being the number required, are we at risk for making the numbers? I think I just went through what that was.

What provisions are being made to train Bermudians for the Senior Regiment post? I also believe that was covered.

I want to go now to the questions around the police, [page] B-279, the question around the union negotiations and when those will be completed. Discussions with the pay negotiations with the board continue. There has been some delay in progress due to the recent change to the head of the negotiation team.

The next question: Will there be any change to the shifts? The Bermuda Police Service has introduced a new 12-hour shift pattern for watch or patrol teams across a 14 pattern, thereby increasing the number of resources visibly working in the community. Additionally, the 12-hour shift pattern has been applied to the armed response resources enabling greater resilience and operational capability. The shift pattern was agreed and endorsed by the Bermuda Police Association and is being monitored in regard to performance effectiveness, staff well-being, and community feedback.

Provide an update on the Commissioner’s trip to the UK and provide the number of personnel being interviewed, and if Bermudians were being interviewed for that role. The post is for the professional standards and anti-corruption manager. Let me say . . . and I would like to just spend a couple of minutes on this post, as well.

I think sometimes some development points within our ministries, within our government . . . we have to put up our hands and say when we could have done things differently. I accept and respect what the Police Commissioner does. I believe that he had a detailed plan. However, on his team the post was not advertised locally first. We believe, without casting any aspersions, that that was a failing. And it presented an opportunity for us to do things differently on a future occasion. We were able to talk with the Police Commissioner and his team and we both acknowledged that better lines of communication in this regard will be to the benefit of both entities within our Ministry. An important learning lesson for us all.

But I believe that this is an opportunity for us to put this matter, or this particular post . . . for us to look at what this is at the essence. I believe that there can be a different alliteration of this post for the greater benefit of the people of Bermuda. In our department we are putting together a paper to take to Cabinet in the not too distant future so we can discuss what this post could look like and how we can have it evolve and be of greater benefit to the people of Bermuda.

But just on that post, the role was initially advertised on the Bermuda Police Service website. In total, 28 applicants were received, and there were 4 from Bermuda. The Commissioner attended the UK and carried out four interviews with UK applicants alongside Kimberley Durrant, of the Bermuda Government's London Office. The four candidates [are] all current heads of professional standards in senior UK offices, and they have considerable experience in that field.

Is there budget for the new position? The BPS has reserved \$130,000 per annum for this role.

The next question: The budget for police vehicles has decreased. Is the budget amount enough to cover vehicle costs? What will be done if there is not enough money to cover the vehicle cost? This figure will only cover the cost of maintenance. Costs currently needed [are] to address the BPS fleet. However, it will not enable new vehicles to be purchased, with present significant risk to the BPS, given that a number of the current vehicles are nearing the end of their operational use.

Additionally, \$40,000 has been reserved and not previously budgeted for to fund transportation of the new parish constable programme. Here again is another example of being between the devil and the deep blue sea. So you have ministries . . . and when you look at the capital expenditure, you, as the Minister . . . and I bear the brunt of this. There are requests that come in from each Ministry for vehicles. Requests. *We need two fire trucks, and four police cars, and two bikes, and two vehicles to go to the prison.* Yes. Everyone makes to you, the Minister, their prayer, if you please. We then have to look at what happened in previous years, but, more importantly, the budget.

Again, let's go back to the cries from across the floor. We want to make sure, and we are being held to a standard to make sure the budget is being kept, to make sure that we do not exceed the budget ceiling, to make sure that we are efficacious in all our business affairs. And sometimes when key department heads come to you, as much as you want to give them their every desire, the budget does not allow for that. And so what are you left to do? You are then allowed to look at the fleet, specifically, look at what vehicles are fit for purpose, what can be maintained, and what can be retired. Look and talk to each fleet manager and look at where we purchased the

vehicles. Look at if we are getting value for money [when] buying from certain places. Are there opportunities to go to different countries and look at getting cheaper prices?

The whole plan is to, number one, understand the budget, but, more importantly, make sure that each one of the uniformed services has vehicles that they can be operationally productive, but, more importantly, be safe, and the vehicles, indeed, be fit for purpose.

The question was, Are drones an option at this time? I believe we covered that.

Moving on to Customs. Planned recruitment for . . . there is a planned recruitment for a financial administrator on a salary of \$70,000. The financial administrator will be stationed at the Customs House in Hamilton, and will work with a Member of the Finance and Administration Team. Amongst other things, the post holder will be responsible for financial reconciliation, processing purchases and payment, payroll processing, and debt collection.

Trainee Customs officers. They were recruited during 2018/19. They only worked part of the year, approximately six months. However, they are also budgeted to work for a full year during 2019/20. Also, they will still receive a pay grade commensurate increase in September 2019.

The question: How will we make sure planned staffing levels will occur in this fiscal year? Answer: We concluded the process for the department's staff transfer plan 2019/20 in December 2018. All the affected staff [were] advised. The staff transfers are scheduled to take place on April 1, 2019. We have no reason to believe at this time that the transfers will not take place as planned, with the caveat that the staffing levels will always be subject to change depending on staff terminations or resignations.

Why is there a disparity between the seizure rates on shift A and the seizure rates on shift B? Performance measures, why the disparity between the two shifts with seizures and illicit items? Although both shifts should see the same basis measurements, we have been advised that shift A has currently only counted the illicit items seized, where shift B incorrectly counted all the seizures, both illicit and revenue. As a postscript, the actual illicit items seized by shift B were 10; the other 200 were revenue-related seizures.

Corrections, Head 25. There was an increase for CCTV systems in 2018/19. The question is: Can you give details on whether the system is covering everything? Have you seen gaps in the system? Do we need to cover other areas, or are we trying to improve the systems? The answer: The CCTV system needs both upgrades and, additionally, we have increased the number of cameras to cover other areas based on the department's new security plan.

The Right Living House. How many inmates are in that programme? At present there are 10; cur-

rently there are two on the waiting list. The programme has the capacity for 18 inmates.

Employee numbers and retirement, et cetera. The question was, the number that is needed seems to be significant. Recruitment. Are we only going to be looking at locals or are we going to go overseas to get the numbers that we need? Let me say this. As the Minister responsible for Immigration, I do not—and let me say it again, I do not—believe that we need to go abroad for *any* officers for any of the uniform services. Every department within the Ministry of National Security, I believe our people are bright enough, I believe they are intelligent enough. I believe that they have the physical stamina. And I believe that they can pass any drug test. I believe that they can pass any entrance exam. So all of the uniform services in Bermuda, I do not believe . . . for every single element, I believe that Bermudians are capable and talented and they should be sure to look here at all costs to make sure that all of the uniform services are trained and they come from the ranks of the populace in Bermuda.

The answer: At this point we seek to recruit locally, Bermudians and the spouses of Bermudian officers for the post, depending on the number of applicants. Then we could be required to advertise overseas. But that is not in the Minister's long-term plans. The only posts that we anticipate recruiting for from overseas are the psychologist posts. From previous recruitment drives, we have had difficulty attracting suitably qualified Bermudian applicants.

Gang violence, Westgate. Gang violence, reduction. How many inmates do we have today as opposed how many we had last year? The total state inmates that we have today, there are 180 inmates which includes sentenced and inmates on remand. On this date, 6; in 2018, there were 199 inmates sentenced and inmates on remand.

Question: There was only one psychologist available. There is a difference when you look at the cost of having to use . . . is there a difference of having to use contractors? Will we see an increased cost? Is there a difference because we are using consultants? If we get staff in, would that reduce costs? That was the question. The answer is: There is actually a decrease in the cost from 2018/19 to 2019/20. However, the increase from the original 2018/19 budget is due to the revised estimate in 2018/19. It does not reflect the cost for external vendors.

Mr. Chairman, the questions that I just finished were asked by the Shadow Minister for National Security. I will now move to the questions that were asked by MP Dunkley. I think it is constituency 10.

[Hon. Derrick V. Burgess, Sr., Chairman]

The Chairman: Mm-hmm.

Hon. Wayne Caines: I crave your indulgence for a second, Mr. Chairman.

The Chairman: Yes.

Hon. Wayne Caines: Question from Mr. Dunkley. What is the plan for the \$600,000 that was put for the Gang Violence Reduction Team?

Staffing budgets. Full-time programming staff, \$211,000. Three part-time programming staff, \$60,000 for all three, and staff training at \$25,000. [This is] a total staffing budget of \$296,000.

Let's get down into the programme budgets, and when we get the opportunity . . . I would like to have the opportunity to meet with the Shadow Minister to go through with our gang violence reduction strategy. We have a line-by-line document that sets out specifically what we are going to do over the next year. We would love to sit down with him and go through that. The gang violence reduction budget. This is a document that outlines line by line . . . and I won't go through this line by line now.

The Chairman: Please.

Hon. Wayne Caines: Every plan, every item that we plan to use in the next year we have a documented line by line, every jot, every tittle, every penny on how we will spend in an itemised budget that was considered by our department before we approved the recommended budget. And this is the detailed version that we have. It documents everything, Mr. Chairman, for this strategy. It is not being pulled out of the ether by someone who sees staffing costs, there is an assumption made that there are no deliverables, there is no budget. These are jobs for the boys. Nothing can be further from the truth.

Look at the recent press releases. Look at what is going on in our schools. Look at what is going on in our communities. Understand the work that is being done. One thing that you are not going to accuse the Ministry of with reference to the gang violence strategy is that Pastor Bean and the team are resting on their laurels and they are not doing the work. It is clear that there has been an increase in their salary; but we believe it is justified. We believe that there is an opportunity for us to outline everything that is being done, precept upon precept.

The Redemption Farm initiative. It is estimated to be \$174,775.

The Safe House initiative. The Safe House initiative [is] \$38,000. Now, let me talk about the Safe House initiative.

Let me go back to Redemption Farm really quickly and let's tarry there for a moment. When people think about Redemption Farm . . . I have heard the reference to it being a chicken farm. We have heard references and there have been jabs and pokes at this. This is a therapeutic environment. And what does that mean? It means that there is science behind it. Right? And when you have a person come in, they are tested by a team and they are assessed. Are they

suitable for the programme? Do they have any criminal history? Are there any drug dependencies? Are there any psychoses involved? When they are triaged, they are given a BARC [Bermuda Assessment and Referral Centre] assessment and referral test. They are given a test to see if they are indeed fit for purpose.

After you get them in, you then start to look at programmes. They have a programme developed and they are given a case manager. So we are looking to get at-risk young men and women, people who are prone to violence, people who have fallen [between] the cracks, and people who need an opportunity. And what is . . . the mental part of this is . . . [the] helping agency part of this is you give them a case manager. You give them court mental health support. You give them core support if they have trouble with violence and if they have problems with making decisions. You envelope them with case management and with support services. That is the bulwark of this. Don't get confused [with] the farming part. That is a key part; but the highlight is the therapeutic part through the helping services. So allow me to develop this.

So after you take a person, and they are working in a programme that allows them to get the mind right, to help them to get off drugs, to help them to find an opportunity for employment, what do we then do? We have a therapeutic farming element. We have the benefit of a qualified farming expert who allows us to look at the farming piece. The farming piece . . . there is actual therapy. There is actually a plant with the farming piece. The farming piece allows people to do therapy through farming. But even the farming follows a pattern of science, follows specific elements of the agriculture and allows them to follow that part.

There then the commercial part. After the farm is seeded, after there is a first harvest, it allows them to look at the crop, to go to the farmer's market, to go to specific places, allows them to reap the harvest, putting in marketing elements, to be entrepreneurs (if you please), all the time working through mental health challenges, working through violence issues, [and] working through problems. We believe that this is an opportunity to help develop them, but not only just selling food, but putting the key elements for stability there.

So when we first did it, it was the thing of, *Let's get to the farming piece*. And we said, *No. Let's go to the core elements of it to make sure that all the key pieces are there*. We have looked at it and we believe that not only can this become self-sustaining; that we will need money to do that and that is what the \$174,775 is for.

The Safe House initiative at \$38,000, just over \$38,000. The Safe House initiative is . . . without going into it, there might be an incident where the team goes out into our community and there is a person who has a major difficulty and it is going to require

them to get out of the community. A few months ago there was a major incident that went down, a person called and Pastor Bean went, at night. The person called and said, *Listen, I won't make it if I don't get out of this neighbourhood*. Pastor Bean went to the scene . . . there is no mechanism—no mechanism—for us to put a person in a place where they can be safe and be secured until this matter can be dealt with. There has to be money put aside in key clandestine areas where we can protect people who are vulnerable, people who would be beset upon to make sure that they are protected.

If you take this out of context, and you then politicise this and just put it in the public that we want a safe house, and this is where we are going to be hiding people, it does the country a disservice. It has to be kept in context with what we are doing to balance gang-related activity in this country.

MOM Bermuda is, again, an initiative that is put together for moms who have lost loved ones, or families who have lost loved ones. It is \$5,000 that has been put aside that allows them to get anything that they need with reference to administration, refreshments, swag, or anything to help them during the implementation phase.

G.R.E.A.T. is the Gang Resistance Education and Training programme. Now, this week we talked about how many people—over 500 kids—finished the G.R.E.A.T. [programme] who have walked out of their schools as having been trained, that have been mentored that we believe will not fall to the scourge of gang violence because they have come through the G.R.E.A.T. programme. But that is not what is on the front page. I won't digress and I will stay on the head.

We see a number of people who have been educated, been trained in the G.R.E.A.T. programme, over 500 young people have been trained. The \$4,000 allows us to take care of admin. This is being staffed by police officers, customs officers. We would like to see people from the Royal Bermuda Regiment involved. Why is this important? We believe that as many young people see [their] leaders in the community believing in them, working with them, we believe this allows for us to tackle this as a part of our ongoing plan. So let's go back for a second; I have 10 more minutes.

Then we have Mediation and Negotiation Services, 2600, the high school intervention programme, \$13,740. The high school intervention programme is really good stuff, something that we see in the Berkeley Institute and at the CedarBridge Academy. I want them to report about this, Mr. Chairman. The opportunities that we are having to go into Berkeley and to go into CedarBridge and when these young men, at the zenith of wanting to be combative and fight, they are going into restorative circles and they are talking about how they can work through difficulties and how they can balance problems.

We are seeing this at CedarBridge and we are seeing it at Berkeley. [There are] huge opportunities for our young men. Guess who is leading this? Pastor Bean and Darren Woods. [They] are going into our schools, building up rapport, working with our young people, developing opportunities for them to work through [their] problems.

The Chairman: Bishop Bean.

Hon. Wayne Caines: Thank you. I did not use his ecumenical title, Bishop Bean.

The primary school prevention programme, \$4,000. This is something else that is brilliant. Going into the elementary school, and these young men have been deemed "at risk" in specific schools. This is a pilot programme that we talked about in this very room last year, going into the school. I know Mr. Dunkley likes to go to this budget and he holds us accountable for the things we said. Go to that same Hansard record and look [at] last year when we said we were going to do the training programmes in the schools. Give us credit for doing that. Highlight the fact that we said that we were going to go into the high schools last year and do training in the schools. Did we not do that?

Everybody was silent on that. We said that we were going into the primary schools. We went in there. There was no mention of that today. Give Jack his jacket.

The Chairman: Mm-hmm.

Hon. Wayne Caines: Work permit placement and mentorship. This initiative is budgeted for \$28,000.

The bullying app. The bullying app is \$25,000 to develop this app and ongoing work with that. The bullying app is very important. There was a trauma indicator checklist, and a survey done of all of the students in the school. We were very surprised when we saw the list come back. The number-one concern when all of the kids were asked . . . we were blown away. Do you know what the number-one concern was, Mr. Chairman? It was bullying. So we want to put together a programme with an app that allows us to connect them with helping agencies, that allows them to be able to contact the police, [and] allows them to be notifying their parents. And whilst that seems an inordinate amount of money, I have seen the plan. I have seen the connection. I have seen the code that is being written which connects with the helping services. That is par for the course in this regard.

Community partnerships, \$6,000. That is for a number of initiatives. The total budget for the programmes is \$303,883.68. The programme evaluations; very good questions on the programmes. Are there programmes available to make sure that we are rehabilitating persons? Given guidelines, what performance measures are there today that we can

measure persons coming in, and which programmes are working best to ensure that people are not coming in? And [provide] details of each programme so we can target to see if we are getting value for money and also to see if we can prevent people from going in and out of our prison. That was a question from MP Dunkley.

The core treatment programmes that are chosen are evidence based on treatment programmes. They have been tested and been shown to be most effective with the correction population and the area they target. Some of the programmes they have are pre- and post-testing programmes. They may be long in duration and the successful completion is set based on the completion of treatment goals and milestones. All programmes have specific goals and objectives. All inmates receiving case plans have undergone several assessments, including a main assessment. The LSCMI (Level Service Case Management Inventory) assessment can be updated over time to determine the impact of treatment interventions.

Mr. Dunkley's [questions in regard] to police: What are the percentages of cold cases unsolved and the conviction rates if and when prosecuted? There are approximately 30 murder cold case files. These run back to over 10 years. In many cases, the Bermuda Police Service knows who the potential offender is, but the evidence to prosecute them has not been secured due to the reluctance of witnesses and the lack of forensic evidence. The success of prosecution for the cold case team is on average two per year. There are two investigators who are dedicated to full-time cold case review; however, when new evidence is identified, they are supported by the wider serious crime unit.

What resources are devoted to active cases? There are two departments within the central criminal investigation departments: serious crime and specialist crime. The total numbers are one superintendent, two detective chief inspectors, six detective inspectors, eight detective sergeants, and fifty-four detective constables.

The question around union negotiations were: When will those be completed? Discussions with pay negotiations continue. There has been some delay in the progress due to recent changes in the negotiation team. (We have answered that question already.)

[Pause]

Hon. Wayne Caines: Question on the Bermuda Regiment: The numbers continue to decline, will the roles and responsibilities in the Regiment be met? This is for Mr. Dunkley.

The question was answered earlier, 65 was the total number of recruits that joined the Regiment in 2018. We continue to look at the numbers based on the long-staying nucleus. The Regimental call back requirement, thus far, 2019, the Regiment enlisted 25,

and required an uplift in the recruit camp. That was expected to take place in July. If the target is missed, the Regiment will have to revise its task to meet the deployable strength.

Question: What is the reason the recruitment cost rose to \$312,000? The reason for the increase is to provide for two funded full-time posts to cover the increased responsibilities of recruiting, marketing, and administration. Note that one post is currently unfilled. This, coupled with the Regiment offer to attract new recruits through attractive incentives of the direct entry officers programme, providing educational advancement; for example, the GED programme.

The Coast Guard.

How many minutes do I have left, Mr. Chairman?

The Chairman: Three.

Hon. Wayne Caines: The Coast Guard (and I just want to spend my last three minutes), the last couple of questions are just being centred around the Bermuda Regiment and a couple of others. In the last three minutes I would just like to talk about the Coast Guard, if I am permitted to. Mr. Dunkley has five questions asked around the Coast Guard.

The Coast Guard is something that, again, was not a lofty ideal. This was something that we believed would be in the best interest of the people of Bermuda for the inshore maritime operations of the country. We came in and we looked at that as a part of any conscription [with] HADR, MACA, and the Coast Guard being the third element to it. We went to our budget and we looked at what we wanted to do for the next year, and it was just cost prohibitive, getting the boats and getting the 14 soldiers that were required. So what we had to do was focus on putting together the plan overall, as opposed to getting the kit, the boat, and starting to on board the soldiers because we do not have the money.

The question is: Vire monies from other heads to make the Coast Guard happen. This will have to be considered at a later date. What model, money, equipment, [and] people are being planned? This has been previously answered.

Mr. Dunkley asked about the \$349,000 for the Coast Guard that was not spent. This amount was not spent but saved due to the cancellation of the overseas training in 2018. The Royal Bermuda Regiment maintaining business. Nothing in the estimate for this year. Will the Regiment be getting money to maintain the facility? The Regiment works closely with Works and Engineering to help maintain the facility. There is no forward plan for the facility at Warwick Camp.

The Bermuda Regiment vehicles. The question was, Is \$200,000 enough for Bermuda Regiment vehicles? The Regiment has a legacy of very old vehicles that have been left unattended for a number of years. The Regiment has only recently been added to

the plan and is currently managing a fleet replacement plan of a number of vehicles that have been written off by Works and Engineering, and many exceed 20 years use.

Drone use. This is not a defence requirement, but if the Government decides to do so it could be a joint uniform service.

Jobs being transferred to the Regiment. We discussed that already.

Is 420 still the guiding number for the Bermuda Regiment? Should this number be revised?

The Chairman: Minister, you want to move your heads, please?

Hon. Wayne Caines: Mr. Chairman, I move that Heads 83, 6, 7, 12, 25, and 45 be approved as printed.

The Chairman: It has been moved that Heads 83, 6, 7, 12, 25, and 45 be approved.

Any objections to that?

There appear to be none.

Approved.

Thank you.

[Gavel]

[Motion carried: The Ministry of National Security, Heads 83, 6, 7, 12, 25, and 45 were approved and stand part of the Estimates of Revenue and Expenditure for the year 2019/20.]

The Chairman: The next Head up for debate is Cabinet and Government Reform.

The Chair recognises the Honourable Member Walton Brown.

You have the floor, Minister.

CABINET AND GOVERNMENT REFORM

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

Mr. Chairman, I move the following heads: Head 13, Post Office; Head 14, Department of Statistics; Head 26, Department of Human Resources; Head 51, Department of Communications (which will be presented by my colleague, the Honourable Jamahl Simmons); Head 61, Department of Employer and Organisation Development; and Head 80, Office of Project Management and Procurement.

The Chairman: Mm-hmm. Continue.

HEAD 13—POST OFFICE

Hon. Walton Brown: Mr. Chairman, it gives me great pleasure to present the budget for Head 13, the Post Office.

It gives me great pleasure to present the budget for Head 13 found on pages B-47 to B-52 of the Budget Book.

The Bermuda Post Office is governed by the Post Office Act 1900, the Post Office Regulations 1933, and the Post Office (Departmental Administration) Regulations 1933. Postal services are provided from the General Post Office, or the GPO, located on Church Street, the [Bermuda] Mail Processing Centre (also known as the BMPC) located at New Venture House on Mill's Creek, and the eight sub-post offices located throughout the Island; namely, Crawl, Devonshire, Flatts, Mangrove Bay, Southampton, St. George's and Warwick post offices and the Perot Philatelic Bureau.

Mission

Hon. Walton Brown: The Bermuda Post Office's mission is to connect people and businesses by providing efficient, courteous and affordable products and services.

The Bermuda Post Office is a member of the Universal Postal Union (the "UPU") and works to ensure that it meets its Universal Service Obligation to provide access to affordable communication to all residents of Bermuda.

Expenditure Overview

Hon. Walton Brown: As indicated on pages B-48 and B-49 of the Budget Book, the Bermuda Post Office has been allocated a total of \$10,502,000 for the financial year 2019/20 reflecting a drop of 2 per cent, or \$175,000, from the 2018/19 budget of \$10,677,000.

Salaries and wages continue to be the largest expenditure item at 83 per cent of total expenditure compared to 82 per cent in 2018/19. The total estimate of salaries and wages for 2019/20 is \$8,696,000, down from \$8,773,000 in 2018/19, a drop of \$77,000, or 1 per cent. This is representative of a reduction in FTEs of 142 in 2018/19 to 137 in 2019/20, netted off partially by the 2017/18, 2.5 per cent salary uplift which was not fully funded in 2018/19.

Mr. Chairman, operational expenses for the Bermuda Post Office make up the remaining 17 per cent of the expenditure for 2019/20. The major operational expenses included in the 2019/20 budget are rent, repairs and maintenance, energy costs, and materials and supplies.

Rent is expected to remain at the 2018/19 level of \$332,000. Annual rent of \$305,000 is paid to house the BMPC at the New Venture House on Mill's Creek, and \$27,000 is paid to the Corporation of Hamilton for the Perot Philatelic Bureau on Queen's Street.

Repairs and Maintenance expenses totalling \$539,000 for 2019/20 include charges for buildings repairs, cleaning contracts, cycle and vehicles repairs, and security services. These expenses are estimated

to decrease marginally in 2019/20 by \$16,000, or 3 per cent less than the 2018/19 budget of \$555,000, due to updated figures obtained for the New Venture annual service charge.

The budget for energy costs which include electricity, gasoline and diesel is also expected to decrease by \$45,000, or 17 per cent, again, mainly due to more reasonable estimates for electricity charges for the above-mentioned property having now utilised it for over a year.

Another comparatively major line item is Materials and Supplies estimated at \$239,000 for 2019/20, down 3 per cent from the 2018/19 total of \$246,000. This expenditure line includes costs for stamp production, printing, stationary, and general food and office supplies. This marginal \$7,000 decrease is due to savings in office supplies as we aim to increase efficiency in processes.

Mr. Chairman, last on the list of expenses is Other Expenses which includes, amongst other things, debit/credit card commissions. The 2019/20 budget mirrors the 2018/19 amount of \$54,000.

Revenue Overview

Hon. Walton Brown: The Bermuda Post Office continues to provide postal and other services as mandated by the UPU. The total revenue estimate for the year 2019/20, which can be found on page B-49, is \$4,645,000. This is an increase of \$82,000 (or 2 per cent), from the 2018/19 estimate of \$4,563,000.

The Bermuda Post Office also continues to collect a proportionately significant amount of revenue on behalf of other government departments. This revenue averages about \$2,100,000 each year, or 31 per cent of total revenue collected by the Bermuda Post Office over and above the revenue indicated above. This amount is broken down as follows: HM Customs, \$880,000 (or 42 per cent); Department of Public Transportation, \$600,000 (or 29 per cent); Department of Youth and Sports, \$500,000 (or 24 per cent); Department of Education, \$70,000 (or 3 per cent); and Department of Environmental Protection, \$50,000 (or 2 per cent).

These amounts are not included in the revenue figures in the budget estimates for the Bermuda Post Office, but are recognised in the respective departments' budget estimates as set out within the Bermuda Post Office's performance measures on page B-52.

The main revenue sources for the Bermuda Post Office are frank post, or metered sales, bulk mail, post box rentals, terminal dues revenue, and stamp sales. Customers are expected to transition between frank post or metered sales budgeted for 2019/20 at \$1,097,000, bulk mail budgeted at \$1,019,000, and direct stamp sales budgeted at \$660,000. The Bermuda Post Office continues to offer businesses and charities direct daily access to 39,000 residential and

business postal addresses combined. Therefore, this national product provides an avenue for extensive marketing and advertising for our customers. With continued marketing of this product, as well as continued use of our services by our business mailers, we expect that there will be a net increase in aggregate sales of these three line items by \$34,000.

Mr. Chairman, terminal dues are expected to increase by \$50,000, or 8 per cent, to \$650,000, due to an expected increased volume of incoming parcels, mail from the online shopping industry. Customs declaration fees are also expected to increase as a result.

PO box rental revenue is expected to remain relatively stable at \$611,000 for 2019/20, compared to \$619,000 for 2018/19. The difference is expected due to some PO box closures during the year. We continue to market the PO boxes as a 24-hour service.

The smaller revenue line items include: licence and permit fees, philatelic sales and packaging and supplies. None of these are expected to experience significant movement compared to 2018/19. The total value of these line items is less than 5 per cent of total revenue.

Capital Expenditure

Hon. Walton Brown: Mr. Chairman, the Bermuda Post Office Capital Expenditure Budget for 2019/20 can be found on page C-8 of the Capital Acquisition Estimates, Schedule C. The Bermuda Post Office has been allocated an amount of \$44,000 for the purchase of a cancelling machine and computer equipment. This is against the 2018/19 allocation of \$78,000, a decrease of \$34,000, or 44 per cent. The funds initially allocated for the purchase of a cancelling machine in 2018/19 were re-allocated for the purchase of a mail truck which broke down during the year 2018. The cancelling machine has, therefore, been budgeted for again in 2019/20.

Plans for the Upcoming Year

Hon. Walton Brown: As part of the Bermuda Post Office's strategic objective to increase revenues, the department will be introducing an online shopping platform to allow our customers to purchase products and have them delivered through the Bermuda Post Office network. We will also be looking to increase revenues by expanding our courier services.

Our EMS [Express Mail Service] and parcels products will be marketed better to increase knowledge of these products both internally and in the public domain. We will also enhance our service levels so as to improve our global EMS ranking, increase our pay-for-performance EMS revenue, and maximise the bonuses for our parcels delivery. The Bermuda Post Office will also be establishing corporate standards for customer service inclusive of training and the measurement of outcomes.

The Bermuda Post Office is currently in the process of change with the first phase of the new postal solution expected to be completed in May 2019. This will allow for the phasing out of six legacy systems into one system, integration with the government's financial system, Customs and our International Postal System or IPS platform, thereby decreasing the length of time it takes to process transactions. IPS is software used globally and managed by the UPU [Universal Postal Union] to record and track mail volumes and mail items between jurisdictions. The new postal solution will also enable the Bermuda Post Office to deploy new products and manage rates more efficiently and allow for centralised and real-time reporting of operational and financial data. This will also increase financial controls in the revenue and stock management processes, and increase operational efficiency and effectiveness.

Additional enhancements in IT include introducing touch screen kiosks at the GPO and all sub-post offices and introducing public Wi-Fi at the GPO. Both of these initiatives are expected to improve the customer shopping experience and increase foot traffic thereby increasing revenue. In order to increase accuracy over the payment recording process, we will implement a credit card machine integration into the new postal solution. We will also be upgrading the IPS software for greater stability.

Mr. Chairman, the Bermuda Post Office also plans to have three stamp issues and one Presentation Pack in 2019/20. The themes for this year will be Bermuda hand crafted hats, Bermuda floating docks, and a final issue for the year commemorating the arrival of the first Azoreans to Bermuda. We are proud to be an avenue through which Bermuda can showcase its culture and rich history. Members of the International Stamp Society are planning a visit to Bermuda in November 2019. This visit is expected to promote our philately product among international stamp collectors. We plan to develop relationships with other agencies for mutually beneficial collaborations, to increase philatelic sales.

On the operational front, the Bermuda Post Office is looking to implement a Customs Declaration System (CDS) which includes ITMATT which is in respect to electronic data transmission for mail items. As a member of the UPU, the Bermuda Post Office is required to be operationally ready for e-Commerce in 2020. The Operational Readiness Project, or ORE, will include a Quality of Service certification review in September 2019 and an ORE/UPO process review in July 2019.

In May 2019, the Bermuda Post Office will be undergoing a UPU security assessment with the intention of obtaining certification. We will also ensure that we are operationally compliant with the requirements of the international Safe Transport of Dangerous Goods by Air. We will also conduct Dangerous Goods Oversight Standards training for staff. We are looking

to conduct a postman efficiency study and a measurement of delivery timeline project.

The goals, objectives and projects set out by the Bermuda Post Office for 2019/20 will move it toward its vision of being a more innovative, customer focused and sustainable postal service.

I take this opportunity to thank the Acting Postmaster General, Ms. Susan Moore-Williams and the entire postal service team for their commitment and delivery of quality services.

Mr. Chairman, I now move to Department of Statistics.

HEAD 14—DEPARTMENT OF STATISTICS

Hon. Walton Brown: It gives me great pleasure to present the budget for Head 14, the Department of Statistics, found on pages B-53 to B-55 of the Budget Book.

Mission

Hon. Walton Brown: The department's mission is to collect, process, analyse and provide a body of statistical information that is timely, accurate, relevant and reliable for dissemination to the Government and the general public.

The department seeks to fulfil its mandate by delivering quality data that aligns with international standards and best practices, to facilitate a culture of evidence-based decision-making for policies and programmes. As such, the Department of Statistics seeks actively to improve its statistical methodologies and increase the frequency of the delivery of statistics to support informed decision-making and help achieve Government policy objectives.

Expenditure Overview

Hon. Walton Brown: Mr. Chairman, the total current expenditure of the Department of Statistics found on page B-54 is estimated to be \$2,493,000 for 2019/20 which is unchanged from the 2018/19 fiscal year.

The Subjective Analysis of Current Account Estimates of the Department of Statistics is found on page B-54. The focus will be on the three line items with the greatest absolute change.

Salaries line item one decreased by \$60,000 (or 3 per cent) due primarily to a vacant post being unfunded due to the requirement to fund the salary uplift and adhere to the department's budget ceiling.

Mr. Chairman, Wages, line item two, rose by \$66,000. Monies have been allocated for wages to cover the cost of hiring a temporary relief while an officer is on study leave.

Mr. Chairman, the budget for Professional Services, line item eight, decreased by \$42,000 (or 53 three per cent). Monies have been allocated for the

remuneration of temporary survey workers. However, it was reduced to assist in funding the salary uplift.

Capital Expenditure

Hon. Walton Brown: Mr. Chairman, the Capital Acquisition for the Department of Statistics found on page C-8, makes provision for new capital expenditure in the amount of \$6,000. These monies will be spent to replace outdated netbooks with tablets.

Manpower

Hon. Walton Brown: Mr. Chairman, the Manpower for the Department of Statistics, on page B-54 decreased from 24 full-time equivalents in 2018/19 to 23. Presently, there are seven vacant positions. Recruitment is currently underway and the department aims to fill these positions in the next couple of months.

Output Measures

Hon. Walton Brown: The Department of Statistics Output Measures are found on page B-55 of the Budget Book. Selected indicators under each business unit are outlined as follows:

Business Unit 24015: Administration:

- Indicator: Number of documents on the web-site allows easier and wider accessibility of publications and reduces printing cost. Target 2017/18, at least 40 documents posted during the year. Actual Outcome 2017/18 achieved. Forty-six documents posted during the year.

Business Unit 24020: Core Statistics:

- Indicator: Timely completion of statistics that measure gross retail sales performance in the retail sector. Target 2017/18 Retail Sales Index completed six weeks after reference month. Actual Outcome 2017/18 achieved. Retail Sales Index completed six weeks after reference month.

Business Unit 24025: Business Surveys:

- Indicator: Conduct semi-annual Labour Force Survey for delivery of more timely unemployment measures. Target 2017/18, release unemployment rate semi-annually, July 2017 and January 2018. Actual Outcome 2017/18 not achieved, cancelled. Staff resources focused on 2016 census tasks. (Those were the indications of delayed cost by the census.)

Business Unit 24055: Research and Surveys:

- Indicator: Use of technology during the conduct of business and household surveys for greater efficiency in data collection and reduced cost in processing survey data. Target 2017/18, a minimum of 50 per cent response rate for e-Employment Survey. Actual Out-

come 2017/18, achieved, 57 per cent response rate for e-Employment Survey.

Plans for the Upcoming Year

Hon. Walton Brown: The department will produce the following core publications in the upcoming year:

- Monthly: Retail Sales Index and Consumer Price Index;
- Quarterly: Balance of Payments and International Investment Position; and Gross Domestic Product by Expenditure;
- Semi-Annually: Labour Force Survey Reports;
- Annually: Bermuda Digest of Statistics; Bermuda Job Market Employment Briefs; annual Gross Domestic Product, the Information, Communication and Technology Profile; Environmental Statistics Compendium and the Tourism Satellite Account Report.

Mr. Chairman, the department will participate in activities such as the quarterly hotel gross receipts surveys, surveys of construction projects, the semi-annual Labour Force Survey, the annual Employment Survey and the Economic Activity Survey.

The department conducts *ad hoc* surveys, provides survey samples, undertakes in-depth research and analysis of data. In addition, the department provides statistical advice and provides professional consultancy in the collection, processing and analysis of data for government departments.

Mr. Chairman, the department will engage in activities such as processing and providing trade statistics, fulfilling statistical data requests from local and international organisations, and making presentations to internal and external stakeholders.

Further Mr. Chairman, it is anticipated that the Department of Statistics will undergo a comprehensive review by the Management and Consultant Section of the Cabinet Office as we seek to maximise efficiency in terms of the use of technology, staffing and service delivery.

Mr. Chairman, let me take this opportunity to acknowledge and thank the hard-working staff of the Department of Statistics led by Director, Mrs. Melinda Williams, and her team of statisticians and support staff for their commitment.

Thank you, Mr. Chairman. This concludes my budget presentation for Head 14. I now move on to Head 26, the Department of Human Resources.

HEAD 26—DEPARTMENT OF HUMAN RESOURCES

Hon. Walton Brown: Mr. Chairman, it gives me great pleasure to present the budget for Head 26, the Department of Human Resources, found on pages B-56 through B-61 of the Budget Book.

Mission

Hon. Walton Brown: The Department of Human Resources' mission is to partner with internal and external stakeholders to provide professional, strategic, value added solutions to maximise human capital and enable operational success.

Expenditure Overview

Hon. Walton Brown: Mr. Chairman, the total expenditure is estimated to be \$3,813,000 for 2019/20, which remains unchanged. The subjective analysis for the department is on page B-57 of the estimates book. There are no major variances. The largest budgeted expenditure remains the salary line item followed by rentals and professional services.

Capital Expenditure

Hon. Walton Brown: Mr. Chairman, funds budgeted for capital acquisitions for 2019/20 amounts to \$7,000. These items are listed on page C-8, and the allocated funding will be used to purchase an audio/visual system for the department's boardroom. This will enable users the ability to conduct face-to-face interviews/meetings using Skype or Go-To-Meeting and make effective multimedia presentations with a modern solution.

Manpower

Hon. Walton Brown: Mr. Chairman, the manpower estimates for the department as outlined on page B-58 are 26 full-time equivalents, which remains the same as fiscal year 2018/19. There are currently six vacancies.

One post was vacated in 2015 as a result of the Voluntary Early Retirement Incentive Plan (VERIP) and funding is no longer available. Active recruitment is in progress for one of the positions, and approval to fill another post has been sought. Due to the introduction of a human resource information management system, two positions within the former recruitment unit remain vacant and are partially funded.

These positions will be redefined as part of the human resource reorganisation, which is part of the government's reform initiative.

Output Measures

Hon. Walton Brown: Mr. Chairman, the performance measures developed for the Department of Human Resources are found on pages B-59 through B-61.

All matters presented to the Commission were handled in accordance with the Public Service Commission Regulations 2001, Public Service (Delegation of Powers) Regulations 2001 and subsequent

amendments. During 2017/18, a 99 per cent output measure was achieved.

Mr. Chairman, we are pleased to report that one Bermudian professional and technical trainee was projected to be appointed to post that was difficult to fill and/or held by contract officers between April 2017 and March 2018. The appointment was delayed until April 2018, when Mr. Christopher Shane Mcilwain assumed the post of Land Surveyor within the Ministry of Public Works. It should be noted that no bursary students were appointed to posts as all students were still actively pursuing their studies.

Mr. Chairman, we are also pleased to share feedback of in-class professional development events held between April 2017 and March 2018. Classes continue to rank highly, exceeding 90 per cent, for job relevance and course delivery effectiveness.

Mr. Chairman, the Department of Human Resources was able to achieve 100 per cent of the annual review of trainee development plans. This review ensures the agreed outcomes of the trainee development plans are being achieved, and enables appropriate placement of suitably qualified Bermudians.

Mr. Chairman, the continued aim of the department is to improve the recruitment and selection process, and I am pleased to report that the average time to hire was reduced on average by 25 per cent for both local and overseas recruitment. Additionally, the turnaround time to prepare employment contracts was reduced on average by 48 per cent, thereby improving efficiency in the recruitment process.

To ensure the government attracts and acquires the best talent, the department will endeavour to further reduce the time to hire, to improve the candidate experience, and to have the right person in place at the right time.

Mr. Chairman, work continued on reforming human resource policies for the public service; the various collective bargaining agreements and legislative instruments all stipulate different conditions of employment which must be taken into consideration.

The evolved HR policies are designed for government-wide applicability. The policies will be drafted in four phases. Sixty per cent of the policies falling under Phase 1 were drafted. These include the following foundational policy framework documents: Charter on People Management, which will guide the application of human resource policies; Guidelines on Service Standards demonstrates the Government of Bermuda's commitment to transparency and providing service excellence; and Values and Ethics Code which outlines the values and expected behaviours to guide government employees in the conduct of activities related to their duties.

In addition, the Policy on Progressive Discipline and the Policy on Drugs and Alcohol were also drafted.

Mr. Chairman, in addition, the Framework for Management Compliance was drafted. This is a founda-

tional policy framework document which is intended to clarify the roles of the Public Service Commission, Civil Service executive, permanent secretaries, and heads of department in managing compliance.

Plans for the Upcoming Year

Hon. Walton Brown: Mr. Chairman, in fiscal year 2019/20 the Department of Human Resources will become engaged in the HR Reform initiative as the government works towards the consolidation of its human capital function.

Notwithstanding this engagement, the department is intended to continue to work towards achieving its vision of building a competent, engaged workforce which drives a vibrant, world-class public service.

To align with the government's goal to reduce paper forms by 2020, the department will implement an automated course registration module to better serve employees and improve efficiencies. In addition, through the use of automation, the performance appraisals process, for the segment of public officers that are serviced by the department, will be further streamlined ensuring simplified processes and maximised data collection.

A review of the bursary programme will continue with data analysis to identify trends that will enable us to determine next steps to ensure programme effectiveness.

Mr. Chairman, to ensure the public service as an employer of choice is equipped with a cadre of individuals for consideration for permanent secretary and head of department positions, a pilot leadership programme will be developed. The programme will focus on a competency-based approach to leadership to better identify and develop employees for these levels.

Mr. Chairman, the officers under Head 26, the Department of Human Resources, despite staff shortages, continued to persevere throughout the 2018/19 fiscal year to develop professional and strategic partnerships with their stakeholders with a focus of providing value-added solutions to achieve operational success. I would like to thank the Director, Mrs. Carlita O'Brien and her team for a job well done.

Thank you, Mr. Chairman. I am now going to move to Head 61.

HEAD 61—DEPARTMENT OF EMPLOYEE AND ORGANISATIONAL DEVELOPMENT

Hon. Walton Brown: Mr. Chairman, it gives me great pleasure to present the budget for Head 61, the Department of Employee and Organisational Development, found on pages B-70 through B-71 of the Budget Book.

Mission

Hon. Walton Brown: Its mission is to develop, enhance and deliver government-wide employee and organisational development strategies, systems, programmes, and initiatives.

Expenditure Overview

Hon. Walton Brown: Mr. Chairman, the total expenditure is estimated to be \$1,672,000 for 2019/20. The subjective analysis for the department is found on page B-70 of the estimates book.

- **Salaries:** The estimate of \$1,999,000 for 2019/20 does not represent new funding, but results from the salaried FTEs transferred from both the Cabinet Office (Management Services section) as well as the Accountant General's Department (Compensation section). In addition, there is one funded post that was transferred from the former Economic Development Headquarters.
- **Repair and Maintenance:** As with Salaries, the \$68,000 allocation in 2019/20 for Repair and Maintenance is not new funding, but the budget amount transferred into the new department from the Management Services and Compensation sections.
- **Receipts Credited to Programmes:** [These] are \$437,000. The \$437,000 Receipts Credited to Programs represents a recharge of partial salary costs for Compensation staff in the amount of \$58,000 and total salary costs of the Benefits FTEs in the amount of \$379,000 to the various Public Funds including the Public Service Superannuation Fund (PSSF) and the Ministers and Members of the Legislature Pensions Fund (MMLPF) for expenditure borne by the Funds.

Capital Expenditure

Hon. Walton Brown: Mr. Chairman, you will note that in accordance with pages C-4 and C-8 there are no Capital Development and/or Capital Acquisition funds allocated for the new department.

MANPOWER

Hon. Walton Brown: Mr. Chairman, as seen on page B-71, employee numbers, there are a total of 21 FTEs for the Department of Employee and Organisational Development in 2019/20. This figure is derived from the already mentioned transfer out of Head 9, Cabinet Office, Management Services section (seven FTEs) to the new Department, as well as transfer out of Head 11, Accountant General's Department, Compensation section (13 FTEs). In addition, there is one post within Administration which was redefined from a post trans-

ferred out of the former Ministry of Economic Development Headquarters.

Mr. Chairman, I'll now turn my attention to output measures.

Output Measures

Hon. Walton Brown: There are no current output measures. These will be determined as a part of the business planning process.

Major Policy Direction

Hon. Walton Brown: Mr. Chairman, there have long existed deficiencies associated with the existing HR organisational structure resulting in the Government's inability to adequately address the human and organisational capital within the public service. HR services are currently delivered in a fragmented and dispersed manner which results in duplication of effort, inconsistent service delivery, and an inordinate amount of time to execute basic functions such as recruitment of staff.

Mr. Chairman, the new Department of Employee and Organisational Development is the first step in the restructuring of the government-wide delivery of Human Resource services. Phase 1 of the re-organisation will include the establishment of a new department. This phase is the amalgamation of MCS (Head 9) and Compensation and Benefits (Head 11). The new department will be led by a Chief Employee and Organisational Development Officer. It is expected that recruitment for the lead post will commence in the coming weeks.

Mr. Chairman, phases 2 and 3 of the implementation of the new structure will result in the transfer of existing HR staff and associated funding from the following satellite HR units and department: Department of Human Resources (Head 26), Bermuda Police Service (Head 7), Ministry of Public Works (Head 36), Bermuda Fire and Rescue Services (Head 45), Government Post Office (Head 13), Department of Education (Head 17), Department of Health (Head 22), Department of Public Transportation (Head 35) to the new department. All of these are going to the new department, Mr. Chairman.

Once the posts and post holders from the various departments have successfully transferred to the new department, the existing positions will no longer exist. The existing Department of Human Resources (Head 26) will phased out.

Mr. Chairman, the implementation of the new structure is a core component of the Government Reform initiative. The Public Service can expect increased accountability, user-centricity, strategic leadership, and an HR partnering attitude.

The new structure will cause a proactive approach to industrial and employee relations, reduced time to recruit via modernised workforce planning and

recruitment processes, and improved capability to deliver value to the public by developing the talent pool and filling critical skills gaps. Moreover, the service will benefit from integrated employee management services, leveraging of technology and data, and the strategic repositioning of the role of HR with respect to organisational capital development.

Thank you Mr. Chairman. That concludes my presentation of Head 61. I am now going to move on to the Office of Project Management and Procurement, Head 80.

HEAD 80—OFFICE OF PROJECT MANAGEMENT AND PROCUREMENT

Hon. Walton Brown: Mr. Chairman, it gives me great pleasure to present the budget for Head 80, the Office of Project Management and Procurement, found on pages B-76 through B-78 of the Budget Book.

Mission

Hon. Walton Brown: Mr. Chairman, the mission of the Office of Project Management and Procurement [OPMP] is to provide oversight and guidance to public authorities regarding project management and procurement activities to ensure that contracts are awarded to providers of goods, services, and works based on the principles of transparency, competition, and the use of objective criteria in making decisions.

Expenditure Overview

Hon. Walton Brown: The total current account expenditure is estimated to be \$930,000 for 2019/20 and represents an increase of \$158,000, or approximately 20 per cent higher than the budget for 2018/19. Provisions for salaries, line item one, accounts for greatest increase. Further details are found on page B-77 in the subjective analysis of current account estimates.

Capital Expenditure

Hon. Walton Brown: Mr. Chairman, there are no funds budgeted for capital expenditure for 2019/20.

The budget for capital acquisitions is found on page C-9.

Manpower

Hon. Walton Brown: Mr. Chairman, the manpower budget is found on page B-77. The budget for salaries has increased by \$158,000. The difference in the budgeted amount for salaries resulted from the transfer of two employees from the former Department of Airport Operations a few years ago to OPMP. These posts were previously only partially funded.

Funds have now been transferred from within the Ministry to cover the full salaries.

Mr. Chairman, there are three vacancies within the established posts. The office is comprised of seven professionals including a director, procurement manager, senior project manager, project managers, quantity surveyor, contracts and compliance manager, and administrative assistant. These professionals have expertise in procurement, project management, quantity surveying, contracts, compliance, and administration.

Output Measures

Hon. Walton Brown: Mr. Chairman, the office's performance measures for 2018/19 are set out on page B-78 and are as follows:

1. Assist public authorities to save, reduce or avoid 5 per cent of costs in managing capital projects. This performance measure was not met. The office has implemented the Code of Practice for Project Management and Procurement and is in the process of implementing guidelines for managing capital projects. It is anticipated that over time cost savings will be realised by the introduction of a consistent, standardised approach to project delivery. There is a significant opportunity to increase the use of effective practices in planning and managing the expenditure of public funds to complete capital projects to ensure that value for money is achieved.
2. Deliver a report on the operation of the office during the preceding year within three months after the calendar year. This performance measure was not met.
3. Provide training to at least five public authorities on project management and procurement best practices. The office trained public officers on procurement best practice standards, including the Code of Practice for Project Management and Procurement. Officers are being introduced to project management best practices, including guidelines for project management through dedicated training sessions.
4. Perform five project management, procurement and contract compliance audits on capital projects. No audits were performed during the course of the year. Further work is being done to develop guidelines, templates and checklists that will assist the office to perform audits in line with best practice standards.
5. Assist public authorities to achieve 5 per cent cost savings by implementing procurement strategies that leverage the government's purchasing power. In support of the government's efforts to provide for and promote the efficient delivery of public services, the office is assisting public authorities to negotiate framework agreements and implement ap-

proved contractors lists to take advantage of opportunities to reduce costs.

Major Policy Changes

Hon. Walton Brown: The office has implemented the Code of Practice for Project Management and Procurement. All public officers are required to procure goods and services according to the procedures and requirements set out in the Code.

A policy will be implemented to ensure that Bermudian contractors participate and/or invest in major capital works projects that are managed by foreign companies.

Mr. Chairman, the office will also assist the Government to use its purchasing power to promote equality of opportunity with regard to disability, gender and race. The office is collaborating with the Bermuda Economic Development Corporation to educate small- and medium-sized business owners on opportunities to secure government contracts.

Plans for the Upcoming Year

Hon. Walton Brown: Mr. Chairman, the office will establish a protocol to ensure that 20 per cent of capital spending will be directed towards small- and medium-sized businesses that have traditionally been unable to compete for government contracts. Progress on this initiative will be measured on an annual basis.

Efforts to standardise procurement documentation and streamline processes will continue so that more Bermudian entrepreneurs can participate in Government contracting opportunities.

The office will increase effort to provide oversight of capital projects by ensuring that policies and procedures for tendering are followed, the requisite approvals are secured before and for the duration of the projects, proper budget planning is undertaken, and adequate oversight of construction and costs is carried out.

The Office will continue to advise and guide public officers on procurement and project management best practices so as to raise the level of expertise in these areas across the government.

In closing, Mr. Chairman, the office is diligently working to provide oversight of all government procurement.

Mr. Chairman, let me take this opportunity to acknowledge and thank the Acting Director, Graham Simmons, and the hard-working and dedicated staff of the Office of Project Management and Procurement.

Thank you, Mr. Chairman. This concludes my budget presentation for Head 80. I will now pass over Head 51 to my colleague, Minister Jamahl Simmons.

HEAD 51—DEPARTMENT OF COMMUNICATIONS

Hon. Jamahl S. Simmons: Thank you, Mr. Chairman, and thank you, Minister.

Mr. Chairman, it gives me great pleasure to present the budget for Head 51, the Department of Communications, found on pages B-66 through B-69 of the Budget Book.

The mission of the Department of Communications is to be the source of trusted communications between the government, public service, and residents of Bermuda using media and technology to educate and inform.

Expenditure Overview

Hon. Jamahl S. Simmons: Mr. Chairman, the total current expenditure is estimated to be \$3,150,000 for 2019/20. There was no increase in the proposed expenditure over the 2018/19 budget.

Capital Expenditure

Hon. Jamahl S. Simmons: The capital expenditure for Communications is \$40,000, which is a 15 per cent increase over the 2018/19 budget.

Fifty-five per cent, or \$22,000, has been allocated for computers. This will allow the department to continue to upgrade the computer equipment at CITV and replace ageing computers in other sections of the department, including Creative Services and Administration.

Mr. Chairman, 35 per cent, or \$14,000, has been allocated for a photocopier. The department has a requirement to print large amounts of information daily and the current copier is some 13 years old. Given the age and the troubles experienced by the department recently, the need to replace it is becoming acute.

Three thousand dollars, or 7.5 per cent will be spent to purchase a high-resolution encoder/decoder for the CITV studio.

Manpower

Hon. Jamahl S. Simmons: Mr. Chairman, there has been no change in the number of staff in the department. There are 30 full-time funded employee posts. The allocated budget for staff is \$2,529,000, which is a \$49,000, or 2 per cent increase over last year. This is the negotiated increase in accordance with the Bermuda Public Service Union collective bargaining agreement. Mr. Chairman, the entire amount was found within the department's existing budget.

There are currently three posts to be filled in the department. Two are within the customer service representative area. It is anticipated they will be filled within the coming few weeks. Permission to hire is

being sought for the third post on the portal management team.

Output Measures

Hon. Jamahl S. Simmons: The goal is to increase the number of visitors to www.gov.bm, the government portal and to make it easier for them to find information. The current measure is the speed of loading the portal. The target for 2018/19 was 4.5 seconds, which is the same speed we are looking at for the coming year, 2019/20.

With the purchase of new equipment for CITV and faster Internet speeds, it is anticipated the number of programmes produced by the television station will increase by 5 per cent together with a reduction in the cost to produce these programmes.

Mr. Chairman, Bermudians are increasingly turning to online options to view local and international content. More locally produced shows will be housed on CITV's YouTube page, providing viewers with on-demand local programmes to watch when they want and where they want.

Overall, the department will work to assess the service provided to customers using a customer service assessment tool. The goal is to continually increase internal customer satisfaction year over year, and ensure the Communications team meets and exceeds client needs.

Major Policy Changes

Hon. Jamahl S. Simmons: Mr. Chairman, 2018/19 was the first full year the Department of Communications was given an advertising budget. This allowed the department to take advantage of bulk media buying, resulting in a more controlled spend of advertising dollars. The department was able to centrally coordinate media buys and to effectively plan campaigns which provided greater audience impact.

Social media continues to play a significant role in how the government communicates with the public. More and more people get their news and information from family and friends sharing links to stories of interest and topics about which people have a concern. The social media platforms will continue to be used by the department to get information, whether it is a static graphic or brief video, to people, and those interested in learning more can click on the graphics and be taken to the website where press releases or information pages give greater details.

Mr. Chairman, the department will continue to enhance and fine tune how it communicates with online users, employing analytics to determine what works for the identified demographics and target markets.

Last year the government launched its online consultation forum which was created and implemented so Bermudians can review proposed policies and

provide comments and feedback before they are finalised and thereby have a greater say in the democratic process. To date, there have been two consultations using the forum. In the coming months, it is anticipated there will be more consultation and therefore more opportunities to use the platform.

Plans for the Upcoming Year

Hon. Jamahl S. Simmons: Mr. Chairman, the Government alerts and notifications app will be launched in the first quarter of 2019/20. Those who download it will receive government notices and announcements on their mobile devices.

Communications, working with the Department of Information Digital Technologies will launch a new cloud-based intranet. This will allow every public officer to use their mobile device to access GovConnect. The new format will be easier to navigate and because it will have a social media look and feel, it is anticipated more employees will turn to it as a first source for news and information on what is taking place within government. GovConnect will be linked to www.gov.bm, government's website, so information can be housed in one place.

Mr. Chairman, the department will continue to provide guidance and support to ministers, permanent secretaries, and heads of departments as they work to deliver their message to the public through social and traditional media. The role of employee communications will grow as more and more programmes are being designed specifically for employees and to increase employee awareness and engagement.

Mr. Chairman, I must close by thanking the Director, Aderonke Bademosi Wilson and the team at the Department of Communications. Their ability to serve under often stressful circumstances—including late nights and [weekends]—is extremely, extremely commendable. This goes for the entire team: Communications officers; the Creative Services team; CITV; portal administrators; administrative staff and customer service representatives (also known as the telephone operators). All work together to provide sound professional advice, a stellar product and a quality level of service unmatched anywhere. Bermudians, public officers and the government are well served by the Department of Communications, and I take this opportunity to publicly thank them.

Thank you.

The Chairman: Thank you, Minister.

Any further speakers?

The Chair recognises the Honourable Member Susan Jackson. You have the floor, Ms. Jackson.

Ms. Susan E. Jackson: Good afternoon, Mr. Chairman.

If you don't mind, I would like to start with Communication, thank you. So I am going to start with Head 51, Department of Communications.

I, too would like to thank DCI and their leader, Ms. Wilson, for all of the hard work that they do. And I must disclose the fact that communication is something that I do as a profession. So I have a couple of questions that I would like to ask on how the Department of Communications could ultimately become more efficient, and ask some questions on how or why they are not able to generate some revenue within government.

I do notice that much of the function of communication is more in the public relations domain in that they provide services to ministers and departments to make sure that messages get out to the media in the form of stories and educating the public on various initiatives of government. But the kind of more advertising and promotion opportunities that many of the other ministries seem to undergo . . . I do not understand why the Department of Communications is not able to generate revenue by doing more of the work within the advertising and promotion of the various ministries, and then being able to charge internal clients, these ministries, and taking on some of the communication functions through advertising and promotion.

I mean, there are 30 members of staff within the Department of Communications. They have creative services, they have a television station, there is portal management, which allows for website and IT development. So I do not understand why the government is not utilising the Department of Communications as a more centralised space for other ministries to seek the services and then pay the Department of Communications, rather than paying external bodies to produce and/or publish their advertising and promotion.

So, I would not mind getting a little information about that, just generally about the Department of Communications.

So, I would like to spend a little time on line 61040, that is the government's television station. Now, there is a significant amount of money, \$603,000, that is spent annually on the television station, CITV. And there are presently six full-time members of staff working there. Now, yes, it is appreciated that there is full-time programming for CITV. But I am just curious as to whether the government is going to be prepared to maintain that kind of expense, and also, given the fact that the Minister who just delivered the brief mentioned that there is going to be replacement costs for equipment this year, whether there isn't an opportunity to take a serious look at the television station and how we might be able to better utilise that facility to gain additional revenue.

Now, the Speaker is not in the House right now, but I am going to mention something like the negotiation of some sort of broadcasting within the

Chamber. I noticed this during the Throne Speech live broadcasting by CITV. I noticed live broadcasting by CITV for the Budget Statement and the Budget Reply. And I am just curious if there isn't some way in which we could negotiate with the likes of the Legislature to see whether there is an opportunity to gain additional revenue for the Department of Communications through the broadcasting of various services, keeping in mind that as a government station, versus Legislature, which is independent of the government, that there would have to be some firm negotiations put in place. But there may be an opportunity for the department to gain some additional funding.

I had a question around the advertising and promotion. And I thank the Minister for explaining that there would be bulk media buying over the year and that is why the additional expense up to \$250,000 would be utilised for purchasing advertising and promotional space in the media. So that is recognised and appreciated.

I just want to now spend a bit of time on the portal management, 61060. So right now we have the www.gov.bm website. Then there is also the idea of the app. I am just wondering whether there are any costs associated with the government app. And also, the cloud-based intranet, GovConnect, which is also something that the Minister has just introduced today, and whether there will be any costs, and whether those costs are wrapped up in Portal Management, which could be the case at \$473,000. But I would like to have a little bit more information on how we are going to afford those.

Certainly, appreciating the need for employee communication and having up to date and current information and having one centralised area in which all staff within government can receive news and updates and important messages is a vital part of keeping a culture of awareness and engagement within government. So, I certainly support having a government app and having a cloud-based intranet. So I look forward to that being introduced.

I noticed that under the performance measures there did not seem to be anything around sort of the measurement of the website. I am looking carefully again. I am not seeing many analytics around the use of the website, other than uploading. So I would like to know a little bit more about the amount of information that is being put onto the www.gov.bm portal. I see the number of visits per year—

The Chairman: What unit are you looking at?

Ms. Susan E. Jackson: I am looking at 61064, Portal Management, on page B-69. I do know that this is a relatively new portal that has been put in place. It certainly had a few challenges, because people had to get used to the search engine and we didn't have the traditional landing pages as we had in the past. So I

am just curious whether we are creating any savings from that portal, especially around the creativity, the posting of the creation of page sites and uploading of information, which I did not get a real sense of under the business unit 61060.

So, I will take my seat and just get some answers from the Minister.

The Chairman: Minister.

Hon. Jamahl S. Simmons: Just to answer the first two, for the most part what the Member was asking about in terms of government using DCI as a first point of service, that is happening already, for the most part. That is what happens when you see us go outside, it is basically because of either manpower or resource shortages in the department. So, for the most part we are the sole source for government in terms of all the production of all those products and everything you see out there.

To your second question in reference to CITV, one of the challenges that I think is faced right now, if you look at our local television market, you have seen VSB go out of business, and you have seen that many of the local, including ZBM, recently had layoffs. So, at this time, essentially competing directly with them would not be in the best interest of the overall market. But we are looking to work with them where possible, particularly when it comes to sharing content, moving things, as we mentioned, trying to get more local content available.

I am trying to think what else you asked. Would you repeat your last couple of questions about the portal? I did not quite understand those.

Ms. Susan E. Jackson: Yes.

So, I was just a little curious about who is providing the sort of creative production, who is uploading and maintaining the website, and whether you are finding cost savings based on what was the original or previous website that was there. And then just whether there are more analytics around it. I mean, I noticed that we have the number of visits per year and how many pages the website visitor sort of journeys through. But I am just curious whether we do keep even more detailed statistics.

Hon. Jamahl S. Simmons: Okay. Thank you for that.

With the portal, the creative design is all done in-house. And it is managed by the portal's administrators. And the Honourable Member will know that we mentioned that we are actually short in that area.

In terms of analytics, I think that part of what we are doing throughout all of government, whether it is our social media or our website, is to examine more and more ways to make them more effective. It is a work in progress and I think that we want to make sure that from the website standpoint it works. That is the first priority. The second priority is that the content

is of value so that it will draw more people in. But then also, that it becomes a source of great information.

As we take our multipronged approach, whether it is using the app, whether it is using the website, whether it is using social media, we are constantly examining and looking at ways to determine which is the most effective, if it is working, if the product being placed on them is the most effective. So there is an ongoing issue with that in terms of being able to produce something that works.

So, to your specific question, the answer is no. But it is an ongoing process and part of our internal how we manage and how we get information out to the public.

Ms. Susan E. Jackson: I have another question that has come to mind. And it is around the customer journey within the website. Certainly, I have personally gone on the website through the search engine looking for pages that are oftentimes advertised or announced within this Chamber, different documents and various initiatives that have been launched. And yet, when I go on the website, it is very difficult to navigate through the website to find these documents, and the timeliness of some of the documents being uploaded. And I certainly know that there have been ministers in the past that, with embarrassment, because they have [stated in the Chamber] that something has been launched on the website and then immediately following that realise that it has not been uploaded.

So I do not know if there is a dedicated staff member, or two, is there a team, or is this a technical delay? And is this directly published through the Department of Communications, or is there a relationship with IT support within government that helps with the portal?

Hon. Jamahl S. Simmons: The Shadow Minister makes a good point in reference to the timeliness of getting things onto the site. As I mentioned in my brief, we are down a portal administrator. We are actually looking to request to get that filled. Part of the delay is due to that.

Just for the awareness of the Shadow Minister as well as the public, there is a team of portal administrators. I believe there are three persons. And we actually need to have four. We are looking to request to get another one on line. It is a challenge. It is a challenge we have acknowledged. Part of what we are working on is to improve the timeliness, because we are very good in every other area. But with the disconnect, where we have a public affairs officer, who could issue a press release, who could put something right on to social media, you are required to interact with the portal administrative team to get something uploaded. So, that is a lag. There is a challenge that we acknowledge. But we are working to fix that.

In terms of the site and the dead links and the search functionality, that is something that we are also working to improve. I think part of the overall mandate is really to . . . if the site does not work, if the information is not compelling, people will not use it. So, part of the overall approach of improving government communications is that everything that is not where it should be, we are progressively marching toward getting it where it should be. But I think that, as I said, I am going to be lobbying the Finance Minister for another portal administrator because we need one.

The Chairman: Any further speakers?

Ms. Jackson.

Ms. Susan E. Jackson: Just changing the subject slightly, but I am noticing that there is . . . it is not applicable around deadlines for production of the Throne Speech and annual reports, et cetera. I am just wondering if you could provide an update on how those reports, those speeches are being produced, whether that is falling within the Department of Communication now or if it has moved on to an outsource?

Hon. Jamahl S. Simmons: I am not sure I understand the question. I believe . . . well, okay, the Throne Speech and the budgets are written in-house. The graphics are produced in-house, and the printing as needed will go to a local press based on a system where we get a series of quotes from at least two to three. So, there has not been any change that I am aware of since the OBA was in power in terms of that. Ninety-nine per cent is produced in-house, save for the printing.

The Chairman: Any further speakers?

Ms. Jackson, you have the floor.

Ms. Susan E. Jackson: Yes, I have another question around your customer satisfaction surveys. So, I noticed that under—

The Chairman: What line item? Ms. Jackson, I am trying to . . . I am giving you a lot of latitude, but—

Ms. Susan E. Jackson: Sorry, the customer satisfaction surveys are noted in the performance of . . . okay, let's go with business unit 61070, customer service representatives, [page] B-69. But the customer satisfaction seems to appear in numerous lines. But I am just curious, what mechanism are you using to measure customer satisfaction, and how are those surveys delivered and how often?

Hon. Jamahl S. Simmons: If the Honourable Member would give me a few minutes to get that information for her, I would be glad to provide that for her.

The Chairman: Do you want to continue, Ms. Jackson, on the other heads, if you have finished that one, that is?

Ms. Susan E. Jackson: Yes, I am finished. I would like to move on to Head 13, the Post Office.

The Chairman: Yes. Continue.

Ms. Susan E. Jackson: I will start by, one, thanking the Postmaster General, who I understand has been seconded into that post. And I will ask the Minister, When will we have a more permanent person in that post? And my next piece is to transition to the location of the post office.

So, I understand that the Post Office did have to move out of its original facility down at the Civil Air Terminal and has moved into a private facility, in a place in which we are paying what I would consider to be a substantial amount of rent. And I am just curious how long the Government is thinking that they are going to maintain that kind of high cost of rent for the post office? Given the fact that we do have the General Post Office on Church Street, I am just curious why that building has not been able to be converted, and used for the mail processing centre, as well as using it for the General Post Office?

In addition to that . . . let me get on a line item. There was . . . I am going to go for sub-post office, so it is line 345, [page] B-48.

The Chairman: Yes. Mm-hmm.

Ms. Susan E. Jackson: There has been, well, first of all, I am just questioning why \$6 million has been allocated in that space. And also, I understand from public releases that there is a move to have multiple government payment locations at the sub-offices. So, a person can go into the sub-post offices throughout the Island, and they would be able to pay their land tax, they could pay for dog licences and mooring fees, et cetera. And I noticed in your brief that there was not any discussion around that. And I was just wondering if you might be able to expand on that a little bit, and why there might be such a large amount of money that is going to be spent on the sub-post offices, and if it is related to the change in use of those sub-post offices?

The Chairman: Mm-hmm.

Ms. Susan E. Jackson: I noticed that you had mentioned that the General Post Office is considering going into or diversifying their business, and you mentioned an online shopping feature as a possibility. And I am just curious if you might be able to give a little information around the costs to purchase the IT framework that would be supported by an online

shopping platform, and the costs that would be associated and the timeline to get that?

And certainly, understanding the complexities of having something like online shopping, there are payment features there, there are security issues and compliance, and I am just curious how the post office is preparing for that kind of added demand on their day-to-day operations? And if they are going to have the online shipping, does that mean that we will have the additional costs of having some sort of overseas collection and distribution facility? So, once the purchases are made by a client, a customer here in Bermuda, the goods would have to be consolidated overseas somewhere and then shipped to Bermuda, and then how the post office would afford that and how they are planning to put such an operation in place in, I would imagine, the United States, in the first instance? And it may be interesting to know too whether it is going to be just the United States, or whether UK and Canadian online shopping will be available as well.

You mentioned that . . . and I am on now the next line, 350, Courier Services. So, there is \$204,000 allocated for courier services, and you mentioned that there was a move to enhance that service. And so I would like to know how that will work, and whether there will be an increase in revenue from that? If you are expanding that courier service to not just include . . . I am not particularly sure what the criteria is now, but I am thinking it might be more of an internal courier service that may deliver to Government House, to the airport, to the Cabinet Office, et cetera. And if it is diversifying out into the private sector whether there will be revenue-generating opportunities and whether there are any projected costs or revenues that will come in for that?

And you also, I believe, mentioned something around a bonus for parcel services. No? Okay. I will leave that alone. I am going to just take my seat at this time and . . .

Hon. Walton Brown: Sure. First of all, with regard to the acting Postmaster General, that position is a seconded position. The substantive Postmaster General has been seconded to another position. So, it just remains to be seen when this position is going to be changed.

The lease at the New Venture building is a five-year lease that the Post Office has with the New Venture Holdings. That is a five-year lease which is in place. We are looking to expand the services of the post office to a variety of areas. Online shopping is a big part of it.

In terms of consolidation of packages, it will be outsourced to a company to facilitate the collection of parcels overseas and then shipping them to Bermuda. So, it will be an outsourced facility of an overseas company to provide for that service. With regard to the sub-post offices and the fee of \$6 million, that is

the operational cost. And you are correct that the post office and the sub-post offices will be providing a wider range of government services, in particular, bus passes, licence requirements, and so forth. So, a variety of additional services will be added to the delivery of services at the Post Office.

The software that is required for the online service, it is going to cost a few hundred-thousand dollars to bring it online completely. And that is the cost of bringing it online. So, there will be a line item expenditure for that amount.

[Pause]

Hon. Walton Brown: We are exploring new courier services with different individuals to provide additional courier services to the Island. We are exploring new courier services. Okay?

Ms. Susan E. Jackson: You mentioned that there would be a line item for the additional costs associated with the online shopping platform. Added to that, you have mentioned a record and tracking IPS software.

Hon. Walton Brown: Yes. Mm-hmm.

Ms. Susan E. Jackson: Touch screen kiosks and public Wi-Fi, which I would imagine is nominal. But I am curious where those expenses will be housed within the Head 13? And whether any of those costs are incorporated into, let's say, Materials and Supplies for this year, which is at \$239,000? And I am curious too, getting back to the online website, whether we have done any kind of feasibility study to see whether we would even have the demand from this community for the online shopping?

Hon. Walton Brown: Yes, there has been extensive assessment of the local demand for online services, and there is high demand for online services and that is why we have decided to go this route, to provide online services.

The Chairman: The Chair recognises the Opposition Leader, Mr. Cannonier.

Hon. L. Craig Cannonier: Thank you, thank you, Mr. Chairman. I still was not quite sure about on page B-48, obviously under Head 13, 340, Central Mail Processing Unit. I was not quite sure if the Honourable Member is saying that they are doing away with this processing unit? So, I just wanted some more clarification as to exactly what is this processing unit? I see it is—

Hon. Walton Brown: Where are you?

Hon. L. Craig Cannonier: —on [page] B-48.

Hon. Walton Brown: Okay.

Hon. L. Craig Cannonier: [It is] 340, under 1310, subsection 340.

Hon. Walton Brown: Yes.

Hon. L. Craig Cannonier: Yes. I am just trying to get a better understanding. The reason I was asking that, I understand they are going into, Mr. Chairman, the online shopping because on [page] B-50, under Performance Measures, it says at the very bottom, "Status of completion of the implementation and rollout of a single new postal software solution to replace the various current systems." That does not refer to online shopping as well, right? That is something completely differently?

Hon. Walton Brown: That is different.

Hon. L. Craig Cannonier: Yes. Okay. So, I guess what I am trying to understand then, if this under performance measures then what is this actual system that we are rolling out, as far as a central system throughout the whole of the post office? I will ask my last question after that and then we will move on.

So, I was just curious as to what that new software package is and what is so different about what we had before as to why we are now going after a new software package? And actually, how much did that software package cost that we are able to now have this? It is probably good that we do. I am just curious as to being able to let the public know exactly what that is.

Also, if we would go, Mr. Chairman, to [page] C-8, on Capital Acquisitions, I also noticed on the Post Office Capital Acquisitions, [page] C-8, 76013, Cycles. I see that there is no allocation for, I am assuming, the purchase of new cycles. But if I go back and look at 2016/17 budget, \$15,000 was spent on cycles. Let me rephrase that. In 2016/17 we purchased \$15,000 of cycles. In 2017/18 we did not. And then again in 2018/19 we spent \$12,000 on cycles. I am curious as to how many cycles do we require within the postal system? And is that two-year turnabout typical for getting new cycles? Because if you look at the history, it looks like we are getting them every two years. So how many cycles do we typically have within the fleet of the post office? And what kind of cycle are we looking at that we would be buying cycles approximately every two years to keep up the fleet?

It may very well be, I mean, these guys are out on the road every day, right? All day. But I do not know if that is realistic or not. The reason I ask that question is because I know that, especially with our vehicles, you know, they have a lifespan. And quite frankly, sometimes, as governments we allow them to run until they just completely die out, and we have got issues in trying to keep up with maintenance of these

kinds of things, whereas in other countries they will give the lifespan of a car five years, per se, and then they just go out and get new ones and sell the ones that they do have, to receive something back. And I do not know if we are looking at a plan like that, or are we just taking these bikes and within two years they are done? So, I was just curious as to how that works.

Also, on the same page, on C-8, Computer Equipment, I am assuming that the computer equipment that was purchased was to . . . I am assuming that it has to go along with the online shopping? I do not know whether that is the case or not. But what was the particular reason for it, or maybe the computers just died out, they were old? Whatever the case may be, that could be it.

Oh, also, I am just going to flip back, Mr. Chairman. Sorry for going back and forth here. On [page] B-49 down under the section Employee Numbers, 345, Sub-Post Offices . . . I see that we are increasing by three members. Is that due to the acquisition of this new software package for online shopping, or is that just to keep up with the demand? What was the purpose of the increase of three employees under sub-post offices? And bearing in mind that, you know, we were tending to look at the sub-post offices, and the amount of work that they are doing was under question at some point in time. And so, I was just curious as to why we are adding three on? And it could be because we actually do need them. Thank you.

Hon. Walton Brown: Well, with regard to your first question about the Central Mail Processing Unit, that is the heart and soul of the processing of all the mail. That is where all the mail gets processed. All the mail comes to the Central [Mail] Processing Unit, it gets distributed, it gets allocated, and the machine is very manually driven. It is very manually driven, okay?

With regard to the other questions, I am just going to wait for my answers to come.

[Pause]

Hon. L. Craig Cannonier: Okay.

The Chairman: Minister, I am going to allow one of the other Members to pose some additional questions while you try to straighten that out.

Are there any other Members who would care to speak to these respective heads?

The Chair now recognises the member for constituency 19.

Hon. Jeanne J. Atherden: Right. Thank you, Mr. Chairman.

This question relates to the Minister's suggestion about online shopping, and I guess . . . and this goes back to [page] B-49, recognising that anything that happens with respect to online shopping, et cetera, is put together to generate more revenue. That

is the only justification for putting something in, that you can get the revenue to make it worthwhile. I guess . . . and the Minister said that some sort of survey or something had been done. I just wondered if he can perhaps give a little more indication about what the survey was saying? The reason being I remember in this House we had, when the Government decided that it was going to introduce courier services, there was a lot of discussion as to whether that was going to actually be viable, recognising that you had a lot of private sector courier services, and the question arose as to whether the Government would make enough money to make it worthwhile.

And I am looking on [page] B-49 where courier services last in 2017/18 there was only \$45,000, but in the original budget for 2018/19 was going down and we are still talking about it going down. So, it just makes one wonder why if the courier service revenue is not up to the level that we want, why would we start to go into online shopping when you are going to be in competition with the private sector which has a lot of history and is very nimble? And courier services and online shopping . . . you have to be nimble and be there and I just worry about whether we are able to make it work.

The Chairman: Thank you, Member.

The Chair now recognises the Minister. Minister, you have the floor.

Hon. Walton Brown: First of all, we are not going to be in direct competition with courier companies. We offer a different timeframe for delivery of packages than the courier companies. So, we are not in direct competition at all.

With regard to the number of cycles, we have 30 cycles. We have 30 postmen; we have 30 cycles. They last about five years each. So, it just is scaled along those lines.

Also, with regard to the increase in positions at the post office, it is to fill a position that has just been reduced through attrition. Just to refill positions, that is it.

[Inaudible interjection]

Hon. Walton Brown: Right. And just one correction: Online shopping will not cost \$250,000. It is the increased number of parcels in growth which is part of a growing trend. It is not going to cost \$250,000, it is going to cost much less than that to implement online shopping.

The Chairman: The Chair now recognises the Opposition Leader. You have the floor.

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

There was one particular question on the performance measures that I did not get an answer to,

and that was the status and completion of the implementation and rollout of the new postal software. I was trying to get a better idea, if we can let the public know exactly what this is, how is it building efficiency, per se, within the service that we are providing and the like?

Hon. Walton Brown: That is a work in progress. We are not quite ready to roll it out yet, but we are working on it.

Hon. L. Craig Cannonier: Okay.

The Chairman: The Chair now recognises the Member for constituency 20, Ms. Jackson.

Ms. Susan E. Jackson: Thank you. I am still on Head 13, [page] B-48, and I believe it is going to fall under Equipment and Other Expenses. But I am just curious what kinds of charges and payments we might be up against after the security assessment.

I have read that we have already incurred costs to secure the general post office where the public, where the mailboxes are kept. So, there is a swipe card now in order to get into that facility, and I would imagine that we had to incur some costs to get that security up, and to distribute swipe cards to all of the customers. And once we have a further and more complete security assessment by the sounds of the brief, what kinds of costs are we putting aside in preparation for the need for any particular security equipment that we may have to put in place that we do not have now?

The Chairman: The Chair recognises the Opposition Leader.

Hon. L. Craig Cannonier: Yes, I don't mean to belabour the point, but I am just a bit confused now. At [page] B-50 the Performance Measures, the Honourable Member says that it is a work in progress. And I can tell why this here is a work in progress. If you look at the numbers here [for the] 2018/19 [fiscal year] 30 per cent completion, revised forecast approximately 70 per cent, and we are saying going into this next year it will be 95 per cent, and I am assuming that this completion is a new software package, so, it obviously is already in play. If you are looking at the performance measures here, it is already in play.

So, it is not something that they are about to acquire, it is something that we already have and I am just trying to get a better understanding, you know. And the reason I am asking this question is [you] hear all the time, *Oh, well, what is the postal service doing?* You know, from the public, and I know these people are working hard. And it would be nice to be able to give them some detailed information about, you know, how we are performing. I mean, this whole idea of online shopping is brilliant. I am so glad to hear that

we are moving in this direction. And the public needs to know this here. So, it would be nice to be able to give them a little more detail as to how we are making it more efficient as we go forward, that is all, and what it is.

The Chairman: Minister, you have the floor.

Hon. Walton Brown: It remains a work in progress. We are making it more efficient. We are streamlining procedures, and we are providing for more things to be delivered online. That is the extent of what we are doing. Online greater capability and streamlining of features, that is what we are doing. That is our focus. We are streamlining features, and we are providing more measures online.

Hon. L. Craig Cannonier: Yes, but you said it did not have to do with anything online when I asked that question.

Hon. Walton Brown: It is in the implementation stage. It is being developed.

Hon. L. Craig Cannonier: So, we haven't . . . we haven't acquired . . . I am just looking at the performance measures here and it says 70 per cent, that, you know, if you look at it . . . I'm sorry, Mr. Chairman, I'm sitting down. I guess what I am asking, it says "status of completion of the implementation and rollout of a single new postal software solution."

So, are you saying then that we are still in the process of trying to identify what this software solution is? I was assuming that because of the performance measures that we were already training people. Maybe I got that wrong. Maybe it is just that we are still in the explorative stage of this hearing, that we are saying that for the 2018/19 [fiscal year], 70 per cent of that explorative measure has been taken in 2018/19.

Hon. Walton Brown: That is phase one.

Hon. L. Craig Cannonier: Okay.

Hon. Walton Brown: That is phase one.

Hon. L. Craig Cannonier: Okay. We are getting somewhere. Well, what is phase two? If you are going to tell us this is phase one?

Hon. Walton Brown: Phase two will be the further implementation of it. Phase one is the developing, phase two will be implementation.

The Chairman: Thank you.

Are there any other Members that wish to speak to these heads?

The Chair now recognises the Shadow Minister.

Ms. Susan E. Jackson: I am still on Head 13 for the Post Office, and I am curious. Now, I grew up enjoying stamp collecting and I noticed . . . and so I have a real appreciation for the effort that goes into creating the artwork, and obtaining the images that are used on the stamps, and I certainly get the rewards that come from that, not only from the artistic world, but for those who enjoy collecting stamps. But I am noticing that we have a substantial decrease in revenue for this, and we are still spending a significant amount of money each year. Line 335 has the service at \$433,000, estimated for 2019/20, and yet the revenue is estimated at a thousand?

Hon. Walton Brown: A thousand.

Ms. Susan E. Jackson: A thousand. A thousand dollars. So, I am just curious, I mean, is there some law why we have the Bureau? I mean, I get it from a philanthropic perspective, but . . .

Hon. Walton Brown: It is not cost efficient. Right. It is not going to be cost efficient. But that is a part of our service that we provide to the public, and it is of great value to those who are stamp collectors. And so, we continue to provide it, even though it is at this cost. It is just something we feel is important to do, to continue to do.

Ms. Susan E. Jackson: For the cost of \$433,000 a year? Is there any initiative or any work being done to investigate other ways in which we might be able to provide this service at a less expensive, at a lower cost?

Hon. Walton Brown: Well, we will certainly consider other options. But we will need to explore those other options to see what is viable.

[Mr. Rolfe Commissiong, Chairman]

The Chairman: Thank you, Members.

Are there any other Members that wish to address these heads at this time?

The Chair now recognises the Member from constituency 19, Ms. Atherden.

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

My question goes to [page] B-55, which is, I am going now to talk about the post office, and I will say right from the get-go that I have always been interested in statistics, and my whole question relates to how we can get information and use information and the timeliness. So, I would like to ask the Minister, and if he can get his technical staff to perhaps provide this response. If you go to [page] B-55, there is an indication talking about surveys, and to me, I always—

Hon. Walton Brown: [Page] B-55 is Stats.

Hon. Jeanne J. Atherden: Pardon?

Hon. Walton Brown: [Page] B-55 is Department of Statistics.

Hon. Jeanne J. Atherden: Well, that is what I said. I said I would like to talk about statistics.

Hon. Walton Brown: You did not say that. Go ahead. You did not say that. That's fine.

Hon. Jeanne J. Atherden: So, we have gone from post office and now I am talking about Statistics.

The Chairman: Yes. You may continue.

Hon. Jeanne J. Atherden: [Page] B-55. Okay. All right. So, my question is because I have always maintained that the more timely the information you get, the more you can do with it. So, this is talking about the surveys. And on business unit 24025, there is an indication that timely completion of statistics relating to the current job market for informed decision-making, and it was saying that the completion of the employment brief is nine months after the reference week.

And then when you go down to the other performance measures, it says "Conduct semi-annual Labour Force Survey for delivery of more frequent and timely unemployment measures." And it says, "The target outcome for 2019/20 is complete Labour Force Survey Reports five months after reference week." And I guess I have two questions: One is, Is the reference week for these two particular surveys the same reference week, or different? And my second question relates to . . . is there any way that the completion of the surveys is able to be shown, i.e., in the sense, one is done five months after the reference week, and the other one is done nine months [after].

So it just begs the question if there is any way that both of them could be done five months [after] because it means that if the other one that is done in nine could be done in five, then you get the information faster.

So, my question is what is the reference week for each one of those? Is it the same reference week? And is there any way . . . is there anything that prevents the Statistics Department from shrinking that to get the one that is done in nine months closer to five?

The Chairman: Minister?

Hon. Walton Brown: Well, they have two different reference dates, first of all. Secondly, with regard to shrinking the timeframe, that is always possible. It is a question of devoting more resources to getting it done more efficiently. We will have to explore that, the viability of doing that.

I take the point that nine months is a long time to wait for a report, especially for sensitive economic

data. Timing is very important. We will look into this matter and see what can be done to rectify the long-time delay.

The Chairman: Thank you, Minister.

The Chair now recognises the Member from constituency 10, [Honourable Member] Dunkley.

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

This is on Head 51, Department of Communications, page B-67. During the Minister's presentation, he talked about bulk media buying. I am just curious, because, obviously, it has been put greatly into that line item, because in 2017/18 there was \$29,000 initially allocated, and that changed to \$118[,000], and we see 260, 229 and 250.

So, the question to the Honourable Minister is, have all the government contracts for the bulk media buying been advertised, and can the Honourable Minister list those current contracts?

Another question to the Honourable Minister, do all Ministers have support from DCI as far as their own personal public relations officer? Thank you, Mr. Chairman.

The Chairman: The Chair now recognises the Member from constituency 33, Minister Simmons.

Hon. Jamahl S. Simmons: Yes, to answer the Honourable Member's first question, when it comes to advertising buys, you do not advertise for advertising buys. How it works is you buy advertising based on the audience you are trying to target.

For example, an ad might be chosen for *Bernews*, the *Royal Gazette*, ZBM, wherever, based on the audience we are trying to target. So, it is not advertised. I do not know if it has ever been advertised, that is just not how it is done. If you check the government portal, all of the contracts are listed, as required. So you would be able to get them there. And I would be glad to provide the full list if you like. But they are all posted.

The Honourable Member says, *We hope*. Yes, we do hope. But, if they are not, they will be by the time I sit down!

[Laughter]

Hon. Jamahl S. Simmons: I think in your other question relating to the actual budget, what happened was that all of the individual advertising budgets from each department which were previously held under them was pooled. So that is where that number shifted. Does that help?

[Inaudible interjection]

Hon. Jamahl S. Simmons: Okay.

The Chairman: Thank you, Minister.

The Chair now recognises the Member from constituency 10 again.

Hon. Michael H. Dunkley: I appreciate the answers.

I have been following the government portal. I have not seen them posted yet. So, I look for a follow up from the Minister.

The last question, do all Ministers currently have a public relations officer in the Ministry?

Hon. Jamahl S. Simmons: That is correct. Most are being shared, however. So there is . . . basically each public affairs officer normally will carry two ministries. For example, the public affairs officer for the Cabinet Office also shares with Finance. I believe the one for Tourism and Transport also does National Security. So, that is the arrangement as it is.

The Chairman: Thank you, Minister.

I recognise the Member from constituency 20.

Ms. Susan E. Jackson: Thanks very much, Mr. Chairman.

I would like to move on to Head 26, Department of Human Resources. So, I definitely support the idea (and I have mentioned this before) that the Human Resources Department is looking to restructure itself. I just have a few questions around how, and what that is going to look like.

I would like to begin with salaries, which is . . . page B-57, under Salaries. Now, it has been mentioned publicly that a chief employee and organisational development officer, an HR business partner, an employee relations advisor, a talent acquisition manager, an HR systems specialist, will all be new posts. Now, I do not know if that is attributed to Head 61 and the salaries that are posted there, \$1,999,000 . . . Head 61?

[Inaudible interjection]

Ms. Susan E. Jackson: Okay, thank you for that.

Now, given the fact that the Government is looking to take all of the HR departments within the various ministries and pool them into one centre of excellence for HR services for government, I guess my big question is, What is actually going to be different? And how are you going to restructure? The Budget Book looks very traditional to me, in that the structure is still laid out as it always has been under Head 26. And I am curious how the restructure is actually going to look in the end.

My concern is that it will just end up being the exact same thing that it has always been, it is just that everybody will sit in the same place, versus sitting in other areas. And you have mentioned how you are hoping to improve the recruitment process, and speed up, and have more efficient processes within the De-

partment of Human Resources, but it also seems to me that if we are going to go through the expense of restructuring and pooling these departments, that there is an opportunity here to create a different culture, and it is an opportunity for a different culture for government.

When it comes to education, to me, this is probably one of our real diamonds, because we are looking at a population of Bermudians that is skilled, that is talented, and that is working. And if there is ever a place where we have an opportunity to create an incubator for skilled personnel that will be able to manoeuvre through government, private sector, wherever they want, because we are going to make that investment in making sure that they have the training and the skill set necessary to become the senior management or subject matter experts in their field, then, to me, the Department of Human Resources needs to have very close scrutiny so that we are able to provide the best support, and that this does not just become a reshuffling of the deck to make things look efficient.

This is an amazing opportunity for Bermuda and for Bermudians. And I would not want us to squander our funds at a time when we really have an opportunity to invest and escalate the skill set of Bermudians in this situation.

With that, I would like to move to line 2602, Learning and Development, 36030, learning and development administration. That has an allocation of \$595,000 this year. I am just curious if this is where the succession planning programme will lie, given the fact that there has been much talk within this Chamber about creating and upskilling and having developmental plans for our members of the civil service who can move up the ranks and, in particular, move into positions that are deemed hard to fill, and whether we have looked at those individual positions. And I believe there are probably about 12, maybe as many as 17, difficult to fill, hard to fill positions within the civil service, and how much, and whether that \$595,000 is an allocation for that succession programme.

The next line item 36050 for training courses, of \$93,000, which is a drop from last year of \$9,000 (it was \$102,000), but with that \$93,000, whether that training is going to be allocated to the Human Resources staff to prepare them to support and create the documentation and development plans for people who are within the succession programme, because the training of the HR personnel is going to be critical in the success of the succession planning.

In line 36110, public service bursary, there is \$220,000. I would like to know what the demand for that bursary is now. How many people are currently recipients of that bursary? How many will be allocated, or given an opportunity to access that bursary this year?

I am going to take my seat at this point and let the Minister answer those questions.

The Chairman: The Chair recognises the Minister of Government Reform, Cabinet Office.

Hon. Walton Brown: Head 26 will disappear with the change. Head 61 will be the permanent fixture. And it is not simply a coming together of different departments with HR into one. It is a complete restructuring of the entire enterprise. It will bring together the different heads of HR from different departments in government. It will be a complete revamping of it. It will bring management and consultant services on board as well. So it will be a complete revamping of the entire process. We will be able to get economies of skill in the delivery of HR services and we will be able to fine tune policy across the spectrum and bring about a greater unanimity of function in the delivery of HR services. That is the important point there.

Twenty individual HR personnel will be provided and it included under the corporate line item, \$18,000. Succession planning funding is included in the Learning and Development allocation. There are 10 bursary award recipients in the areas attached. So there are 10 bursary awards. I can give some names of people, Jodi Ming, Ministry of Public Works; Shuntelle Paynter, Ministry of Legal Affairs; Destynie Mallory, Ministry of Legal Affairs; Doreen Burgess, Ministry of Health and Seniors; and Tabia Butterfield, Ministry of Public Works. These are some of the people who received bursaries.

Ms. Susan E. Jackson: Thank you, Minister.

The Chairman: Members, I just wanted to make sure that you are aware that we have about 11 minutes left.

[Inaudible interjections]

The Chairman: Okay. I stand corrected. We have over an hour left, just a little over an hour.

But you may proceed, Member.

Hon. Jeanne J. Atherden: Thank you, Mr. Chairman. I know you wanted to keep us own our toes.

I would just like to ask the Minister a couple of questions with respect to Head 26. The Minister indicated in his brief that there was . . . this is on [page] B-58, the Department of Human Resources. He had indicated that there were six vacancies. But if you look at the Budget Book, it says the actual people for 2017/18 was supposed to be 26, the original—

The Chairman: Where are you?

Hon. Jeanne J. Atherden: [Page] B-58.

The Chairman: Okay.

Hon. Jeanne J. Atherden: Okay. I am talking about the Department of Human Resources. If you look at

the employee numbers, full-time equivalent, it says that the actual for 2017/18 was 26. The original for 2018/19 was also 26. The revised for 2018/19 is 26, and the revised for 2019/20 is 26. But the Minister in his brief said that there were six vacancies. And the reason I am asking is that there is a real problem when we try to see how many people are in the departments. Say, “bums on seats,” so that people understand what I mean.

How many people are actually in the department as opposed to what the Budget Book says? And the reason it is important is because if you do not have the people there, then it means that you cannot produce the results that you intended to. And the reason I am asking is because when you start to look at some of the performance measures on [page] B-61, the tendency might be to say, *Well, they didn't deliver on this and they didn't deliver on that; therefore, they didn't perform well.* But if any of this related to not having staff with vacancies, then at least it would be good for the public to know that.

And I say that because if you look at Recruitment, this is business unit 36080, and you are talking about turnaround time, the original outcome for 2017/18 was 48 average turn around to prepare employment contracts. And then after that the next forecast was a 70 per cent average turnaround time to prepare employment contracts. Now, the revised forecast says, “not applicable.” But I am sure that does not mean that the revised forecast is the same as what you had before. I am sure it does not mean not applicable.

And then afterward, the target outcome for 2019/20 is once again 70 per cent. And especially when it comes to human resources, if the people are not there to be able to go out and recruit, that has a knock-on effect to all the departments. So I just wondered why is it that we are not able to show the actual numbers that are in the department and the actual vacancies so that people can be aware of the vacancies and explain why they do not always deliver on the outcomes that they have put in place.

Hon. Walton Brown: Well, the vacancies were never shown, is just part of how the information is presented. But this is a point that we can note and take it on the stride. We might be able to do that in the future. But the vacancies are never noted.

Someone will relate some data, some information I have received about the timeliness of data of the surveys. The Labour Force Survey has a reference period with reference being May 13th through the 19th. Now, one of the reasons that it takes so long to get the report out is that there are tremendous delays in getting information from customers. So as of February of this year, there were 1,100 businesses that had not submitted their data. So it is a delay in getting the data from the clients sometimes which creates a long delay as well. And the Staff Department works

very hard, very diligently, to try to process this information and get the data out. But they need to get the data from the clients themselves.

The Chairman: Thank you, Minister.

The Chair now recognises the Opposition Leader. Mr. Cannonier, you have the floor.

Hon. L. Craig Cannonier: Thank you, Mr. Chairman. I am just trying to remember to put on my microphone.

On [page] B-60, at the very bottom in the performance measures, we see that we are looking to improve the recruitment and selection process from 20 weeks to 10 weeks, that is locally, for locals; 24 weeks to 12 weeks for overseas recruitment. So, essentially, 50 per cent. And just taking into consideration that Human Resources, probably the most vital first part of the step of ensuring that we have right people and efficiencies in place . . . we are not increasing the numbers of people that are within this department head.

I am just curious, how are we meeting these measures of 50 [per cent] and 70 per cent? Yet, we have not needed to increase our numbers of employment, per se. What efficiencies are we putting in place?

I mean, this is great news, actually. It is fantastic that this is the case, quite frankly. And if we are pulling this off already then I must tip my hat to the Human Resource Department. They tend to take a lot of licks, the Human Resource Department. And, quite frankly, I think that they are understaffed as it is and, you know. Again, it is the first measure of getting the right people, then training them and keeping them here, keeping people motivated and the likes. I always felt that the Human Resource Department needed more resources. So the numbers have not changed, quite frankly, at all as far as in the general summary. There are no increases, there are no decreases. So I am just curious as to how we are meeting these measures without having increased our spend, without having increased our numbers of employees. It would suggest some other things, potentially, but I do not want to make any assumptions.

Hon. Walton Brown: Well, it is part of the internal processes and changes of internal processes. The other part has to do with the changeover to Head 61, the migration of HR function to Head 61, and the fixes that are going to be created move. So we expect to have more efficient delivery of services.

The Chairman: Does any other Member wish to address the respective heads at this time?

The Chair now recognises the Member from [constituency] 19.

Hon. Jeanne J. Atherden: I guess I should . . . because the Opposition Leader mentioned it, and it ties

right into what I was going to ask, this is the whole thing of Head 61. I think everybody is looking forward to see the creation of the department and the fact that you are going to bring all these individuals from Fire, Police, Post Office, et cetera. But I guess the question that I had . . . and to me it comes back to this about Human Resources and how well we are going to make this happen. One would normally operate on the basis that there should be performance measures to determine whether programmes are successful, and performance measures to be able to say whether you are delivering.

Now, I know that there was an indication that this department has just been created. But I have to ask the question. I would have thought that when the department was being proposed that there would have been some indication as to why it was going to be proposed, and what type of interim objectives would be able to be achieved over a particular timeframe in this next year. I cannot believe that we are going to go through 2019/20 and not have some deliverables because, surely, that would have been part of the Cabinet paper that was created to say, *Let's create this department.*

I wonder if the Minister, even if it is not in the Budget Book would be prepared to say to us and the public out there what you hope to achieve in this next year. Leaving aside just putting the department's together, I am sure there are some things in the Budget Book, when we look at the other head which talked about things being discontinued and other things not taking place, I cannot believe that they were not discontinued because the assumption is that this new department is going to create and deliver on them.

So I wonder if the Minister could tell us what type of performance measures are going to be considered for this new department that he is going to create.

The Chairman: Minister, you have the floor.

Hon. Walton Brown: Let me first say that there was a very detailed analysis that went into the formulation of this new department. It was a very prolonged process. A lot of assessment was done; a lot of assessment was undertaken. So, there were very clear guidelines that were established to create this new department.

In terms of outputs, we expect to see greater efficiencies. I am not in a position now to specify what all of the output measures are, but there will be greater efficiencies in delivery of service in the HR realm. There should be shorter time periods for the delivery of decisions, and there should just be greater efficiencies all around. That is what we are looking at accomplishing in this regard. I am not in a position to specify precisely what the details are in terms of accomplishments, but there will be a number of accomplishments coming out of this new department.

The Chairman: Thank you, Minister.

The Chair now recognises the Member for constituency 20.

Ms. Susan E. Jackson: Thank you, Mr. Chairman.

So does that mean that the existing team under Head 26 will create their efficiencies and continue to do what they are doing? And that under Head 61 with the members who have been seconded from the likes of Cabinet and Economic Development, et cetera, will be heading up what will be the sort of new culture of HR within the civil service? Is this where the succession planning framework will be created under this whole new head and this new team of seconded heads of department versus the Head 26 team?

Hon. Walton Brown: The Head 26 team will migrate to Head 61 to a very large extent. They will be operating under a whole new set of procedures and policies. So that is where you get the synergy coming from, the whole new framework for the delivery of services under Head 61. [Head] 26 will effectively disappear for all intents and purposes.

Hon. Jeanne J. Atherden: Mr. Chairman, maybe if I pose this question in this way it will make it very obvious why we have this question.

On [page] B-61, this is Head 26, it says, "to further streamline the performance appraisal process through the use of automation ensuring simplified processes and maximising data collection." So this said that this was going to be a targeted outcome for 2019/20, "continued revisions from lessons learned completed by March 31st, 2020."

So all we are trying to sort of say is that some of these things have to continue. You just don't have new departments created without some measures in place. All we would like to make sure is that these things will exist and somebody will be reporting on it. And so if the Minister could at least undertake to take some time over this next quarter or so, once the department is up and running in the new fiscal year, to be able to at least come back and report some of these things . . . this is one of the greatest things that the Government is saying that it is going to do.

HR is important. We know that there are issues with respect to recruitment in terms of . . . I know that in Health, you are taking the people out of Health and putting them into the other departments. So it would be nice to be able to see that the recruitment process gets faster, the appraisal process . . . which is really important, because the appraisal process is so significant in terms of how you are going to groom people and have them develop.

So, I wish the Minister would at least consider doing something that would produce some outcomes, especially bearing in mind that you say that [Head] 26 is going to disappear, and [Head] 71 is going to be the next one. Thank you.

The Chairman: Minister.

Hon. Walton Brown: Mr. Chairman, I can undertake to come back within three months to report on the objectives of Head 61, as requested by the Opposition.

Hon. Jeanne J. Atherden: Thank you.

The Chairman: Thank you, Minister.

Any other Member?

Member from constituency 20.

Ms. Susan E. Jackson: Yes, so my question was when. What is the timeline for this transition from Head 26, effectively to Head 61? And then my additional question is, within Head 61, although I am not seeing a line item for it in particular, whether there will be any additional software programmes and such. I have heard of using a Government HR information resource system. I don't know whether these are new purchases or whether these are existing and will transfer with Head 26 to Head 61.

Hon. Walton Brown: These are currently in place and we will just be adopting it for Head 61. That is what we will be doing.

The Chairman: Any other Members care to address the respective heads under discussion?

Ms. Susan E. Jackson: And the timeline?

Hon. Walton Brown: This is a gradual process, so it will take place over the course of a few months. But it is a gradual process; there is no rigid timeframe by which . . . we will transition from [Head] 26 to [Head] 61. It is a gradual process, which will take place over a series of months.

Hon. L. Craig Cannonier: Sorry, Mr. Chairman, I just want to be clear. So, if the Honourable Member is saying that we are going to transition within a few months; I was just looking at the numbers of \$1.6 million for Head 61 and also for Head 26, \$1.3 million. So, are we saying, then, the allocations for the first couple of months will be doubled up? Is that what we are saying? I am just trying to understand this whole transition period.

The Chairman: Minister.

Hon. Walton Brown: There will be some overlap as the transition takes place. There is some inevitable overlap between the two departments.

The Chairman: Yes.

Ms. Susan E. Jackson: I hate to go on about this. So, the positions within Head 61 now, I thought they

were in position because they are the ones that are going to lead the transition and create the strategy and carry it out. However, you are saying that the positions that are being formed in Head 61 will be the new heads of the Department of Employee and Organisational Development?

The Chairman: Yes.

Hon. Walton Brown: That is the process. It has to be clear: phase one will establish Head 61 and MCS and the Compensation and Benefit Section will move over in the first quarter of this year. Phase two is an 18-month period in which the transition of all other Government departments into Head 61.

The Chairman: Thank you, Minister.
Member from constituency 20.

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

I would now like move to Head 80, Project Management and Procurement.

So, to me, this is another example of a department within the civil service that is evolving. When I was first introduced to the Department of Project Management and Procurement, it was my understanding that they were going to be providing a platform for smaller contractors to be able to make a bid for Government work. They would make a bid based on the fact that if the Ministry of Health needed to order widgets and the Ministry of Education needed to order the same widgets, then the management . . . that Head 80, Project Management and Procurement, would create through, I guess, an electronic framework, approved vendors, so that the Ministry of Health and the Ministry of Education could purchase the exact same goods and they could go to this one central vendor in order to make that purchase. Which, made it more efficient and the oversight and transparency and control is better because it did away with the fact that the Ministry of Education would go west and find a supplier and pay a certain amount of money, and the Ministry of Health would go east and purchase the exact same goods for yet a different price. So, this area provided a more centralised area for government purchases.

Then, I understood on the other side of Management and Procurement, that when there were larger projects that could potentially sole sourced, this would be maybe projects over \$50,000, rather than following the Financial Instructions, which would go for the three tenders, et cetera; that the Office of Project Management and Procurement would then be able to navigate through that process and then oversee and project manage some of these larger projects without individual ministries having to go through a gruelling and time-consuming RFP process. I am just wondering if the Minister will be able provide some clarity on exactly what this office is doing.

And then, I am a bit concerned or interested in finding out about the small entrepreneur. So, in your brief you mentioned that the Office of Project Management and Procurement has been going to organisations, such as the Bermuda Economic Development Corporation, and speaking to entrepreneurs, so that they can understand how the contract process, the application for Government contract processes, is carried out and encouraging smaller businesses to get involved. I am just wondering if you may be able to provide some clarity on how that is going and the number of people and companies that are actually a part of and within the departments remit at this point.

The Chairman: Minister, you have the floor.
Thank you.

[Inaudible interjections]

Hon. Walton Brown: First of all, let me say that the Office of Project Management and Procurement is not in the business of going around and figuring out who can best provide a range of products and services, as you suggested. In a limited number of cases, they try to figure out who they can identify as prospective vendors in particular industries as that has been very limited in its application. Normally, what they do is, if someone wants to get out of a contract, the contract has to be put out to tender. Any size over \$5,000 has to be put out to tender. An OPMP assesses that process. They do not normally sole source a contract. It is under very limited circumstances that they would sole source a contract. The rule of thumb is that everything goes out to tender, unless there are particular reasons why it should be sole sourced, and the prospective department can make a case for sole sourcing; but, it under very limited circumstances. So, everything goes out to tender and they assess the process and the tender documents and they make a recommendation based on that. That is how it is operated.

With regard to reaching out to companies, OPMP has conducted some training sessions with companies about the application process for tendering and submitting tender documents to help companies to be able to be in a better position to bid on contracts. There is an ongoing effort that they are undertaking, and it is working very well. They have had some success in getting small businesses in a position to be able to bid on the different contracts.

The Chairman: The Chair now recognises the Member from constituency 19.

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

Minister, with respect to Head 80, which is the Project Management and Procurement, if I am reading on [page] B-78, the Performance Measures, it says: "Deliver to the responsible Minister a report on the

operation of the department during the preceding year.” It said, “not delivered” for 2017/18. Has the report been delivered for 2018/19, or is it due to be delivered momentarily?

Hon. Walton Brown: The report has not been delivered, and the report is not due.

Hon. Jeanne J. Atherden: I just want clarity, because it says: “Within three months after the calendar year.” So, is it really calendar or is it fiscal year?

Hon. Walton Brown: It is calendar year, as it says in the document.

Hon. Jeanne J. Atherden: Okay, so, by March 31st we can anticipate that there will be one.

Hon. Walton Brown: You can anticipate it, yes.

Hon. Jeanne J. Atherden: Okay, no, that is fine.

The second thing is, it says, “Perform project management, procurement and contract compliance audit on capital projects.” And then, it indicates that five had been completed. Could the Minister tell us which five?

Hon. Walton Brown: I do not have that at my fingertips, but I can get it from my tactical officers, I believe.

Hon. Jeanne J. Atherden: Okay. And, then, the other question that I have, this is talking about: “Assist public authorities to achieve cost savings by implementing procurement strategies that leverage the Government’s purchasing power.” And a number of 5 per cent is there. I just wondered, on what basis is 5 per cent created? Recognising that I thought that Procurement’s job is to try and use all of Government’s leveraging capabilities to try and reduce the amount of expenditure that we have and to get the greatest value for money. And I just wondered, why was 5 per cent [created] and how is leveraging achieved for 5 per cent?

Hon. Walton Brown: Well, leveraging is achieved by negotiation. When you have a company, or a number of companies, that provide a similar service, for example, let us say telecommunications. You know that we have to buy telecommunications, but you try to negotiate a price reduction. That is how you leverage it. Because the Government has a tremendous buying capacity, you try to use that buying capacity to leverage discounts. And that is the way it is done.

Hon. Jeanne J. Atherden: A second, supplementary . . . or another question—

[Laughter]

Hon. Jeanne J. Atherden: Sorry about that.

When it says 5 per cent, is 5 per cent the cost savings that we are hoping to achieve?

Hon. Walton Brown: Yes.

Hon. Jeanne J. Atherden: So, then, if you are looking 2017/18, which they said they achieved 5 per cent cost savings, is the Minister able to indicate the savings and which areas these savings were achieved?

Hon. Walton Brown: I will have to get those pages from my tactical officers.

Hon. Jeanne J. Atherden: Thank you.

The Chairman: The Chair now recognises the Opposition Leader.

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

Just a question, not much here, although this also is a major part of what Government does, this Project Management and Procurement, but it has always brought up a lot of other kinds of issues. I see on page B-77 under, Employee Numbers, that we are increasing it by one. I can see, obviously, that it is a salary that is in correspondence to that. I wonder if the Honourable Member can let us know what the title of that position is. And, if it is not for the one person, what does it do? But I am assuming that is the case, because that is the only change that I see there.

Also, it has always been a challenge with Project Management and Procurement, and having been the Minister of Public Works, [I know] some of the challenges that come with it. Invariably, we will always attempt to monitor some of the requirements on these contracts, these bids, where they would say (and we weighed heavily on it) that they would hire . . . they have 10 Bermudians that work for them and one foreigner. So, that weighed very much into the process. Invariably, as the project got going we would find out after the fact, that those numbers were not true, that those numbers were not in actual fact the case, although they had been put down on paper. And I am wondering if the department head has been able to make some headway into being able to, under its mandate of departmental objectives, to monitor the compliance with the applicable rules. This was one of the main things that continued to be brought to the Ministry of Public Works that this was not the case. Although they were saying that they were 90 per cent Bermudian, 100 per cent Bermudian, that was not actually the case. So, I am hoping that we can find out that we have made some headway there.

One of the other issues that I know that we were looking at and that this head was looking at was trying to work with is, invariably, people will come up with ideas, and I like to bring them to the Ministry. They are going to bring new ideas to you about how

we can do this and how we can do that. Invariably, the difficulty is that Government in its transparency has to put that bid out to everyone that it is looking for something. But, someone comes with an idea, and they lose the opportunity . . . no one else has brought the idea to Government, no one else has thought of this here, now this person brings this wonderful idea and loses it because somebody (a heavier weight that has more pockets) moves in on the situation, finds out information about it, and can bid less on it. And the person who actually brought the great idea to Government, now has lost that opportunity. Have we made any headway . . . and I know that other Governments are doing things with this here, ensuring that first-to-the-table gets some consideration and is weighed into the actual awarding of a contract. Have we moved in any direction towards dealing with this particular situation?

Hon. Walton Brown: Right, well, just to answer the last question first. There are very strict guidelines in place for how you handle submission of proposals. We are under very strict conditions not to disclose anything that is of a proprietary nature. So, if someone has an idea that has to go to tender, you strip the idea of the critical elements and just present the base idea. So, that is how you get around giving out all the exclusive information. But, it is a challenge, I know, because it creates a difficulty for someone who is not well-capitalised to be able to submit a proposal. And that is a challenge that we are trying to work to sort that sort of a challenge out. But it is an issue and we understand that it is an issue.

With regard to the employee numbers, the one position that is being filled is an unfulfilled position that is just being filled. I cannot remember the title. I am going to see if it is here.

[Pause]

Hon. Walton Brown: It is not here, okay.

The other question related to . . . What was your second point?

[Inaudible interjection]

Hon. Walton Brown: Right. So, they say one thing and they do something else. It is a question about whether or not that detail is actually in the policy document that OPMP approves. If it is in that policy document, then they have the right to follow up on it and ensure that things are adhered to; but, if it is not in the policy document, then they have no remit to assess it. But, clearly, if someone is misrepresenting the facts, that is an issue for being challenged and OPMP would have the right to do something about it.

The position is a Contract and Compliance post in the department.

The Chairman: Member.

Hon. L. Craig Cannonier: Thank you, Mr. Chairman. Just to go back to the monitoring of the rules. I am bringing it up because, I am sure that the department knows that this a major concern because it was repeatedly coming up about the false information being put forward about numbers of Bermudians.

An Hon. Member: They knew?

Hon. L. Craig Cannonier: Yes. Yes, yes, yes, absolutely. I hope you do not know anything about that. So, I am just hoping that they are addressing it.

[Inaudible interjections]

The Chairman: Are there any other Members that wish to address these heads?

The Chair recognises the Shadow Minister.

Ms. Susan E. Jackson: Yes, thank you, Mr. Chairman.

You mentioned in your brief that two airport operation staff were going to join the Office of Project Management and Procurement. Are they being brought in for their expertise, or is it just that they happen to be in Airport Ops and moving over?

Hon. Walton Brown: They are absolutely being brought in for their expertise.

Ms. Susan E. Jackson: I have an additional question. I do not mean for this to be a curveball, but I am still wrapping my head around the (I want to back and this is my final question) Head 13, the Post Office and the online shopping. So, when it comes to the Office of Project Management and Procurement, would that be a concept that would go through Head 80? And if so, would that go out to tender for local businesses to provide part of the courier or US address?

Hon. Walton Brown: Yes, that has already been out to tender. It has been thoroughly vetted already. It has already been out to tender. They have identified a potential supplier.

Ms. Susan E. Jackson: So, we will have a local supplier?

Hon. Walton Brown: No, this is for an overseas function. This is for the delivery of the mail from an overseas location into Bermuda.

Ms. Susan E. Jackson: And then, how will the goods get here?

Hon. Walton Brown: They will get here by plane.

[Laughter]

Ms. Susan E. Jackson: Do we contract in . . . I am still trying to wrap my head around how that is going to work. So, does the General Post Office already have a contract for the way that its mail gets here and that would be a part of that? Or is this going to be a separate operation completely?

Hon. Walton Brown: Right, under the Universal Postal Union, there are protocols in place for the delivery of mail.

Ms. Susan E. Jackson: Okay.

Hon. Walton Brown: And there are well-established airline routes coming in to Bermuda delivering the mail. But this particular service is going to be contracted out to a private company who has their own routes established for delivering the mail or other products to Bermuda. That is what they will work out. That will all have to be factored into the cost.

Ms. Susan E. Jackson: So, they would use a private airline then, separate from the way that our regular mail comes to Bermuda?

Hon. Walton Brown: I do not know. That will be determined by the contractor. They will determine what is the best route for getting the products into Bermuda. That is all part of their contract.

Ms. Susan E. Jackson: Thank you, Minister.

The Chairman: Thank you, Members.

Are there any other Members that wish to address these respective heads?

There being none, Minister, are you prepared to move the respective heads at this time?

Hon. Walton Brown: Yes, Mr. Chairman, I move that Heads 13, 14, 26, 51, 61 and 80 be approved as printed.

The Chairman: The Minister has moved that Heads 13, 14, 26, 51, 61 and 80 be [approved] as printed.

Are there any objections?

There being none . . .

[Gavel]

The Chairman: The heads are approved.

[Motion carried: The Cabinet, Heads 13, 14, 26, 51, 61 and 80 were approved and stand part of the Estimates of Revenue and Expenditure for the year 2019/20.]

Hon. Walton Brown: Mr. Chairman, I move that the Committee rise and report progress, and ask for leave to sit again.

The Chairman: It has been moved that the Committee rise and report progress and ask for leave to sit again.

Is there any objection to that motion?

No objection.

Agreed to.

[Gavel]

[Motion carried: The Committee of Supply agreed to rise and report progress, and sought leave to sit again on Friday, 8th March 2019.]

[Pause]

House resumed at 7:23 pm

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

REPORT OF COMMITTEE

ESTIMATES OF REVENUE AND EXPENDITURE FOR THE YEAR 2019/20

The Speaker: Good evening, Members.

Members, are there any objections to the Committee reporting back to the House at this moment?

No objections.

So done.

We now move on to the other items on the Order Paper today. And I believe all items are being carried [forward].

Some Hon. Members: Yes.

The Speaker: Yes. Sounds like you are pretty anxious to go home, Mr. Simons.

Mr. Premier.

ADJOURNMENT

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

I now move that the House do now adjourn until Friday, the 8th of March—

The Speaker: At 10:00 am.

Hon. E. David Burt: At 10:00 am.

The Speaker: Does any Members wish to speak to that?

No Member wishes to speak to that—

[Laughter and inaudible interjections]

The Speaker: I thought you were just racing to gather your stuff to get out the door, but you actually would like to speak.

Lt. Col. Hon. David A. Burch: No, no. I could not wait to see you, Mr. Speaker.

The Speaker: Well, Minister, you have the floor.

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

The Speaker: Yes?

HERITAGE WHARF LAWSUIT

Lt. Col. Hon. David A. Burch: I learned last week that I was being sued for almost three million dollars by the predictably pathetic tabloid daily newspaper in this country.

The Speaker: Oh, no!

Lt. Col. Hon. David A. Burch: Mr. Speaker, the headline was deliberately designed to mislead and to give the impression that I was personally being sued.

The Speaker: You write a cheque for them?

Lt. Col. Hon. David A. Burch: Anybody dumb enough to sue me for millions of dollars, will be bitterly disappointed, Mr. Speaker.

[Laughter]

Lt. Col. Hon. David A. Burch: I do not have that kind of float and they would be wasting their time.

Mr. Speaker, it was the worst kind of journalism in this country—gutter, tabloid journalism—of the [National] Enquirer ilk. And they wonder why I will not speak to them. I do not buy their rag. I cancelled every subscription in the Ministry of Public Works, and I encourage anyone who will listen to me not to buy that trash. I will say though, Mr. Speaker, people save it for me and I read it. I look at the pictures, at least. I am not surprised though, Mr. Speaker, it is what I expect of them—the worst.

And to add insult to injury, they import so-called reporters from Brighton who have no idea how to do basic research about this country and ask the most ridiculous questions that a simple Google search of their very own rag would provide the answer. And, of course, the usual cast of anonymous, racist bloggers take the bait, hook, line, and sinker, and are so dumb they cannot even connect the dots between the story and the date of the event. They simply revert to their normal stance of vilifying everything and anything PLP. And, no, Mr. Speaker, it is clear and at the end of the article, after there has been the usual schizo-

phrenic online feeding frenzy which says I am not being sued personally, does not cut it.

Everybody knows what they are up to, Mr. Speaker. They are the enemy of the Progressive Labour Party Government, and in some cases, the enemy of progress in this country. I would ask that they cease and desist, but I know that that would fall on deaf ears. So, I encourage them to press on with every negative story that they write. It puts another nail in their coffin.

If you do not believe me, then simply ask the last editor of the *Mid-Ocean News*. He knows and they see him every day working in those offices on Par-la-Ville Road. Now, I expect the real editor will write the rebuttal to this assault. And in token, one will take the bullet for it.

So, let me repeat what I have said countless times before; and I hope their representative in the Gallery gets it correct. So, I will say it slowly. I do not care what they write about me. I do not care what they write about me. They are irrelevant and the majority of people in this country know that to be so. Mr. Speaker, they are so dumb that they could not even decipher the real story in this suit. And what is that, you might ask. And when I tell you, you will know why they glossed over it, because they would have to throw their partners, the former Government, under the bus for delivering a project almost 50 per cent over budget.

Hon. L. Craig Cannonier: Point of order, Mr. Speaker. Point of order, Mr. Speaker.

The Speaker: We will take your point of order.

POINT OF ORDER

[Misleading]

Hon. L. Craig Cannonier: Yes, the Honourable Member is misleading the House and the public. The former Government is not partners with the *Royal Gazette*.

The Speaker: Okay. Minister, the Opposition Leader has clarified a point. [It is] his opinion that there is no partnership and I just ask you—

Lt. Col. Hon. David A. Burch: —It is my opinion, Mr. Speaker.—

The Speaker: —I will just ask you to verify—

Lt. Col. Hon. David A. Burch: —It is my opinion and—

The Speaker: Wait, wait, wait. I am just asking you . . . it is not factual that they are partners. So, just be mindful of that.

Lt. Col. Hon. David A. Burch: Okay, Mr. Speaker. I take that point. It is my opinion and the opinion of many others in this country that they are in partnership with the *Royal Gazette*.

[Inaudible interjection and Laughter]

Lt. Col. Hon. David A. Burch: So, to be clear, Mr. Speaker, I am talking about the mismanagement by the former OBA Government.

And, yes, you heard me correctly, almost 50 per cent over budget. A target price at the outset was set at \$22,369,961.93. The revised target price was then set at \$32,561,440.07. And for the non-Berkeleyites in the room, I will give you the math. That is an increase of \$10,191,478.14. And the same article reports the then-Minister, and I quote:

¹“The OBA MP explained: ‘What normally happens at the end of jobs is there’s a holdback period, so you normally have an amount that’s held back for a period of time to make sure everything’s OK; sometimes it’s as much as 5 or 10 per cent.’

“I don’t know whether we were holding the money to see whether the work was good. I’m not aware of any outstanding money or any arguments about outstanding money with SunRise Construction.’

“These sorts of disputes in big construction jobs are not unusual but normally you don’t need to go to court.’

“You can settle them by negotiation, remediation or arbitration, so it’s a bit of a surprise that that’s the way it’s going.”

“He added: ‘Overall, we thought the project came off very well.’”

Really, Mr. Speaker, “very well”? [When it was] \$10 million over budget?

That Minister was followed by two other OBA Ministers. So, are you telling me that they were so clueless that this matter had to languish for almost four years until a change of government?

It smacks of incompetence, three times over.

[Inaudible Interjections]

Lt. Col. Hon. David A. Burch: So, “these sorts of disputes in big construction jobs are not unusual but normally you don’t need to go to court.” So, why didn’t one of the three OBA Ministers of Public Works fix this before they were replaced?

And, “overall, we thought the project came off very well.” Seriously, Mr. Speaker? Well, if it came off so well, why are we, six years later, still trying to resolve it?

Mr. Speaker, can you imagine the howls of criticism all across this land were this to happen under a PLP Government? We would never hear the end of

it. We would have had daily banner headlines and most likely, a special report from the Auditor General.

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: Sheer incompetence, Mr. Speaker. That is what it is, almost 50 per cent over budget.

Did you hear me, Mr. Speaker? The “Captains of Industry,” the “Masters of their Fortune,” the wealthy of this country, the “to-the-manor-born,” the only ones self-ordained to govern and manage this country’s financial affairs—almost 50 per cent over budget, Mr. Speaker. And not a whisper from any quarter.

An Hon. Member: Not a peep!

Lt. Col. Hon. David A. Burch: [The sound of] crickets from the media, crickets from the Auditor General, crickets from all around, Mr. Speaker.

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: Mr. Speaker. I have run out of paper. Don’t worry, though.

The Speaker: You have got 10 minutes. You have time, you have time.

Lt. Col. Hon. David A. Burch: I know, Mr. Speaker. I won’t need all of that. I am going to give them an opportunity to reply in a moment or two.

Mr. Speaker, the document said the firm wanted \$2,995,015.50 plus interest and costs from the Minister of Public Works. Mr. Speaker, that is a lot of money. And, no, this Government will not roll over and play dead and simply capitulate. While it is not my money, albeit some of it is, because I pay taxes, we will review the documents with the greatest scrutiny to ensure that the Bermudian taxpayer does not pay one penny more than is lawfully due.

And again, we are left to clean up another colossal OBA mess, and we shall. Thank you, Mr. Speaker.

[Desk thumping]

The Speaker: Thank you, Minister.

Does any other Member wish to speak?

No other Member? We stand adjourned until Friday at 10:00 am.

[Gavel]

The Speaker: Have a good evening.

[At 7:35 pm, the House stood adjourned until 10:00 am, Friday, 8 March 2019.]

¹[Royal Gazette](#), 27 February 2019

BERMUDA HOUSE OF ASSEMBLY**OFFICIAL HANSARD REPORT****8 MARCH 2019****10:03 AM***Sitting Number 13 of the 2018/19 Session**[Hon. Dennis P. Lister, Jr., Speaker, in the Chair]***PRAYERS***[Prayers read by Mrs. Shernette Wolffe, Clerk]***The Speaker:** Good morning, Members.*[Gavel]***CONFIRMATION OF MINUTES***[Minutes of 6 March 2019]***The Speaker:** Members, the Minutes of the 6th of March have been circulated.

Are there any corrections or omissions?

There are none. The Minutes will be confirmed as printed.

*[Minutes of 6 March 2019 confirmed]***MESSAGES FROM THE GOVERNOR****The Speaker:** There are none.**ANNOUNCEMENTS BY THE SPEAKER
OR MEMBER PRESIDING****The Speaker:** There are none this morning.**MESSAGES FROM THE SENATE****The Speaker:** There are none.**PAPERS AND OTHER
COMMUNICATIONS TO THE HOUSE****The Speaker:** There is one paper to be communicated this morning, in the name of the Minister of Education.

Minister.

Hon. Diallo V. S. Rabain: Good morning, Mr. Speaker.**The Speaker:** Good morning.**BERMUDA EDUCATORS COUNCIL
(EXEMPTION) (2018 TO 2019 SCHOOL YEAR)
AMENDMENT ORDER 2019****Hon. Diallo V. S. Rabain:** Mr. Speaker, I have the honour to attach and submit for the information of the Honourable House of Assembly the following: Bermuda Educators Council (Exemption) (2018 to 2019 School Year) Amendment Order 2019, made by the Minister responsible for Education, acting on the advice of the Exemption Committee, under sections 5 and 20(3) of the Bermuda Educators Council Act 2002.

Thank you, Mr. Speaker.

**STATEMENTS BY MINISTERS
AND JUNIOR MINISTERS****The Speaker:** There is one this morning from the Minister of Health.
Minister.**Hon. Kim N. Wilson:** Thank you, Good morning, Mr. Speaker.**The Speaker:** Good morning.**CHILD CARE OVERSIGHT
AND REGULATION****Hon. Kim N. Wilson:** Mr. Speaker, today I stand before this Honourable House to provide an update on developments in improving the safety and enhancing the learning space for our infants and toddlers.Mr. Speaker, I rose in November 2017 to announce the publication of our very first set of [Child Care Standards for Bermuda](#). The goal of these standards was to support persons caring for our young children, increase understanding for parents of quality care, and harmonise the work of all government agencies and private entities dedicated to the caring of our children. I am pleased to report that these were updated in 2018 and opened the door for improved oversight of our child care settings.

Mr. Speaker, since the introduction of the standards, the Ministry of Health began the review of our processes and procedures to ensure enforcement of the standards, as well as the Children Act 1998 and

the Day Care Centre Regulations 1999. This is the legislation overseeing specific child care settings.

Last year, Mr. Speaker, we amended the legislation to streamline the regulatory framework, ensuring that the authority over day care and the administration of the day care legislation fell within the Ministry of Health. These small legislative changes make huge steps towards aligning accountability and ensuring enforceability of existing laws. But, Mr. Speaker, the legislation is only as good as the policies, procedures, and manpower put in place to utilise it. Enforcement of this legislation has included, in the past, mainly inspections by our Environmental Health Officers and periodic audits of the personnel in the day care settings.

Mr. Speaker, recognising the importance of our day care settings, we also transferred a project manager to the area to review and ultimately reset the child care oversight system. The presently regulated day care sector comprises only two settings types—day care centres and home day cares. Even so, it is both a sizable and crucial environment for development. It is estimated that 9 out of every 10 children in Bermuda are cared for in a day care setting at some time in their first four years of life. This is indeed a matter that affects us all.

There are more than 45 day care centres and nearly 60 home day care providers in Bermuda. These settings are licensed or registered annually, and this includes an inspection by our environmental health officers to ensure a safe physical environment, including, but not limited to, ensuring that the water is clean, the home or centre has proper play surfacing, and there are appropriate staff for the children in attendance.

Following the inspection, the centre or the provider must also submit an application form and supporting documentation such as a fire certificate, liability insurance, staff applications, educational qualifications, and CPR and other staffing documents.

The volume of information to collect, vet and review is significant and requires knowledgeable staff resources to overview. The current review and reset are helping us to assess the level of dedicated resources that will be needed permanently to provide proper oversight of this sector.

Mr. Speaker, we take the safety and development of our children extremely seriously, which is why we have dedicated our resources to this area. It is also why the Ministry is appealing to our parents to help us. We need to hear parents' concerns about the care of their children. Problems with a day care centre or home will be handled confidentially. While we would like to, we cannot be at every day care centre every day. But as parents, you are. And you can be our eyes and ears every day. Not only should you expect better care, but you can ensure that your home day care providers are registered and the day care centres are licensed by the Ministry of Health. If they

are not registered or a day care centre is not licensed, there will be no way for us to ensure a level of quality in the environment and in the persons caring for your children. Licensed centres and registered home providers are listed on our website at www.gov.bm.

Finally, Mr. Speaker, as has been reported in the media, the Ministry has been handling a PATI request to release a number of documents concerning day care centres and home day care providers. It makes sense, of course. Our inspections provide one piece of oversight of settings where our children spend the bulk of their day. We absolutely understand the public's interest in getting the full picture.

But, Mr. Speaker, we need to be clear about the full process to ensure that there is context with the documentation. As mentioned previously, Mr. Speaker, the inspections cover everything from the water, fire certificate, ratios of teachers to children and qualifications of the teachers. It is an enormous job, and the inspectors have to play both a regulatory and a supporting role. During these inspections, the officers use their reports not only to document requirements and shortcomings, but also to make recommendations and note follow-ups required. The inspection documents are not crafted notes; they are points in time at a centre or home, with follow-up sometimes occurring by email or phone.

The point is, Mr. Speaker, inspection forms will often only tell one part of the story and not provide the outcome of the recommendations made. We are constantly working to ensure compliance. Some of the documents that have been requested require us to secure the consent of the affected parties. And we are in the process of writing to the centres and home providers to seek this consent.

Mr. Speaker, unlike a restaurant or hair salon, we cannot just close a day care centre or home day care unless there is an immediate risk to children. Short of this, the impact on working families would be crippling. We constantly have to work with these settings to ensure compliance and best standards. If we were to shut a day care, the reasons must be imminent risk to children's health and safety. This is the same standard used in other jurisdictions. Our parents need the support of their day care, and children need the consistency. We are always striking that balance.

Mr. Speaker, as I said in 2017, our work is never done when it comes to the children of Bermuda. That is why, once we have reset the oversight of our current day care settings, the Ministry will look to regulate other high-risk settings for children such as camps, after- and before-school care, and overnight and weekend care services, as well. It is appropriate for consistency and to assure the best care and oversight for our children to expand the scope of the oversight of child care in this way and to garner resources to perform this function well. We are aware of the issues that may occur in these settings, and for too long

there has been only voluntary compliance with policies.

Mr. Speaker, to finish, the Ministry of Health continues to put our children at the forefront of our work in day care settings. We know that there is much work to be done, and I hope this update can serve as a rallying call to everyone involved in these settings—staff, owners, parents, day care providers—for us all to come together to help raise the standards in the care of our children. Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

There are no further Statements this morning.

REPORTS OF COMMITTEES

The Speaker: There are none.

PREMIER'S QUESTION TIME

[Standing Order 17(11)(i)]

The Speaker: Members, today is the second Friday of the month, which is the day that we will hold Premier's Questions on our Order Paper.

Just to give us a few guidelines and remind you of the guidelines, the guidelines for the Premier's Questions are as follows:

- The question to the Premier shall be asked without argument or opinion and shall not address more than one matter of general government policy.
- Members wishing to ask questions should inform the Speaker before the sitting begins. (I have been informed by Members, and I do have a list.)
- The Speaker will compile a list (which I just indicated). And the Speaker will extend courtesy to the Leader of the Opposition to put his question first.
- And, just as a final guideline on that, the Opposition Leader may ask three questions. Other Members may ask one question only. And only Members asking questions may be afforded two supplementary questions.

And remember that the timeline on this is 30 minutes. So, to begin, we will ask the Leader of the Opposition, would you like to put your questions at this point?

QUESTION 1: MUNICIPAL REFORM (MUNICIPALITIES REFORM ACT 2019)

Hon. L. Craig Cannonier: Yes. Good morning to everyone, Bermuda, Mr. Speaker. Thank you for this opportunity and for this opportunity to say thank you to the Premier, as well.

Taking into consideration the municipalities, and I recognise that we do have legislation coming,

but these questions are really posed to the Premier in light of the recent meetings that were had.

Considering the results of the recent meetings held with stakeholders of our corporations, does the Premier feel there may be a need to adjust the approach and measures to making them quangos, considering some of the reflection that has been given thus far?

The Speaker: Thank you.
Premier.

Hon. E. David Burt: Good morning, Mr. Speaker.

Mr. Speaker, I thank you very much for the introduction of the rules, and from this perspective, I also want to take this opportunity to wish all of the women of Bermuda a very happy International Women's Day.

[Desk thumping]

Hon. E. David Burt: Thank you. I see that a lot of Members are wearing purple.

The Speaker: Let us answer the question, sir. Let us answer the question.

Hon. E. David Burt: I will most happily do so.

Mr. Speaker, in regard to the question which came from the Leader of the Opposition, the feedback that has been taking place throughout this process of the conversion of the corporations to quangos has been robust. But I think what must be remembered is that there was a Statement in this House last year by the Minister who used to have responsibility for the municipalities. There were consultation and town hall meetings, which took place in 2018. There was a pledge to release a consultation document, which was released. There was feedback from that consultation document. There were additional town hall meetings. And then, in there also, there was the Bill that is being tabled and is due to be debated.

So, we believe that we have met the requisite need for consultations throughout this process. But I think what is important, Mr. Speaker, is to remember precisely what the Deputy Premier has stated on numerous occasions, which is that this change is being made in the best interest of Bermuda. Unlike the headlines said today, there is no dissolution of any corporations.

They are transferring to quangos to streamline the decision-making process and to ensure that we can have unified approaches to major infrastructure challenges that this country has.

If we are going to continue to advance, if we are going to have economic development, we cannot have multiple sewage systems, we cannot have multiple water systems, we cannot have all of these items. And although these things may be able to be achieved

underneath the current structure, the real question is, Does it make sense to exist in an inefficient structure, or should you move things to make things more efficient? We believe in efficiency, and we hope, ultimately, that this measure will be supported by Members opposite.

An Hon. Member: Hear, hear!

The Speaker: Thank you, Premier.

Would you like to put a second question or a supplementary?

Hon. L. Craig Cannonier: Supplementary.

The Speaker: Supplementary.

SUPPLEMENTARIES

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

Bearing all of that in mind, can the Premier tell us what he believes to be the difference in concerns between St. George's stakeholders and Hamilton stakeholders? Having been myself to one of those meetings, I recognised that there was a stark difference in concerns.

The Speaker: Premier.

Hon. E. David Burt: I thank the Honourable Member for his question. I did not attend the St. George's town hall [meeting], and I have not been apprised of the full issues regarding the consultation. But, on a broad level, the fact is that the two corporations are two different corporations. The Corporation of St. George's is a largely residential place, whereas the City of Hamilton has far fewer residential persons and more commercial ratepayers.

So, from that perspective and for that particular structure, I would say that there are differences in the concerns from the particular bodies, based on the fact that they are two different corporations.

But what is most important to recognise is that, although there are two corporations, Mr. Speaker, there is one Municipalities Act. And in that one Municipalities Act, the changes that are being made are to make sure that we can effectively advance the interests of the municipalities to the most effective measure possible.

We are not dissolving any corporations. We are not causing a dissolution. What we are doing is we are changing it to a model which we believe can make sure that the items that need to be done in the national interests can be promoted in a much more efficient fashion.

The Speaker: Thank you.

Second question or supplementary?

Hon. L. Craig Cannonier: Supplementary.

I appreciate the Premier's short speech on that. I am quite surprised that he is not aware in totality of the concerns of the St. Georgians, knowing that this was pretty much one of the first meetings that was had. Hopefully, he will become apprised of the concerns that they had. I heard them clearly.

So, taking that into consideration, knowing the stark difference between the two responses of the corporations, how will this one piece of legislation then take into consideration those differences, considering that they are quite drastically different?

The Speaker: Thank you.

Premier.

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

Mr. Speaker, the legislation before us is the amendments to the Municipalities Act. The question was asked regarding the feedback from the individual corporations.

I told the Honourable Opposition Leader that I did not attend the meeting, but I can assure you that there have been robust discussions from the members inside of my caucus who are the persons who represent there. And they are representing [the] issues of their constituents valiantly.

What I can say is the Government is determined to make the changes which are necessary for the 21st century to deliver for the corporations and to make sure that we have a streamlined decision-making process that takes into account the fact that there are national issues at play in these particular instances. There are questions as to what takes place in the Corporation of St. George's. There are questions as to what takes place in the Corporation of Hamilton

But what is really at issue here is, how do we have a model that best advances the interests of those persons, taking into account the national interests? That is what we doing in this particular process. We believe that the Municipalities Act, as it is laid down, accounts for feedback from members in making sure that persons from the community are representing their particular interests, and we are confident that the Government will deliver on that, and not only deliver on changes to the municipality structure, but also ensure that it works better for the residents who are there.

That is the objective. This is about making sure that we can deliver better for them. And that is what the Government will be judged on.

The Speaker: Thank you.

Would you like to put your second question now?

**QUESTION 2: LONGER JAIL TERMS FOR
SEX OFFENDERS**

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

Yes, second question. Considering that we just recently had, I believe it was on Monday, a demonstration, and part of that demonstration had to do with the recent conviction of a paedophile, what were the main messages and concerns—

An Hon. Member: That was Friday.

Hon. L. Craig Cannonier: Was it Friday? I am sorry. Thank you for the correction—Friday.

What were the main concerns that the demonstrators had?

The Speaker: Thank you. Premier.

Hon. E. David Burt: Mr. Speaker, I believe that this might be a matter of public record. I think that Ms. Juanae Crockwell, who led it, was speaking about the issues, in their view, of the inadequacy of sentencing and other particular items. So, I think that is a matter for the public record.

The Speaker: Supplementary.

SUPPLEMENTARY

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

Bearing that in mind then, have any discussions been had since the demonstration or any further thoughts given to the next steps concerning those grave concerns that they had?

The Speaker: Premier.

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

Mr. Speaker, a number of my caucus colleagues, and I think even a few Members from the Opposition, went to greet the persons who were gathered at Parliament one week ago. During those conversations . . . and I think I made a statement, or I told persons precisely the issue. And I said that she [Ms. Crockwell] would be meeting with the Attorney General. I can confirm that she did meet with the Attorney General this week. And there is a follow-up meeting that is scheduled on that particular matter with a group of persons so that the Attorney General can further hear the concerns and have any consideration for any additional changes.

However, Mr. Speaker, I have to make it clear at this point in time. This Government is the first Government that has issued public notifications for the

release of sex offenders when they are released from prison.

[Desk thumping]

The Speaker: Continue on.

Hon. E. David Burt: This Government has already delivered, following the Joint Select Committee's report and recommendation, a register of sex offenders. This Government has made changes to the treatment that happens, mandatory treatment inside of prisons, and also mandatory monitoring of persons who are newly convicted. And these are the things of which I expressed to Ms. Juanae Crockwell. Some of those things she was not aware of. But this is an important part of our democracy.

It is important to remember and to understand that we have made upgrades to the regime, following the feedback which came from the Joint Select Committee, which was empanelled by this House, Mr. Speaker. And those changes have been made, and those changes will be in effect going forward. That is something that we have done. We can work collaboratively on these issues. I think, in this entire House, we can agree that our children and our citizens of this country should be protected.

The Speaker: Supplementary or new question?

Hon. L. Craig Cannonier: No. New question.

The Speaker: Okay. This is your last question, your third question.

**QUESTION 3: CHILDREN LINKED TO
DEPARTMENT OF CHILD AND FAMILY SERVICES
ABUSE NOT INTERVIEWED**

Hon. L. Craig Cannonier: Yes. Thank you very much. Yes, thank you, Mr. Speaker.

Bearing that in mind, and in the light of the last vein of questions that have just been asked, I am just curious to get an update from the Premier as to why the children who were involved in the latest investigation into abuse within the Child and Family Services Department not interviewed?

The Speaker: Premier.

Hon. E. David Burt: Thank you, Mr. Speaker. I appreciate the question from the Honourable Opposition Leader.

But, as the Honourable Opposition Leader has been a former Premier, he would know that issues that deal with matters of discipline inside the public service are not within the boundaries of the political representatives here. And those matters are

handled exclusively by the established public service under Public Service Commission Regulations.

The Speaker: Thank you.
Supplementary?

SUPPLEMENTARIES

Hon. L. Craig Cannonier: Yes. Supplementary.
Is the Premier aware of any other organisations that may be investigating or questioning the children who were involved in this particular situation?

The Speaker: Premier.

Hon. E. David Burt: Is the question, am I aware of anything else that is going on?

The Speaker: Just restate your question.

Hon. L. Craig Cannonier: Sure.
Is the Premier aware of any other organisations, departments, corporations or the like . . . is he aware of anyone else or [any] other institutions that are investigating or questioning the kids involved in this particular abuse situation?

The Speaker: Premier.

Hon. E. David Burt: Mr. Speaker, at this time, I am not aware. However, I undertake to ask the Attorney General, who has responsibility for the Department of Child and Family Services, and revert to the Minister.

I think that on this one we do not have to particularly play politics. We want to make sure that our children are protected and that our children have the best standards of care. And I am happy to work with the Opposition Leader to get whatever information that he requires.

I may also suggest that this may be something that our newly empanelled oversight committees may have a chance to take a look at, because I think that it is important that what we have in the structures of government, we are making sure that things are held accountable and that we are doing things for the best interests of the citizens of whom we aim to protect.

The Speaker: Thank you.
That brings to a close—

Hon. L. Craig Cannonier: Supplementary.

The Speaker: Supplementary? Okay.

Hon. L. Craig Cannonier: Supplementary.
I appreciate the Premier's answer in the light of what he just said, playing politics. Certainly, I am not playing any politics with this. This is a serious, se-

rious, serious situation, as we read in the newspaper on a regular basis now that we are coming up with cases like this.

The Speaker: Put a question. Put a question to it. Put a question.

Hon. L. Craig Cannonier: Yes. I just want to get a commitment from the Premier that he will make this a priority to address the issue, because I am concerned that there may be other cases coming forward.

The Speaker: Thank you.
Premier.

Hon. E. David Burt: Mr. Speaker, what I can say is that it is without question a priority for this Government. I will ask the Honourable Attorney General to have a conversation with the Opposition Leader so that he can be fully apprised of the status. As I said, this is not something that needs to have a political divide. I think all of us here are united in what is in the best interests of the children of whom we serve. And I do not want it to become a political back and forth, because it is a very serious issue.

So, I am happy to extend bipartisan cooperation and communication on that, as I think it is particularly important, Mr. Speaker.

The Speaker: Thank you.
That brings us to a close of the Opposition Leader's three questions.

The next Member who has a question would be the Member from constituency 10.

Member Dunkley.

QUESTION 1: FINTECH MEMORANDUMS OF UNDERSTANDING UPDATE

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

Last year, the Honourable Premier made a number of announcements regarding MOUs that this Government had in connection with FinTech. So, the question to the Honourable Premier is: Can the Honourable Premier please update us on the deliverables committed in these MOUs signed last year by Binance, the Medici Ventures, and Shyft? Thank you.

The Speaker: Premier.

Hon. E. David Burt: Thank you, Mr. Speaker.
Regarding the issue of the company Binance, it is well known as part of the public record that Binance came to Bermuda with the intention of setting up their global compliance operation. But one of the things that they could not get was banking services. They went to jurisdictions that can provide them bank-

ing services. Since this Government has been able to deliver on banking services, now we have since been in contact with the principals of Binance, and they have re-engaged with their legal counsel here and are moving forward with the application process throughout the Bermuda Monetary Authority. So that is the first issue when it comes to Binance.

On the issue of Medici Ventures, conversations are ongoing with Medici Ventures regarding what operations they will be looking to set up here in Bermuda. Specifically, I had conversations with Dr. Patrick Byrne, who is the CEO. Of course, he is well known to Bermuda, as his brother used to be the Chairman of the Board of Education in Bermuda. And those conversations are advancing.

I think the other one that you asked . . . sorry. You named three?

Hon. Michael H. Dunkley: Shyft.

Hon. E. David Burt: Shyft. Thank you very much. There was a conference call with the persons of Shyft, I think two days ago, or yesterday, regarding their involvement. As Members would be aware, Shyft signed a joint venture agreement with the local company, Trunomi, to work to pilot Bermuda's e-ID system. I think you would have seen those types of things in the press. That matter is moving forward. They are looking to move those items forward. The Cabinet has approved an item to move forward on that particular issue, and we are awaiting some final confirmations before those things can be advanced.

What I can say, Mr. Speaker, is that there is a fourth MOU that was also signed. That was with the company Omega One, which is a digital asset exchange. Omega One has applied to the Bermuda Monetary Authority for a digital asset business licence and has received an approval for a digital asset business licence. And they are scheduled to be on Island to pick up their digital asset business licence next week and to hold a press conference with the Government.

So, this is excellent news, as things are being progressed, Mr. Speaker.

[Desk thumping]

The Speaker: Thank you.
Supplementary?

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

The Speaker: Supplementary.

SUPPLEMENTARIES

Hon. Michael H. Dunkley: I thank the Honourable Premier for the answer.

In regards to the MOU with Binance, the Binance Holdings Limited committed, and it was item number 3. They committed to, through the Binance Foundation's sponsor, university-level training for Bermudians in blockchain technology and compliance in an amount up to \$10 million. Question to the Honourable Premier: How much money has been spent to date?

The Speaker: Mr. Premier.

Hon. E. David Burt: Mr. Speaker, there has been no money contributed to the FinTech Development Fund. When there is money that is contributed to the FinTech Development Fund, I will be the first one to come to this House to say so.

I think what we have to remember, and I want colleagues to understand, is that these MOUs were signed to make sure that we had a working relationship with companies of whom we are trying to attract and set up a presence and set up jobs in Bermuda. When building a new industry, there are challenges.

In this particular instance, the challenge is the issue of banking. It is something that the Government is working assiduously on to fix. We are making progress in that particular area. As I have told the Honourable Member, we are still in constant communication, not only myself, personally, with the head, as the Minister responsible for Economic Development, in touch with the leadership of Binance. They are still committed to doing [business] in Bermuda once the banking issues are sorted. They are in touch with the new banks of which we have bank relationships with. And we are hopeful that those matters will advance.

I told the Honourable Member that those items are moving, and we look forward to progress in those [instances]. And I would expect and hope that the Honourable Member opposite will support these items as much as he wants to challenge them.

The Speaker: Thank you.
Your second supplementary.

Hon. Michael H. Dunkley: Thank you, Mr. Speaker. Colleagues will support good initiatives for Bermuda.

The Speaker: Put your question. Put your question.

Hon. Michael H. Dunkley: The Honourable Premier referred to the FinTech Development Fund, which is not mentioned in item number 3 of the do-ables by Binance Holdings.

So, I ask the second supplementary to the Honourable Premier. Item number 4 says that Binance Labs will make up to \$5 million available for investments in new Bermuda-based blockchain companies. Is that going to go through the FinTech Development Fund, as well? Or has that started to happen today?

The Speaker: Premier.

Hon. E. David Burt: Mr. Speaker, I do not believe that those are items that are slated to go through the FinTech Development Fund. I think the FinTech Development Fund is very clear. However, I think that the example of which we can see in other companies where Binance, the largest exchange by volume, now the eighth most valuable cryptocurrency in the world and the infrastructure which they are building, you can see that Binance Labs is doing many things around the world. They are doing things in places of where they can get a banking relationship, Mr. Speaker.

That was our challenge! It is unfortunate that this was a challenge. And it is unfortunate that Bermuda lost out on the opportunity at the early stages because our local banks were unwilling to come to the table to support this level of economic development.

The Government, through revisions to laws, through hard work, specifically of the persons in the FinTech Business Unit and Major [Retired] Wayne Smith have secured banking relationships that we are continuing to work on which will aid in the development of this industry . . . that is something that other countries had that Bermuda did not. It is a shame. It is unfortunate. But we are not going to cry over spilled milk. We are going to make sure that this works.

The Speaker: That brings a close to the questions from the Member from constituency 10.

The next Member who indicated that he had a question would be the Member from constituency 31.

You passed?

The next on the list would be the Deputy Premier.

An Hon. Member: No, the Deputy Speaker.

The Speaker: Deputy Speaker. I am sorry. Deputy Speaker, I am sorry.

Hon. Derrick V. Burgess, Sr.: That is fine.

[Laughter]

Hon. Derrick V. Burgess, Sr.: I certainly do not need that position, Mr. Speaker.

[Laughter]

The Speaker: Deputy Speaker, would you like to put your question?

QUESTION 1: BERMUDIANS WORKING ON CONSTRUCTION OF NEW AIRPORT TERMINAL

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

Mr. Premier, what percentage of Bermudians are working on the construction of the new air terminal?

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

Mr. Speaker, I think what is important to note is that this Government, when it was elected, was elected on a mandate and a mantra to make sure that we put Bermudians first. And I think that there were a lot of complaints as to the level of persons who may have been on work permits who were at the airport site.

I can confirm that when we assumed Government, there was no existing requirement for the percentage of the hiring of Bermudians in the project agreement. And since the Progressive Labour Party, which has responsibility for the Bermuda Airport Authority, which is now under the able leadership of the Government Whip, who is doing a phenomenal job there at the Bermuda Airport Authority—

[Desk thumping and inaudible interjections]

Hon. E. David Burt: There is now an existing policy that requires Skyport to commit to having a workforce made up of no less than 65 per cent Bermudians and provide opportunity and employment to *all* Bermudians—and this is what is important—even Bermudians who have a past criminal record, Mr. Speaker.

[Desk thumping]

Hon. E. David Burt: This is something that we made sure to accomplish. And that, Mr. Speaker, is how you build a better Bermuda while putting Bermudians first.

The Speaker: Thank you.

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

The Speaker: Deputy, any further questions or a supplementary?

Hon. Derrick V. Burgess, Sr.: No, thank you.

The Speaker: No? We will move on to the next Member.

The next Member on the list is the Member from constituency 19.

Honourable Member, would you like to put your questions?

[Inaudible]

The Speaker: None? Okay.

The next Member would be the Member from . . . and I do not see him in his seat, [constituency] 9. Okay.

The Deputy Opposition Leader, would you like to put your question?

No? Declined. Okay.

The next Member on the list would be the Honourable Member from constituency 11.

Would you like to put your question?

Mr. Christopher Famous: Good morning, Mr. Speaker.

The Speaker: Good morning.

Mr. Christopher Famous: How are you doing, sir?

The Speaker: Good morning.

QUESTION 1: PROGRESS OF WORK BY ENGINEERS AT KING'S WHARF

Mr. Christopher Famous: Mr. Speaker, I am sure that the Honourable Members will have seen the considerable works—I say “considerable” works—at King’s Wharf in Dockyard. Can the Premier confirm that Bermudian engineers are managing that project and it is largely on schedule [for] completion this spring before cruise ship season starts?

The Speaker: Mr. Premier.

Hon. E. David Burt: Thank you, Mr. Speaker. Mr. Speaker, I thank the Honourable Member from constituency 11 for his question, because we regularly get to hear or read the Honourable Member espouse what it is like to make sure that we celebrate Bermudian excellence in this country. And I think that the entire country can be proud of the Bermuda excellence that is on display, which is taking place at King’s Wharf.

The Honourable Member is correct that there is significant progress that is taking place at King’s Wharf. It is progressing well, and it is a source of considerable pride, not only to the Minister of Public Works, but to this entire Government, that the project is being led by a Bermudian engineer, Carmen Trott. And she is ably assisted by two other Bermudian engineers, including Austin Kenny and Tabia Butterfield, onsite.

While weather will always play an important role in the factors of delivery of such projects, we are very optimistic that the work will be completed in time for this spring and the full swing of the current cruise ship season, Mr. Speaker.

The Speaker: Thank you.

Would you like to put a supplementary?

Mr. Christopher Famous: No, thank you, Mr. Speaker.

The Speaker: Okay. Thank you.

The next Member who has a question for you this morning, Premier, is the Member from constituency 22.

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

QUESTION 1: INVESTIGATION REPORT OF DEPARTMENT OF CHILD AND FAMILY SERVICES

Mr. Scott Pearman: Thank you, Mr. Speaker.

As the House is aware, former Minister Michael Weeks commenced an investigation at DCFS [Department of Child and Family Services] with a report that was due at the end of October of 2018. Has this report been provided to the Premier, and has the Premier seen the report?

The Speaker: Premier.

Hon. E. David Burt: Reports do not come on these particular instances to political officers. They go, or are handled inside of the public service. So, the answer to your question is no.

The Speaker: Supplementary?

SUPPLEMENTARIES

Mr. Scott Pearman: Supplementary.

Is the Premier aware who it is at the Department of Internal Audit who is now carrying out the investigation at DCFS?

The Speaker: Premier.

Hon. E. David Burt: My assumption would be that it would be the head of the Department of Internal Audit. I believe the public officer’s name is Ms. Roseanne Foy. If it is not specifically her, I will get the specific information for the Honourable Member.

The Speaker: Okay.

Second supplementary?

Mr. Scott Pearman: Second supplementary and final.

The Speaker: Yes.

Mr. Scott Pearman: Given the allegations that the complainants at DCFS were not interviewed as part of the report, would the Premier now support a call for an independent lawyer or judge to be appointed to handle this inquiry properly?

The Speaker: Premier.

Hon. E. David Burt: Mr. Speaker, I would be happy to take that particular item under advisement. I am not prepared at this point in time to make any such com-

mitment on the floor. As I talked to the Honourable Opposition Leader, I will have him have a meeting with the Attorney General on this particular issue. As I said, this is something that I believe that we can work together on.

And I believe that, as this Government has supported the additional oversight powers of this Parliament, I think that it is something that is ideal for the oversight committees to look at. I think that maybe the way that our oversight committees are structured may be broadened so that they can look at particular issues such as this so that Honourable Members and Backbenchers can be involved in these particular issues and handle them. I think that we have adequate energy inside of this House to look at those particular matters, and I think that we can all work together in a collaborative fashion to make sure that the interests of our children and the interests of our citizens, whom we are there to serve, are best protected.

The Speaker: Thank you.

That brings a close to your questions, Member.

The next Member who has indicated that she has questions for you, Mr. Premier, is the Member from constituency 20.

Member, would you like to put your questions?

QUESTION 1: INTER-ISLAND COMMUNICATIONS CONTRACT

Ms. Susan E. Jackson: Good morning, Mr. Speaker, and good morning, Premier.

My question is around a gazetted PATI [Public Access to Information] request that has been published between a contract that was made between the Department of Communication and Inter-Island Communications. I would like to know what the total contract was for the 2018/19 relationship with Inter-Island Communications. The PATI request is showing only a published, itemised list of services. But I would like to know what the total amount was for that.

[Inaudible interjection]

The Speaker: Premier.

Hon. E. David Burt: Mr. Speaker, I do know that Standing Orders are not going to require me to answer a question that requires me to go with full research on such a matter. So, I can certainly undertake specifically to get that particular answer back to the person.

The Speaker: To the Member, to the Member.

Hon. E. David Burt: What I would say, however, is that . . . to the Honourable Member (sorry, Mr. Speaker)—

The Speaker: No problem.

Hon. E. David Burt: The Honourable Member is incorrect. It is not a PATI request. It is part of a PATI disclosure. So, there was no request. Contracts that exceed a value of, I think it is \$50,000, have to be gazetted. And so, all things are done in a regular fashion and order.

And I would also like to remind Members that the Public Access to Information Act was the idea of a former Progressive Labour Party Premier. It was put into place under the former Government. It is continuing to provide this type of disclosure. I happen to believe, Mr. Speaker, that disclosure is healthy, and we will continue to make those disclosures to be held accountable for our particular actions.

But what I can say, Mr. Speaker, is that a fee-for-service contract, which was approved and blessed by the Office of Project Management and Procurement . . . and I will be very happy to get the Honourable Member the specifics of which she is requesting. And in her supplementary, if she can be very specific, I will make sure to get those particular answers to her.

The Speaker: Thank you.

Supplementary or . . . You are fine?

SUPPLEMENTARY

Ms. Susan E. Jackson: Yes. My supplementary would be simply be that, yes, I look forward to the total amount of all of the itemised lists of all of the services for the duration of that contract, which, to me, is from 2018 to 2019. Thank you.

The Speaker: Thank you. Next time, try to put it in a question.

The next Member, Mr. Premier, who has a question for you is the Member from constituency 8.

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

QUESTION 1: SALARY INCREASE FOR CIVIL SERVICE

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

Mr. Premier, the 2018 Budget indicated that the civil service would get a salary increase of 2.5 per cent, retroactive to April 1, 2017. In this year's budget, we say that, and I quote, "Included in . . . operating expenses is the 2.0% salary increase awarded to some public officers."

My question is, Can you differentiate why you have said "some public officers" will get 2 per cent

increase, while others get a 2.5 [per cent] retroactive from last year?

The Speaker: Thank you.
Premier.

Hon. E. David Burt: Mr. Speaker, I am a little bit confused by the question. I know that negotiations are taking place between the unions. I know that there was a mandate that was laid down by the Cabinet for a 2 per cent increase. I am not certain, off the top of my head, which unions have accepted that. I know for certain that Bermuda Public Services Union has done so. And so, I cannot speak [with certainty], but I am happy to get the specific answers as to the other unions which have accepted the pay offer of increase, which is under this Government.

However, Mr. Speaker, I must also take the opportunity to remind all persons who are listening—

[Timer beeps]

The Speaker: Ah! Ah! Premier!

Hon. E. David Burt: —that there was *no* increase for public officers—

The Speaker: That brings us to a close.

Hon. E. David Burt: —under the former Government, Mr. Speaker.

[Inaudible interjections and desk thumping]

The Speaker: That brings us to a close of the 30 minutes allotted for the Premier's Questions.

QUESTION PERIOD

The Speaker: However, we still have 30 minutes on the clock for any other questions related to the Statement this morning. And, in fact, there is one Member who has indicated that he would like to put a question to the Minister regarding her Statement this morning. And that question is also from the Member from constituency 8.

Member, would you like to put your question?

QUESTION 1: CHILD CARE OVERSIGHT AND REGULATION

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

Mr. Speaker, I applaud the Minister for the progress that she is making in this space. But I think what we need to also look out for, who are also key stakeholders in this industry, are the teachers and leaders in the schools. I am not certain that they have any representation, Mr. Speaker. It has come to my attention that a number of schools are not paying

teachers' payroll tax, health insurance and social insurance. And I am wondering what can be done to help those teachers in the preschool space?

[Inaudible interjections]

The Speaker: Minister.

Hon. Kim N. Wilson: Yes, Mr. Speaker. And I thank the Honourable Member for his question.

However, the Statement that I read does speak specifically to the standards, the child care standards of Bermuda. And no reference was made with respect to outstanding payroll tax and health insurance tax. So, I believe that, pursuant to the regulations as they relate to Question [Period], that question probably is inappropriate because it does not contain anything that is directly related to the Ministerial Statement that I gave this morning.

The Speaker: Thank you.

Would you like to put a supplementary question or a new question?

Mr. N. H. Cole Simons: Yes. Supplementary.

The Speaker: A new question, because I think that question was off-base. So, just put a new question.

Mr. N. H. Cole Simons: Okay. My supplementary . . . okay, new question.

The Speaker: New question, yes.

QUESTION 2: CHILD CARE OVERSIGHT AND REGULATION

Mr. N. H. Cole Simons: We have to ensure that our teachers are committed and dedicated to delivery of world-class standards to these young people. And they can ill afford to have actions going on within their classroom settings because they are unhappy with their terms of employment.

Can the Minister [assure us] somehow, when she does an inspection of those schools or when inspection of the schools take place, that we look at those types of circumstances, as well?

The Speaker: Minister.

Hon. Kim N. Wilson: Mr. Speaker, as I indicated in the Statement, the inspections with respect to the child care centres and the day cares deal with things like fire certificates, liability insurance, staff applications and educational qualifications. It does not relate to payroll and outstanding taxes. Obviously, it is a matter of law that payroll tax and health insurance need to be paid for.

But I guess it is certainly something that we can make inquiries about.

The Speaker: Thank you.

Thank you. That brings us to a close of our Question Period this morning. We can move on.

The Clerk: Written answers to Parliamentary Questions.

The Speaker: The written questions and responses have been carried over until Monday.

CONGRATULATORY AND/OR OBITUARY SPEECHES

The Speaker: I recognise the Minister of Education.

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

Mr. Speaker, I ask that this House send condolences to the family of Henrietta Louise Jones, [mother] of a good friend of mine, Mervyn Grant, who passed away this week.

Mr. Speaker, I did get on my feet because it is with extreme sadness that I have to ask this House to send appropriate condolences, as well as prayers, to the family of Ms. Sakeena Talbot. Ms. Sakeena Talbot, Mr. Speaker, passed away earlier this week at the age of 38, leaving four children, three of whom are my niece and two nephews, ages ranging from 22 to 2. It is a sad day, Mr. Speaker, when you get a phone call to say that someone whom you have known since childhood has passed away at such an early age, and in fact, leaving behind children such as this. And I would just ask that the House collectively send condolences to her family, Mr. Speaker. Thank you.

The Speaker: Thank you, Member.

We call on the Government Whip.

Government Whip, would you like to have the floor at this time?

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

I would like for this House to send a letter of congratulations to the Harto Karate School. I have to declare my interest, as that is my home dojo. The Har-

[Inaudible interjections]

Mr. W. Lawrence Scott: Yes, yes, the Harto dojo. And my sensei is actually the Sergeant-at-Arms here, Sensei Arnold Allen.

[Desk thumping]

Mr. W. Lawrence Scott: And this weekend, Mr. Speaker, his leadership was, let us say, put to the test, and he passed with flying colours through his

students. They had the Invitational Martial Arts Competition at Pembroke School, Sunday School, on Sunday, March 3rd. You had [the following participants]:

- Lucas Frias, age 9, who got second place in fighting and third in kata;
- Jaleiyah Johnson, age 10, second in forms. She went to win the Grand Championship in form, second in fighting;
- Jamaiya Johnson, age 8, second in forms;
- Mataio Cameron, age 9, first in open forms;
- Zamaya Hall, age 5, first in forms unopposed;
- Althea Frays-Sylvia, age 8, third in forms.

And also, one of my instructors and coaches, Sensei Tracy, who is a third-degree Black Belt, and Assistant Harry O; and Instructor Kyoshi Arnold E. Allen. And that is our Sergeant-at-Arms right there.

[Inaudible interjections and laughter]

Mr. W. Lawrence Scott: But, Mr. Speaker, I would like to also have congratulated the other judges and instructors, who are all local—Charles Butterfield, Princeton Bailey, Garon Wilkinson, John Doherty, Oscar Lightbourne, Bobby Smith, David Simmons, Al Wharton and Arnold E. Allen, once again. I just want to say that I would like to send a pre-letter of congratulations to go to Arnold Allen, who is opening up his own dojo on Cobbs Hill Road. And that will be open every day of the week. So, anybody who would like to come and join, feel free to come and join with us. Because it is helping our young people.

The Speaker: Come and join “us,” you said? So, you are part of it as well. You do a little martial arts, too? Do you do a little martial arts, Whip?

An Hon. Member: He is the doorman. He is the doorman.

[Laughter]

Mr. W. Lawrence Scott: That is my home dojo, Mr. Speaker. And that is why I say “us” because we are a family. We do everything together. We work together, we train together. So, once again, a letter of congratulations to the Harto Karate School of St. Lucas. And it is the home of St. Lucas, Mr. Speaker, from which I encourage you to come and take a lesson.

The Speaker: Thank you.

[Inaudible interjections and laughter]

The Speaker: And you including the whole House in those remarks, right?

Mr. W. Lawrence Scott: Thank you. Include the whole House.

The Speaker: Thank you.

The next Honourable Member who is on his feet is the Honourable Member Commissiong.

Honourable Member, you have the floor.

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

Mr. Speaker, I just wish for the House to send condolences to the family of Ronald Norman Eugene Clarke. Mr. Clarke passed away the other day, and he is [being] buried today. I have been asked to associate Mr. Tyrrell, from constituency 26, with these condolences.

Mr. Clarke was the husband of Ms. Joan Clarke, and they were at Middletown, so they are my constituents. I just want to say that Mr. Clarke, for us who are over a certain age, was a stalwart of the Young Men's Social Club, Bluebirds, as they rose to prominence during the late 1950s–early 1960s period. And he was well known and respected within the sporting fraternity. Thank you.

The Speaker: Thank you, Honourable Member.

I now recognise the Honourable Member from St. George's. She jumped up real quick that time.

Honourable Member, you have the floor.

Mrs. Renee Ming: Good morning, Mr. Speaker and listening audience.

I was going to say the age was the factor, but I am going to stop there.

The Speaker: Well . . .

Mrs. Renee Ming: First of all, I would like to congratulate the First Episcopal District African Methodist Episcopal Church on their 133rd session of the Annual Conference, which started yesterday at the Southampton Princess Hotel. This is an annual event for the AME churches in Bermuda, and we look forward to what their year of restoration brings for them and this Island.

I would also like to say a very hearty thank you to the women Parliamentarians today, because there was a call for us to acknowledge International Women's Day today. And every woman in the Chamber has on purple, which is the colour for International Women's Day.

[Desk thumping and inaudible interjections]

Mrs. Renee Ming: There are some men who have worn the purple, as well. (I was not finished speaking.) There are some men who have joined the fight with us women and have worn the purple.

The Speaker: I am glad you clarified that piece, because I saw some of these gentlemen in purple, too.

Mrs. Renee Ming: Yes. The gentlemen have worn purple, as well. But I just want to say thank you because we recognise that, as women, we are continuing to fight for gender equality, parity, and all of those other things that women fight for. So, the theme this year is [#balanceforbetter](#). And what we are looking for is to do and be better. Thank you, Mr. Speaker.

The Speaker: Thank you, Member.

We now recognise the Leader of the Opposition.

Honourable Member, you have the floor. Yes, another St. George's person.

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

Unfortunately, I want to add my sentiments to the passing of Sakeena Talbot, a young woman whom I got to know in business many years ago, who did some work for us in our business. An extremely smart, entrepreneurial young woman. I also had the opportunity of seeing her elder two sons grow up and see them in church, and to also be there when her four-year-old daughter was born, and the blessing. It is truly a real loss to have a young woman like this pass away. So, to her family, we extend our condolences. And I know we said that, as the broader House, we would do that.

The Speaker: Yes.

Hon. L. Craig Cannonier: On a congratulatory note, I had the opportunity yesterday to spend some time with P4 at Purvis Primary. And I want to congratulate them on the work that they are doing in understanding what it is that we do here in Parliament.

So, I was asked to answer some questions and the like. And so, I want to congratulate and send out a note of support to the teachers, Ms. Butterfield and Ms. Savory, who are doing a fantastic job with this P4 group in getting these young kids, at eight years old, some are nine, to understand exactly what it is that we do in Parliament and to understand the system itself. They were quite knowledgeable, actually. So, we had a great time, and I want to congratulate them on the work and project that they are doing. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Member wish to speak?

I recognise the Honourable Member Tyrrell.

Honourable Member Tyrrell, you have the floor.

Mr. Neville S. Tyrrell: Thank you, Mr. Speaker, and good morning, all.

Mr. Speaker, I would ask that this House send a letter of condolences to the family of the late Mr. Calvin Bascome, popularly known as "Nancy" Bascome, who is a friend of the family. He will be sadly

missed by the rest of the family. Certainly by myself, because he and I were members of the Warwick Workmen's Club, and we got to play cards a lot together at that establishment. I would like to associate Honourable Cole Simons, as well. Thank you very much, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

We recognise the Honourable Member from constituency 10.

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

Mr. Speaker, I would like this Honourable House to send congratulations. And I am sure that all Members of this Chamber would like to be associated with the congratulations to Nikita Evans Robinson on her organisation of World Book Day, which she does at many of the schools and preschools around the Island. Myself and many colleagues have had the opportunity to be invited and to read in the schools with our young children. It is always a very rewarding, fun and interesting time.

Yesterday, I was at the Happy Valley Preschool and got to relive some readings of my younger days through *Jack and the Beanstalk*. And I think the Premier was [there], the Opposition Leader, and a number of people were. So, congratulations to Ms. Robinson on organising a wonderful event, which she does around her birthday.

I would like to take this opportunity, as has been done by the Honourable Member from constituency 1, just to congratulate all of the organisers in Bermuda of the International Day of Women, and for everyone for coming out and supporting it. It certainly is appropriate and brings recognition to some of the opportunities that we still may take advantage of here in Bermuda. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

I now recognise the Minister of Works.

Honourable Minister, you have the floor.

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

I would like to be associated with the congratulations to the AME Church on the occasion of their 133rd Annual Conference. I would also like to congratulate the Honourable Minister of Tourism and Transport, who actually gave the message last night, as a lay person, at the conference, as a member of Vernon Temple AME Church. And I can say, Mr. Speaker, we do not have to have any fear that he will be joining the clergy—

[Laughter]

Lt. Col. Hon. David A. Burch: Even though he is a “minister,” he will remain as a Minister of the Government, even though he did do an admiral job as a layman.

I would also, Mr. Speaker, like to extend congratulations and ask the House to join me in doing so to the Reverend Dr. Blanche Burchall, the Pastor of Glory Temple in St. David's, a schoolmate of mine, who this weekend will be celebrating her 65th birthday. And I wish her the heartiest of congratulations.

Thank you, Mr. Speaker.

The Speaker: Yes. Thank you, Honourable Member.

Does any other Member wish to speak?

We recognise the Honourable Minister Foggo. Honourable Minister, you have the floor.

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

Mr. Speaker, firstly, I would like to give condolences for Mr. Laroy Trott, who was a constituent of mine, and suffered many, many years from illness. I would like to associate MP Renee Ming with these remarks. I would also like to give condolences for Mrs. Barnard, a St. Georgian woman—a very unassuming, very quiet lady, but nonetheless made her mark in St. George's. She will be missed dearly by her family, the Ming family, as well as the Barnard family.

On a happier note, Mr. Speaker, I would like to give congratulations to Mr. Nathan Trott. Mr. Nathan Trott—I would like to associate—

[Inaudible interjection]

The Speaker: Associate yourself, yes.

Hon. Lovitta F. Foggo: Excuse me?

The Speaker: They said that it was done.

Hon. Lovitta F. Foggo: Okay. I would like to associate myself with the remarks for Nathan Trott. I was not here to give remarks on Wednesday past. Mr. Trott signed a new deal with West Ham United. And he will be with that club until 2022.

[Inaudible interjections]

Hon. Lovitta F. Foggo: Mr. Nathan Trott has signed a new deal, keeping the goalkeeper [position] with the club until the time I stated, which is 2022. The 20-year-old has featured in 12 matches this season for the Irons, playing 10 times in the Premier League, too, and twice in the Checktrade Trophy.

The Bermudian-born shot-stopper first joined West Ham in January 2016 on the recommendation of the former Hammer, Clyde Best, and has regularly trained with the first team this current season. So, Mr. Speaker, kudos to him.

That speaks well of our football that is going on in Bermuda. And in spite of the fact that we do not have the type of money that gets put into football that other countries do, we still have a lot of very talented people here in Bermuda. And Nathan is one who, along with others, is speaking to that talent.

Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

No other Member?

The Member from constituency 11 (I almost missed you that time), you have the floor.

Mr. Christopher Famous: Good morning, Mr. Speaker.

The Speaker: Good morning.

Mr. Christopher Famous: I want to firstly, on behalf of MP Tinee Furbert and myself, thank the class of P6, Williams and Ming, who invited us down to Harrington Sound Primary School to explain . . . we thought we were going there to explain how legislation was passed. And we found out we had no blank to fill in. These children knew everything.

The Speaker: You learnt a few things from them, eh?

Mr. Christopher Famous: Yes, we did.

The Speaker: Good.

Mr. Christopher Famous: We got to speak to them about the need for gender equality in politics, because they knew the number of MPs and the number of women to men. And they said, *Oh, we need more women in politics.*

On a sadder note, Mr. Speaker, I would like to give condolences to the Benjamin family of Loyal Hill, on the passing of Mr. Roderick Benjamin.

The Clerk: It was done.

The Speaker: You can associate yourself with that. That was done earlier.

Mr. Christopher Famous: Oh, sorry.

The Speaker: Yes.

Mr. Christopher Famous: And Mr. Wolfe, of Cedar Park. Some people would know him as "Scuffler." He was a (how can I say?) very vivid character in town. And, unfortunately, he passed away.

The Speaker: Yes.

Mr. Christopher Famous: So, I just want to give condolences to those families.

The Speaker: I will be added to that one, too. I know the family well.

Mr. Christopher Famous: Thank you. All right.

The Speaker: Thank you.

Does any other Member wish to speak?
Premier.

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

Mr. Speaker, I am sure that I am late. So, I will ask just for myself to be associated to rise today and echo the sentiments of my colleagues to recognise International Women's Day. As was stated by the Honourable Member from constituency 2, this year's theme is "Balance for Better." And each day, thousands of women in Bermuda work hard maintaining the fabric of our community. They are our mothers, our sisters, our daughters, and our aunts. They are our teachers, our counsellors, our leaders, our mentors, and our friends. And today, we celebrate the life that the women of this country bring to our nation. And thank them for the hard, unwavering investment that they have made and continue to make for Bermuda. And I will say, Mr. Speaker, that I know that I will be joined by a number of Members of this House to commemorate International Women's Day this lunchtime at the steps of City Hall.

The Speaker: Thank you.

That brings us to a close of the condolences and congratulations. We will move on.

MATTERS OF PRIVILEGE

The Speaker: There are none.

PERSONAL EXPLANATIONS

The Speaker: There are none.

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

The Speaker: There are none.

INTRODUCTION OF BILLS

GOVERNMENT BILLS

The Speaker: There are two Government Bills to be introduced today. And I believe that they are both in the name of the Minister of Finance.
Minister.

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

The Speaker: Good morning.

FIRST READINGS

PAYROLL TAX AMENDMENT ACT 2019

STAMP DUTIES AMENDMENT ACT 2019

Hon. Curtis L. Dickinson: I am introducing the following Bill, which according to section 36(3) of the Bermuda Constitution, requires the Governor's recommendation, so that it may be placed on the Order Paper for the next day of meeting: the Payroll Tax Amendment Act 2019.

Mr. Speaker, I am also introducing the following Bill, which according to section 36(3) of the Bermuda Constitution, requires the Governor's recommendation, so that it may be placed on the Order Paper for the next day of meeting: Stamp Duties Amendment Act 2019.

The Speaker: Thank you, Minister.

OPPOSITION BILLS

The Speaker: There are none.

PRIVATE MEMBERS' BILLS

The Speaker: There are none.

NOTICES OF MOTIONS

The Speaker: There are none.

ORDERS OF THE DAY

The Speaker: And again, for our listening public, we are here today to continue the Budget Debate, to discuss in Committee of Supply the Estimates of Revenue and Expenditure for the year 2019/20. And this morning, the first Ministry up to be debated is that of Home Affairs.

I would like to acknowledge the Chairperson, Mr. Simons. Will you take the Chair? And we can proceed with the Budget Debate. I believe this morning there is a two-hour allotment. And then, this afternoon there is a six-hour allotment for the second [Ministry] today, which is that of Transport.

But, Mr. Simons, take the Chair. Thank you.

House in Committee at 11:07 am

[*Mr. N. H. Cole Simons, Chairman*]

COMMITTEE OF SUPPLY

ESTIMATES OF REVENUE AND EXPENDITURE FOR THE YEAR 2019/20

[*Continuation thereof*]

The Chairman: Good morning. At this time, we would like to resume in the Committee of Supply. Today we are debating for two hours the Department of Energy, Head 89, and this debate will conclude at . . . we will have a break at 12:30 and continue after lunch for a short period of time.

I now recognise the Deputy Premier, the Honourable Walter Roban.

MINISTRY OF HOME AFFAIRS

HEAD 89—DEPARTMENT OF ENERGY

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

I am moving Head 89, Energy, now to be taken under consideration.

Mr. Chairman, I am pleased to present the Budget Head 89, the Department of Energy, found on pages B-24 through B-27, and pages C-7 and C-15 of the Approved Estimates of Revenue and Expenditure.

The department's mission, Mr. Chairman, is summed up in a simple sentence: *We develop public policy, public utility policy and legislation, which enables secure energy, electronic communications and broadcasting platforms for Bermuda.*

The subtle difference from that which was published last year is that the Department of Energy has now assumed responsibility for the Telecommunications Department, formerly Head 46. And with that comes additional duties that need to be incorporated. Formal changes to the department are ongoing. But for now, this statement expresses the breadth of its responsibilities.

Although this mission seems concise, the functions are many, ranging from public outreach, education and engagement, to the research and development of more sites for renewable energy, and reform of the long-neglected industry sectors like broadcasting.

Mr. Chairman, the total current expenditure of Head 89 is estimated to be \$880,000 and represents an increase of 12 per cent, or \$97,000, over the last year's figures. This is due primarily to the addition of one member of staff to the department's salary budget, from the former Department of Telecommunications. Operating budgets have remained exactly the same as those of the preceding year.

Mr. Chairman, Advertising and Promotion, found on page B-325, on line 5, is allocated \$50,000, which is used to host events such as the Energy Summit and to fund public information campaigns

around energy issues, such as conservation and efficiency, and solar energy, to name a few.

Mr. Chairman, page B-325, line 6, shows the allocation for Professional Services, which includes consultant services, and has been allocated a total of \$335,000. Consultants are hired where there is no in-house expertise. Last year's consultants were hired to support the ongoing negotiations and administration of the 6-megawatt solar development; the development of the fuels policy, which was approved in September 2018; and for the work towards broadcasting reform.

Mr. Chairman, the manpower estimates for the Ministry Headquarters, as outlined on page B-25, are four full-time posts. This is an increase from three, from the previous fiscal year. And the Department of Energy is in the process of combining its functions with those of the former Department of Telecommunications. This additional position is for one telecommunications officer.

Output Measures

Hon. Walter H. Roban: The output measures for the Department of Energy are found on pages B-326 and B-327 of the Approved Estimates of Revenue and Expenditure. I will now detail some of those measures and their outcomes.

Mr. Chairman, the development of policy and legislation of fuels is part of a larger project that the department is undertaking, namely, to review and revise existing legislation governing the Regulatory Authority and how it functions; and how best to improve those functions for an agile, responsive, streamlined and efficient regulatory environment. To ensure that any new legislation achieves these goals, it makes sense to develop framing legislation around the fuel sector in tandem with the work, rather than compounding any issues that currently exist.

Mr. Chairman, another project in tandem to the review and amendment of existing regulatory legislation is completion of broadcasting reforms. Over this past year, a great deal of work has been done on examining possible policy changes. What is apparent is that technology has moved on and continues to progress at a pace that the current policies have not kept up with.

Any new policies must be future-proofed, as much as possible, so that the goals of accessibility, quality, opportunity for Bermudian content providers and the like are preserved, while allowing for technological advances, like streaming and over-the-top service. Consulting services have been employed from time to time to help address this project.

Mr. Chairman, public outreach and education through our energy matters remain a priority. In this day and age, where there are many sources of information online, it is difficult to parse good information from that which is spurious and promotes fear, distrust and concern. The department aims to promote the

dissemination of good, reliable, accurate information to better enable the public to be in control of their energy use and expenditure.

Mr. Chairman, the department has also been representing Government in overseeing the development of the solar PV [photovoltaic] project at the old munitions' pier, commonly known as the Finger, adjacent to the L. F. Wade International Airport. While the capital budget for this work is outlined under the section found on page C-7, it bears mentioning that the additional resource for this project, namely, its management, has been handled largely in-house by the department's expertise.

This is a body of work quite separate from the trucking, hauling, and cutting of vegetation, and demands due diligence and time on the part of the department's personnel. From time to time, it has been necessary to consult other experts, and part of the budget for consultants has been used in this area.

Revenue

Hon. Walter H. Roban: Mr. Chairman, the revenue summary for the Department of Energy can be found on page B-325. These figures represent the Government's authorisation fees in the electronic communications sector and the new fees for those holding licences in the electricity sector. Telecommunications is expected to take in approximately \$15 million by the end of the fiscal year. And the newly licensed electricity sector will earn approximately \$200,000 in revenue. Spectrum band fees are anticipated to earn approximately \$2,480,000.

In total, with various commercial fees and mass media fees, the department revenue is projected to be about \$17,885,000.

Capital Expenditures

Hon. Walter H. Roban: Mr. Chairman, the capital development expenditure for the Department of Energy is found on page C-7 of the Approved Estimates of Revenue and Expenditure. This amount, \$200,000, represents part of the Government's obligation to provide a site that is ready to develop the upcoming 6-megawatt solar photovoltaic project at the old munitions' pier, the Finger, at the L. F. Wade International Airport. This site had for years been used as a catch-all area for all manner of items, from asphalt screenings from the last resurfacing work of the runways, to old fuel tanks. And as a neglected area, the vegetation became quite overgrown.

The work of installing the panels is scheduled to commence within the next few months. And this will be Bermuda's first utility-scale renewable energy installation, which will benefit all ratepayers in the stabilisation and possible reduction of energy costs.

Capital Acquisitions

Hon. Walter H. Roban: Mr. Chairman, the capital acquisitions budget for the Department of Energy is captured on page C-15 of the Budget Book, under business unit 76689. The estimate for fiscal year 2019/20 is \$250,000 and is to be used to fund the solar rebate initiative and other initiatives that increase the uptake of energy efficiency technology, Mr. Chairman, an initiative beginning soon. Also coming out of the budget is the LED exchange programme. Details are being designed, and the concept is that members of the public will be able to exchange an old incandescent bulb with an energy-efficient LED, and learn about the benefits of making the switch from energy-efficient to more energy-efficient technology. This is an exciting venture because we are partnering with local vendors to implement this programme. We will be announcing the start of the programme and the participating vendors very soon.

[Inaudible interjection]

[Desk thumping]

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

Major Achievements

Hon. Walter H. Roban: Now onto major achievements, Mr. Chairman. The rebate programme launched in October 2018 is designed to better support those at the lower end of the economic scale. Rather than a simple reboot of the previous rebate initiative on solar thermal and solar photovoltaic installations, this round of rebates favours those who might not otherwise make the investment in solar technologies. And so, those owning homes with a lower ARV (annual rental value) can receive up to \$8,000 back when they invest in solar PV. The rebate benefit decreases as annual rental value increases so that residential-scale solar development in general is still encouraged, but rewarded less for those in larger high-value homes. To date, there have been a total of 22 kilowatts installed, using this programme. There are currently applications that are pending that represent a further 90 kilowatts.

Mr. Chairman, recognising that the rebate programme still does not address the plight of those who are struggling to make ends meet, the department has begun a tripartite partnership with the Ministry of Public Works and the Bermuda Housing Corporation [BHC], using some of the funds in this capital budget. Our partners are in the process of installing energy-efficient technologies that are funded out of the same budget, such as LED light fixtures and timers to water heaters, in the homes of senior citizens who are BHC clients, bringing relief to those who are in the greatest need.

Throughout the coming year, the department and its partners will continue to work toward identifying and assisting those in need, to move towards greater energy independence.

Mr. Chairman, in November of 2018, the department hosted an energy summit, in observance of CARICOM's Energy Month. The keynote speaker was the former Prime Minister of Aruba, Mike Eman, who gave an inspiring address about his leadership in Aruba's progress toward energy independence. The theme of the summit was "Toward a Resilient Bermuda," with Bermudian and regional experts giving their perspectives on this timely and relevant subject. Among the panellists was Ms. Denaye Hinds, a Bermudian, who led a discussion on sustainability and the built environment; Mr. Wayne Smith, who moderated the panel on blockchain and its applications in the energy sector; and the department's own acting policy analyst, Mr. Aran McKittrick, who chaired a panel on the 6-megawatt solar PV development adjacent to the L. F. Wade International Airport.

Invited from overseas was Mr. J. Paul Morgan, the *godfather* of utility regulation in the Caribbean; Ms. Kathleen Riviere-Smith, from the Organization of Caribbean Utility Regulators; Mr. Greig Paul, one of the world's leading blockchain experts, from the University of Strathclyde—

The Chairman: Honourable Member, can you guide me to which line you are speaking to, please?

Hon. Walter H. Roban: I am speaking to "Major Achievements" of the department, Mr. Chairman. If you would just allow me to identify it in the Budget Book.

[Pause]

Hon. Walter H. Roban: Do you still need further clarification, Mr. Chairman?

The Chairman: No. You are fine.

Hon. Walter H. Roban: All right. Thank you, Mr. Chairman. I will continue.

The event was a success, bringing insight and knowledge to a diverse group of attendees, ranging from prospective participants in the energy sector, the local renewable energy industry, government officials, local engineers, and students from the Bermuda College.

Mr. Chairman, the department worked to help develop the national fuels policy, which was approved by the Government in August of 2018. Among the matters addressed were fuel quality, safety standards, critical infrastructure, and encouraging the use of lower-carbon fuels in Bermuda.

The fuels policy contemplates a framework to ensure that the needs of the customer continue to be

met with expectations set and enshrined in licensure and regulations. And I can certainly state here, Mr. Chairman, that the goal for Bermuda for this Government is to have a low carbon future. And the fuels policy, we believe, helps to bring that about. That will be good for Bermuda and good for everybody. Low carbon to zero carbon—as close as we can get to zero, we are looking to get.

The Chairman: You have my support there.

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

Mr. Chairman, the department has worked to find ways to work within its budget and resources by leveraging relationships built through the attendance at conferences and symposia overseas. In October 2018, a Memorandum of Understanding was signed with the Rocky Mountain Institute to assist the department in accomplishing two main pieces of work. One was to help determine the best way forward to electrify our bus fleet, which is obviously the responsibility of the Ministry of Transport now. But then it was a responsibility that I had. And the other was to help identify other potential sites for renewable energy developments around Bermuda.

The Rocky Mountain Institute, or RMI, is an independent non-partisan non-profit organisation founded in 1982. In 2014, it merged with the Carbon War Room, founded by Richard Branson as a leading think tank for renewable solutions in the battle of climate change. As part of its mandate, RMI provides a suite of pro bono services to island countries like Bermuda in an effort to ensure that those most affected by climate change are positioned, as best they can be, to adapt. The work that RMI is doing with the department is being carried out in partnership with other internal stakeholders such as the Ministry of Tourism and Transport, and the Ministry for Public Works.

Plans for the Upcoming Year

Hon. Walter H. Roban: Mr. Chairman, in the upcoming year, the department will develop the legislation required to properly implement the fuels policy, with a sensible implementation plan to ensure its regulation in all aspects and ensure that regulation is carried out by the appropriately equipped agency.

Mr. Chairman, reviews and revisions of the energy White Paper of 2011 will also commence. There will be consultation with the public and, where necessary, consultants engaged to ensure that an updated version of this will be practical, workable and implementable within a reasonable time frame and within existing budgets, wherever possible. This is not to suggest that it will not embrace aspirations. It will, but now in the context of experience and a more established regulatory environment.

Mr. Chairman, the rebate initiative will continue in order to encourage the uptake of solar technolo-

gies with the easiest incentives we can offer—that is, cashback for capacity installed. This noted, the department will continue to work with local businesses to refine and improve our approach so that more solar energy reaches those who can benefit from it the most.

Mr. Chairman, the department will continue its management of the site clearing of the Finger and will maintain its position as a liaison between the solar developer and the Bermuda development. We look forward to having that utility-scale project online and producing clean, affordable, renewable energy for Bermuda well before the end of the upcoming fiscal year.

Mr. Chairman, the department will continue its efforts with the electric vehicle subsector and continue to advocate for more, and find ways to increase the uptake, of these types of vehicles in Bermuda. Rocky Mountain Institute will continue to work with the Department of Energy and the Ministry of Tourism and Transport to explore the feasibility of electrifying Bermuda's bus fleet, while providing advice and guidance on matters affecting electric vehicles for personal transport, as well.

Mr. Chairman, the department will continue to work with RMI to identify opportunities for large-scale solar developments throughout Bermuda and working on ways for including ordinary investors to participate in our renewable future. High net worth investors will continue to provide the backbone of finances for utility-scale projects. But the department is committed to finding ways for Bermudians to be included in the future of renewable energy in Bermuda.

One of the things, Mr. Chairman, that we decided to do after discussions with the Premier and other Ministers is that to make sure, going forward, having had the experience with the solar PV project at the Finger, that any future projects of a commercial nature will have Bermudians first as the principal investors, because there are opportunities there. And we believe that Bermudians should be first in having the opportunity. Even if they partner with overseas persons, they should be the first in line to take advantage of any further utility-scale energy projects, going forward.

The Chairman: Thank you, Minister.

Hon. Walter H. Roban: Mr. Chairman, the department will be focusing more on education and outreach in a more consummate approach, rather than restricting its efforts to the annual Energy Summit alone. The department will still be hosting summits, but it will instead move away from an annual summit to a biennial summit. This will allow resources to be used more judiciously with a better overall effect of reaching more in the community. Measures taken will range from radio talks and advertisements to promotional events, where the public can be more widely engaged in

learning more about energy topics, especially about how they can take more control over their energy costs.

Mr. Chairman, the coming year will also see the completion of broadcasting reform and the promulgation of a new policy for the broadcasting sector. Although this work has gone in fits and starts in the past, the department is committed to completing the transition to a modern efficient broadcasting sector, responsive to the advances in technology.

Mr. Chairman, the Department of Energy also has responsibility for space and satellites. In an effort to find ways to develop Bermuda's space and satellite sector, the department has worked with overseas partners serving in the capacity of an advisory group. The goal is to identify improvements to be made in our policy and our legislation to enable Bermuda to be competitive in the satellite registration and, eventually, licensing, similar to the shipping and aircraft registries, both of which are well established and well regarded.

Mr. Chairman, in closing, I would like to thank the small and dedicated team in the Department of Energy, including Jeane Nikolai, who is the Director who is here in the Chamber; Aran McKittrick; Vanese Flood Gordon; Adrian Dill; and Patricia DeShields, for all of their work, all of their very hard work. We look forward to working together with the public, with local industry and with the Regulatory Authority to support local businesses, lowering local electricity expenditures, attracting inward investment to our utility sectors, thereby helping create opportunity and equity for all Bermudians.

Mr. Chairman, with this overview of the department and its activities, I [invite the] discussion of the budget for Head 89, the Department of Energy.

Thank you.

The Chairman: Thank you, Minister Roban.

Is there anyone else who would like to speak to Head 89, the Department of Energy?

I recognise the Deputy Leader of the Opposition. You may proceed.

Ms. Leah K. Scott: Thank you, Mr. Chairman.

One of the things I have to say is that I always enjoy being across from the Deputy Premier, because, I do not know whether it is fortunate or unfortunate, but he answers all of my questions before I get up and ask my questions!

[Laughter]

Ms. Leah K. Scott: So, he has a very good—very good support team.

Hon. Walter H. Roban: A point of information. I want to make clear that there is no collusion between me and the Honourable Member. We do have a decent working relationship. But that is about it.

[Laughter]

The Chairman: Thank you.
You may proceed.

Ms. Leah K. Scott: I think the Deputy Premier might have inherited Bob's crystal ball.

[Laughter]

Hon. Walter H. Roban: Let me at least declare my interest, if you do not mind, Mr. Chairman. The Honourable Member and I have known each other for many, many years. We go back long before we were in this Chamber together, as acquaintances. So, in a professional way, of course.

The Chairman: Thank you.

Hon. Walter H. Roban: But I am glad that she regards our relationship as positive in working together.

The Chairman: Thank you very much.

Deputy Leader of the Opposition, you may proceed.

Ms. Leah K. Scott: Thank you, Mr. Chairman.

I actually just have a few questions. Starting on page B-324, under the Department Objectives, I note that one of the objectives is to continue educating the public on energy matters. We did have the Energy Summit in 2018. Are we looking to have another Energy Summit in 2019? And particularly with the RFPs [Request for Proposal] that have been out to kind of provide some competition to BELCO and find other forms of energy, and educating people about those things, I think that a lot of people hear about clean energy and saving money, but they really do not understand a lot. I myself do not understand all of it and how it works. So, I just wonder what other processes there will be to try to educate people about these things.

Again under Department Objectives, on page B-324, my former colleague, Grant Gibbons, last year spent two hours, I believe, talking about satellites and slots in space. And I am not going to be able to do that. But I am pleased to see that the Minister is continuing to work on commercialising the assigned satellite slots and that they are a potential revenue source. And we do need to be creative in looking at future revenue streams for the Island. So, I am happy to see that.

Forgive me if I am repeating some of the things that you may have already addressed, Minister. On page B-24, under Head 89, cost centre 99000, in 2018/19, it was intended to have work, intensive work on reviewing the Regulatory Act 2011 and the Electricity Act, and work with the Attorney General's Chambers to draft fuel legislation. Where are we with

those legislative amendments? And when will we see them coming forth?

On page B-325, under Professional Services, there was a decrease in 2018/19 of \$105,000. And this represented an increase in capacity for the department and a corresponding reduction in the need for consultants. However, this year, the fees have almost doubled. And I would be interested to know what the reason is for that increase.

On page C-15 . . .

The Chairman: Page C-15?

Ms. Leah K. Scott: [Page] C-15, yes, cost centre 76689, Energy Rebate. And the Minister actually did talk about this. My question was what the status of the project is. But the allocation was originally \$500,000, and it has gone down to \$200,000. And I would like to know why. I also know that in providing this sort of income support for our seniors and for people who have homes that have lower ARVs, it will reduce their electricity costs. But the up-front cost of having these solar panels can be extremely expensive. And so, how are we going to be able to manage that with people? And can we subsidise that? How are people going to be expected to kind of get these solar panels in place in order to be able to enjoy the benefits [of the reduction]?

Let us see. On page B-324, again, under programme 8901, cost centre 99000, Administration, the Minister did talk about the fuels policy and the framing legislation. And we, I guess, anticipate seeing that proposed legislation, hopefully, before the end of 2019. And I am glad to see that we are going to be able to see that, because it is important that the fuels sector is fairly regulated and that Bermudians can enjoy affordable, sustainable, safe and secure delivery of their fuel. I know I find it really frustrating when I get a BELCO bill, and my BELCO bill is \$80, and then I have a fuel charge for \$950. So, you know, I think it is ridiculous! And I do not know how that can be controlled or addressed. But if it could be, I would like to see that addressed.

And on page B-325, I note that the training budget has increased from one to five. So, I would like to know what kind of training that is. Who is going on the training? Is this ongoing? What kind of things will they be expected to be? Are they conferences? Or, you know, what exactly is the training? And again, on page B-325, under Expenditure Travel, it has also increased from four to ten. So, I would like to know what that increase is for. Generally, the other—

[Inaudible interjection]

Ms. Leah K. Scott: Travel? Yes, it has gone from four to ten. And just wondering what that comprises and who is doing the traveling? And is it related to—is it an associated cost with the training?

And then, materials and supplies on page B-325, again under expenditure, has increased from two to nine, and I would like to know why that increase and what that increase comprises.

On page B-325, again, under Employee Numbers, I note the position that has been added was for a telecommunications officer. What is their role? Is that a new post, or was it one that had been just an unfunded vacancy, or a funded vacancy that is just being filled? Or was it a totally new created post?

On page B-326, under Performance Measures, the Government was going to facilitate the procurement of an energy management or energy services company to assist with reduction of energy expenditure in government buildings. And that was a new measure for 2018/19. At that point, the original forecast was to have a service provider. That has now been changed so that an in-house energy manager position has been created instead. And I would just like to know the reason for the change. You know, I am happy if we found somebody in Bermuda who is actually able to do the job and we did not have to go outside to have somebody to do it. But I would just like to know the reason why.

And I think those are all of my questions, for now.

[Pause]

Ms. Leah K. Scott: Yes. Yes. Those are my questions for now, Mr. Chairman.

The Chairman: Thank you for your contribution. I now recognise the Opposition Leader.

Hon. L. Craig Cannonier: Thank you, Mr. Chairman. I, as well, appreciate the brief that was given, and it was heartening to hear that the goal for Bermuda is a low-carbon future. That is very admirable to hear that we are moving in that direction.

Taking into consideration, as we have already seen in the paper, where we are with looking at buses which are electric, it would be great to hear a little more about maybe some of the other departments that we are already talking to, maybe if the Minister is aware of another particular department that has large numbers of vehicles, whether or not they are actually having ongoing talks with these departments about how to facilitate them to becoming more energy efficient, as well. And maybe not just electrical, but how we can be more efficient, period, with our energy use as far as our vehicles are concerned. And that would be monitoring the miles that they travel, maybe choosing different routes and the like. All of those things, especially when we were looking at trash collection and figuring out whether or not we need to look at different routes that would be more energy efficient, [could be] among those measures.

I guess what I wanted to hear a little more about is whether or not this particular head, the folks within this department, are they actually at the table when there are any internal upgrades being taken? So, if we are going to be upgrading a particular department, or a ministry, is this particular head and the people within this area involved in that to make recommendations as far as how we can be more energy efficient?

I know in the past, recommendations have been made. But I am not sure if those recommendations are actually coming [AUDIO SKIP 01:44:58] this head, who really looked at this stuff on a more microscopic level. And if they are not working within the internal measures of ensuring that all upgrades we make to our physical buildings and the likes, it would be nice to be able to have them in there. So, I just want to know whether or not they were at the table during those times. And I am on page B-324, Mr. Chairman, if you will.

I also, with interest, was listening to, on page B-324, the commercialisation of Bermuda's assigned satellite slots. And it has always been rather interesting. It is one of these areas that Bermudians, for some reason, still do not realise that we have a satellite out there. I am curious as to what are some of the latest successes that we have had, knowing that it is an older satellite? What are some of those recent successes in sales that we might have had concerning the satellite, our satellite that sits out there? And then, I was just curious. On page B-325, under the Employee Numbers, it was mentioned that the position was a telecommunications officer position. I was not sure if I got that correct or not, the actual person, employee, that the title was a telecommunications officer. And the reason that I am asking that question is because, if you turn over to page B-326, and my honourable colleague, Deputy Leader of the Opposition, mentioned it a little here, that there was a switch-over from a service provider to a person. Under the Target Outcome, it says, *By quarter three of 2019/20, we would be hiring an energy manager.* So, is that an actual, extra person whom we are going to be bringing on in quarter three, in addition to the telecommunications officer who is listed here? And if so, it may have been good to reflect there that we are looking at quarter three as well to bring on someone extra.

If you just go up a little further from that performance measure, on page B-326, just above it, it says, *Facilitate the progress of the solar PV project on the Finger at the L. F. Wade International Airport.* And I think that is going to be a huge success. I think we are all really excited about this actually happening. But, under the Performance Measure, where it says "revised," it says, *Sites are taking longer than expected.* If the Honourable Minister could give us some details as to what might be causing the delay in the site-clearing there? I am very familiar, [being] from St. David's down there. I know that site. I used to go out

there when I probably should not have, me and my buddies out in little ponds because the water there, the beaches there were beautiful on that side. I just want to know what might be causing the delay? And obviously, in projects like this here, there are going to be delays. And it would be nice to know so that the public is aware of what those delays might be.

And does that delay, and will that delay . . . I see "target outcome". Is that taking into consideration the target outcome of the projected completion on or before quarter two of 2019/20? Is that taken into consideration with that target? I am assuming so.

The Chairman: I now recognise the Honourable Member from constituency 10, former Premier, Michael Dunkley.

Hon. Michael H. Dunkley: Thank you, Mr. Chairman. And I thank the Honourable Minister for his brief.

Just a couple of questions, but before I get there, a comment: Obviously, alternative sources of energy are quite important. And this Government and the former Government have been committed to solar. We have seen many initiatives. The Government has had the solar power panel initiative with homeowners. And I just wanted to get an update from the Deputy Premier on that initiative. How long will it go? How successful has it been? And the reason why I say that is because I think the more we talk about alternative uses and a way of gathering energy, I think, the more people will tune into it.

I installed solar on my house about four or five years ago, Mr. Chairman. And I am very surprised, pleasantly surprised at how effective it is even in times when you think we do not have as much sunlight as we normally get, and the days are shorter. In fact, I was just looking on my phone. I can view the power data that are obtained from the sun, on my phone. And in February of this year, my units on my roof, the panels on my roof, generated more power for my household than it did in November, December and January. So, even with the shorter days, fewer days in February, and perhaps some overcast skies, it still worked well.

And so, this is an opportunity I think that we should do everything we can to support. And I am pleased that this Government supports those initiatives because solar energy is there for us most of the year round. It is quite effective in Bermuda. The panels are becoming cheaper and cheaper. And so, I would support the Government in anything they can do. I just look for an update for the people, as they have supported that initiative. And I think it is important that we keep it going.

I will move on from there, slightly, Mr. Chairman. Obviously, with the increased cost of living, there are a number of functions that drive that, [including] the consumables we have to use, the cost of health care, the cost of goods imported to the Island.

But, obviously, it has been a government policy over a number of years to levy a very healthy tax on BELCO and fuel. Is the Government still moving in that direction? Or, Deputy Premier, are there other options that the Government might be considering other than the fuel tax, to allow some reduction in the cost of electricity? Thank you.

The Chairman: Thank you, Honourable Member.

Is there anyone else who wishes to make a contribution to the debate in regard to Head 89, the Department of Energy?

I recognise the Deputy Leader of the Opposition.

Ms. Leah K. Scott: Thank you, Mr. Chairman.

I have a question regarding the integrated resource plan, and I would assume that it comes under Administration, [cost centre] 99000, on page B-324. I would just like to know what the update is with the integrated resource plan. I know that there were some RFPs that were out. And I just want to know where we are in the process. And I apologise for not knowing what programme it should come under. But I am assuming that it would be Administration.

The Chairman: Thank you.

Is there anyone else who would like to speak to Head 89, the Department of Energy?

No. I now recognise the Minister, the Honourable Walter Roban, Deputy Premier.

Hon. Walter H. Roban: Thank you very much, Mr. Chairman. And I appreciate the questions that have been posed by Members, as part of the debate. I am happy to provide answers to them. Anything I do not have, I undertake to provide them with in due course.

One of the major questions that came up was about education. And that was posed by the Honourable Deputy Opposition Leader. And on page 15 of my brief, I discussed that. And I will just go back and repeat what I actually stated, that the department is focusing more on education, which is why we have decided that we will not necessarily have the Energy Summit every year. You did ask about whether we were going to move from an annual to a [biennial]. So, we are going to spend a lot of time between two years focusing on deploying some of the ideas that the summits have generated and focusing on . . .

And I will just reread what I did, with your permission, Mr. Chairman, "focusing more on education and outreach in a more consummate approach, rather than restricting efforts to the Energy Summit. The department will be hosting summits, but it will instead move away from the annual summit to the format of a biennial summit. This will allow resources to be used more judiciously, with the better overall effect of reaching more of the community. Measures will be taken to launch a range of radio talks, advertisements

and promotional events, where the public can be widely engaged and learn more about energy topics, especially those which can help them bring down their energy costs." So, that is what we are going to be focusing on, as per my [brief] on page 15, in my presentation.

And one of the things we did this year, Mr. Chairman, was that this past year we actually had Lunch & Learn. And people will perhaps remember that those were advertised. That was part of the effort by the department to begin to provide information to the public about what is happening in the energy sector in Bermuda and some of the methods that they can use and what is being done to help them bring down their energy costs. So, it is obvious that there are things that each individual can do to do that.

And so, that is going to be part of the education that we are going to be focused on. The LED programme initiative that we spoke about is a part of that, not just the exchange, but actually in the process of the exchange, we will give people information as to how the LED bulb will help them and how they can make a real difference in their daily energy usage. And frankly, they can see the impact on their bill virtually immediately, within a few billing cycles. Yes, those bulbs are a bit more expensive.

And I will just kind of give a scenario. Let us say an incandescent [bulb] is a dollar. You may find an LED [bulb] is about three dollars. That seems like a lot of money, to some. But you will save that amount of money in the expenditure that you—in the difference over one or two billing cycles. I can almost virtually say that will be the case. And many people who have already invested in LEDs can tell you that.

Not only that. The LEDs, let us just say an incandescent may last 12 months. An LED lasts five years, four or five years. It lasts considerably longer.

The Chairman: So, it is a worthwhile investment.

Hon. Walter H. Roban: Yes. So, those are some of the interesting things that we are going to make sure that more people in the country understand around energy. And we are going to put more of our judicious resources towards that.

The Chairman: Thank you.

I recognise the Deputy Opposition Leader.

Ms. Leah K. Scott: Thank you.

Just to ask a question about the Lunch & Learn.

How well attended were they? Only because I attend a lot of "lunch and learns" just in my profession. And I find them to be actually really effective. And so, I want to know how many people attended, and do you think that it had the intended result that you were expecting?

The Chairman: Thank you.
You may proceed.

Hon. Walter H. Roban: Mr. Chairman, yes. We had decent attendance. We would have liked to have seen more. But there was decent attendance. We had a lot of industry people come and interact with us, because they seem to be quite enthusiastic about talking to us, having not had perhaps that opportunity in the past. Those who have a keen interest in the industry, as well as members of the public, came.

But we are going to look at other ways in the future of how we can do that, even possibly having similar lunch and learns in government, for government departments. Because government has its own issues, which it would like to see regarding spending less on energy.

The Chairman: Maybe for the House of Assembly Members.

Hon. Walter H. Roban: Happy to look at that, as well, if we can, Mr. Chairman.

But let me move on and answer some of the questions. Okay. So, I hope to answer some of the questions of the Members opposite.

The Chairman: Yes. Minister, you may proceed.

Hon. Walter H. Roban: So, I will proceed.

Some of the other questions that came up, Mr. Chairman, have to do with the Regulatory Authority amendments and the fuels policy, and when the amendments to those are going to be deployed. As we said in our brief, those are part of the objectives for this year. There has been work that was already done with looking at the Regulatory Act [RA].

And there is a body of legislation, Mr. Chairman, which deals with regulatory affairs, the RA Act. There is the Electronic Communications Act [EA]. And those are two of the pieces of major legislation, and of course, the broadcasting legislation, as well—but the RA Act and, of course, the Electricity Act. The RA Act and the EA Act were all passed in 2011/12. And the Electricity Act was passed in 2016.

It is very clear from the experience that, I think perhaps of both Governments, but certainly this Government, that there needs to be a thorough review of both of those bodies of legislation, and particularly the regulatory legislation, so that we can continue to shape the Regulatory Authority in its work. The idea of when it was devised, and I certainly admit to having some involvement prior to when the legislation was deployed, but all of that body of legislation, was that we would have a multi-purpose regulator that would be regulating a number of sectors, not just energy, not just telecommunications, but also other areas of regulation, perhaps water or fuel, which is actually an area that they will, hopefully, be taking over responsibility

for, with the appropriate legislation drafted, going forward. So, it would need to be multidisciplinary, not just one sole industry.

So, we need to continue to evolve the legislation and work with the regulator to make sure that they have the appropriate resources, the legislative framework and the capability to do that. So, that project is a part of this year's work for 2019/20. The fuels policy, which was passed last year, the appropriate legislation will also be developed this year on that, as well.

The fuels policy is a public document, so anybody who has not seen it can go onto the government website and look at it. If there is a need to make it . . . I thought it was tabled in the House. If it has not been, I will ensure and commit to making sure that it is. (I believe it was.) It does look to ensure that there is a particular class of fuels that are approved in Bermuda, but also makes sure that the infrastructure that maintains and contains those fuels is safe and is at the highest regulatory standards.

But also, it contemplates that the country's future will depend less on carbon-oriented fuels. Right now, 90-plus per cent of our fuel is developed from carbon-based sources—heavy fuel oil and other forms. We need to be moving forward away from that, as a small country that is exporting millions and hundreds of millions of dollars out of the country in expenditure on fuel. Imagine what that money could do with schools, with health care, with essential services that we need. That money could be kept here and in the pockets of Bermudians, so that they have more.

So, the idea and the vision of the Government in that is to begin to push, from a legislative standpoint, a regulatory standpoint and an educational standpoint, a cleaner future. And the fuels policy is a basis for doing that. We will work with the regulator, which I think anybody who reviews their legislation will see that moving towards a cleaner energy future is actually mandated in the legislation of the Regulatory Authority, as well as in the Electricity Act. So, these are directions that we desire to take. And we do hope we will have support in those steps as we go forward.

Some of the other questions that were posed, Mr. Chairman, were how will persons continue to benefit from the rebate programme that has been deployed? And there was \$500,000 set aside in the last budget for that. And I will go into that a little bit more in detail about the expenditure. But one of the things, Mr. Chairman, that we have tried to make sure of with the rebate programme is that, unlike its original rendition some years ago, it actually helps those who need the help. And this is not to be disparaging against anyone, this comment, or any government, because there were two governments that would have had some oversight of this programme, the previous administration that ended the previous rendition, which is fine. Those who could afford PV installs were the greatest beneficiaries. And that is just how it turned out.

In light of the situation in the country now, where people are struggling to meet energy costs, it was our desire to ensure that the programme focused on the people who could least afford such costly installs.

And I applaud all those in Bermuda who have had the ability to install those photovoltaic systems. It is great that they had the insight and certainly the commitment to clean energy in their personal capacity so that they made that investment. And we hope that those investments pay off for them. Because it means that they are contributing just a bit to lowering the country's carbon footprint and to a cleaner environment.

So we want, in the future, as we have devised with the programme which was the part of a previous Throne Speech commitment, that it would focus on those who need it most, which is why we also partnered with the Bermuda Housing Corporation and the Ministry of Public Works, and even Financial Assistance to identify persons, particularly seniors, within their client base who can benefit from not only solar water heating and also conservation efficiency technologies, which are fairly easily available to ensure that this is the focus of the rebate programme.

And it is our desire to continue that in the best way we can. There will be limited resources, but some of the expenditure has been committed toward that. I will get more precise on the numbers, going forward.

The Honourable Member brought up an issue about the surcharge that is on the electricity bill. Yes, that is something that I think we all have to deal with, because everybody has to be hooked up to BELCO. That is just how the system works. Perhaps there will be changes to that in the future, but that is how the country operates. And all persons who use electricity are confronted with this fuel surcharge. We are looking and we are discussing that being reviewed by the RA. That is within their jurisdiction as the official regulator of the energy sector. So, we have talked about their perhaps doing a remodelling of it, looking at it and seeing if it perhaps needs to be changed. And they will discuss that with the power company.

So, we understand that there are people who—and I have heard many stories about people who say that their fuel surcharge was higher than their actual real expenditure on electricity. So, yes, that is a concern. And perhaps there does need to be a remodelling of it, going forward. And we are discussing that with the RA as they continue their work with overseeing the fuel sector.

The Honourable Members across asked about the issue of an energy manager in government. And there is, I believe on page . . . on the output measures, there was discussion of the procurement of an energy management or energy services company to assist in the reduction of energy expenditure in government buildings. The direction of that has changed. And the Government has decided to have

an energy manager, in-house, rather than hiring an overseas company. But that is a discussion that has been decided at the Cabinet level, but also is now being formulated by working with Public Works and the Energy Department.

It may be—and I am just trying to give Members an insight as to what the direction is on this—possible that this will lie in the Ministry of Public Works, for the obvious reason: They manage the government estate. And any deployment of any energy-efficient measures for the government estate would be done by the Ministry for Public Works. But there is an ongoing discussion around that particular post. But the decision has been to certainly deploy an energy manager. All of the information that we [received] is that if this had been done some time ago, there could have been considerable savings to the government—if there had been a manager.

There is no blame being cast there. It is just that, you know, we all understand what the cost of energy has been for the government. It has been an ongoing government responsibility for all governments. And I believe that there has been a commitment throughout the years to bring down that cost. But the decision is that an energy manager, specifically in government, to deploy measures that will assist with the lowering of energy expenditure of government, is the best way forward. So, that is the work that is going on right now. It has been decided that this is the direction we will go. And certainly, I or the Minister who will be responsible for that position will report back to the House once those things have been put in place.

There was a question about the issue of the clearing of the vegetation down at the solar Finger. There has been some delay in that only because, I think, partially that we were initially going to be partnering with Public Works in that process. But, for different reasons, the decision was made between the Energy Department and the Public Works Ministry, and also with the company, Saturn Power, who is the contractor for building and facilitating energy at the solar Finger, that we would get a local, outside, private contractor to handle that. So, that is why.

But there are other issues that have had to be worked through with the company that has created some delay in the work being done. It is quite a substantial job. I think anybody who drives around that area who [is familiar with it can see that there] is considerable vegetation. And it is going to take quite a bit of work to [remove] it. But we are making sure that the right team is in place. I believe a contractor has been retained. But that work is being done with Saturn Power to coordinate that. But I will seek to get more information on that as I go along.

But I will just go on and continue to answer some of your questions. An issue came up around the IRP, the Integrated Resource Plan, which is a requirement of the Electricity Act. It is a process coordinated by the Regulatory Authority, not by the Gov-

ernment. It is really the RA's process in which they received an IRP from the licensed bulk generator, and [operator of] the transmission and [distribution systems], which is BELCO, with an IRP. So, they have provided an IRP. There has been a process that has been going on with that. There was a period of public consultation that went on. That was actually extended to the end of last year to [allow] more participation. And a number of submissions were made, all of which, I believe, you can find on the website. You can even see the IRP itself on the website of the RA, and see the submissions.

They have had some commercials publicly about the persons who gave, the group who gave their submissions. So, there has been quite a bit of public activity. There was a group who did their own town halls about their energy plan as well. So, there has been quite a bit of activity.

Now it is in the process of the RA itself reviewing and incorporating all that has been received into a submission, their proposal around the IRP. There has been no sight of the Government of that as of yet. That is a matter for the RA. But, clearly, it is a matter of great public interest, and we will make sure that this happens at the appropriate time.

I can expect, and I do not want to commit to a date, because, really, that is the responsibility of the RA. But through our own discussions with them around this, I believe that later this year there will be a public submission of the finalisation of it. Not close to the end of the year, but later, certainly, on the other side of the budget session, it will be closer to being completed by the RA.

I will now go on to answer some other questions. There was a question about training in reference to conferences and symposiums. And most are overseas and specialised training, which are not available locally. So, the travel is to get that training and attending conferences under the areas . . . and training that our people cannot get here. So, that money has been to facilitate training overseas that cannot be received here by our team.

When it comes to the post, a question was asked about the post, the telecommunications officer. That is not an additional new job. That is, we are absorbing the Department of Telecommunications into the Ministry. So, where it sat somewhere else, it is just being absorbed in. So, it is just an additional post, and it is a post that is already in government, where there is an actual person, named Pat DeShields, very capable, who handled, particularly, all the satellite filings and all of the activity in that area, as well as other telecoms matters. That is who is being absorbed into the department.

Ms. Leah K. Scott: That is a good segue, because I just want to ask you a question. Do we have any additional spectrum inventory?

Hon. Walter H. Roban: Thank you for the question. The matters pertaining to the matters of spectrum are with the Regulatory Authority. That is not a matter that the Government deals with directly. So, the management and overseeing of the availability or issuing of spectrum is within their remit, not within that of the department or in the government.

I think I answered the question about the energy manager already.

Let me see now. When it comes to the solar Finger [project], and some questions may have been raised about investment in that and how that is benefiting the country. Actually, the developer is actively seeking local investors to be involved with them jointly with the project, as well. Even though they have received the contract, they actually have agreed and will work with the Government on, you know, interested parties that desire to invest with them in coming under their project. They are happy to find ways to include local investment with them, jointly, in the project. So, we are very pleased with that.

Even though a Bermudian was not the principal awardee, there is still an opportunity for them to get in. But, as I told you, going forward, with additional commercial renewable projects of a utility or commercial nature, it is the desire of the Government to see Bermudians being exclusively the main investors and the main facilitators. Even if they partner with somebody else, they will be the chief beneficiaries of any commercial-level solar [project].

[Inaudible interjection]

Hon. Walter H. Roban: Yes, yes. But there are a lot of eager persons now in the energy community who are very keen to see this happen. So, as we develop more information around that, we will be engaging with them. And I look forward to seeing them being the chief investors in certain solar projects, going forward.

I have already answered the question concerning the summit and how we are going to deal with that.

I will give some more information on review of legislation that we discussed about the RA, the EA Act, the ECA Act, and the Electricity Act. Some of the review has been completed, but it continues in the context that now there is a new chief executive of the RA. We are working with them closely. And we have identified many of the challenges. The biggest is the need to maintain transparency while achieving objectives.

Opportunities in the satellite industry. That is a very interesting topic, and it is a topic that I have spent a little bit of my time focusing on since becoming Minister. As the Honourable Opposition Leader did state that Bermuda does have a satellite slot, has had one for many years, and certainly under the previous administration, we did achieve getting a satellite in the

slot. That satellite is actually not owned by Bermuda, but it is owned by a joint venture between two companies. And it is called BermudaSat-1. And the company is—it is a joint venture between SES and a company called EchoStar. And so, they are the ones that have the asset in our satellite slot. We continue to have discussions with them, ongoing, about the future of that.

At the moment, Bermuda is not earning any revenue from that. That would have come from any of the services that were facilitated through the satellite. Going forward, because there has been . . . there were two issues, a few issues that affected that. Some of that had to do with FCC regulation, which we had nothing to do with, which they prohibited non-American satellites from transmitting into North America. Even though our satellite slot is quite strategically placed, there was an ongoing prohibition for it providing services within the United States. It obviously created some challenges for us.

But there have been significant changes in the industry since this process started for Bermuda. And there are other services, other than the DirecTV and all those broadcasting services. There are other commercial services where there are opportunities for Bermuda. One is in the provision of marine services and other types of services. So, it is quite likely that in the near future the operator, if they continue to want to have a satellite in our slot—and that could change, you know, because we could go with somebody else as a country if we decide—but their desire is to what they call move that satellite out of our slot and put in another satellite that can actually be providing those services. Because the market has just changed so much now. So, that is an issue.

So, we are not so concerned about the FCC prohibition anymore, because the other services can be global and be given to anywhere in the world. And there is not a prohibition on the marine and other sort of geographic services, which are becoming much more of a commodity in the satellite industry. We are beginning to look at non-geostationary industry of the commercial industry because there has been an expansion of the commercialisation of the space industry now, away from government to private companies, more private companies that have non-geostationary satellites that are in lower orbits. That is where the new market is that Bermuda is looking to go into.

And we have the assistance of our advisory group to help us with that. And our advisory group is made of up a group of very interesting people. It includes people from Bermuda. It also includes people from institutions like MIT [Massachusetts Institute of Technology]. It includes also persons who have actually set up satellite companies in Bermuda, who are happy to work on giving the Government advice on how Bermuda can become a bigger player in the satellite industry. I am very pleased with the work that has been done so far. We have people from the insurance industry, people from the satellite industry.

We have all types, a mix of people, including, like I said, Bermudians on this advisory group who are actively engaged in things like artificial intelligence and machine learning who are interested in working with us.

And so, we are looking forward to some interesting activity over the next couple of years, as a product of their advice to the Government. So, I hope this answers some of the questions of Members around what we are doing in the satellite area.

Reasons for the increase in professional fees. There is really no increase. We had not used our entire allocation in 2017/18. But the allocation has not changed from 2017/18 to 2019/20.

Energy rebate change, the question was around that. We will not utilise the \$500,000 in one year. The allocation allows us to spread it out over time so that we get much longer . . . even though it was given one year, we have been allowed to spread it out so that we get a longer usage of that money. And perhaps it is also helpful for us so that we did not have to go back to the Finance Minister this year, with his very rigid budget allocations. So, perhaps next year, if we need money because we have not taken any additional money this year, we will have money going forward. Because our desire is to continue to try and advance the rebate programme as a way to advance education and interest in how people can find ways to lower their energy costs. So, we are using the money for a number of ways to advance that.

More information about the process of rebates, so that Members know, the customer applies to participate. The department reviews their application and verifies their ARV. Then, after the application is complete with the Planning Commission, then the department pays after that. So, we help them through the process. They go through the planning process after, obviously, they have been approved by us. And then, we pay the rebate thereafter.

I gave you some information on the fuel surcharge, but I have a little bit more information I can share with you. The fuel charge can be decreased only if the BELCO plant runs more efficiently and if we can move to more efficient and energy-dense fuels. Another factor in our high fuel charges is that, on top of the cost, we have to pay heavily for transport. Our fuel comes from thousands of miles away. Particularly, it comes from the Gulf of Mexico. So, that is quite a bit away for the fuel to come. And that is a natural cost for everything. It costs a lot to get here, as well. And it is also a revenue stream for government, and our taxes that we receive are around \$32 million a year from fuel surcharges.

But I think, if you remember, in the Throne Speech, we did commit to looking at taxes on fuel and to see if any changes in the taxes and how they are deployed can bring down costs. We are still committed to that. That is, obviously, something that the Ministry of Finance is working on. But that is part of the

Throne Speech objective, and we will keep you up to date on the progress on that.

Just a little bit more information on the reasons for the delay in the site clearing. The reason for the delay is that the department is working with the developer, and there were certain compliance issues that had to be met to proceed with the work. The clearing of rubble and the disused fuel tanks—you know, there is a lot of strange equipment out there, and it is not just vegetation. It is, as I have been told—yes, it is not just that, but like fuel tanks and stuff left over from the US base years that has to be handled. And in some cases, it has to be handled very carefully. So, it is more than just people coming out there with machetes and weed-whackers, clearing out trees. It is more than that. If [that is all] it was, we probably would have it done already. Vegetation is left to do, and the developer is finalising the footprint so that that work can continue.

Just some more information on the solar panel initiatives. We can get exact numbers, but we have paid out about eight rebates at varying amounts, for the total of about 22 megawatts, as I stated in my brief, so far. And there are an additional 90 megawatts in the pipeline. We expect to honour those applicants' payments over the next few months.

I think that is most of the answers that I have. I am sure if there are any other questions that Members have, or if I have not answered them, you will repeat them. Thank you, Mr. Chairman.

The Chairman: Is there anyone else who would like to speak to Head 89, Department of Energy?

I recognise the former Premier, the Honourable Craig Cannonier.

Hon. L. Craig Cannonier: I am the Opposition Leader, man.

Yes. In the vein, and this has been quite interesting and informative, actually. In the vein of page B-324, where the Minister mentioned the goal being a low-carbon future . . . and I will declare my interest. I am in the fuel industry. But I was just curious as to whether or not—there are some exciting things that are happening around energy worldwide. The industry leaders like the Chevrons and the Exxon Mobiles of the world are making some great strides in alternative-type energies, themselves. I was just curious as to whether or not—I know that the department head will allow people to come with new ideas, to them.

But maybe even as a suggestion, has the department head decided to also go to some of these larger interest groups to find out what some of the latest technologies are so that maybe we as a government and an island can take advantage of some of these opportunities, as opposed to just waiting for the private sector?

I know that, for myself, I have been approached many times to put in the electric nodes at

the gas stations I have. And whether or not Government would even consider incentives to allow the local service stations to start putting them in, to encourage people to charge up, free of charge, of course. But maybe find some way of incentivising that, where people, when they come, can spend time with that. So, it is a two-part question there; sorry.

The Speaker: I recognise the Honourable Member Jeanne Atherden.

Hon. Jeanne J. Atherden: Sorry, Mr. Chairman. I just had one question, too. And this is relating to, I guess if you look at the performance measures. I am mindful of the fact that, on page B-324, it says that the department objective is to provide technical and administrative support to the Broadcasting and Telecommunications Commission. And I know that we have talked a lot about telecommunications, and we have talked a lot about energy. But I just wondered (1) whether there are any performance measures with respect to the broadcasting; and (2) what type of information does the Ministry put out with respect to making the public understand what the Broadcasting Commission does and how it regulates content?

The Chairman: Thank you.

Before the Minister answers that question, I would like to put before the House whether they would be interested in going the 23 minutes, because that is all we have left, to about 10 minutes to 1:00. Or, do you wish to break for lunch and come back and do 23 minutes after lunch? It is up to the House.

[Inaudible interjections]

Hon. Walter H. Roban: Mr. Chairman, can I say? I believe there are Women's Day activities at lunchtime that many Members of this House desire to attend. So, it would be best if we break for lunch. And I am happy to come back and continue answering questions.

The Chairman: That is fine.

So, I think you have some questions, Minister, to be answered.

Hon. Walter H. Roban: Yes. I am actually quite pleased to hear the comments, Mr. Chairman, of the Honourable Opposition Leader around, obviously he has an interest in the fuel industry, and his comments in relation to the two pieces, one about getting involved with some of the bigger industry players. Because it is very obvious, if you are paying any attention to what is happening globally, that there is more investment by even the big oil companies in renewables. They are putting more money into it. At one point, they pulled their money out. But the momentum has moved so quickly, globally, in that most of the

money going into, and even the jobs being created in the energy industry, new jobs are actually in the renewable side. They are not on the side of the fossil fuels.

The Chairman: Yes.

Hon. Walter H. Roban: That is where the new growth is going in energy. So, and this is a global trend. Europe has decided that it is moving to electric cars by 2040. And other progressive countries are actually making aggressive targets to move to alternative fuels. So, when it comes to the issue of the fuel, the electric chargers, you note that at the hospital, there are chargers. Actually, the Government has lowered, or I believe it is zero, the duty on the importation of electric charge stations now. And, yes, we would love to discuss with fuel stations, if they desire to install charging at their stations. The Government can discuss an arrangement that will be mutually beneficial. And we are happy to do that.

So, I hope that those two answers are good and that the Rocky Mountain Institute is going to be our guide as to what we decide to do, even how we may interact with the larger fuel companies around the initiatives they are doing, because perhaps there are country-level initiatives that we can look at. Certainly, RUBiS and even Sol have been very supportive in our work around these areas. So, there will be opportunities in the future, which I will certainly make sure I report it to the House.

The other question concerning telecommunications and the Broadcasting Commission, we can make sure that there is more information. Thankfully, the Chairman of the Broadcasting and Telecommunications [Commission] is a Member of this House, the Honourable Michael Scott. And I am sure that he will be happy to spend some time providing further public information as to the work that his Commission has in the area of contact.

The Chairman: Honourable Member, I think it is time for lunch.

Hon. Walter H. Roban: Yes. Of course.

As I am already standing, Mr. Chairman, I can certainly move that we adjourn for lunch until 2:00 pm.

The Chairman: Thank you.

[Gavel]

Proceedings suspended at 12:28 pm

Proceedings resumed at 2:02 pm

[Mr. H. H. Cole Simons, Chairman]

COMMITTEE OF SUPPLY

ESTIMATES OF REVENUE AND EXPENDITURE FOR THE YEAR 2019/20

MINISTRY OF HOME AFFAIRS

HEAD 89—DEPARTMENT OF ENERGY

[Continuation thereof]

The Chairman: Good afternoon, Members.

For the benefit of the public we are continuing with the review of the Department of Energy, Head 89. We have 23 minutes left in the debate.

I now recognise the Minister of [Home Affairs], the Honourable Walter Roban, Deputy Premier.

Hon. Walter H. Roban: Thank you very much, Mr. Chairman.

I will kind of finish where I left off, but I am sure if any Honourable Members have questions, I will certainly continue on answering them.

One on the questions that came up . . . it ended, I think, one of the last questions was about telecommunications and I believe I assured the House that with the able chairmanship of the Honourable Michael Scott, of the Telecommunications and Broadcast Commission, that issues around much more public awareness around the work of the Commission and its responsibilities and what it will do in relation to content, he will certainly endeavour to provide greater public information around that. And we will, certainly, the Ministry will make sure that some of that work happens with he and the very able commission that he oversees.

There were also a couple of questions from the Opposition Leader around working with overseas . . . the large players in the industry who are doing more in the area of renewables and also the issue of local service stations possibly installing charging stations to charge electric vehicles. We welcome any interest by the fuel industry to that. At the moment, I believe at the end of either 2017 or 2018 . . . there was an effort to reduce the duty on charging stations. And I think now they are actually zero duty. So, the Government would happily partner with any of our fuel stations that desire to have them installed and, as a way to cultivate interest in the electric vehicle industry by residents, at least they will know that they can go to these stations and charge up for free or fast charge . . . opportunities that they can have, at least to get things going.

Because there is a desire to see, at least from the standpoint . . . and we are speaking still of the energy industry here, Mr. Chairman, it is important that the country begins to make this transition to a cleaner, renewable future. It is a mandate that is outlined in our Throne Speech and it is an aspiration which comes

out of the original 2011 Energy Policy of the Government, which was passed by this House and has certainly influenced what has been done thus far in the area of the energy industry. It was the impetus for the Electricity Act that was passed in 2016. It was the impetus for the rebate programme, originally, and has been restarted. It was the impetus for the Regulatory Authority which is now the regulator of the energy industry.

And it is the desire of the Government to update that particular Energy Policy from 2011 to where we are now. There has been much time, many aspects of things that were aspired to in the Energy Policy have either fallen away in their relevance or have actually come to light—things like battery storage technology, which at that time in 2011 was more conceptual across the world but was something that we thought could work. Now battery storage technology is an actual fixture in most of the energy plans for renewal transition of most countries. BELCO itself has received approval from the RA to install a level of battery storage as they will be receiving energy from the upcoming Finger project when it is completed that will be used to be part of their reserve, their spinning reserve, and they will store that through having the battery capability to allow them to manage their energy storage and usage even better.

But this is something that you have seen worldwide. Places like Puerto Rico, which is recovering from its own climatic hurricane experience . . . there is more work being done there to give them a renewable future. There are island groups, such as in Hawaii, which have become a great example of the effort to go almost fully renewable in the future. And places like Aruba have also made great steps to a cleaner renewable future through the mix of battery technology with cleaner other sources.

Obviously, different islands have different capabilities in this area. We do not have some of the attributes of some of the islands, for instance, in the Caribbean. One being that we only get about four and half hours of full sun during the day, other island jurisdictions that are closer to the equator get more, so that creates an opportunity for them to benefit much more than we do. So, we have to make sure that when it comes to renewables and our energy transition, that we focus on efficiency because we do not have, although the sun is always here, it is not exhaustible in its constantness, or what you call, as a redundancy. It does not stay all the time, like having the current existing platform does, in that power can be just constantly without any interruption, 24 hours a day. The sun does not allow that, not without the use of battery technology and a mix of possible alternatives.

There is also the possibility for, perhaps, Bermuda to take advantage of wind. But that will require further study.

There is also, clearly, our ocean. And there are some technologies in the ocean area, which are developing, which may be available to Bermuda in the future.

So there is a bright future for Bermuda in cleaner renewable [energy], but it is going to take time. Ultimately, for this Government, Mr. Chairman, it is about cost.

The Chairman: Yes.

Hon. Walter H. Roban: It is about cost to the consumer. And I am not afraid to say this, that for all the lofty plans that some have about renewables and how wonderful they are, if they cannot show this Government—or I think the community—that it is going to bring down the cost, it is a waste of time. It is very nice to have grand plans about going totally solar or totally wind or some other renewable technology that is out there and available, but there is the infrastructure that backs that up, it is having the appropriate grid technology, is the appropriate proper conservation method deployed, but also, if this does not translate to lowering the cost of production and the bill to the ratepayer, it is not going to work for Bermuda.

The main goal right now should be to bring down the cost of energy. So whatever steps we take and endorse—and I am sure there is nobody in this country that does not agree with a cleaner, more efficient energy future, but it has got to help the average person. It has got to, you know, reduce the burden they carry—

The Chairman: Mm-hmm.

Hon. Walter H. Roban: —of keeping their lights on so they can take care of their families and go about their daily lives.

So that is the commitment that we have, that is the sort of energy policy that we are looking to build, and to build, particularly, an awareness going forward through education, and conservation, and efficiencies and assisting . . . and the Planning Department has been quite—although it is not a subject of our debate—they are fully supportive of the efforts of the Government in their policies with those who desire to make changes to their properties or, you know, include efficiencies and conservation measures in their developments.

Any developer who desires to do things in that area of energy will have a willing partner with the Department of Planning and within the department in doing that if they so desire. They just need to contact the Energy Department and Planning and talk about these issues with them and how they can, perhaps, in a cost-effective way facilitate their development with these sorts of efficiencies. Because some of the technology being brought in can arguably be duty-free, or with some discussions with us we can assist with

making sure that there are some incentives that we might be able to discuss with the Finance Ministry with bringing some dutiable preferences to those technologies that are attached to suitable developments.

So, I will stop there in case there are other questions, Mr. Chairman, on further aspects of my budget presentation.

The Chairman: Thank you.

I now recognise the Deputy Opposition Leader.

Ms. Leah K. Scott: Thank you, Mr. Chairman.

I do not have any questions, but what I would like to say is thank you, again, to the Minister for the thoroughness of his answers, for his ability to respond to us and not be dismissive.

And I think, Mr. Chairman, if I may, they say that behind every great man is a good woman and the Deputy Premier has three wonderful supports over here. So, I would like to tell them congratulations and thank you, and Happy International Women's Day. And Minister, thank you for your debate.

[Desk thumping]

The Chairman: Thank you.

Is there anyone else in the Chamber who would like to make a contribution to the debate in regard to Head 89, the Department of Energy?

No.

I recognise the Minister, you may wind up.

Hon. Walter H. Roban: Thank you, Mr. Chairman, and thank you for the kind words of the Deputy Opposition Leader.

And again, I would like to also echo her sentiments to the team that I work with—Ms. Jeane Nikolai; the PS of my Ministry, Ms. Rozy Azhar; and all the team, the many people that I work with. I do not come here prepared without them making sure that it happens, so I do appreciate all of their work. And certainly having joined with them since November they have gotten me up to speed on all of the matters pertaining to . . . that are under my responsibility, and their work is very much appreciated.

I do have one answer I would like to share for the benefit of the House and for the listening public about the charging stations. Generally, not as critical for us as in other jurisdictions, modern batteries give you much greater ranges. Because Bermuda is only 22 square miles, actually Bermuda is a great opportunity to begin to deploy more electric vehicles. So, that is why that is not an issue. For other countries, larger countries, having charging stations throughout their jurisdiction is an issue because of the range that is required to travel, but that is not [the case] for Bermuda. And charging stations would only make sense if they are fast charging. And there may be some

regulatory matters to resolve, as well as governing sales of electricity, for example.

And, of course, there may be a requirement as we begin to advance our electricity infrastructure and framework, Mr. Chairman, to having different rate models. Because as we become more diverse with how we produce power—and let me restate, again, this Government's policy is for the diversification of generation—for over 100 years this country has basically relied on one principal generator, and actually, if many people did not know it, the Government is also a licensed generator of power through the Tynes Bay facility.

The Chairman: Yes, I am aware of that.

Hon. Walter H. Roban: So we are also . . . we have more than one electricity generator in Bermuda and one of them is the Bermuda Government and that is the Tynes Bay facility. And this Government is looking at ways to ensure that even that is used more efficiently in generation and can contribute more as somewhat of a semi-renewable process because all of our waste goes there and they can produce power, which potentially add to . . . it does add to the grid and it does provide a stabilising factor from what BELCO does. And with the addition of the solar Finger that will also continue that process.

But we welcome other opportunities for people to bring projects. And the IRP process which is currently engaged will shape that even further, [providing] additional opportunities for people to discuss generation in Bermuda. Having a diverse grid that might include rooftop solar. . . and diversified rooftop and commercial solar is also what we see in the future happening.

This is going to mean advancement of the infrastructure, it is going to mean considerable investment within the country, it does not necessarily mean the Government coming up with investment, but we can partner with those . . . there is a lot of enthusiasm out there amongst many of our local players in the solar industry to work to bring about this future in Bermuda.

There is commercial value to it, there is job creation that can be involved in it, there is sustainability, [and] it will lower the amount of money going out of the country. In power [generation] there are jobs for young people and others who are interested in [the] technology associated with it—energy installers, energy assessors, electricians, engineers. There are so many opportunities that we can create internally around energy, greater than it is now.

I look forward to that future shaking up Bermuda in the years going forward and the Government intends to move forward with policies that accomplish this.

So, with that having been said, Mr. Chairman, I would like to move . . . unless . . . may I move my head, please?

The Chairman: Is there anyone else that would like to speak to Head 89, Department of Energy?

No.

Minister, you may proceed.

Hon. Walter H. Roban: Thank you, Mr. Chairman. I move that Head 89 be approved as printed.

The Chairman: Approved.

[Gavel]

[Motion carried: The Ministry of Home Affairs, Head 89, was approved and stands part of the Estimates of Revenue and Expenditure for the year 2019/20.]

The Chairman: Now that we have concluded the debate on Head 89, the Department of Energy under the Ministry of Home Affairs, we now welcome the contribution from the Minister of Tourism and Transport, the Honourable Zane De Silva.

He will be moving Heads 30, 34 and 35 in the Department of Transportation and the debate will last for six hours.

Honourable Member, you may proceed.

MINISTRY OF TOURISM AND TRANSPORT

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

Mr. Chairman, I move that Head 30, Marine and Ports; Head 34, Transport Control Department; and Head 35, Public Transportation be now taken under consideration.

The Chairman: Yes, you may proceed.

Hon. Zane J. S. De Silva: Mr. Chairman, today I am presenting the budget for the Transport Division of the Ministry of Tourism and Transport. The budget appropriation for the entire Ministry totals \$88,496,079 as found on page B-194 of the Estimates of Revenue and Expenditure for the year 2019/20.

The departments which come under the Ministry's Transport Division include: Marine and Ports, Head 30; Transport Control, Head 34; and Public Transportation, Head 35.

HEAD 30—MARINE AND PORTS SERVICES

Hon. Zane J. S. De Silva: I will begin with the Department of Marine and Ports Services as found on pages B-199 through B-203 of the Estimates of Revenue and Expenditure for the year 2019/20.

As stated on page B-199 of the Budget Book, the mission of the Department of Marine and Ports Services is: *To provide the necessary services to ensure the safe operations of international shipping and local craft in Bermuda waters; to contribute to the Bermuda transportation system through operations of the Ferry Service; and to facilitate in marine search and rescue.*

Mr. Chairman, the total current expenditure for the Department of Marine and Ports, Head 30, is estimated to be \$21,278,298, which represents an increase of \$1,181,298 or an increase of approximately 5.8 per cent over the 2018/19 budget. The increase has been funded within the established cash limit through the reduction of the Bermuda Tourism Authority's grant. The additional funding is being primarily put towards the following key areas:

- Diesel—increase in fuel costs.
- Security for the cruise ship terminals—increased cruise ship visits during the shoulder months together with additional cruise ships visiting for the upcoming summer season has increased the cost to secure the cruise ship terminals.
- IMO (International Maritime Organization) instruments.
- Implementation code compliance.
- Mandatory training ahead of the 2020 International Audit.
- Inventory—the consumable and permanent parts and supplies necessary to maintain the entire Marine and Ports fleet of aging vessels.
- Overtime—primarily for the repairs and maintenance due to the age of the fleet.

The Department of Marine and Ports Services expenditures are set out under the following three business units and can be found on page B-199 of the Budget Book:

- Programme 3006—West End/Dockyard: Navigational Aids, cost centre 40040, \$739,907; Tug Service, cost centre 40140, \$1,685,731; Tender Service, cost centre 40210, \$396,862; Dockyard Maintenance, cost centre 40260, \$3,353,977.
- Programme 3007—Central Hamilton: Ferry Services, cost centre 40090, \$7,775,564; Mooring and Boat Registration, cost centre 40150, \$277,260; Administration, cost centre 40220, \$2,567,319.
- Programme 3008—East End/Fort George: Maritime Safety and Security, cost centre 40100, \$2,531,930; and Pilot Service and Off-shore Search and Rescue, cost centre 40180, \$1,949,747.

Revenue is found on page B-200 of the Budget Book. Mr. Chairman, it is anticipated that in 2019/20 the Department of Marine and Ports Services will generate approximately \$5,766,000. This will be attained primarily through fees charged for the provi-

sion of ferry services, tug services, boat haulage, pilot fees, boat moorings, and port dues.

Capital acquisition expenditure for the department, found on page C-12 of the Budget Book, is set at \$276,000 for navigational aids, which represents a decrease of \$74,000, or 21 per cent below the budget of 2018/19. The capital budget for the Vessel Traffic Management Information Systems is set at \$200,000, or 55 per cent below the 2018/19 budget of \$450,000.

Manpower. The department's full-time equivalents (FTEs), found on page B-201 of the Budget Book, have increased from 159 to 161. Despite the additional FTEs, the manpower budget for the department remains the same as the additional posts were already fully funded. There are five fully funded vacant positions which the department will seek to fill within the next six months. Compensation, not including overtime, is estimated at \$10,932,545, or 51.7 per cent of the department's budget.

The department's performance measures, found on pages B-202 to B-203 of the Budget Book, remain positive and in line with the international standards. Maintaining these levels is becoming increasingly challenging with a rapidly ageing fleet. Nonetheless, the department continues to work diligently to manage these processes and to ensure the delivery of a safe and reliable service.

Mr. Chairman, the Department of Marine and Ports Services represents one of the most critical operational arms of the Government of Bermuda as it facilitates the movement of vital shipping commerce in and out of Bermuda's ports. During the fiscal year 2018/19, there was a total of 965 international ship movements in Bermuda waters. The services the department provides include: pilot boat (search and rescue), tug boat and tender services, harbour radio, vessel traffic, radar and surveillance. Further to that, the department is responsible for the coordination of international search and rescue operations in this region of the Atlantic and retains oversight of Overseas Seaport Security in compliance with international standards.

During the 2018/19 fiscal year, the department responded to over 461 search and rescue cases, assisting both ships and aircraft locally and internationally.

Mr. Chairman, the Sea Express Ferry Service, another service provided by the department, represents a comfortable and efficient means of public transport supporting the local Bermuda and visitor markets. The dedicated team from the Department of Marine and Ports continued to execute a well-thought-out transportation plan contributing to the success of transporting thousands of cruise ship passengers arriving at our Dockyard port while, at the same time, providing regular ferry service for the commuting public in accordance with the established schedule.

The Boats and Mooring Section is located at the old Paget Post Office Building and is expected to remain at this location for the foreseeable future. The locale has proven to be an ideal, user-friendly location based on feedback received from the general public.

Mr. Chairman, the 2019 cruise ship season will see an additional 23 cruise ship calls to Bermuda, representing a 13 per cent increase over the 2018 season. This will result in higher revenues associated with cruise ship taxation for the Government of Bermuda.

To address the lift needed the department continues to operate six high-speed catamaran ferries, three harbour ferries and one slow-speed ferry.

Passenger load studies will continue in 2019/20 to ensure more fuel-efficient ferries are deployed on selected routes. Fuel savings were accomplished last year with the deployment of the fuel-efficient 750-passenger ferry carrying cruise ship passengers on the Dockyard to Hamilton route (the Blue Route) during peak hours. This decision was based on data collected from the previous studies, resulting in a reduction in fuel costs to this route.

Additionally, Mr. Chairman, to accommodate the longer cruise season, the department will extend the summer ferry schedule until the 3rd of November, plus provide a supplemental ferry service after that date on days when cruise ships are in port in Dockyard.

The Department of Marine and Ports continues to work towards the IMO, the Instrument Implementation Code, (also known as the III Code) review, addressing all gaps identified by the UK Maritime and Coastguard Agency (also known as the MCA) including supporting legislation for both the port and coastal states ahead of the upcoming 2020 audit.

Output measures, Mr. Chairman. The target outcomes for Marine and Ports Operations for the 2019/20 year are: to continue delivering the required marine service in a timely and professional manner to ensure customer satisfaction. This will include providing additional passenger lift on the Dockyard to Hamilton and the Dockyard to St. George's routes to meet passenger demands during the summer season and also the shoulder season. Passenger statistics collected on both routes suggest the vessel on the Dockyard to St. George's route is running at an average of 70 per cent capacity, and with the deployment of the larger and more fuel-efficient ferry on the Dockyard to Hamilton route it is operating at an average of 50 per cent. The information indicates room for passenger growth on both of these routes.

Mr. Chairman, major policy changes will be implemented based on the United Kingdom's Maritime and Coastguard Agency's gap analysis, undertaken ahead of the upcoming International Maritime Organization's audit in 2020. These areas of change will include oil pollution control, ferry operations, and off-

shore search and rescue, along with other areas identified in the gap analysis.

Plans for the upcoming year will include: continued training of departmental staff to international standards to ensure the department provides all our customers with safe, reliable and professional marine transportation services; and continued progress with the department's succession planning to ensure highly technical posts within the department are filled by qualified Bermudians.

Thank you, Mr. Chairman. That concludes the brief for the Department of Marine and Ports Services, Head 30.

HEAD 34—TRANSPORT CONTROL DEPARTMENT

Hon. Zane J. S. De Silva: I will now move on to the Department of Transport Control.

Mr. Chairman, the budget for Head 34, the Department of Transportation Control, is found on pages B-204 to B-207 of the Budget Book.

The department's mission on page B-204 is, *To provide excellent service to our customers on a timely basis, thereby ensuring both customer satisfaction and an efficient transport regulatory environment, which contributes to the safety of Bermuda's motoring public.*

Mr. Chairman, the Transport Control Department administers the operation of all motor vehicles on Bermuda's roads. The department monitors and regulates the size, functionality, physical condition and quantity of all vehicles by carrying out the following activities:

- conducting the examination of all motor vehicles, motorcycles, and auxiliary cycles for road worthiness;
- administering the registration and licensing of all motor vehicles;
- executing the examination, registration and licensing of all drivers;
- regulating traffic by monitoring drivers and motor vehicles; and
- implementing road safety programmes.

Periodically, the department inspects public garages, minicar and cycle liveries, and filling stations to ensure compliance with permits. The department also issues special permits, such as one-day permits which allow a person to drive an unlicensed motor vehicle upon application for the same. These are typically for transporting the vehicle to the repair shop or to TCD itself for an examination.

The Transport Control Department has five business units: Examination, Registration, Road Safety, Traffic Control, and Administration.

The Examination team is responsible for administering all driving and riding tests to certify that applicants are fit to operate vehicles on Bermuda's roads. The examiners also examine all vehicles and

motorcycles, and are responsible for writing off private cars prior to their disposal.

The Registration section is responsible for registering and licensing all vehicles, licensing all persons who operate vehicles, and collecting revenue for all transactions conducted within the department.

The Road Safety programme is administered through the Road Safety Officer. The programme promotes road safety, awareness through education, training, and public events. The Road Safety Council advises the Minister on transport matters pertaining to road safety and devises strategies and programmes to address prominent problems.

The Traffic Control section is responsible for the management and enforcement of traffic, issuing permits for the movements of oversized containers, heavy loads, unlicensed vehicles, and causal Sunday permits. This section works with the Bermuda Police Service as a support in traffic enforcement.

The officers in the Traffic Control section also work closely with the Public Service Vehicles Licensing Board and the Trucks Advisory Committee to monitor and enforce the use of public service and commercial vehicles. The traffic enforcement officers continue to be deployed on street patrols to ensure all vehicles operating on Bermuda's roads comply with legislation. They are responsible for ticketing abandoned vehicles and cycles.

The Administration section is responsible for the overall operation and administration of the Transport Control Department. This includes professional services for the management of the safety and emissions programme, as well as IT support for the eTCD [electronic scheduling system], the Driver and Vehicle Registration System (DVRS), and the Appointment Management System (AMS). All are critical to ensuring smooth operations and excellent customer service. Customers have the ability to manage appointments online through AMS, and the department has partnered with insurance companies for the electronic transfer of information.

Mr. Chairman, the Transport Control Department continues to implement and maintain an effective and convenient vehicle examination and registration programme which is exceptionally user-friendly. This was highlighted recently when the department was recognised by *The Bermudian* magazine during its 16th Annual Product and Service Awards 2018 in the category of "Government Services." The caption read:

"Long gone are the days when you had to take an entire day off just to relicense your car. Today's TCD is a far different experience with an efficient walk-in system and an even easier online one."

An Hon. Member: Hear, hear!

Hon. Zane J. S. De Silva: Mr. Chairman, the Transport Control Department's budget allocation of

\$5,375,000 for 2019/20 is unchanged from the budget of 2018/19 and can be found on page B-204.

Under the General Summary of Expenditure per business unit you will find that the estimates for 2019/20 for each business unit do vary somewhat from the 2018/19 estimates. Although the core allocation of funds has not changed from the budget of 2018/19, funds are being reallocated from certain business units to others to better reflect the department's operational needs.

The variances are mainly due to the reallocation of \$1,960,000 that would have otherwise been appropriated for the vehicle inspection and emissions testing programme, which was previously outsourced. Effective 1 February 2019 this service has returned to the Examinations business unit 44000.

The variances include funds set aside for recruitment to vacant posts, creating seven examiner posts, and increased funding for the Project Ride Programme and the implementation of Phase 2 of the Road Safety Strategy, Operation Caution.

It should be noted that of the \$5,375,000, \$3,380,000 (or 63 per cent) is allocated to salaries and wages, and approximately \$415,000 (or 7.7 per cent) is allocated for the Professional Services, including secondary IT support for the eTCD, the Driver and Vehicle Registration System, and the Appointment Management System—all of which are critical to ensuring smooth operations and excellent customer service.

The remaining funds are used for general operating expenses such as utilities, repairs and maintenance to vehicles and equipment, printing and office supplies, boards and committee fees.

Examination, cost centre 44000. Mr. Chairman, the Examination section's estimated budget of \$1,210,070 sees, perhaps, the largest increase in the department and represents a \$587,042 increase over the previous year. The increase is entirely due to the additional posts required for the reintegration of the examination services that were previously outsourced. It is important to note that while the increase in this section is sizeable, the funds had existed within the department's cash limit as contract grant funds. This is merely a reallocation of those monies.

Registration, cost centre 44040. Mr. Chairman, the estimated budget for the Registration section is \$896,287 for the fiscal year 2019/20. The increase is \$152,071, or 20 per cent over the 2018/19 budget, and represents the increased salary uplift due to the filling of a much-needed formerly vacant post.

Road Safety, cost centre 44090. Mr. Chairman, Road Safety continues to be a grave concern to the Ministry. The estimated budget for this section has been increased to \$232,186. This represents an increase of \$69,605, or an approximate 42 per cent increase over the 2018/19 budget. This is inclusive of the Road Safety Council grant in the amount of \$60,000 seen on page C-18 of the Budget Book. As I

have already explained, the additional funding has been allocated to the Project Ride and Operation Caution initiatives.

Traffic Control, cost centre 44110. Mr. Chairman, the estimated budget for the Traffic Control section will be \$629,882. This represents an increase of \$47,715, or just over 8 per cent over the 2018/19 fiscal year. The increase is due to an increase in overtime for traffic enforcement and recruitment of a vacant post.

Administration, cost centre 44210. Mr. Chairman, the estimated budget for the Administration section will be \$2,406,576. This represents a decrease of \$856,432, or just over 26 per cent. The decrease is partially due to the reallocation of the previous grant funds to the Examinations business unit offset by the funding retained for the maintenance of the vehicle inspection equipment, including the upgrade and maintenance of the EVR and the CCTV equipment as well as rent for the satellite facilities, to name a few. (That is both Rockaway and Southside.)

Revenue, found on page B-205. Mr. Chairman. It is anticipated that in 2019/20 the department will collect \$30,988,300 in revenue. This is an increase of approximately \$500,000 over last year and is due to the anticipated increase in the number of commercial vehicle reinstatements and/or new permits, as well as an increase in the number of minicar livery operations, coupled with the registration and licensing of an additional 250 minicars.

Capital Expenditure, found on page C-12. The capital expenditure is estimated to be \$500,000 for the upgrade and replacement of vehicle testing equipment.

Manpower, found on page B-206. The 2019/20 estimates include funds for 41 full-time equivalents. This represents one additional staff member in the Registration business unit, or an increase of 3 per cent over the 2018/19 budget. This reflects the true number of FTEs for TCD, which was reported as 40 last year.

Plans for the upcoming year. Mr. Chairman, the Transport Control Department will continue to review the Motor Car Act 1951 and make recommendation for changes in consideration of the modernisation of road safety.

Mr. Chairman, the Bermuda Road Safety Council will work in conjunction with the Road Safety Officer to continue implementation of Operation Caution. And you may have heard some of those commercials just recently, Mr. Chairman, they are on all radio stations and quite often, so hopefully it will make a difference.

The core efforts in 2019/20 will be around education and awareness for school children at all levels, which I am sure you will appreciate, Mr. Shadow Minister.

[Inaudible interjection]

Hon. Zane J. S. De Silva: Yes, of course, as am I.

Mr. Chairman, the Transport Control Department is in the process of upgrading the EVR system. This is the system that monitors unlicensed vehicles travelling on Bermuda roads and it is anticipated that the EVR software integration with the DVRS and the installation of all new equipment will be completed by July of this year.

Mr. Chairman, that concludes the brief for TCD, Head 34, and the next is the brief for the Department of Public Transportation.

HEAD 35—DEPARTMENT OF PUBLIC TRANSPORTATION

Hon. Zane J. S. De Silva: Mr. Chairman, I would like to present the budget for Head 35, the Department of Public Transportation found on pages B-208 through B-212 of the Budget Book.

The Department of Public Transportation's mission is simple, *Moving Bermuda with quality public bus service*.

Expenditure overview. Mr. Chairman, the total current expenditure (page B-208 of the Budget Book) is estimated to be \$22,367,621 which represents an increase of \$752,621, or approximately 3 per cent over the 2018/19 budget. The increase has been funded within the established cash limit through the reduction of the Bermuda Tourism Authority grant with additional funding being primarily put towards the following key areas:

- Overtime. While cost savings are expected with the implementation of a new bus schedule, overtime within the department has been traditionally under-budgeted. On balance, overtime continues to be an element of public transport services, particularly as it relates to bus operations and the repairs and maintenance.
- Diesel. Increasing fuel costs.
- Inventory. The consumable and permanent parts and supplies necessary to refit, repair and maintain the aged bus fleet.
- Training for continuing development of operations and maintenance personnel.
- Consultants (which is overseas consultants) have been key in supporting the bus service and its fleet of vehicles given the unique nature of the business.

Mr. Chairman, the Department of Public Transportation has three business units: Transportation, Maintenance, and Administration. The budget breakdown is as follows:

- Programme 3501—Transportation: Auxiliary Buses, cost centre 45000, \$137,991; Bus Operations, cost centre 45010, \$10,627,520.
- Programme 3502—Maintenance: Repair Services, cost centre 45090, \$5,624,428; Invento-

ry and Management, cost centre 45115, \$2,179,761.

- Programme 3503—Administration: Administration, cost centre 45120, \$2,904,020; Management Support, cost centre 45200, \$893,900.

Transportation Auxiliary Bus Services, otherwise known as the sightseeing and charters office. This small team is also responsible for the coordinating of all unrostered work on the public schedule and providing daily service updates. The current expenditure for Auxiliary Bus Services, cost centre 45000, is estimated to be \$137,991 for the 2019/20 [fiscal year] and represents a 9 per cent decrease versus the prior year's budget due to the removal of acting and overtime pay from this section.

Bus Operations. Mr. Chairman, the current scheduled bus service operates 18 hours per day, 7 days per week. The current account expenditure for Bus Operations, cost centre 45010, is estimated to be \$10,627,520 for the 2019/20 [fiscal] year. This represents an increase of approximately \$260,707 over the 2018/19 budget. The increase is primarily due to the funding of an overtime budget. While it is anticipated that the new schedule will sharply reduce overtime expenditure below previous levels, overtime is part of the existing bus schedule and traditionally it has not been budgeted at the appropriate levels.

Maintenance and Repair Servicing. Mr. Chairman, the Department of Public Transportation employs a team of professionals in Repair Servicing to repair and maintain the fleet of public buses, support vehicles and equipment. The current expenditure for Repair Servicing, cost centre 45090, is estimated at \$5,624,428 for 2019/20, which is similar to the \$5,697,000 allocated in 2018/19.

Inventory Management. Parts for vehicles and equipment are procured, stored, controlled and issued by the stores section which falls under Inventory Management. The current expenditure for Inventory Management, cost centre 45115, is estimated to be \$2,179,761 for 2019/20 and represents an increase of approximately \$120,000, or 6 per cent over the prior year's budget. The uplift is primarily due to funds provided for the purchase of engine parts to be used for the repair and maintenance of our aged bus fleet.

The Administration is primarily responsible for developing department strategy, policy and procedures ensuring that people, processes, and resources are available to deliver a quality public bus service. The expenditure for the Administration section, cost centre 45120, is estimated to be \$2,904,020; an increase of approximately \$444,000, or 18 per cent over 2018/19. The additional funding is set aside to re-establish the assistant director technical position, resolve occupational safety and health issues, and provide for inventory-related duty and fleet management services.

The Management Support team is responsible for selling and processing bus and ferry fares and providing administration services for accounts, procurement, and human resources. The expenditure for Management Support is estimated to be \$893,900 for 2019/20, which is an approximate increase of \$14,000, or 2 per cent compared to the budget of 2018/19. This small adjustment supports overtime required for the sale and administration of fare media.

Mr. Chairman, it is anticipated that in 2019/20 the Department of Public Transportation will generate approximately \$7,400,000 in revenue (page B-209 of the Budget Book). This will be attained primarily from fees charged for the provision of fare media, that is, bus tickets, passes, and tokens.

Mr. Chairman, the capital acquisition estimate for the department, as seen on page C-12 of the Budget Book, totals \$1,519,861 and is primarily for the acquisition of new buses. A total of four new buses were delivered in 2018 and a further 8 buses are contracted for deliver this year. In January 2019, the Government issued an RFI [Request For Information] for new buses and will use this information to develop a procurement strategy for continued replenishment of the aged bus fleet.

Manpower. Mr. Chairman, the total complement of FTEs in the new 2019/20 fiscal year is 232, as reported on page B-210 of the Budget Book. This represents a decrease of four positions, or approximately a 2 per cent decrease as compared to fiscal 2018/19. The breakdown of the FTEs by each section is as follows:

- The number of full-time equivalents for the cost centre 45000, Auxiliary Bus Services, is two, which does not differ from the amount in 2018/19.
- Bus Operations, cost centre 45010, has 157 full-time equivalents. This represents a decrease of five as compared to fiscal 2018/19 and it equates to a reduction of four vacant bus operator posts and one sightseeing coordinator.
- The cost centre 45090, Repair Servicing, the number of 50 full-time equivalents is unchanged from last year.
- Inventory Management, cost centre 45115, has been allocated four full-time equivalents, also unchanged from 2018/19.
- The number of full-time equivalents for cost centre 45120, Administration, is five, an increase of one, reflecting the intended reestablishment of the assistant director, technical, to oversee capital development and asset management activities.
- Management Support, cost centre 45200, has 14 full-time equivalents, unchanged from 2018/19.

Major policy changes. Mr. Chairman, the department is addressing the issue of daily cancellations

by implementing a new bus schedule that reduces the daily peak bus requirement from 88 buses down to 50. Sightseeing and charter services were suspended for the 2017/18 and 2018/19 fiscal year. This will remain as previously noted, subject to the replenishment of the public bus fleet where the focus is on reliable delivery of the bus schedule and the school bus services.

In the interest of energy efficiency and the environment the Ministry has entered into an MOU with Rocky Mountain Institute to assess the feasibility of introducing electric buses for Bermuda.

Plans for the upcoming year. Mr. Chairman, the department is committed to moving Bermuda with a quality public bus service. To achieve this, the department will implement initiatives that restore dependability, improve access to fares and service information, re-establish the bus fleet availability, and improve the passenger experience.

New bus schedule. The aforementioned new bus schedule will be in place for the start of the 2019/20 fiscal year and will continue for up to 18 months. The reduced schedule will allow for dependable service by eliminating service cancellations due to the shortage of buses while the aged bus fleet is replenished.

Bus purchase and refurbishment. Mr. Chairman, four new buses were delivered in fiscal year 2018/19. The 14 buses procured in 2009 have to be refurbished to gain approximately five more years of operation. Eight new buses have been contracted and will be delivered this year. An RFP will be issued in 2019 for the procurement of the next generation of buses in the continuing effort to reduce the average age of the fleet.

Asset management. The department seeks to re-establish the position of assistant director, technical, to provide technical leadership and enhance asset management. Continuing investment will be made in training, development, and recruitment of technicians and trades responsible for fleet maintenance. The department will retire buses that are no longer economically viable and focus its resources on maintenance and repair of the remaining fleet. Supporting facilities and work processes will be enhanced to improve efficiency and fleet readiness.

Passenger experience. The department aspires to be Bermuda's preferred transportation solution. To achieve this, the department will focus on improving the passenger experience, both in person and through technology. The ambassador training programme will continue in 2019 for all front-line representatives. The advancement of projects such as the electronic fare media and real time passenger information will improve access to the public bus service and provide for a frictionless travel experience.

With respect to fare media improvements, the aim is to source the best solution for an integrated digital ticketing fare media payment system for public

buses and ferries. The Ministry published an RFI in late 2018 and will be following up with an RFP in this new fiscal year.

Mr. Chairman, this concludes the brief for the Department of Public Transportation Services, Head 35.

Mr. Chairman, I would like to take this opportunity to applaud the staff of the Departments of Marine and Ports, Transport Control, and Public Transportation for their hard work and diligence. Keeping Bermuda on the road, so to speak, and moving us from A to B is not without its challenges, Mr. Chairman. And I would like to express my sincere appreciation to all the staff who provide us residents and visitors with these public services.

Now, Mr. Chairman, before I conclude I would just like to draw one example of how our civil servants, who come under a lot of flak from time to time, what . . . some of the things they do. A couple of weeks ago I just happened to go down to TCD on a Sunday. Guess what I found, Mr. Chairman?

The Chairman: Tell me.

Hon. Zane J. S. De Silva: Staff were there . . . painting—painting the building, painting the walls, painting their workplace. That is what kind of staff we have.

Now, Mr. Chairman, you will know, somebody will say, *Well, look, you know, I'm a truck driver, all I'm gonna do is drive a truck.* But you know we have many of our civil servants . . . and I would certainly like to thank those that are here today. I have found [them] to be quite an efficient team, indeed, Mr. Chairman. And I think all of them should be very proud. I have certainly found . . . and you know I mentioned [it] the other night when I was just speaking to one of the other ministries, in that I do not think that we as a country give our civil servants enough praise. There are many of our civil servants that, you know, this is not only a job, it is a career. And a lot of them take their jobs personally.

And it is amazing because I have held several ministries over the years (I guess I am showing my age). But the thing is, Mr. Chairman, it seems like no matter what ministry I have been in, like, you know, people go beyond the call of duty—they really do. I mean, it is not unusual . . . and you know I am speaking . . . and I am sure other Ministers . . . I know that I have talked to a couple of my colleagues and they go in at 7:30 in the morning and sometimes people are at work before them. And I am sure you experienced it when you were there.

The Chairman: I did.

Hon. Zane J. S. De Silva: And I just cannot give enough praise to our civil servants that keep this country . . . really, they are the ones that keep this country ticking. And, to me, we just need to make sure

that we highlight them as much as we possibly can. Because, you know, it is easy to criticise, but it is nice to be able to give our people the compliments and, you know, the props that they deserve.

And I mentioned the other night our Clerk, Mrs. Shernette Wolffe. She comes into the House at a good time, because I have been here now 12 years, Mr. Chairman. And I can tell you this lot up here work hard and they put in some long hours. I do not know how they do it, putting up with us lot, but they do.

So I thank you, Madam Clerk, and all your staff. And also I would just like to say thanks to my staff as well. I think they do a fantastic job. And I look forward to continuing the working relationship that we have.

With that said, Mr. Chairman, that concludes my brief on the Estimates of Revenue and Expenditure for the year 2019/20 for the Ministry of Tourism and Transport.

The Chairman: Thank you, Minister.

Now I recognise the Deputy Opposition Leader, Ms. Leah Scott—

Ms. Leah K. Scott: Thank you, Mr. Chairman.

The Chairman: —and she will respond accordingly.

Ms. Leah K. Scott: Thank you, Mr. Chairman. And I support the Minister in his remarks for the civil servants and I agree that oftentimes their work and the things that they do are not acknowledged, so thank you.

Mr. Chairman, I will start with Head 30, Marine and Ports. If we can look at page B-200, Head 30, under Training. Training has gone from 88 to 335, which is a large increase. I am just wondering what . . . why the jump? I am happy that people are being trained—

[Inaudible interjection]

Ms. Leah K. Scott: [Page] B-200, Head 30, under Training. And you know I am happy that people are being trained so that they are more diligent and efficient in their jobs, it is just a big increase, so I just would like a further explanation about that.

On page B-200, again, on Rentals, it has gone from 2.3 down to 842, and I would like to know what that reduction is and why there is a reduction.

On [page] B-200, I see the Tug Revenue has increased. It is a marginal increase, but it has increased and I would like to . . . I am pleased that there has been an increase, but could the Minister give me an explanation as to why that has increased?

And I think I missed it, but I think you did say in your brief how many search and rescue cases we had for 2018. I think it was like—

[Inaudible interjection]

Ms. Leah K. Scott: Okay, okay. I think I—

[Inaudible interjection]

Ms. Leah K. Scott: Okay. Thank you.

Let us see, again, on page B-200, Head 30, under Other Personnel Costs, that has gone from 70 to 27. Why the decrease? And my understanding is that there was only one ferry supervisor in Dockyard, Dennis Outerbridge. And apparently, my understanding is that he was one of Bermuda's best ambassadors and he was moved from that post. And I would like to know why he was moved from that post and whether or not there are any plans to either replace him or reinstate him or put somebody else there.

[Inaudible interjection]

Ms. Leah K. Scott: Head 30, under Other Personnel Costs. I guess that . . . I am not sure whether that is the correct one, but . . .

Again, on page B-200, under Repair and Maintenance, I understand that one of the cycle parks up at the Dockyard was turned into a car park. Is there any reason for that? Was it that the cycle park was not being used? Did they need that space or what was the reason?

And again, under Repairs and Maintenance, last year we were informed that we were retiring some of the old steel buoys in the Dundonald Channel and up the branch off of Two Rock Passage, and that eight had been deployed and we had another six that were being made ready for deployment. What is the status of that? Have those been deployed?

On page B-200, line item 8763, now in 2018 the future of the tug fleet was being considered and they were trying to balance maintenance costs against the balance of capital investment in the tugs. And the three tugs do have relatively low power and they were undergoing a review. Has the review been conducted? Has it been completed? What has been determined? Do we need to acquire new tugs? Are we going to try to do something with the ones that we have? And how long will the ones that we have last?

Again, under Repairs and Maintenance, page B-200, as the Minister stated, the *Bermudian* does supplement the ferry service. However, its maintenance costs in 2018/19 were increasing because of the age of the vessel. And so is it economically viable to keep it and to continue to kind of just put Band-Aids on it? Or do we need to really consider purchasing another ferry? And if we do, what would the approximate cost be and the time frame for that?

On page B-200, [line item] 8177, I know that the Marine and Ports sometimes puts their tenders out for public hire for local cruises. I would like to know if there were any for 2018 and how much revenue was generated by those public hires.

[Inaudible interjection]

Ms. Leah K. Scott: For [line item] 8177, Local Cruises.

Again, on page B-200, the Dockyard cradle assists local vessels in their repairs, and consideration was given to making that an official revenue stream. I would like to know whether it has been made an official revenue stream, how much revenue was generated from the cradle in 2018/19 and what are the plans for it going forward.

On page B-200, Ferry Receipts. So, as the passenger ship cruise sizes have increased, I am sure that has also . . . or should be . . . there should have been a corresponding increase in ferry services because you have got more people coming to the Island. What was the revenue uplift for 2018/19, if any? Was there a need for any additional runs and, if so, how many were there? And because of these additional runs, is there a need for increased overhaul and other maintenance on the vessels? And, if so, what are the costs for those?

Page B-200, [line item] 8173, Boat Moorings. I think there are 13 staff . . . no, sorry, three people that manage this. And is that enough staff for this? I do not know the level of work that is required, so if you could give me an explanation as to what is required for Boat Moorings and is three people enough to service that department?

And the Boat Moorings department was supposed to move offices. Have they moved? And, if so, what was the cost of the move? And has there been an increase in productivity since the move? I know sometimes when you move people into better spaces they are happier and they are more productive. So have they seen an increase in productivity?

On page B-199, business unit 3007, 40220, and I guess this would be under Administration, it is the United Nations' Safety of Life at Sea (SOLAS) Convention. And there was a \$90,000 increase last year for repairs and maintenance to the marine radar communications systems. Was that increase sufficient to take care of the repairs that were required? Are there further repairs needed? Do we need to purchase a new system? And, if so, what would that cost? And what is the real-life expectancy of the radar and radio communications that we currently have?

Under Head . . . page B-199, again, business unit 3007, 40220, the Minister did touch on the IMO, Instrument Implementation Code. And I would just like to know, will we be in good shape for the 2020 audit? I know that 2020 seems like it is a far way away, but, you know, things creep up on you. So how well prepared are we for the audit? And if we are not prepared, what things do we need to do?

On page B-201, line item 40100, Maritime Safety and Security, there was a staff of nine, and it was anticipated that there would be an increase of one person. Has that post been increased? And is

that a new post? Or is it a transition over for somewhere else or did they already have money available for that post and it is just somebody now filling the spot?

Again, on page B-201, line item 40100, Maritime Safety and Security, it was intended that we were going to expand on our maritime safety and security measures in line with recommendations that were contained in the National Security Review. And if you could remind me of what those recommendations were and how many of them have been implemented and what is outstanding.

On page B-200 . . . sorry, going back to Repairs and Maintenance. It was proposed in 2018/19 that the VHF coastal radio system was going to be replaced. Has it been replaced? And what was the cost of doing so? And what is the life expectancy of that radio system?

On page B-200, again, under Training there is . . . I think I have mentioned it, there has been a huge . . . yes, there has been a huge increase. So I know that crews have to be trained to ensure that those who operate the St. George's and the St. David's vessels are well-equipped. What is the number of people that are actually monitoring those vessels? And is it a sufficient number?

On page B-200, line item 8185, Pilotage Fees, it was proposed in 2018/19 that night pilotage would be introduced for various classes of cargo and cruise vessels, and it would allow ships to be more flexible in their arrival and you could extend hours for cruise ships and aid increase in spending by cruise ship passengers. Did this occur? And if it did not, why did it not? And are there plans to actually have night pilotage to be introduced?

On page B-199, business unit 3007, line item 40220, Administration, it was proposed to continue conducting passenger load studies with a view to deploying more fuel-efficient ferries on selected routes. Have these studies been conducted? And, if so, what was the outcome? And if they were conducted, has there been a corresponding reduction in fuel consumption as was intended?

On page B-199, again, line item 3007 . . . and I believe this would come under Administration. Again, fuel savings were expected to be achieved during the year as a result of the revised 2018 ferry schedule for the Blue Route between Dockyard and Hamilton without a corresponding reduction in passenger lift for cruise ship visitors and commuters. Has that savings been realised?

On [page] B-199, again, business unit 3007, line item 40090. After the America's Cup the *Millennium* returned and it was anticipated that the lift between Dockyard and St. George's would be provided by a Marine and Ports ferry. And it was anticipated that this ferry would result in additional cost savings for the department because it would not have to fund accommodations, travel, and maintenance and over-

seas salaries that came with the *Millennium*. Was there a cost savings? And, if so, what was the amount of the cost savings?

Now if you turn to page B-203, Performance Measures, the first business unit Moorings and Boat [Registrations]. The goal to remove 50 per cent of the illegal unregistered moorings by the year end, the original forecast was 70 [per cent] and it was 50 per cent. Why were we not able to achieve that 70 per cent?

There was a goal to regularise all unlicensed in-water boats, the original forecast . . . actually not pretty bad. It was forecasted 10 [per cent] and it is 25 per cent, so congratulations.

And under business unit 40220, Administration, again, on page B-203, 100 per cent of required staff trained in the per safety and health regulations, it was forecasted at 100 per cent and it was met at 60 per cent. And why were you not able to meet the 100 per cent?

Oh, and I had one more question. No, that is . . . okay, that is it for Marine and Ports.

So do you want to go through each head and answer the questions head by head . . . I mean, department by department, or . . .

[Inaudible interjections]

Ms. Leah K. Scott: Okay. All right.

So, Transport Control Department, page B-204, under business unit 3401 and then 44110, Traffic Control. So now that the vehicle safety and emissions programme has moved under the auspices of Government, I believe that they had a staff of 13. And I think that some of them, I guess, were offered jobs with TCD. How many people actually took up positions there? And then how many people decided not to take up positions? And I think I read that the anticipated savings from this transition back would be a savings of \$400,000 to Government for this? Could you . . .

[Inaudible interjection]

Ms. Leah K. Scott: Yes, okay.

And then I am not sure, this does not fall under a particular head, and I am not sure whether I can even ask this question. So if I am out of line, please let me know. But one of the things that I would like to know is what the status is with Bermudians travelling to Massachusetts. Remember, we had an issue with car rentals in Massachusetts and we were working on a resolution. And so where are we in terms of resolving that issue? And I know that is kind of off the beaten track, but I would still like to know.

On page B-205 under 8477, Miscellaneous Vehicles and, I guess, minicars would come under that. I think it comes . . . I am not sure what it comes

under, but I put it under that. What has been the uplift in revenue because of the minicars?

On page B-206, staffing under Registration, that has increased by one, right? And was that a new position or was that . . . you know, a vacancy that was just waiting to be filled?

Going back to page B-204 under Traffic Control, and I know the Minister did actually touch on the EVR system, which tracks unlicensed and uninsured vehicles. And I know that in . . . I think, 2017/18 and 2018/19 it was not working and so now we are looking at having it functional, I guess, maybe by the end of the year. But is there any estimated revenue loss for that in terms of not catching unlicensed vehicles and uninsured vehicles with the system being out of operation? And it does not have to be an exact figure, just an estimate.

Under page B-204, 3401, business unit 44000, Examinations, it has gone from 564 to 1.2 million. What is the . . . and, I guess, what is the reason for the increase? And is it because funds were just generally increasing? I think you actually might have touched on it at the beginning of your brief, but in addition, because there has been an increase in fees has that contributed to that increase?

Now, on [page] B-204, 3401, line item 44140 under Traffic Control. Traffic Control I know tickets abandoned vehicles and cycles. And I see a lot of abandoned cycles all over the place and a lot of abandoned cars. So if they ticket them but nobody replies to the tickets, what happens? And then so the expense is with the government in removing those items? So what is the consequence to the person leaving the vehicle there? Or if there is not a consequence, do we need to look at legislation to start imposing fines that are more serious than people just leaving their bikes and making the government responsible for cleaning them up? I do not think that that is an expense that the government should have to endure.

And I guess the other question . . . well, I am not sure even if warrants are issued for these tickets. Do you go by the bicycle licence and then you try to get the person? A lot of times they take the licence plate out, so I am not sure that ticketing them is an efficient way of trying to address the issue. But I do not know what an efficient way would be.

Under, on page C-18, 6962 the Road Safety Council . . . so I know that that was increased in 2018/19 to \$25,000 and I asked the question then and I am going to ask it again this year. Is \$25,000 enough for the road safety initiatives and does it assist in enhancing Project Ride? And the other challenge that I have is, we do now have the sobriety legislation in place, which is a good thing. But what it is causing is that people do not want to go out, and they do not want to stay in town after hours because we do not have taxis available. So what consideration is being given to possibly having Uber or Lyft in Bermuda or

amending the taxi legislation so that if a taxi driver has the taxi, it has to be out a certain number of hours on the road?

And, you know, the problem with Bermuda with the taxi legislation is that taxis are multiple lines of business for people. Some people buy taxis for revenue, some people buy taxis because they just want something to do because they are retired, some people buy taxis because they do not want to be at home with their wife because they are retired—

[Laughter]

Ms. Leah K. Scott: Some people buy taxis because . . . there are multiple reasons for people buying taxis. And so as a result we have a disconnected taxi service, and it is doing us a disservice in terms people going out in the evenings and wanting to enjoy themselves. And I would venture to say that since we have put in the road sobriety legislation that there has been a decrease in restaurant business because people just cannot get home.

Page B-204, line item 3401 and, again, 44210 Administration. Last year the allocation for printing TCD application forms was reduced to cover the 2.5 [per cent] negotiated salary increase and all forms were made available on the government portal. Has that been an issue? Because there are a lot of people that do not use computers; there are a lot of seniors that do not use computers. They can drive, but they do not use computers. And so what impact has that been on people having access to forms?

And has that created any issues for the department in terms of people coming and saying, *Oh, I can't get on the portal. I need the form.* . . . Has there been . . . despite the fact that there has been a reduction, has there been an issue with having forms available for people who do not go to the government portal?

Going back to [page] B-204, line item 44090, Road Safety. This is a hard one and I do not know that anybody knows the answer to this, but what can we actually really do to get people to stop driving on the road like maniacs? You know, you have got people that are . . . young people dying and people are still driving around like crazy. We have got legislation in place, what do we do? Can we enhance our legislation? I mean, I do not know what the answer is, and I do not know what things we need to do. But we are going to have to do something to address our road safety issues, because it is a real challenge for Bermuda.

Looking at page C-12, line item 76360, Testing Equipment. That has gone from zero to 500. And I guess this may be due to taking over the emissions testing function or . . .

[Inaudible interjection]

Ms. Leah K. Scott: No? Okay, all right.

I did the performance measures. Page B-207 . . . no, that is the wrong one. Page B-204, again, 44210, under Administration. The Minister did talk about bringing bus passes and ferry tokens into the digital age, but consideration was also being given to Bermuda's driver's licences being brought into the electronic age by introducing radio frequency identification, also known as chip technology. So, what is the status of this project? Has there been any progress made? What is the associated cost to have this implemented? I presume that new equipment and a change in infrastructure will be required and, if so, what will be the cost of that?

And on [page] B-204, again, under Administration, 44210, it was intended that TCD would conduct a comprehensive review of the Motor [Car] Act 1951 to modernise the Act and to address some of the provisions within the Act that are actually contrary to the TCD's own policy. What is the status of that review? Where are we with it? And when will we see amendments to the legislation?

And I am also curious to find out whether or not legislation will be drafted. I know we tried to bring it to the House some time ago, about visors and where you have to have a clear visor. You cannot have a smoked or completely blacked-out visor. Just, you know, similar to what we did with the windows. You cannot have your windows, you know, tinted to a greater level. So consideration should be given to that, particularly with people going in and robbing stores and gas stations and putting their helmets on.

And that, I think . . . oh, I just had a question on page B-205, line item 8383, Vehicle Registration Two Wheel, and it has gone from one to zero, and why that is.

And, again, on page B-205, line item 8889, Sundry Receipts has gone from 120 to zero and why that has decreased.

And on page B-205, Other Expenses have gone from 296 to 10. Why is that decreased?

And going over to page B-207, Performance Measures, under business unit 44000, Examinations, to provide a driving test appointment within 10 business days of requested date and target 90 per cent of requests and this was not achieved. And I would like to know why it was not achieved.

[Inaudible interjection]

Ms. Leah K. Scott: It says actual outcome.

[Inaudible interjection]

Ms. Leah K. Scott: Oh, sorry, sorry, sorry, okay. Sorry. All right.

Well, that ends my questions for TCD.

And now I will move to [the Department of] Public Transportation [DPT].

Mr. Chairman, the mission of DPT is to provide safe, affordable, reliable—and I will say that again, *reliable*—and comfortable public transportation. And I really do hope that this will happen in 2019 because, Mr. Chairman, I actually do catch the bus sometimes. I enjoy catching the bus, and I wish that I could catch it more. But I cannot because I do not know from day-to-day what I am doing in the evenings. However, there have been challenges with the bus schedule. So I hope that with this year's budget we can actually address those challenges and that, you know, we can get the schedule going and satisfy Mr. and Mrs. Bermuda by having a reliable public transportation system.

I am going to start with page B-208, business unit 3501, and line item 45010. In the 2018/19 budget there was a 5 per cent decrease from the 2017/18 budget, and that decrease was said to be due to the reduction of funded bus operator positions that were in preparation for the filling of key positions in other sections of DPT. Have those positions been filled? And what were those key positions?

The overtime budget was reduced in 2018/19 in anticipation of the implementation of the new bus schedule, which did not happen. So we now have a bus schedule and we also have an approved roster. So, hopefully, the two can get married and we can get less bus cancellations and have buses working the way that they should be. And I understand we are very, very close to having a bus schedule.

Now I know I have heard talk that there are two schedules—a winter schedule and a summer schedule. And my understanding is that this schedule is actually going to be for the next 18 months. So I would just like confirmation from the Minister that, once the negotiations are completed and the roster and the actual new schedule are married, that this is going to be the schedule for 18 months and that we are not going to have to anticipate further discussions and issues for a summer schedule, particularly with the Department of Tourism working so hard to get tourists here and we need to have reliable transportation for our visitors to the Island.

Again, on page B-208, business unit 3503 . . . sorry, business unit 3502, and line item 45090, Repair Servicing. In 2018/19 this was increased by \$203,000, or 4 per cent. And the increase was attributed to the procurement of better-performing oil that burned more cleanly and eliminated the black exhaust that you used to see from the buses. Have they gained any efficiencies by using this oil? And is our environment cleaner and our community now breathing safer because we have been utilising this new oil?

On page B-208, again, business unit 3501, line item 45000, Auxiliary Bus Services. Now this is the team that coordinates the sightseeing tours and the bus charters. And the Minister did say that this is not going to be resumed any time soon. So this has been suspended since 2016. Has there actually been

an analysis of the revenue that has been lost without having sightseeing tours, charters and special shuttles?

Also, I think—and please correct me if I am wrong—under Bus Operators, number 45010, on page B-208, the Minister did state that there is a sightseeing coordinator. And if we are not having any sightseeing tours, why do we need a sightseeing coordinator? And I may not have heard it correctly.

[Inaudible interjection]

Ms. Leah K. Scott: On page B-208, under the revenue summary, estimated revenues were \$8.1 million (and that was in 2018/19), and it was subsequently revised to \$6.2 million. Why did we not reach the target of \$8 million? Did we overestimate it? Or was it due to the multiple cancellations of the bus routes?

On page B-208, business unit 3502, line item 45090, Repair Servicing, I think the Minister actually stated this, but the 14 buses [bought] in 2009 have to be refurbished to gain eight more years of service. How many of those buses have been refurbished? And with the refurbishment, what is the anticipated extended life?

On page B-208, again, business unit 3503, line item 45120, Administration, are there any plans to conduct any rider surveys to actually determine what routes can be deleted or reduced, and what routes have a heavier load and more buses need to be added to them? And what are the best times for the people who ride the buses?

Again, on page B-208, under business unit 3501 . . . sorry, not 3501, business unit 3503, 45120, Administration, there was a Transportation Green Paper that was produced. And the Ministry was supposed to conduct a World Café, similar to a stakeholder roundtable, to discuss the findings of the surveys. Has that World Café been held? And if it has not been held, why has it not been held and when are they planning on holding it?

On page C-12, line item 76293 . . . and I think the Minister already addressed this. Capital Acquisitions has been reduced from \$3 million to \$1.5 million. I am assuming that takes into account buses that have already been purchased.

On page B-208, again, I put this under 45120, because I am not sure whether . . . if it goes there or whether it goes under 45010, Bus Operations. But much of 2018/19 was focused on ensuring quality transportation services for our visitors and that included using the taxi and minibus tours. And we remain reliant on taxis and minibuses to provide transportation and, in particular, between Dockyard and Horsehoe Bay. Is that going to continue to be the case until we get the number of buses that are required to be able to service our visitors from Dockyard and other places on the Island?

I think I already talked about . . . or the Minister addressed the possibility of moving to a cashless payment system and those options are being investigated. And I would like to know just generally what the projected cost (if you know) would be to implement such a system and what the cost savings would be to the Government after such a system is implemented.

On page B-210, line item . . . I have got it under 45120, Administration. And I could have it in the wrong place, but in 2018/19 emphasis was placed on investing in the infrastructure of the department. And there was going to be a facilities manager hired to lead enhancement projects for the facilities in Dockyard, Southampton, Hamilton, Devonshire, St. George's, [to] monitor the maintenance of the buildings and grounds and manage the resolution of occupational and safety and health matters. Was this person hired? If so, have they begun to undertake the enhancement projects that have been identified? If he or she has, what projects have been started? What have been the costs for those projects? What is the end date for the completion of those projects?

On page B-211, under Performance Measures, 45010, minimise accidents per month to less than 10, and then the target outcome is discontinued. Why is it discontinued? Unless I am not reading it correctly?

And then, again under 45010, reduce the number of cancelled bus trips due to operator deployment per week to 10. The outcome was 19, and then it has been discontinued. Why has it been discontinued?

Again, on page B-211, under business unit 45090, Repair Servicing, service every bus every 90 days. The actual outcome in 2017/18 was 14 per cent. It was 100 per cent for 2018/19, and it has been discontinued for 2019/20. Why is that?

And then on, again, page B-211, under business unit 45120, Administration, maintain a weighted average age of the bus fleet of less than seven years, and that has been discontinued. So I would like to know why that has been discontinued.

And I think that covers all of the questions that I had. Yes, that is it.

Thank you.

The Chairman: Thank you, Honourable Member.

Is there anyone that would like to make a contribution to the Department of Transportation on Heads 30, 34 and 35; that is, Public Transportation, Transport Control Department, and Marine and Ports?

I now recognise the Opposition Leader and former Premier the Honourable Craig Cannonier.

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

I just want to get to the page . . . here we go, [page] B-204. I do not know where it comes under the general titles there 3401, 4400, 44040, but I was concerned about . . . in the past, where I know that calls

have been made to . . . this was brought up by the Deputy Opposition Leader as well, about vehicles being left in parks, on the side of the road, and even more so boats—very much so. There are a lot of boats still, due to hurricanes and the likes, that are left completely abandoned.

The Chairman: I would say it falls under Registration.

Hon. L. Craig Cannonier: Under Registration, yes. I guess what I was concerned about was in calling TCD I recall one incident where they were trying to figure out who is responsible for removing the vehicle. And it was still a question as to who was responsible for removing it after the vehicle had been there for literally months—five months, six months. I recall also a bike that was in a park left on its stand for over six months and, in fact, that bike is still there now.

[Inaudible interjection and laughter]

Hon. L. Craig Cannonier: Oh, I should try to check it, right? Ride it overboard.

So I just was not sure. There seemed to be some question as to who was responsible for the removal of vehicles and/or boats, because we do know that the cost of that can be astronomical.

Also, over on page B-205, I was looking under Professional Services. And we can see where \$1.8 million is coming out. I am assuming that that is due to the emissions testing not being done now. What I wanted to know is, is that entire amount that has been gained—the \$1.8 million—is that solely due to the emissions? Or does that involve some other things where savings were made, other professional services where savings were made? So I am just curious as to that particular number, if it involved anything else.

I also . . . where is it? Sorry. I just want to flip back to performance measures on page B-202. And the Member may have . . . and please forgive me if I missed this before I came into the Chamber, but under business unit Ferry Services, 40090, all of those, the first four performance measures, are discontinued. I was just curious as to why they were being discontinued. What was the effect? What was the meaning of those being discontinued as this has been a high performer in the past of . . . like ferries to operate to the published ferry schedule, number of trips, and the likes. We see good numbers there, but it is now for the projections of 2019/20 they have been removed.

And just bear with me . . . just a minute . . . there was one other question I had. Oh, yes, for the performance measures under page B-203, understanding they are regularising all unlicensed in-water boats means that, you know, someone that is going out and checking to see whether or not boats are licensed and the like. Who, at the end of the day, is responsible for that? Is it the police who then monitor the waters and then relay that information to the de-

partment? Or does the department have someone that is actually going out? Because I can assure you that, living on the waterside myself, there are lot of boats that I know are unlicensed—

[Inaudible interjection]

Hon. L. Craig Cannonier: No, I am not on the hill there like you. But I did manage to get waterside.

[Laughter]

[Inaudible interjection and laughter]

Hon. L. Craig Cannonier: I certainly do. You are a roamer . . . back and forth?

I am just curious as to who, at the end of the day, is responsible for this. Because if the police are not . . . I have not seen them come in the bay there for a long, long, long, long time. And if that is the case, if we are relying on the information from the marine police service then, you know, we are missing out on a huge opportunity to get some boats licensed, which would be worth more revenue, including moorings, for the department to increase its revenue take.

Also on [page] B-202, reduce the number of emergency satellite beacon false alerts from Bermuda registered vessels and aircraft worldwide by 10 per cent. That is rather interesting there. Can you give us a bit more information as to why we are getting false alerts? Is it because of the equipment? Does it not match up with the new GPS-type systems and the like? I do not know. But it would be interesting to hear a little more about what that means and why we are getting false alerts for, not just registered vessels locally, but aircraft worldwide.

Thank you.

The Chairman: Thank you, Opposition Leader.

Is there anyone else that would like to make a contribution to the debate in regard to the Department of Transportation? We are debating Heads 30, 34 and 35.

I do not see anyone to their feet.

We have the Deputy Opposition Leader again, she would like to make a brief contribution.

Ms. Leah K. Scott: Thank you, Mr. Chairman.

I just have a question and this would be under Marine and Ports, page B-199, 3007 either 40150, Mooring and Boat Registration, or 40220, Administration. Last year I raised this question with the Minister.

There is a piece of legislation, and I cannot remember the name of it, but it deals with boats. And if you do not dispose of your boat properly then the only fine is \$360 *[sic]*, which is no discouragement to anybody. And so I had asked the Minister last year if we could do something about either increasing the fine or adding a harsher consequence to dissuade

people from just leaving their boats because, again, it is an expense for the government to have to come and get these vessels. And so can we be creative and look at some other ways of having people not leave their waste for the government to have to clean up?

The Chairman: Thank you, Deputy Opposition Leader.

Minister, would you like to respond to these questions?

Hon. Zane J. S. De Silva: Yes, okay.

The Chairman: We have the Minister of Transportation, the Honourable Zane De Silva. He is responding to questions raised by the Opposition and other Members in the House. He will be addressing Heads 30, 34 and 35 under the Department of Transportation. Honourable Minister.

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

I will just answer in any particular order. I am sure the Members will not mind which order they come in, because they see what . . . and they would know, because they sat here not long ago. And it could be a long time . . . it is going to be a long time before you come back, too.

[Inaudible interjection]

Hon. Zane J. S. De Silva: I am being nice. I cannot help it, Leah, you know how I am.

[Inaudible interjection]

Hon. Zane J. S. De Silva: Okay, all right. Yes, it is. And you look beautiful in your purple.

[Inaudible interjection]

Hon. Zane J. S. De Silva: Okay, now, I think it was . . . I think both of you might have talked about abandoned boats. I will just start from there.

[Inaudible interjection]

Hon. Zane J. S. De Silva: No, abandoned boats. And we can talk about abandoned vehicles in a moment, too.

But abandoned boats. You are right, \$260 is just not . . . I think the cars are \$250. So what we are going to do is . . . and you will find, I just had a chat with the Director of Marine and Ports, and we are going to be looking at bringing legislation to change that. And it may have been talked about last year, but I can assure you—and I will just lay down a marker—that it will be done before this year is over. And that fee is going to be quite substantial. And what we are going to do is we will look at . . . you know, we will obviously

have to consult with Chambers and find the best way to do it, but it will be done, because you can imagine what it cost to remove a boat. You need barges sometimes, cranes and all that stuff. So it is not going to be cheap. So if someone wants to leave their boat they are going to pay a heavy price . . . the same with cars.

Whilst I am on the removal of cars, in my short time in the Ministry, I think we have removed about 10 or 12 cars. And I guess the people of the country have to be thankful for one individual, in particular, and that would be MP Famous, because he is relentless. He sends you pictures of cars every week! And every week that goes by—

An Hon. Member: Ahem! Ahem!

Hon. Zane J. S. De Silva: Oh, Mr. Neville Tyrrell, too.

An Hon. Member: Ahem!

Hon. Zane J. S. De Silva: And also Mr. Wayne Furbert. Anybody else want to give me an “Ahem”?

[Laughter]

Hon. Zane J. S. De Silva: But, no, I can assure you, Mr. Chairman, the Members on this side have been . . . quite—

[Inaudible interjections]

Hon. Zane J. S. De Silva: No, they have been vociferous, they have been very demanding . . . very demanding. In fact, I even throw the Premier in that group, because he sent me a picture too.

But I will say that our department has responded very well, and we have been successful in removing cars. But you know it is important for folks that are listening to note that it is not just as easy as saying, *Well, look, it's an abandoned car. It has been sitting here for six months, we deal with it.* Because, first of all, you have to make sure it is on government property.

The Chairman: Yes.

Hon. Zane J. S. De Silva: Because if it is in somebody's yard you cannot do anything about it. You know, I think everybody in the Island knows V. K. Richardson, where he used to keep his trucks down by the bottom of . . . by St. Mark's . . . not St. Mark's, St. Mary's Church. And he must have had about a hundred trucks in his yard. But anyway, you cannot do much when someone wants to keep a vehicle, or an old boat, in their yard. I suppose we could do, but as one that used to go to the dump every Saturday to drop off goods and come back with another truck load of goods, I cannot complain.

[Inaudible interjection]

Hon. Zane J. S. De Silva: Because back in those early days, I can assure you—just check with my wife. She used to dread me taking away trash from my house, because I used to go . . . there was the dump up Dockyard, where . . . what is it?

[Inaudible interjections]

Hon. Zane J. S. De Silva: Where Snorkel Park . . . yes, where Snorkel Park is, Sally Port. She used to dread when I would come back home, because I used to bring back more than I took over.

[Inaudible interjection and laughter]

Hon. Zane J. S. De Silva: Oh, yes. Oh, yes, back in the day. We can all tell stories.

The cashless system, the fare system, the fare media that I talked about, we . . . that is coming. So it is a work in progress. And I think everybody . . . everybody in the Island will be happy when we get to that space.

We talked about sightseeing tours. Correct, we are not doing any at the moment. The person that works in that department helps with the unrostered routes. And so, you know, it is one employee and they are assisting with that.

Ms. Leah K. Scott: Could I just ask a quick question?

Just in terms of . . . and I know you may not have the number to hand now, but what is the actual revenue lost from 2016 to date by not having the charters? And you do not have to give it to me today.

Hon. Zane J. S. De Silva: Actually, I do have it because that has been a subject that I asked about just a couple of weeks ago. Because even though we have been a little low on our bus complement, I did ask the question. And the number was between \$1 [million] and \$2 million. So it is a lot of revenue . . . a lot of revenue.

So we are looking at that at present. If there is a silver lining to that, the government has lost some revenue, but a lot of that is being picked up by our local taxi drivers and minibus drivers. So, you know, the old saying is *when one door closes, another one opens*. It has been good for our people. But, of course, the taxpayer would love for us . . . I would certainly like to have that \$1 [million] to 2 million, because as we know that is three to six buses. So we are looking about that and we are having conversations about it.

There was talk about the bus schedule being for 18 months. And I did state on Wednesday that we are very close to making an announcement. And we will have an announcement next week, so look for that. As I said in this House, I am very proud that the

final rosters were put together by our Bermudian people, which was certainly a pleasure and a proud moment, and we will talk about that more next week. But that will be done, and it is for 18 months. It is for 18 months. And what we will do is, as soon as the announcement is made next week, we will start working on the schedule in the future. So, hopefully, we will see the end to cancellations, even with our reduced fleet down to 50 buses.

Ms. Leah K. Scott: So if I could just ask one question?

Hon. Zane J. S. De Silva: Sure.

Ms. Leah K. Scott: So the 18 months is just going to be . . . and forgive me if I am not understanding, that will just be a solid 18 months? There is not going to be a stop for the winter schedule or a summer schedule—

Hon. Zane J. S. De Silva: Nope.

Ms. Leah K. Scott: It is just going to go straight through?

Hon. Zane J. S. De Silva: No. I mean, they call it . . . it is called a “winter schedule,” but it is almost like the “night train” that we used to refer to or “night run” or—

Ms. Leah K. Scott: Okay.

Hon. Zane J. S. De Silva: —you know, that run. So, yes, it will be for . . . so it is not like, well, *Gee, we’re just announcing the schedule and something—*

[Inaudible interjection]

Hon. Zane J. S. De Silva: No, it is an 18-month period, yes.

Ms. Leah K. Scott: Okay.

Hon. Zane J. S. De Silva: So we should be, going forward, my . . . you know, touch wood when we say it. We should see the end of the cancellations.

Ms. Leah K. Scott: Okay.

Hon. Zane J. S. De Silva: Which, I think, everyone . . . all of us . . . all of us are dying to see.

With regard to taxis, Uber and Lyft, we currently have what we call in Bermuda, Hitch. I do not know if you have ever heard about it.

Ms. Leah K. Scott: I used it once.

Hon. Zane J. S. De Silva: Yes. So we do have Hitch, which is very similar to that, which, I think, does help. I

know there are a lot of people that are using it now. In fact, I have used it myself. So it is an option that we have. And I think we are all aware of the complaints from people about taxi services in the country.

And I think that the much-talked about Green Paper on Transportation is coming sooner than we all think. So just watch that space. I am not going to say when you are going to get it, but I will tell you what, I have a draft.

[Inaudible interjection]

Hon. Zane J. S. De Silva: Sure.

Ms. Leah K. Scott: Is Hitch only utilised for taxis, though? I think Uber and Lyft you can use your own car, your own vehicle, to transport people. And I am just asking because I am not sure if Hitch is only for registered taxis in Bermuda as opposed to personal vehicles.

Hon. Zane J. S. De Silva: Yes, as far as I am aware it is for registered taxis. As far as I am aware, okay?

Let us see, where was I? Green Paper, right. Abandoned cycles and cars, we talked about that. We are looking at increasing those fines, too, I think I may have mentioned.

Revenue from minicars, I may have that answer here. I will get to that in a second.

I think you asked a question about the 14 buses that are being refurbished and the extended life. That that is being done. In fact, we have finished. We have completed those 14, and the extended life is estimated to be about five years, so that is done.

The taxis and minibuses will continue for Horseshoe Bay. And that is, as we know, as far as the minibuses and taxis . . . they are private businesses. So, I see no reason why that will not continue. I think the operators of those are very, very happy, indeed, when the cruise ships start pulling in.

Okay, we talked about the fare media that is coming, that is on the way. You had asked about the \$3 million capital being reduced to \$1.5 for the new, and that is correct. That is what that is for and those buses are being ordered as we have . . . you know that we have received a few last year, four last year, and we have got eight coming this year.

Then the *Millennium* . . . we know that we were paying about \$1.5 million a year for that . . . well, \$1.5 million for five months. And that is discontinued, so we will not be doing that anymore. Whilst we are on that, I think there was a question about the tugs and ferries and our tugs. I was fortunate enough to have a tour of the tug boats by the director, Mr. Rudy Cann. He took me up and I met the guys, walked through the tugs, looked at the engines and whatnot. And whilst I am at it, I think those guys do a phenomenal job, considering the age of the fleet, and we are currently looking at ways in which we might be able to

get new tugs, whether it be through leasing and/or maybe through the infrastructure fund or, you know, some other means. But they definitely . . . we . . . I told the director that we are going to get those things replaced this year come hell or high water.

We got to get it done because international standards, as you know, continue to rise. And whether we can make do and put some Band-Aids on it or not, it is not going to meet international standards. And we cannot have that.

[Inaudible interjection]

Hon. Zane J. S. De Silva: Why has the . . . I think . . . well, I will get to that in a moment. I think it is . . . we did do some cruises and things like that. I think that was . . . was that right, Mr. Cann? Yes, yes, so we have done some cruises and that is where the revenue comes from.

With regard to the Ill Code, [International Maritime Organization (IMO) Instrument Implementation Code], you will know that we passed legislation just a couple of months ago. So that has all been done. I do not think we are going to have . . . as I remember fairly well when we talked about that legislation, we are not going to have any problem at all meeting the audit deadline for that. We will be just fine.

There was a question about the staff that was from the former emissions operation. I think all but one, one lady I think was a little "experienced." Let us put it that way. I will not say she was . . . she may be a senior, but I think she has agreed to stay on for several months just during the transition. And I think all but one of the other staff have been absorbed in the operation. So, we do not have any . . . we will not have any challenges there, I do not think.

Staff of nine at the Maritime Safety and Security. It was a new post you had asked about and it is a temporary post. It is a temporary two-year post that is being filled while the marine and staff member has been seconded to the BSMA for the Ill Code. That has been done.

A question about staff for the boats and moorings—three staff. Difficult to address all the illegal moorings, but we have had that conversation and we are going to look to doing something about it. In fact, that was one of the first things, I think, at one of our first meetings, director, you had said that we have a challenge with that. And I said, well, we are going to get a little bold and aggressive. So, we will do that.

The *Bermudian* refit—yes, it is underway, and it is worth it to refit it. And you had asked about the local cruise profits, I think—

[Inaudible interjection]

Hon. Zane J. S. De Silva: Yes, and if you . . . yes, yes, one was 25 for local cruises—\$25,000, and \$94,000 for the boat haulage.

[Inaudible interjection]

Hon. Zane J. S. De Silva: [The] III Code, I think you are very familiar with that. The money that we are spending is for the implementation and training. And, of course, you know, that we have to meet the international standards for that.

Now, there was a question about the transport control, \$500,000 for the testing and equipment. That is for the upgrade, yes. It is for the upgrades for the vehicle testing equipment. It is 10 years for brake testers, damaged main software boards and things like that that need to be replaced. Mini car revenue is estimated to be around \$45,000. Livery cycles, the licence fee is \$3,000. So, from the cycle liveries we will get maybe . . . well, it has got a whole list of breakdown of individuals, I do not think you need that.

The grant was increased from \$25,000 to \$60,000 for the Road Safety Council. That is for us to continue with phase two. And I talked in my brief about Operation Caution, which we have heard a lot this week in particular. And, of course, unfortunately we had another death last week, as we all know. So we have to continue to try to . . . I mean, you had asked a question, but we ask that question to ourselves every week. *What can we do? What can we do?* You can make all the laws you want, you can do all the things you want. But you cannot, you know . . . if someone wants to gun it, they are going to gun it. And it is a shame. But that is the life we live.

Someone had asked about the oil, the change of oil, and is it cleaner and, of course, it will make a difference. And we should see that in terms of maintenance costs and things like that.

The cycle parking up in Dockyard—that is a WEDCO . . . they control that. I think it was a question about the cycle parking turning into a car park or vice versa. Yes, that is all WEDCO.

And I think I talked about it, the tug review . . . we did do that. And I think that might be it for now. Let me see what else we have here.

[Inaudible interjections]

Hon. Zane J. S. De Silva: The ferry supervisor? Okay, well I got about 10,000 papers and because they are not in alphabetical order, let me see if I can find it.

Ms. Leah K. Scott: Could I just ask one more question, Minister?

Hon. Zane J. S. De Silva: Sure.

Ms. Leah K. Scott: Under TCD, page B-204, Administration. TCD oversees garages and gas stations and cycle liveries to ensure they are in compliance with their permits. How many were not compliant for this year, and what is the consequence for not being compliant? Is it a fine? Do they get closed down? Do they have a certain amount of time to get things back in order? What are the consequences of them not being in compliance?

Hon. Zane J. S. De Silva: Okay, Mr. Outerbridge is a ferry pilot, and that is where he has gone. He has gone back to being a ferry pilot, and all the other activities on the ground will be covered by DPT.

Ms. Leah K. Scott: Okay.

[Inaudible interjections]

Ms. Leah K. Scott: The steel buoys at Two Rock Passage that were being redeployed—

Hon. Zane J. S. De Silva: Yes. They have been done.

Ms. Leah K. Scott: Okay.

The Chairman: Minister?

Hon. Zane J. S. De Silva: Yes?

The Chairman: Would you like to move the head?

Hon. Zane J. S. De Silva: Oh, you have another question?

The Chairman: No. Okay. Sorry.

Ms. Leah K. Scott: The United Nations Safety of Life at Sea, SOLAS convention—there was an increase in the repairs and maintenance to the radar and radio communication system. Was that sufficient? Will it extend the life of that system? Do we need to get another one, or everything is chill?

Hon. Zane J. S. De Silva: Yes, it will, yes.

Ms. Leah K. Scott: Okay.

Hon. Zane J. S. De Silva: Yes.

The Chairman: Would anyone else like to speak to the heads? Member from [constituency] 31 *[sic]*. You have the floor, [constituency] 30—sorry.

Ms. Leah K. Scott: I had to think myself!

[Laughter]

Ms. Leah K. Scott: The VHF coastal radio system. It was proposed that that was going to be replaced. Has that been replaced?

Hon. Zane J. S. De Silva: Yes.

Ms. Leah K. Scott: Yes?

Hon. Zane J. S. De Silva: Yes, that has been replaced.

Ms. Leah K. Scott: Okay. And then in terms of the maritime safety and security measures that were going to be in line with the recommendations contained in the national security review, I just ask to be reminded of (and you can do this offline) what the recommendations are, how many of them have been implemented and how many are outstanding. And it does not have to be today.

Night pilotage?

Hon. Zane J. S. De Silva: That is being reviewed.

Ms. Leah K. Scott: Night pilotage? Okay. And then, the passenger load studies with a view to reducing fuel consumption, have those studies been conducted?

Hon. Zane J. S. De Silva: Yes. Yes, they have.

Ms. Leah K. Scott: Okay. Oh . . . the EVR—

[Crosstalk and laughter]

Ms. Leah K. Scott: Okay—

Hon. Zane J. S. De Silva: You want me to just—

Ms. Leah K. Scott: You want to give some answers?

Hon. Zane J. S. De Silva: Go ahead, yes—

Ms. Leah K. Scott: Okay, the fuel savings that were expected to be achieved during the budget year as a result of the revised ferry schedule . . . were those achieved, and what was the amount?

Yes? Okay.

Hon. Zane J. S. De Silva: Yes, yes, the—\$200,000, yes, yes, \$200,000. I believe that is correct, is it not? Yes. Thank you, director and PS. Thank you very much.

[Microphone off]

[Crosstalk and laughter]

Ms. Leah K. Scott: We still have a little ways to go.

The EVR system, that is going to be functioning . . . oh, I was asking about what the revenue loss was from the time that the EVR system has not been working until to date.

Abandoned cars, road safety . . . and the printing of the application forms, has there been any challenge for those people who do not have computers? Although there was a reduction, has there been an expense to the department in getting forms for people who do not have them?

[Pause]

The Chairman: For the listening audience, we are just waiting . . . the Minister is speaking with his technical officers.

[Crosstalk]

The Chairman: Minister, can you turn on your microphone?

Hon. Zane J. S. De Silva: Oh, thank you.

Yes, the forms are still at TCD. With regard to the EVR, we do not know exactly what that is because the courts collect that. But the tickets are \$750 per offence.

[Inaudible interjection]

Hon. Zane J. S. De Silva: Mm-hmm.

Ms. Leah K. Scott: The comprehensive review of the Motor Car Act, in terms of bringing it in line, where are you with that review and when can we expect to see legislation to amend, particularly the areas where the provisions are contrary to the TCD's own policies?

And, under performance measures, the random vehicle inspections—the goal was not achieved and was expected to be met in 2018 and it was not achieved then either. Why?

Hon. Zane J. S. De Silva: Those were not achieved; it was just a staffing thing.

Ms. Leah K. Scott: Okay.

Hon. Zane J. S. De Silva: So, if we are able to get more staff, we can have a little bit more success.

Ms. Leah K. Scott: Okay.

Hon. Zane J. S. De Silva: What was the other question before that?

Oh, it was the—

Ms. Leah K. Scott: The Motor Car Act.

Hon. Zane J. S. De Silva: The Motor Car Act. Again, that will come with the green . . . once we get the Green Paper tabled and then we debate that. That is where that will come from.

Ms. Leah K. Scott: Once the Green Paper was concluded, there was supposed to be a World Café, like a stakeholder roundtable and that . . . has that happened? Or is it anticipated that that will happen?

Hon. Zane J. S. De Silva: Once we get there, there is going to be a lot of consultation over that. Because we are talking about, you know, they are talking about some major changes to an old Act. So, . . . but there will be many, many, many a meeting over that one.

Ms. Leah K. Scott: Was a new facilities manager appointed to lead enhancement projects, under page B-210, [line item] 45120?

[Inaudible interjections]

Ms. Leah K. Scott: No? Okay.

And I think . . . oh, the only other question I have was that the budget for 2018/19 was decreased, sorry, page B-208, business unit 3501, line item 45010. There was a decrease of \$529,000, and it was said that this reduction was due to . . . this was in the funded bus operator positions, and it was said that this reduction was in preparation for the fulfilling of key positions in the department. What were those key positions and were they filled?

And, additionally, over time the budget had been reduced in anticipation of having a more efficient bus schedule, but have we seen a shift because the bus schedule has not come into play in terms of what overtime has had to be paid out?

Hon. Zane J. S. De Silva: Obviously, with the reduction in the buses from 80 to 50, there will be a reduction. But you will still have overtime, because you just . . . because of the nightshifts and whatnot, you cannot get away from it.

Ms. Leah K. Scott: The Dockyard cradle and whether that is going to be made an official revenue stream from the Government?

Hon. Zane J. S. De Silva: It sure is, yes.

Ms. Leah K. Scott: I have one more . . . well, maybe not one more, but another question. Page B-200 on repair and maintenance, \$500,000 was allocated to the expansion of the traffic and surveillance systems to improve radar coverage of coastal waters. Has that been money well spent? Was that money actually utilised for that? What has been the result of that?

Hon. Zane J. S. De Silva: Yes, it was, and it has been successful, yes.

Ms. Leah K. Scott: Thank you, Minister. I think that is everything and thank you for answering all of my questions and thank you to your support team for being here to support you.

The Chairman: Is there anyone else that would like to speak to Transport, Heads 30, 34 and 35?
Minister, you have the floor.

Hon. Zane J. S. De Silva: Thank you very much and I would like to thank the Shadow Minister and Deputy Opposition Leader for her questions, and I would like to thank my team once again for the work that they have done and continue to do.

With that said, I would like to move Heads 30, 34 and 35 and be approved as printed.

The Chairman: It has been moved that Heads 30, 34 and 35 be approved.
Is there any objection to that motion?
Agreed to.

[Gavel]

[Motion carried: The Ministry of Transport, Heads 30, 34 and 35 were approved and stand part of the Estimates of Revenue and Expenditure for the year 2019/20.]

Hon. Zane J. S. De Silva: Madam Chairman, I move that the Committee rise and report progress, and ask for leave to sit again.

The Chairman: It has been moved that the Committee rise and report progress and ask for leave to sit again. Is there any objection to that motion?
No objection.
Agreed to.

[Gavel]

[Motion carried: The Committee of Supply agreed to rise and report progress, and sought leave to sit again.]

House resumed at 4:23 pm

[Hon. Derrick V. Burgess, Sr., Deputy Speaker, in the Chair]

REPORT OF COMMITTEE

ESTIMATES OF REVENUE AND EXPENDITURE FOR THE YEAR 2019/20

The Deputy Speaker: Any objection to the motion that was to rise and report progress?

No objections.

Now, we go on to Bills. I think we have scheduled [Orders Nos.] 3, 4 and 5. We are going to do [Order] No. 4 first, consideration of Good Governance [(Protected Disclosures) Order 2019.]

The Premier—

Hon. Walton Brown: I am going to be doing it on behalf of the Premier.

The Deputy Speaker: Pardon?

Hon. Walton Brown: I will be doing it on behalf of the Premier.

The Deputy Speaker: Continue, Minister.

DRAFT ORDER

GOOD GOVERNANCE (PROTECTED DISCLOSURES) ORDER 2019

Hon. Walton Brown: I move that consideration be given to the draft Order entitled, [Good Governance \(Protected Disclosures\) Order 2019](#) proposed to be made by the Premier under section 3(7) of the Good Governance Act 2012.

Mr. Deputy Speaker, the Order before this Honourable House relates to protected disclosure. Section 2(28)(j) and [section] 29A of the Employment Act 2000 were inserted as section 7 of the Good Governance Act 2011 (the “Act”).

Under this section, a person who makes protected disclosure in good faith and on the premise that they have reasonable grounds to believe that his employer, another employee or he himself have been directed to commit a criminal offence or breach of statutory obligation may do so to a listed person in the Act, namely, the person’s employer, manager or supervisor; a police officer; the Collector of Customs; the Chief Fire Officer, as defined in section 2 of the Bermuda Fire and Rescue Service Act 1982; the Chief Medical Officer, as defined in section 2 of the Public Health Act 1949; the Chief Environmental Health Officer of the Department of Environmental Health; a Safety and Health Officer appointed for the purposes of the administration of the Occupational Safety and Health Act 1982; the Auditor General, appointed under section 88 of the Constitution; the Ombudsman, appointed under section 93A of the Constitution; the Accountant General, appointed under section 4 of the Public Treasury (Administration and Payments) Act 1969; the Director of Project Management and Procurement, appointed under section 32B of the Public Treasury (Administration and Payments) Act 1969; the Director of Internal Audit, appointed under section 3 of the Internal Audit Act 2010; the Chief Immigration Of-

ficer of the Department of Immigration; the Registrar General appointed under section 2 of the Registration (Births and Deaths) Act 1949; the Charity Commissioner for Bermuda, continued under section 7 of the Charities Act [2014]; the Bermuda Health Council established under section 3 of the Bermuda Health Council Act 2004.

Mr. Deputy Speaker, this is commonly known as whistle-blower protection, and the Act stipulates that, because that employee made a protected disclosure, an employer cannot proclaim that this is a valid reason to take disciplinary action, including the dismissal of the employee. Should the employer do so, that employee would have redress and protection under the Act.

Mr. Deputy Speaker, the purpose of this Order is to amend [section 3 of the Good Governance Act 2012] to correct the department name from the Department of Environmental Health to the Department of Health, and to include the Director of the Department as a person to whom a protected disclosure can be made.

Mr. Deputy Speaker, the Order also asks the Manager of Labour Relations, or an inspector designated under section 34 of the Employment Act 2000 as a person to whom a protected disclosure can be made. By including the Manager of Labour Relations or an independent inspector designated under the Employment Act, persons making protected disclosures may do so without fear of prosecution by their employer whilst revising the labour relations section with information to effectively investigate all complaints pursuant to the Employment Act 2000, and will likely result in a speedy resolution of employment related disputes.

Thank you, Mr. [Deputy] Speaker.

The Deputy Speaker: Any further speakers?

No speakers?

Minister.

Hon. Walton Brown: Mr. [Deputy] Speaker, I move that the draft Order be approved and that a suitable message be sent to His Excellency the Governor.

The Deputy Speaker: Are there any objections?

There appear to be no objections.

Approved.

[Gavel]

[Motion carried: The Good Governance (Protected Disclosures) Order 2019, was considered by the House and approved.]

The Deputy Speaker: The next order of business is [Order] No. 5, consideration of the Employment (Protected Disclosures) Order 2019 in the name of the Minister of Labour, Community Affairs and Sports.

Minister Foggo, you have the floor.

DRAFT ORDER

EMPLOYMENT (PROTECTED DISCLOSURES) ORDER 2019

Hon. Lovitta F. Foggo: Yes, thank you, Mr. [Deputy] Speaker.

Mr. Deputy Speaker, I move that consideration be given to the draft order entitled the [Employment \(Protected Disclosures\) Order 2019](#) proposed to be made by the Minister responsible for Labour Relations in exercise of the power conferred by section 29A(5) of the Employment Act 2000.

Mr. Deputy Speaker, much of what you hear was basically said by my colleague who just did it, but nonetheless, I will provide you the purpose of this.

The Deputy Speaker: Mm-hmm.

Hon. Lovitta F. Foggo: Under the Employment Act 2000, a person who makes a protected disclosure in good faith and on the premise that they have reasonable grounds to believe that their employer, or the employee or he himself has been directed to commit a criminal offence or breach a statutory obligation may do so to the listed persons in the Act, namely (and my colleague had basically named them): the person's employer, manager or supervisor; police officer; Collector of Customs; Chief Fire Officer; Chief Medical Officer; Chief Environmental Health Officer; a Safety and Health Officer; the Auditor General; the Ombudsman; the Accountant General; the Director of Project Management and Procurement; the Director of Internal Audit; the Chief Immigration Officer; the Registrar General; the Charity Commissioners for Bermuda; [and] the Bermuda Health Council.

Mr. [Deputy] Speaker, this Act this is commonly known as whistle-blower protection and the Act stipulates that because an employee made a protected disclosure an employer cannot claim this is a valid reason to take disciplinary action including the dismissal of the employee. Should the employer do so, then the employee would have redress and protection under the Act.

Mr. Deputy Speaker, the purpose of this Order is to amend subsection [(2)](f) to correct the department name from the Department of Environmental Health to the Department of Health, and to include the director of the Department as a person to whom a protected disclosure can be made.

Mr. Deputy Speaker, the Order also adds the Manager of Labour Relations or an inspector designated under section 34 of the Act as a person to whom a protected disclosure can be made by including the Manager of the Labour Relations or an inspector designated under the Act.

Persons making protected disclosures may do so without fear of persecution by their employer, whilst providing the labour relations section with information to effectively investigate all complaints pursuant to the Employment Act 2000. And, of course, this as has been stated by my colleague, should help to facilitate a smoother process with regard to employment disputes.

Thank you, Mr. [Deputy] Speaker.

The Deputy Speaker: Minister?

Hon. Lovitta F. Foggo: Sorry . . . yes, Mr. [Deputy] Speaker, let me also at least give this House an overview of the Order—

The Deputy Speaker: Mm-hmm.

Hon. Lovitta F. Foggo: —of the Employment Order 2019—

The Deputy Speaker: Continue.

Hon. Lovitta F. Foggo: —section [29A](5) of the Employment Act 2000. In respect of protective disclosures corrects the department name from the Department of Environmental Health to the Department of Health and includes the Director of the Department as a person to whom a protected disclosure can be made and, as I said before, as well as the Manager of Labour Relations or a designated inspector.

[Clause] 1 is the standard citation and [clause] 2 amends section 29A of the Employment Act and [clause] 2(2) corrects the name of the department from the Department of Environmental Health to the Department of Health, and adds the Director of the Department of Health as a person to whom a protected disclosure can be made.

Again, just going through it step by step, [clause] 2(3) includes the Manager of the Labour Relations or an inspector designated (if anybody is actually following with the [Draft Order] in front of them. And so I just wanted to make it clear how that [Draft Order] was reading, Mr. [Deputy] Speaker.

Thank you.

The Deputy Speaker: Thank you, Minister.

Any further speakers? The Chair recognises the Honourable Member Mr. Pearman. You have the floor.

Mr. Scott Pearman: Thank you, Mr. Deputy Speaker.

The Opposition is supportive of this Order. Just very, very briefly, for the benefit of the listening public, the concept of protected disclosures is what in the common vernacular we refer to as whistle-blowing—when employees or others discover things that have been wrong in the workplace or elsewhere and they blow the whistle about this. And what this

Order seeks to do, other than some clarifications of titular names, is it seeks to expand the listed persons to whom a person can blow the whistle.

So when you blow the whistle you have to tell someone in a position of authority to trigger the proper process, and that is what this Order does. It is expanding the categories of persons who can be recipients of a blown whistle and be alerted to the wrongdoing. So, this is a positive step in our local Bermuda law to expand in this way. This is a positive step for whistle-blowers and the Opposition is supportive of the Order.

Thank you, Mr. Deputy Speaker.

The Deputy Speaker: Thank you, the Honourable Member Mr. Pearman.

Are there any further speakers? The Chair recognises the Honourable Member Scott Simmons.

You have the floor, Mr. Simmons.

Mr. Scott Simmons: Mr. Deputy Speaker, I stand in support of the Minister on this particular [Order] as it relates to the relationship that we have with the people that . . . that very many times are reluctant to immerse themselves in situations that they see that there are problems, they see that there are situations that require their immediate attention and even that information that they have, but unfortunately from time to time, they feel that they are insufficient protections for them.

I think that what is wonderful about this, Mr. [Deputy] Speaker, just the broadening of the categories, creating opportunities for them, but also, Mr. Deputy Speaker, it means that we are conscientious enough to recognise that we have to put together this kind of legislation to assist them. And this is what we are trying to do. That is what this actually achieves, and I believe that it is very helpful. So, I thank the Minister for considering the fact that we should increase those categories and that we should include other individuals who have not been covered by this particular piece of legislation.

That is all I wish to contribute, Mr. Deputy Speaker.

The Deputy Speaker: Thank you, the Honourable Member Mr. Simmons.

Are there any further speakers? The Chair recognises the Honourable Member Susan Jackson.

You have the floor, Ms. Jackson.

Ms. Susan E. Jackson: Thank you, Deputy Speaker.

I just would like to speak to the evolution of whistle-blowing in general in Bermuda, because I certainly do remember, when the legislation was first introduced, that there were incidences where members did wish to divulge information and there was only one path for them to follow in order to proceed with their complaints or their concerns. And in some ways and

places it became super frustrating for the member who was wishing to divulge wrongdoing.

So, the opportunity now that there are other options, that there is a choice of people, personalities, and positions, subject matter experts of which our members can go to share their information offers a broader and more supportive role for the complainant. So I do see this as a very positive move in our whistle-blowing legislation in general.

And I certainly look to make sure that we keep that pathway clear so that someone who does want to speak up in all honesty is able to proceed through that journey and that it is a supportive and comprehensive pathway.

Thank you.

The Deputy Speaker: Thank you, the Honourable Member Ms. Jackson.

Are there any further speakers? There appear to be none.

Minister.

Hon. Lovitta F. Foggo: Thank you, Mr. [Deputy] Speaker, and thank you to colleagues for their brief comments.

Mr. Deputy Speaker, in this day and age, no one should have fear of retribution or of being ostracised or of being targeted when they are stepping forward to do what they believe is the right thing to do. And so we felt that it was important to provide the Labour Manager as another vehicle for someone to make reports, to do that so that a person would at least enjoy further anonymity in terms of reporting on an incident that they believe is not cogent, I will put it that way.

So, Mr. Deputy Speaker, I just want to end by moving this said draft Order, and asking that it be approved and that a suitable message be sent to His Excellency the Governor.

The Deputy Speaker: It has been moved that the Order entitled, Consideration of the Employment (Protected Disclosures) Order 2019, be approved. Are there any objections to that?

There appear to be none.

Approved.

[Gavel]

[Motion carried: The Employment (Protected Disclosures) Order 2019, was considered by the House and approved.]

The Deputy Speaker: The next order of business is [Order] No. 3, and it is the second reading of the Proceeds of Crime Amendment Act 2019 in the name of the Minister of Health and spokesman for Legal Affairs, Minister Wilson.

Minister, you have the floor.

BILL**SECOND READING****PROCEEDS OF CRIME AMENDMENT ACT 2019**

Hon. Kim N. Wilson: Thank you, Mr. [Deputy] Speaker.

Mr. [Deputy] Speaker, I move that the Proceeds of Crime Amendment Act 2019 be now read a second time.

Mr. [Deputy] Speaker, I am pleased to introduce to this Honourable House the Proceeds of Crime Amendment Act 2019 to address matters pertinent to Bermuda's compliance with international standards set by the Financial Action Task Force.

Mr. [Deputy] Speaker, the assessment of Bermuda's anti-money laundering and anti-terrorist financing regime began in early 2018, and is now at an advanced stage. This assessment is being conducted by a team drawn from peer jurisdictions and led by the Caribbean Financial Action Task Force, or CFATF. Bermuda now awaits receipt of the second draft of the mutual evaluation report from the assessment team to be followed by a comprehensive written response by Bermuda. As we await the finalisation of the assessment and the publication of the report, the Bermudian authorities continue to proactively work on strengthening the effectiveness of the regime. The amendments contained in this Bill will support the continued enhancement of Bermuda's AML/ATF regime, particularly in the area of international financial sanctions.

Mr. [Deputy] Speaker, during the assessment period, and, indeed, for some time prior to that, Bermudian authorities have worked collaboratively with Government House and the Foreign and Commonwealth Office to enhance Bermuda's compliance with the targeted financial sanctions imposed by the United Nations, the United Kingdom, and the European Union in relation to terrorism, terrorism financing, and the financing of proliferation of weapons of mass destruction. In September of 2018, these efforts culminated in a delegation of functions by the Governor to the Minister of Legal Affairs to support more focused domestic attention on these international obligations. Consonant with those efforts, the Government also took the necessary steps, also in 2018, to amend the AML/ATF legislation to require supervisory authorities to begin to monitor regulated entities and to ensure that they are compliant with these international financial sanctions' obligations.

Mr. [Deputy] Speaker, the Bill amends the following: the Proceeds of Crime (Anti-Money Laundering and Anti-Terrorist Financing Supervision and Enforcement) Act 2008 and the Financial Intelligence Agency Act 2007.

Mr. [Deputy] Speaker, the amendments to the Proceeds of Crime (Anti-Money Laundering and Anti-

Terrorist Financing Supervision and Enforcement) Act 2008 will strengthen the enforcement of international financial sanction obligations. This will be achieved by empowering supervisory authorities to impose penalties as to the kinds of consequences for breaches of such obligations. The amendments will apply in relation to a range of penalties, which currently exist in the Act, thus ensuring the supervisory authorities will have a variety of penalties to impose to match the nature and seriousness of a specific breach.

The international standards, Mr. [Deputy] Speaker, require that penalties imposed should be effective, proportionate, and dissuasive, and this can be achieved when an array of penalties of different degrees of seriousness are available to be applied.

Mr. [Deputy] Speaker, the amendment to the Financial Intelligence Agency Act 2007 is also necessary to ensure that the FIA [Financial Intelligence Agency] can make relevant disclosures to the Minister to whom the Governor has delegated some of his functions in respect of international financial sanctions. Although at present the FIA can make disclosures to the Minister of Legal Affairs on other matters, the FIA is only in power to make disclosures about international financial sanctions matters to the Governor. The amendment will allow the FIA also to make these disclosures to the Minister of Legal Affairs concerning matters germane to her delegated functions for international financial sanctions.

Mr. [Deputy] Speaker, this legislative initiative is only one part of the work being done by the relevant authorities in Bermuda to ensure that Bermuda is compliant with international financial sanctions and has an effective system for enforcement of these obligations. Other activities being carried out also include the following, Mr. [Deputy] Speaker: the renewed focus of the national anti-money laundering committee's sanctions working group on the consideration of implementation matters in connection with the statutory responsibilities of supervisory authorities in relation to international financial sanctions and the recent delegations of functions, and also to the development of an agreed coordination mechanism in relation to international sanctions against the proliferation of weapons of mass destruction to ensure that Bermuda's financial, professional and other business sectors are not misused by foreign actors to evade UN sanctions in this area.

Mr. [Deputy] Speaker, Bermuda remains committed to working to achieve full compliance with the international standards and this Bill is another step further in the ongoing journey to achieving this.

Thank you, Mr. [Deputy] Speaker.

The Deputy Speaker: Thank you, Minister.

Are there any further speakers? The Chair recognises the Honourable Member Mr. Pearman.

You have the floor, Mr. Pearman.

Mr. Scott Pearman: Thank you, Mr. Deputy Speaker.

This is a time for our Island where the Opposition is very pleased to stand shoulder to shoulder with the Government, because, increasingly, the international pressures, regulatory pressures from the outside world, are becoming more and more pertinent and relevant to the way that we live our lives every day—and not just in the Bermuda business community, but across the Island. And I have spoken about that before in this House.

I have spoken about that before, and this is not the time or place for it, but this is yet another example of how much international regulation does pervasively affect us. And on this particular amending Act, the Opposition is pleased to support the Government.

And I just say this: There are some beyond our shores who seem to misunderstand us entirely. They do not understand what Bermuda is about. They do not understand the expert level of regulation that exists on our Island. They simply do not understand the way that we do business. They have absolutely distorted perceptions of who we are and what we are about, and it is deeply regrettable, because they leap to judgments that are inaccurate and improper, and they leap to judgments that can impact upon us as an Island and as a country.

And so, Mr. Deputy Speaker, we are pleased as the Opposition to support the Government on this amending Bill. Regulation is important, and we are a well-regulated jurisdiction. And we should be proud of that.

Thank you, Mr. Deputy Speaker.

The Deputy Speaker: Thank you, Mr. Pearman.

Any further speakers?
Minister.

Hon. Kim N. Wilson: Thank you, Mr. [Deputy] Speaker, and thank you to those Members, those Honourable Members of the Opposition, in particular the Learned and Honourable Shadow Attorney General.

Obviously, as an attorney and as a person that operates within this space, he, on behalf of the Opposition, recognises the importance of Bermuda continuing our obligation to ensure that we are a properly regulated entity and that we take all steps whether or not it includes legislation such as what we are debating this afternoon to ensure full compliance so that Bermuda can, as best as possible, mitigate against money laundering and terrorist financing.

And, with that, Mr. [Deputy] Speaker, I would like to move that this Bill be now committed.

The Deputy Speaker: The Bill will be committed.

Honourable Member Ming will take the Chair [of Committee].

House in Committee at 4:48 pm

[Mrs. Renee Ming, Chairman]

COMMITTEE ON BILL

PROCEEDS OF CRIME AMENDMENT ACT 2019

The Chairman: Good afternoon.

Honourable Members, we are now in Committee of the whole [House] for consideration of the Bill entitled the [Proceeds of Crime Amendment Act 2019](#).

I call on the Minister in charge to proceed.

Hon. Kim N. Wilson: Thank you, Madam Chairman.

Madam Chairman, in light of the fact that this Bill has three clauses, I would like to move clauses 1 through 3 in their entirety.

The Chairman: It has been moved that clauses 1 through 3 be approved. Is there any objection to that motion?

No objection.
Agreed to.

Hon. Kim N. Wilson: Thank you, Madam Chairman.

Madam Chairman, the preamble explains that the Bill seeks to amend the Proceeds of Crime (Anti-Money Laundering and Anti-Terrorist Financing Supervision and Enforcement) Act 2008 as well as the Financial Intelligence Agency Act 2007.

Clause 1 is the citation.

Clause 2 amends the Proceeds of Crime (Anti-Money Laundering and Anti-Terrorist Financing Supervision and Enforcement) Act 2008 by making provisions for the imposition of various types of penalties in respect of breaches by regulated entities of their obligations in relation to international financial sanctions. This will make available a range of sanctions that can be applied in appropriate cases to allow for effective proportionate and dissuasive sanctions and effective enforcement mechanisms in respect of those obligations.

Therefore, Madam Chairman, the amendments will provide the following:

1. Permit the supervisory authorities to impose on regulated entities the civil fines pursuant to section 20 for breaching their legal obligations in relation to international sanctions.
2. Authorise supervisory authorities to revoke the operating licence of a regulated entity as a penalty for breaching their legal obligations in relation to international sanctions.
3. Specify that public censure can be used against regulated entities that breach their legal obligations in relation to international sanctions.

4. Authorise supervisory authorities to petition the court for the winding up of a company or the dissolution of a firm for breaching their legal obligations in relation to international sanctions.
5. Ensure that any decision made to impose any of the disciplinary measures now provided in Chapter 4 of the Act can be subject to publication, including those imposed in respect of real estate brokers, agents and the disciplinary measures added to the Act by way of the amendments made in 2018.

Clause 3, Madam Chairman, amends the Financial Intelligence Agency Act 2007 to provide as follows: To reflect the fact that the Governor has delegated some of his statutory functions in relation to international sanctions to the Minister of Legal Affairs and in consequence authorises the FIA to make appropriate disclosures to the Governor and/or the Minister of Legal Affairs in relation to international sanctions matters as the need dictates.

The Chairman: It has been moved that the proposed amendments to all clauses be approved. Is there any objection to that motion?

No objection.
Agreed to.

[Motion carried: Clauses 1 through 3 passed.]

The Chairman: Minister.

Hon. Kim N. Wilson: Thank you, Madam Chairman. Madam Chairman, I move that the preamble be approved.

The Chairman: It has been moved that the preamble be approved.

Is there any objection to that motion?
No objection.
Approved.

Hon. Kim N. Wilson: 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. Is there any objection to that motion?

No objection.
Agreed to. The Bill will be reported to the House as printed.

[Motion carried: The Proceeds of Crime Amendment Act 2019 was considered by a Committee of the whole House and passed without amendment.]

House resumed at 4:52 pm

[Hon. Derrick V. Burgess, Sr., Deputy Speaker, in the Chair]

REPORT OF COMMITTEE

PROCEEDS OF CRIME AMENDMENT ACT 2019

The Deputy Speaker: Any objections to the Bill entitled . . . I lost the Bill now . . . the reading of . . . the Proceeds of Crime Amendment Act 2019?

Any objections?
There appear to be none.
Approved.

[Gavel]

The Deputy Speaker: I think that ends the Order of Business.

Any third readings, Minister?

SUSPENSION OF STANDING ORDER 21

Hon. Kim N. Wilson: I move that Standing Order 21 be suspended to enable me to move that the Bill entitled the Proceeds of Crime Amendment Act 2019 be now read the third time by its title only.

The Deputy Speaker: Any objections?
There appear to be none.

[Motion carried: Standing Order 21 suspended.]

BILL

THIRD READING

PROCEEDS OF CRIME AMENDMENT ACT 2019

Hon. Kim N. Wilson: Mr. [Deputy Speaker], thank you. I move that the Bill be now passed.

The Deputy Speaker: Any objections to the Bill being approved, passed?

There appear to be none.
Approved.

[Motion carried: The Proceeds of Crime Amendment Act 2019 was read a third time and passed.]

The Deputy Speaker: I think that is the end of the business.

Mr. Premier?

ADJOURNMENT

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

Mr. Deputy Speaker, I move that this Honourable House do now adjourn until Monday, March 11th at 10:00 am.

The Deputy Speaker: It has been moved that the House be adjourned to Monday, March the 11th?
Any objections to that?

An Hon. Member: No.

[Gavel]

[At 4:54 pm, the House stood adjourned until 10:00 am, Monday, 11 March 2019.]

[This page intentionally left blank]

BERMUDA HOUSE OF ASSEMBLY**OFFICIAL HANSARD REPORT****11 MARCH 2019****10:02 AM***Sitting Number 14 of the 2018/19 Session*

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

PRAYERS

[Prayers read by Mrs. Shernette Wolffe, Clerk]

The Speaker: Good morning, Members.

[Gavel]

CONFIRMATION OF MINUTES

[Deferred]

The Speaker: Members, the Minutes from the 8th of March have been deferred.

**ANNOUNCEMENTS BY THE SPEAKER
OR MEMBER PRESIDING****COMMONWEALTH DAY MESSAGE
“THE CONNECTED COMMONWEALTH”**

The Speaker: Members, today is Commonwealth Day. And the traditional Commonwealth Day message will be circulated to you. The topic for this year is *The Connected Commonwealth*. But you will receive your message via circulation of other communications.

**PAPERS AND OTHER
COMMUNICATIONS TO THE HOUSE**

The Speaker: Minister of Finance, do you want to present your paper now?

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

The Speaker: Good morning.

**GOVERNMENT FEES
AMENDMENT REGULATIONS 2019**

Hon. Curtis L. Dickinson: Mr. Speaker, with the Governor's recommendation and in accordance with section 36(3) of the Bermuda Constitution, I have the honour to attach and submit for the consideration of the Honourable House of Assembly the following: Government Fees Amendment Regulations 2019,

made by the Minister responsible for Finance under section 2 of the Government Fees Act 1965.

The Speaker: Thank you, Minister.

PETITIONS

The Speaker: There are none.

**STATEMENTS BY MINISTERS
AND JUNIOR MINISTERS**

The Speaker: Yes.

Members, although the Order Paper does not indicate it, and we have these quick turnovers with [our] sitting every other day for Budget [Debate], the Premier does have a Statement that he would like to give this morning, and it is being circulated to you at this moment.

Premier.

Hon. E. David Burt: Good morning, Mr. Speaker.

The Speaker: Good morning.

**PROFESSIONAL SERVICES/CONSULTANTS
AND ADVISORS—A REVISED CONSTRUCT**

Hon. E. David Burt: Mr. Speaker, the use of subject matter experts, or political advisers, in support of a government's policy aims and objectives is an established and accepted use of [professional services](#) in Bermuda and elsewhere. From the days of Raj Nadarajah, some consultants have attracted controversy while others have hardly been known, although their contribution to the development of Bermuda can be seen in many facets of our everyday lives.

Mr. Speaker, the increasing demands of modern governance and public administration have taxed the traditional ministry headquarters within Bermuda's public service. In Bermuda, permanent secretaries combine their principal role of lead policy advisor to ministers with office management, accounting and budgetary responsibility, speechwriting, the drafting of Cabinet memoranda and briefs, managing union relationships, PATI oversight, and many day-to-day tasks associated with ministers' needs.

Mr. Speaker, the SAGE Commission examined the operations of ministry headquarters and the

role of permanent secretaries. In their 2013 report, they recommended, citing the 2011 Civil Service Review, the creation of a ministerial private office. To quote from the SAGE report, Mr. Speaker, “A Ministerial Private Office should be created to relieve Permanent Secretaries of the day-to-day tasks associated with Ministers’ needs.”

To again quote the 2011 Civil Service Review, “We believe that a Private Office would relieve the Permanent Secretary of the day-to-day managing of Ministers (tasks such as detailed briefing, speech writing, intelligent prioritization of the Minister’s diary, ‘gate-keeping’, managing the Minister’s relationship with the Legislature, progress-chasing of submissions from within the Ministry, etc.)”

Mr. Speaker, the 2011 review said, “We believe that . . . such a role close to a Minister would be a good one for young Civil Servants who are judged to have the potential for rapid advancement.”

Mr. Speaker, let me pause on that point to remind Honourable Members of the recent announcement I made on the Cabinet Office internship programmes set to be run during this summer. From the young people we will attract for this period, I expect that we will identify such high-fliers who will continue to add to the capacity of the public service.

Mr. Speaker, the review continues, “We believe that such a system would free the Permanent Secretary to develop a closer ‘grip’ on improving the performance of the Ministry and its constituent Departments; the development of policy options . . . and driving better delivery and accountability through the system.”

Mr. Speaker, after almost two years in government, I think I can speak for all Ministers in saying that permanent secretaries are increasingly busy and challenged to meet the demands of the post without the support required. Therefore, I have indicated my full support for the SAGE Commission’s recommendation on private ministerial offices and have encouraged Ministers, who field a significant number of requests from the public, to start the process of building this capacity within ministries by hiring an advisor, as permitted by the Ministerial Code of Conduct.

Honourable Members should note that section 9.1 of the Code dictates that such engagements are subject to budgetary approval and the prior written approval of the Premier. Further, Mr. Speaker, I can advise this Honourable House that, terms similar to the [Premier and Opposition Leader Personal Staffs Act 1983](#), I shall shortly invite the Cabinet to approve amendments to relevant legislation to formalise ministerial private offices.

Mr. Speaker, Honourable Members will note that the Ministerial Code of Conduct also contemplates the engagement of expert consultants, who through their professional expertise can be taken on in support of the policy remit of a Minister. It is not a poor reflection on the public service that successive gov-

ernments have required professional services to advance their programmes. Highly technical areas, the use of cutting-edge technology, and the provision of expert advice all demand special skill and expertise.

I wish to further advise Honourable Members that I have invited the Policy and Strategy Section within the Cabinet Office to conduct a jurisdictional review and to advise on a means by which to grade consultant engagements in order to ensure pay equity and a compensation package that is more standardised and in keeping with the level of expertise for which the particular consultant has been engaged. This will set a standardised scale for compensation of which all parties will be aware and to which they subscribe when working in support of the Government of Bermuda.

Mr. Speaker, the pursuit of political goals has made the term “consultant” a bad word in many cases. Providing a legislative underpinning and a more transparent system of grading and compensation for consultant work, both political and expert, will go a long way towards changing that perception and, most importantly, promoting greater efficiency in the delivery of services and the implementation of policy on behalf of the people of Bermuda.

Thank you, Mr. Speaker.

The Speaker: Thank you, Premier.

REPORTS OF COMMITTEES

The Speaker: There are none.

The Clerk: I will take Premier’s Questions off of the Order Paper.

The Speaker: Yes, normal questions.

QUESTION PERIOD

The Speaker: Question Period. The first is the written [answer] which was deferred from last week. Premier.

Hon. E. David Burt: The Sergeant-at-Arms has the answer.

The Speaker: The Sergeant-at-Arms has the [answer](#) distributed to the Member. Okay.

QUESTION: CONSULTANTS/ADVISORS PAID FOR BY GOVERNMENT

Hon. Michael H. Dunkley: Will the Honourable Premier please inform this Honourable House which Government Ministers have had advisers since 18th July 2017 as per section 9.1 of the 2015 Ministerial Code of Conduct

and accordingly, name the advisors paid for by the government?

Hon. Michael H. Dunkley: *Will the Honourable Premier please inform this Honourable House which Government Ministers have had consultants since 18th July 2017 as per section 9.1 of the 2015 Ministerial Code of Conduct and accordingly, name the consultants paid for by the government?*

The Speaker: And the Opposition Leader has indicated that he would like to put a question to you in reference to your Statement this morning.
Sir.

Hon. L. Craig Cannonier: Good morning, Mr. Speaker.

The Speaker: Good morning.

QUESTION 1: CONSULTANTS/ADVISORS PAID FOR BY GOVERNMENT

Hon. L. Craig Cannonier: Good morning, colleagues.
Yes, I am just curious. The Premier says that he is looking to start the process of building this capacity within ministries by hiring advisors as permitted by the Ministerial Code.

I was just curious as to an idea. Does he have an idea of the numbers of Ministers who are seeking this assistance? Also, how many Ministers already have started the process and have assistants in place?

The Speaker: Thank you.
Premier.

Hon. E. David Burt: Mr. Speaker, I do believe that the written question may provide the answer to that. I believe that there are four Ministers who have that in place, the Ministry of Education—

Hon. L. Craig Cannonier: Is it part of the written answer?

Hon. E. David Burt: I think so, yes.
[They are] the Minister of Education, the Deputy Premier, the Minister of Public Works, as well as myself.

The Speaker: Supplementary or new question?

Hon. L. Craig Cannonier: Supplementary.

The Speaker: Continue.
Honourable Member,

SUPPLEMENTARY

Hon. L. Craig Cannonier: Yes. In relation to that, then, I am just seeing now some of the answers, just getting them. My apologies. I did not have it in front of me.

But do we have an idea then, based on these answers as well, what we are anticipating that these salaries might be for the consultants? If we are going to do it across the board, have we decided that it is going to be within a range, per se?

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

Mr. Speaker, these items are due to specific approval of myself for all ministerial consultants. I have graded them at PS36, and there is no one higher than PS36 for ministerial consultants who are advising ministers in a personal capacity. For others who are in the provision of specific expert advice, those ones are rated differently. However, for personal staff, they are graded at PS36.

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

Hon. L. Craig Cannonier: I am good. Thank you.

The Speaker: Would anyone else want to ask a supplementary?
No supplementary?
Okay. That brings us to a close of questions.

CONGRATULATORY AND/OR OBITUARY SPEECHES

The Speaker: Does any Member wish to speak to that?
We recognise the Premier.

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

Mr. Speaker, I rise this morning on a very sad note. And I would ask that this Honourable House send a letter of condolences to a Bermuda resident by the name of Mr. Paul Njoroge, Mr. Speaker, Mr. Njoroge on the tragic loss of his wife, his mother-in-law, and three children who were aboard the Ethiopian Airlines flight ET 302, which crashed just shortly after take-off from the Ethiopian capital of Addis Ababa to Nairobi in Kenya.

Last evening, on behalf of the Government, the Minister of Finance and the Minister of National Security visited the home of Mr. Njoroge and offered condolences. As a father and a husband, I cannot imagine how he must feel during this time. In times of tragedy, we want the expatriate community to know that we support them. Specifically, to the African Diaspora, thank you for cloaking this family with support.

He is in our thoughts as he travels back home to Kenya. And we will continue to support him upon his return. And I would assume, Mr. Speaker, that all Honourable Members would wish to be associated with those remarks.

The Speaker: Yes.

Hon. E. David Burt: Thank you.

The Speaker: Would any further Member wish to speak?

We recognise the Honourable Member from constituency 10.

Honourable Member, you have the floor.

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

Mr. Speaker, yes, I am sure all Members want to be associated. And I would like to turn, Mr. Speaker, just to a brighter note, because it is important that we recognise Bermudians when they strive and do well. I would like to congratulate Camiko Smith and Daniel Augustus for their great showing in the Grey Goose World Par 3 Championship that was held over the weekend. Camiko came in third, Mr. Speaker. I understand that he was duelling down to the wire at the last with some professional golfers who have played on the world stage for many years. The tournament was won by Barry Lane. But Camiko is a young Bermudian, and I think we are all aware of his endeavour to become a professional golfer on the PGA tour. He has certainly made some great strides. And I would like to send congratulations to Camiko.

And also, to Daniel Augustus, who came in fifth at one over par. Most will know that Daniel has been playing on some tour events, some satellite tour events in the US for many years and showing great progress. I highlight that to not only recognise the great work that young professional golfers are doing, but just to show how tough it is to make the headway. And we do have a lot of talent in this Island.

We need to recognise people. We need to support them where we can in a very competitive field because we tend to accept that in any sport Bermudians can rise to the top. But it takes effort, it takes commitment, it takes cash to make it happen. And it takes the support of community, friends, and family and the sacrifice to make it happen.

So, we recognise them and congratulate them. But let us continue to rally with them so we can have more Bermudians flying the flag on the world stage.

Thank you, Mr. Speaker.

The Speaker: Thank you.

Does any other Member wish to speak?

We recognise the Honourable Member from St. George's. Honourable Member.

Mrs. Renee Ming: Good morning, Mr. Speaker.

The Speaker: Good morning.

Mrs. Renee Ming: I would like to take this moment to congratulate the Bermuda Industrial Union. They held their annual International Women's Day Tea on Saturday. And the theme for this year, I think you heard me say it already, was [#balanceforbetter](#). And I just want to commend them for the fact that they have been doing this now for nine years, each year on the Saturday preceding the date of the International Women's Day. And we highlight the challenges that we as women face. And in this instance, the guest speaker was none other than the Premier's wife, Kristin Burt. She highlighted the challenges that she has as a mother, as she had her assistant, her young daughter there, who was able to help her deliver her speech on Saturday.

Also, I would like to give thanks to Sister LaVerne Furbert, because she tirelessly organises this event year after year. And also, to young Dakota Tucker, who sang two beautiful songs at the tea. So, as we as women continue to strive for our equality and our gender parity, there are events like these that help to highlight that we still have a long way to go.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

We recognise the Honourable Member Tyrrell. Honourable Member, you have the floor.

Mr. Neville S. Tyrrell: Thank you, Mr. Speaker, and good morning, all.

Mr. Speaker, in line with the Honourable Member, from constituency 10 I think it is, who congratulated Bermudian athletes, I would like to have congratulations sent to the Bermuda Rugby Team, who just recently participated in the Rugby America's North area championships, by thumping, if I could use that word, the Jamaican team that came here. I think it was something like 43 to 12, 13, something like that. So, it shows that we do have some talent spread around the Island, Mr. Speaker, and I would like congratulations to be sent.

On a sadder note, Mr. Speaker, I would ask if a letter of condolences could be sent to the family of the late Earlston Winfield Bascome. Mr. Bascome was an old friend of mine. We supported the Young Men's Social Club, Bluebirds, together on our days out. He will be missed. He was a character around the Back o' Town area. But at the same time, I am sure he will be missed by his family.

Thank you, Mr. Speaker.

The Speaker: Thank you.

Does any other Member wish to speak?

We recognise the Honourable Member Furbert, from constituency 4. Honourable Member.

Mrs. Tinee Furbert: Yes. Good morning, Mr. Speaker.

The Speaker: Good morning.

Mrs. Tinee Furbert: I also would like to recognise the BPSU [Bermuda Public Services Union], who also celebrated International Women's Day on Friday. They had a breakfast in the morning, as well as a talk show, the Tea Talk Show, where they highlighted many great women in our community, including Ms. Tina Evans, the daughter of the late Dame Lois Browne-Evans. And also, Superintendent Na'imah Astwood gave some very valuable insight into what it meant being a woman in our police force. So, they all shared very valid information, essential information to our community, and our network of women in our community, as well as information for the progression of women and advancement of women in our community.

So, I would just like to also congratulate the BPSU for the brilliant activities that they set out for the day. I would like to associate MP Renee Ming, as well as many of the other women MPs in the House.

Thank you.

The Speaker: Thank you.

Does any other Member wish to speak?

We recognise the Honourable Member Swan from St. George's.

Honourable Member.

Hon. Hubert (Kim) E. Swan: Good morning, Mr. Speaker.

The Speaker: Good morning.

Hon. Hubert (Kim) E. Swan: Mr. Speaker, I would like a suitable acknowledgement and letter sent to two ladies who have made Bermuda part of their home annually. Their names are Joy Bonhurst, a golf professional from Maryland; and Baily [Johnson] Scheurer, a business executive from the Washington, DC, area.

These ladies, staying at Pompano Beach now for 22 years, have staged a Ladies Pro-Am [Golf Classic] event successfully. And yesterday, they had one of the rounds at Port Royal with over 70 ladies participating.

I am proud to say, Mr. Speaker, that this tournament is a follow-on of the event that I staged for over 10 years. And these ladies first came to Bermuda—well, Joy Bonhurst certainly did—[for] the former Bermuda Easter Lily Pro-Am for Ladies that I founded way back in the mid-1980s. But they have stuck to it. And with the support of Pompano and Goslings, they

continue to host this event. And I am hoping to get, particularly, the Minister of Sport, who is a lady, to meet them because I think there will be some natural synergies that will be at play in that regard, especially during this time of celebration of the contributions of women globally.

And I associate the Chairman of the Port Royal Golf Course with that. And I would like to be associated with the congratulations made to my fellow golf professionals, one of whom has already won the tournament that they were congratulated on earlier today, previously.

The Speaker: Thank you.

Does any other Member wish to speak?

No other Member?

ANNOUNCEMENT BY THE SPEAKER

HOUSE VISITORS

The Speaker: Before we move off of condolences and congratulations, let me just take this moment to recognise the young students who are in the Gallery this morning.

We have the students of P4 class from Northlands, under the guidance of their teachers, Ms. Hill, Ms. Matthew, and Ms. Hollis there. It is good to have you here this morning, visiting with us.

And I hope that you will find this a learning exercise, young people, in how government operates here in trying to act in the best interests of all of our citizens.

So, welcome to Parliament.

[Desk thumping]

MATTERS OF PRIVILEGE

The Speaker: There are none.

PERSONAL EXPLANATIONS

The Speaker: There are none.

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

The Speaker: There are none.

INTRODUCTION OF BILLS

GOVERNMENT BILLS

The Speaker: There are two Government Bills that are being introduced this morning. The Junior Minister of Finance, are you going to do them on behalf of the Minister?

FIRST READINGS

EXEMPTED PARTNERSHIPS AMENDMENT ACT 2019

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

On behalf of the Minister of Finance, the Honourable Curtis Dickinson, I am introducing the following Bill, which, according to section 36(3) of the Bermuda Constitution, requires the Governor's recommendation, so that it may be placed on the Order Paper for the next day of meeting: the Exempted Partnerships Amendment Act 2019.

The Speaker: Continue.

CUSTOMS TARIFF AMENDMENT ACT 2019

Hon. Wayne L. Furbert: Mr. Speaker, I am introducing the following Bill, which, according to section 36(3) of the Bermuda Constitution, requires the Governor's recommendation, so that it may be placed on the Order Paper for the next day of meeting: the Customs Tariff Amendment Act 2019.

The Speaker: Thank you.

ORDERS OF THE DAY

The Speaker: Again, for our listening public, we are here to continue the Budget Debate on the Estimates of Revenue and Expenditure for the year 2019/20. Today, the Ministry that is being debated is the Ministry of Health.

And, in fact, they have the entire day. So, the whole eight hours today is for the Ministry of Health.

I call on the Junior Minister of Finance to move us.

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

I move that the House do now resume in Committee of Supply to consider the Estimates of Revenue and Expenditure for 2019/20.

The Speaker: Any objections to that?

No objections. We will now move into Committee. And we will have the respective chairman come and take their position at this point.

Honourable Member Ming, good morning.

House in Committee at 10:26 am

[Mrs. Renee Ming, Chairman]

COMMITTEE OF SUPPLY

ESTIMATES OF REVENUE AND EXPENDITURE FOR THE YEAR 2019/20

[Continuation thereof]

The Chairman: Good morning, Honourable Members. We are now in Committee of Supply for further consideration of the Estimates of Revenue and Expenditure for the year [2019/20].

The following heads will be debated: Heads 21, 22, 24, 55 and 91.

I call on the Minister in charge to proceed.

Minister, you have the floor.

MINISTRY OF HEALTH

Hon. Kim N. Wilson: Thank you, Madam Chairman.

I move the following heads: Head 21, Ministry of Health Headquarters; Head 22, Department of Health; Head 24, Hospitals; Head 55, Financial Assistance; and Head 91, Health Insurance, be now taken under consideration.

HEAD 21—MINISTRY OF HEALTH HEADQUARTERS

Hon. Kim N. Wilson: Madam Chairman, it gives me great pleasure to present the budget for the Ministry of Health overall, which includes Head 21, the Ministry of Health Headquarters, found at pages B-167 through B-172 of the Budget Book.

Madam Chairman, the mandate of the Ministry Headquarters is *to serve as the policy directorate for Bermuda's health system*.

Madam Chairman, with respect to the expenditure overview, the headquarters allocation constitutes under 5 per cent of the budget allocation for the Ministry as a whole. A total of \$11,649,000 has been allocated for this head for the 2019/20, which represents an increase of \$161,000, or 1 per cent, over the original budget of 2018/19. Madam Chairman, this change is due to increases in salaries due to the transfer of posts from the Department of Health and the Health Insurance Department to the Office of the Chief Medical Officer, to support health care regulation, epidemiology, surveillance and disease outbreaks. The change will be reflected in the corresponding reductions in Heads 22 and 91.

Manpower

Hon. Kim N. Wilson: Madam Chairman, the change in manpower for this head is detailed in the Budget Book at [page] B-169, increasing the employee numbers for the Ministry Headquarters from 45 to 47 established posts, representing three sections.

However, I have to pause here briefly, Madam Chairman, to remind us all that across the Ministry of Health, we continue to have a total of 89 vacant positions out of 398 established posts. This is 22 per cent of the Ministry's total workforce, and it has a severe impact on our ability to deliver services and protect the public.

Madam Chairman, I have to stress that this situation was inherited from the previous Government, whose hiring freezes and early retirement incentives crippled many parts of public health provision. From closing dental clinics to 10 bed closures at a rest home facility, hiring freezes on health care systems and services cause harm to real people in the short term and damage the community in the long term.

While we have been working diligently to remedy these deficits and hire the nurses, social workers, dentists, dental hygienists, paraprofessionals and so on, who are desperately needed to provide front-line services for vulnerable and dependent persons in our community (who are [mostly] seniors and persons with disabilities), it is impossible to reverse 89 vacancies fast enough. The staff shortages left existing teams over-stretched to cover as much as they could and, subsequently, were burnt out.

It is a travesty, Madam Chairman, to see health care professionals—amongst the most noble of professions—treated in this way. Recruitment cannot catch up fast enough to outpace resignations and early retirements due to burnout. But we continue to make strides, Madam Chairman, and have put measures in place to restore morale across the Ministry. In particular, we have signed up for Investors in People certification, and we are actively working to ensure that this international accreditation is obtained by 2021.

I will now speak on each of the sections and business units under this head, Madam Chairman.

The business unit 2101, General, comprises a small team of 11 persons and a budget largely dedicated to grants for the community. In total, Madam Chairman, over \$5 million of the unit's total budget of \$7.7 million dollars is for grants. The balance serves to run the operational and strategic engines of the Ministry through the Accounts Section and our corporate services policy directorate.

Output Measures

Hon. Kim N. Wilson: The output measures, Madam Chairman, for the business units are listed at page B-170. Some highlights of the Ministry's performance measures are better demonstrated in the Ministry of Health Roadmap 2019, which serves as the Ministry's annual corporate plan and provides a helpful overview of the Ministry as a whole. The Roadmap 2019 has been published on our website at www.gov.bm under the Health Library.

Specific measures I want to highlight are as follows: Under 31000, General Administration, health insurance rates will be tabled during this session, but with a proposed effective date later than the 1st of April 2019, thus missing the target date. This is due to the decision to leverage hospital funding in order to put the health system on a more sustainable path.

Honourable Members will be aware that the Ministry has worked with the Bermuda Hospitals Board [BHB] and the Bermuda Health Council on a transformative innovation that will transition the hospitals to a streamlined payment mechanism. This will create dramatic efficiencies, incentivise a focus on appropriate care and efficient use of resources, and prevent a forecasted \$20 million in additional health care costs. The savings are being used to minimise standard premium rate increases, as well as to invest in evidence-based programmes for more prevention and primary care.

Currently, the Bermuda Hospitals Board covers its annual cost through four main funding sources: (1) fees charged to the Island's public and private insurers for health services rendered (this is claims against the Standard Health Premium); (2) a government subsidy grant towards the cost of caring for children, seniors, and the indigent; (3) a government grant for the Mid-Atlantic Wellness Institute [MWI]; and (4) a transfer from the Mutual Reinsurance Fund [MRF]. The hospital is also able to bill non-residents for any health care delivered and can bill residents for select services that are not standard health benefits.

The objective of these various revenue sources is to ensure that BHB has enough funding to operate the hospital and MWI, and to be able to generate sufficient surplus to re-invest in necessary building maintenance and infrastructure, such as technology upgrades.

However, fragmented approaches like these are increasingly viewed by health and finance experts as expensive, outdated and, in the long run, unsustainable in the face of an ageing population and growing health care needs. International evidence has clearly shown that these types of volume-based fee-for-service payment models result in higher spending. Alternative payment models, such as capitated payments, bundled payments, and value-based grants, have been proven to be more cost-effective and to result in better health outcomes.

Madam Chairman, the 2018 transition of BHB's fees to a rational methodology, using an internationally accepted standard based on the relative value of procedures, has been extremely valuable to properly assess the volume and complexity of care delivered by our hospitals. This makes it possible to properly budget, based on actual cost of services rather than by using the antiquated process of rubber-stamping arbitrarily derived fees. It has also placed us in a better position to transition Bermuda's health sys-

tem away from the antiquated coding framework that the rest of the world has abandoned, and adopt ICD-10, at long last. In short, the planned transformation of hospital funding is aligned with the conversion of fees to relative values.

Madam Chairman, regarding business unit 31015, Grants Administration, that can be found at page C-17, which lists the Health Ministry's grants to a number of agencies providing essential front-line services to aid public health and social assistance. These are as follows:

- \$2,862,000 for the LCCA to cover overseas medical care for uninsured and underinsured persons;
- \$125,000 for the Bermuda Nursing Council to support the regulation of nurses;
- \$800,000 for the Bermuda Health Council, which I will speak about momentarily;
- \$38,000 for Age Concern;
- \$753,000 for the following rest homes: Lorraine Rest Home (\$502,000), and Matilda Smith Rest Home (\$250,000); and in addition
- \$300,000 for Summerhaven;
- \$300,000 for Packwood Rest Home; and
- \$42,000 for Admiralty House;
- \$10,000 for SART (Sexual Assault Resource Team);
- \$13,000 for Tomorrow's Voices; and
- \$100,000 for public health scholarships.

Madam Chairman, our commitment to the Dr. Barbara Ball Public Health Scholarship is unwavering. We are currently accepting applications for the 2019/20 academic year and anticipate awarding \$100,000 in scholarships once again to deserving students in key public health areas. We continue to prioritise areas in which we are aware of manpower deficits in public health, such as nursing, social work, allied health professions, and environmental health.

Since 2015, the Ministry of Health has supported nearly 30 students in the areas of medicine, nursing, social work, physiotherapy, pharmacy, counselling, dentistry, and occupational therapy. This is a worthy investment in Bermuda's health workforce.

Madam Chairman, business unit 31020, Corporate Services, serves to support my office and leads major policy initiatives and PATI implementation.

Significant policy and legislative changes achieved in the last year include amendments to upgrade the Psychological Practitioners Act, the Allied Health Professions Act, and now the Midwifery and Nursing Act, the Day Care Regulations, legislation impacting operations of the Chief Medical Officer, and the Mental Health Act. In addition, we have developed and implemented the Care Homes Code of Practice, which is raising standards across the Island's rest homes; and we overhauled the child day care regulatory regime to protect the well-being and safety of our children.

Madam Chairman, these are excellent achievements that Honourable Members in this House supported unanimously and helped move Bermuda forward in protecting the public.

With respect to the Public Access to Information (PATI) Act responsibilities, the Ministry of Health continues to be disproportionately burdened. Again, while we fully support the spirit and intent of PATI and go to more lengths than most to provide accountability and transparency to the public through our website, *Health eBites*, *Issue Briefs*, as well as *Vital Signs* newsletters, PATI implementation is costly and draws resources away from material public health needs.

This year, my Ministry has handled 17 PATI requests to date, including seven internal and seven ICO reviews, some of which have been open for over a year. These absorb a tremendous amount of staff time and resource that is out of proportion to any possible benefit to the public. By way of an example, Madam Chairman, just one PATI request that was studied to assess its impact required an excess of 337 man-hours and cost the government well over \$20,000. Madam Chairman, this cannot possibly have been the intent of PATI. I would have much preferred to have given that \$20,000 to a rest home or to a homeless programme. But instead, this public money was spent on satisfying the curiosity of one requester. And it is a regrettable usage of the public's money.

Major Policy Changes

Hon. Kim N. Wilson: Madam Chairman, amongst the most significant policy changes in the current year has been the introduction of the sugar tax, jointly with the Ministry of Finance. This initiative was in our platform and the 2017 Throne Speech, and was developed quickly to send the strongest message to the community that Government is serious about tackling obesity and chronic diseases.

The sugar tax was introduced with the intent of shifting public choices towards healthier behaviours. Lowering our sugar consumption is necessary to combat our obesity, diabetes, and kidney-related disease rates, which are driving up health care costs untenably. Under the new tax, both consumers and businesses benefit from avoiding sugar-based products. We welcome and encourage entrepreneurship in tapping into the public's increasing demand for healthier alternatives with reduced or no sugar. A market exists for this, and more and more products can be seen on many retailers' shelves, reflecting the changing mood and tastes of the population.

As of the 1st of April this year, the rate goes up to 75 per cent, and it will also be applied to chocolate and cocoa preparations containing added sugar and to sugary breakfast cereals. This is in alignment with the original consultation feedback, which called for application to a wider set of items. In addition, Madam

Chairman, changes to the tariff code will be made to ensure drinks that do not contain sugar are not subject to tax.

In addition, Madam Chairman, the Ministry advanced its 2018 Throne Speech initiative on health financing reform. Consultation was conducted with an [appointed] Stakeholder Consultation Group, including insurers, health professionals, charities and patient representatives. Excellent feedback was gathered, which is being considered to enable a final determination on a way forward. I expect that we will be able to advance this further before the summer. Updates are provided regularly through our newsletters and on our website.

Plans for the Upcoming Year

Hon. Kim N. Wilson: Madam Chairman, under this business unit, we will be bringing some legislation changes in the upcoming year, including updates to health professional statutes to upgrade and standardise all health professionals' regulation, modernise the Medical Practitioners Act, and upgrade the Dental Practitioners Act. We are also preparing consultation to reform the handling of health professional complaints to develop a more effective, streamlined tribunal structure that will ensure that complaints against health professionals are handled faster and more consistently.

In addition, Madam Chairman, as I indicated previously, a lot of movement has been taking place under the auspices of the Bermuda Health Strategy to put our health care system on a sustainable path forward. We have an ambitious agenda and are relentlessly focused on improving access for all, increasing affordability and better patient outcomes. These are the priorities for our health system and require us to have the courage for transformational reform. We need to do things very differently if we want to get different results. The time for change, Madam Chairman, is now.

Office of the Chief Medical Officer

Hon. Kim N. Wilson: The Office of the Chief Medical Officer can be found, Madam Chairman, at pages B-167 to 172 of the Estimates of Revenue and Expenditures. Moving now to business unit 2102 (under Head 21), which pertains to the Office of the Chief Medical Officer [CMO], its total budget for fiscal year 2019/20 is \$1,074,000, which funds two cost centres, namely, 31030, the Healthcare Registration and Regulation; and 31040, Epidemiology and Surveillance Unit. The office consists of eight full-time employees and a consultant pharmacy inspector providing service equivalent to 0.25 of a full-time employee.

The responsibilities of the Office of the CMO fall under four broad categories. First, the office registers health care professionals and health care facili-

ties, such as pharmacies, clinical laboratories, and diagnostic imaging facilities. It monitors credentials, qualifications and standards of practice, and receives and addresses complaints against health care professionals.

Second, the office's pharmaceutical drugs control responsibilities include monitoring the importation and export of controlled (banned) drugs and related products to ensure that these items are safe and are delivered to the appropriate persons. The office issues personal and commercial importation licences for controlled drugs and ensures that the Island is upholding the controlled drug quotas agreed by the International Narcotics Control Board [INCB] in Vienna, Austria. The INCB monitors the implementation of the United Nation's international drug control conventions.

Third, the Office of the CMO provides health protection and community health assessment functions through the work of the Epidemiology and Surveillance Unit [ESU]. The Epidemiology and Surveillance Unit monitors the occurrence of diseases on the Island, both infectious disease (communicable diseases) and some chronic non-communicable diseases, to help prevent and control these diseases. The unit receives reports from health care providers and facilities, and investigates possible outbreaks. Its staff advises health care professionals and the public on managing infectious diseases which have the potential to spread throughout the community.

The ESU also conducts intermittent community health surveys to monitor and document the health of the population, and it shares assessment information with the public, with government departments, and with collaborating institutions in order that appropriate public health actions can be taken to prevent and control diseases.

Finally, the Office of the CMO performs various statutory functions and services required by Bermuda law, such as granting permission for burials, relief of customs duty, advising government on health matters, and serving on and supporting the work of statutory boards and councils. The office serves as the national public health focal point for communications coming from and going to international agencies such as the World Health Organization and the INCB. Many of these communications relate to funded training opportunities for health sector workers.

Madam Chairman, of the Office of CMO total budget, \$630,000 is allocated to Healthcare Registration and Regulation. This year, the section registered 870 health care professionals and processed 248 statutory requests from the public. Of these, 129 were commercial drug requests.

Also in this fiscal year, the office launched the inaugural online reregistration of medical practitioners, allied health professionals and pharmacists. The need for automation of these processes was long-awaited and not without challenges. We are satisfied that the tedious manual procedures are being replaced by

more efficient and thorough electronic procedures. An online process for initial registration of all health professionals will be implemented in the coming year.

The Registrations Section continued to meet its performance targets by publishing accurate health care professional registers and supporting the professional statutory boards in their registration and complaints-handling responsibilities. For the coming year, the office expects to complete the policy development required to update the Medical Practitioners Act 1950, and to update the Standards of Practice for Medical Practitioners.

Regulatory responsibilities were weighty in the past year due to the steady flow of complaints which were handled within the Professional Conduct Committees. These procedures require costly legal support. As a result, legislative reform efforts continue to be a priority, with the hope of developing complaints-handling procedures that are better suited to the resources available.

Legislative reforms in 2018 transferred some of the regulatory functions from the Office of the CMO to the Bermuda Health Council. Specifically, the registration of health care facilities is an initial step. Regulatory support for professional boards will also be transferred to the Health Council over the coming fiscal year, starting with allied health, dental professionals, and optometrists and opticians. This will allow greater focus of resources on the regulation of medical practitioners and on essential health protection and community assessment functions within the Office of the CMO.

A sum of \$444,000, Madam Chairman, has been budgeted for the work of the Epidemiology and Surveillance Unit for the year 2019/20. In 2018, the ESU managed over 600 reports of communicable diseases, investigated 156 individual case reports, and addressed eight major disease outbreaks. I have to stress, Madam Chairman, that this is a mammoth task that was undertaken by three staff members. I cannot underestimate the difference that three people make in keeping Bermuda safe from communicable diseases and their outbreaks.

In addition, the ESU focused on improving the capacity of staff in the office and in the Department of Health to respond rapidly and effectively to public health emergencies such as disease outbreaks. The ESU successfully implemented the Caribbean Field Epidemiology and Laboratory Training Programme, an intensive practical epidemiology training from Caribbean Public Health Agency. We are delighted to confirm that five Ministry of Health employees are expected to graduate successfully from the programme in the coming two weeks.

Work continued in 2018 on the development of the chronic disease register and on the multi-sectorial collaborations to address the threat of antimicrobial resistance [AMR]. Both endeavours are

considered critical public health work and will continue indefinitely, by necessity.

Also, in 2019, Bermuda's second community-wide chronic disease risk factor survey, STEPS 2019, will be implemented. Data from the first STEPS [to a Well Bermuda] survey of 2014 informed policy development and planning. It will indicate progress, or lack thereof, made in addressing chronic disease risk factors such as obesity, sedentary lifestyle, tobacco and alcohol use, and poor diet. As always, the purpose of obtaining such public health information is so that effective strategies and actions involving the whole of society can occur to protect and promote the population's health.

Madam Chairman, this ends my presentation for business unit 2102, the Office of the Chief Medical Officer.

Ageing and Disability Services

Hon. Kim N. Wilson: Ageing and Disability Services, Madam Chairman, can be found at pages B-167 to B-172 of the Budget Book. Line item 2103, Ageing and Disability Services [ADS], can be found listed as the National Office for Seniors and the Physically Challenged.

Madam Chairman, ADS's mission is *to improve the quality of life for seniors and persons with physical and intellectual disabilities*. This is achieved by regulating care homes, coordinating and ensuring the delivery of programmes, and by collaborating with a network of stakeholders.

Madam Chairman, Ageing and Disability Services has a budget of \$2,883,000, which is the same as the previous year's budget, though \$788,000 higher than the revised estimate.

ADS operates two programmes, Madam Chairman. One is the Ageing and Disability Services, which is cost centre 31135, and the second is the K. Margaret Carter Centre, which is cost centre 31160.

Madam Chairman, the K. Margaret Carter Centre (or KMCC) provides direct support for persons with intellectual disabilities in the community through day programme services. KMCC has a budget of [\$1.86] million to fund 19 staff delivering direct client services to 51 service users participating in six different programmes. In 2018, all vacant posts, with the exception of one, were filled at KMCC, making it a total of 18 permanent staff. However, the staff-to-client ratio remains too high, causing untenable shortages when permanent staff is out sick or on leave. Accordingly, the Management Consulting Services [MCS] has begun an operational and staffing review to improve the efficiency and service quality of KMCC.

A key KMCC programme to highlight is the community-based employment programme. The Training and Employment Division engages clients in meaningful work, based on their skill level and their area of interest. At present, Madam Chairman,

[92] per cent of a select group of clients work in various businesses across the Island, while 93 per cent participate in in-house contract work and receive stipends from local businesses for the completion of short-term projects.

In addition, over the last year, KMCC has partnered with MWI's programme for persons with intellectual disabilities to increase opportunities to clients and their families for enhanced client development. Part of this collaboration is the use of client-centred passports geared to the client's personal care and enhanced development needs.

Madam Chairman, outside of KMCC, the Office of Ageing and Disability Services focuses on public education and awareness, accessibility, compliance, and case management.

Speaking of case management, Madam Chairman, that represents the largest staffing component for the office. And as of January of 2019, the outstanding and essential posts of case manager supervisor and three case managers were filled. However, due to two staff members being on maternity leave, the office will remain understaffed until April of 2019.

Despite the staffing shortages, ADS continues to manage both general and complex cases for seniors and persons with disabilities in our community. In 2018/19, the team managed 168 general cases and 24 complex cases. Complex cases are heavily time intensive and difficult to manage, most often due to the clients' and/or the government's limited and fragmented support system. In 2019, the office is working on solutions to address some of the primary challenges in this area, including consideration of public receivership options and required support funding.

A major step in 2018 to strengthen case management services was the purchase of a case management software programme. Ageing and Disability Services spent \$50,768 on this software and training to improve data collection and tracking. The software will certainly help facilitate and ensure more standardised delivery of ADS supports and future system planning.

Compliance. As part of their remit, ADS oversees the Senior Abuse Register Act 2008, the Residential Care Homes and Nursing Homes Act 1999, the personal home care benefit provider registration process, and accessibility building inspections and permit reviews in partnership with the Department of Planning.

In 2018, there were 32 reported and investigated cases of alleged senior abuse, which include physical, psychological and sexual abuse, financial exploitation and neglect. ADS and its partners remain challenged with investigating cases of abuse, especially for an end result of prosecution, due to the complexity of the family, health, care and support circumstances that surround these cases, but also due to our legislative structure. The Ministry is looking for struc-

tural and/or legislation this year to improve the protection and support for all adults in need of such.

For care home compliance monitoring, in 2018, ADS received 15 care home complaints and conducted 15 investigations. At present, with the assistance of a contracted inspection officer, ADS has a 24-hour response rate to care home complaints.

In 2018, twenty licensed care homes received a comprehensive inspection, using a significantly upgraded inspection tool and process based on the new Code of Practice for Care Homes. The code was published as result of the 2017 amendments to the Act and explicitly outlines standards of care, including a Bill of Rights. Care homes have been given a year to address deficiencies against the new code, as of December 2019 re-licensing process will include compliance grades and associated relicensing fees to increase accountability, transparency and, ultimately, the quality of services.

With an ageing population, the demand for long-term care services will grow, including home care, and ADS is seeing this demand through their registration of personal home care providers paid through HIP and FutureCare benefits. Currently, the register has over 500 self-employed home care providers and 14 home care agencies in 2018, compared with 185 home care providers and 10 home care agencies in 2017.

The Ministry is currently reviewing and upgrading the registration process and developing standards for this sector to improve public protection, due process, and quality of care.

Madam Chairman, Education and Awareness are essential components to ADS's mandate. Key achievements and work completed over the last year include the following:

- An Education Officer was seconded in to provide education and professional development programmes to care home staff to facilitate compliance with new Code of Practice;
- The ADS accessibility officer completed over 56 inspections for compliance, but also for consultation and advice to promote accessible design to the community;
- The Disability Advisory Committee and the ADS celebrated the United Nations Day for Disabilities on the 3rd of December in partnership with KMCC, MWI, and the Department of Workforce Development, through an outreach and awareness event focusing on employing persons with disabilities; and
- ADS engaged senior groups across the Island regarding offered services and senior abuse. This included stakeholder relationship-building and collaboration to provide education and awareness with the Bermuda Police Service, the Department of Community and Cultural Affairs, and Mid-Atlantic Wellness (MWI) Institute, to name a few.

Madam Chairman, the work of the ADS team is mammoth, and it serves as a proxy for adult social services. However, it cannot fulfil this role with its current structure, resources and legislation. Despite this, however, the staff perform herculean tasks every single day, assisting vulnerable seniors and persons with disabilities where there is no one else to help.

Bermuda Health Council

Hon. Kim N. Wilson: Madam Chairman, the Bermuda Health Council is at Head 21. I want to highlight the work of the Health Council, which is a quango under the Ministry and whose operations are funded in large part through a government grant, to advise and make recommendations on health system matters to the Ministry.

Madam Chairman, the Bermuda Health Council's general purpose is *to regulate, coordinate and enhance the delivery of health services*. The grant for the Bermuda Health Council can be found on page C-17, representing cost centre 6895, under the Ministry of Health. In 2019/20, the Health Council's grant will be \$800,000, which is a return to the grant level given in 2017/18 and 2016/17. The Health Council's total revenue is supplemented by a transfer from the Mutual Reinsurance Fund [MRF], and licensing fees paid by health insurers, for a total budget of \$1.7 million for 2019/20.

Madam Chairman, in 2018/19, the work of the Health Council centred on four strategic areas: quality and standards, regulation, finance and economics, and audit and governance, as well as its mandate to disseminate information to the public. Some of the year's achievements were as follows:

The Health Council facilitated active use of the unique patient identifiers with 14 public and private health service providers, encompassing approximately 1,400 patients. This is a progressive step toward more accurate patient reporting, improved continuation of care, and reduction in health costs associated with unnecessary testing and treatment.

In an effort to enhance the quality of health services provided, the Health Council collaborated with two statutory boards to develop a standards of practice assessment tool, which provides guidance on measuring compliance with and effectiveness of professional standards of practice.

In line with its mandate to identify goals and make recommendations about health services, and ensuring services are provided to the highest standards, the Health Council conducted nine health technology reviews between April and December of 2018. This process involved review of proposed health services to ensure that they would address the care needs of Bermuda's residents and would be provided at an appropriate standard.

Madam Chairman, the Health Council maintained its goal of improving data validity in 2018/19 to

enhance health system analysis and planning. The Health Council collaborated with private and public insurers to identify opportunities to improve accuracy in the data that the insurers receive and improve their internal processes for claims adjudication.

In an effort to increase access to necessary and cost-effective care for all residents, the Health Council reviewed applications from community facilities to provide services under the regulated health insurance package, also referred to as the standard health benefit.

Madam Chairman, between April and December of 2018, the Health Council investigated 231 employer health insurance policies reported as inactive, and conducted nine inspections, representing 1,231 employees.

After investigation and responding to 81 complaints and queries, 40 per cent (or 92) of the policies were reactivated and 37 per cent (or 454) of the employees regained health insurance coverage.

Financing and Economics

Hon. Kim N. Wilson: Madam Chairman, the Health Council published the 2018 National Health Accounts Report, which details total health system expenditure of \$723 million, which reflects an increase of 2.26 per cent and a per capita expenditure of \$11,336.

The council conducts the annual actuarial review of the standard premium rate and published the 2018 Actuarial Report inclusive of premium recommendations for the MRF and standard health benefit.

Madam Chairman, in 2018/19, the Health Council also began to consult about proposed changes to the structure and application of the medical and dental charges, which are the regulated chargeable amounts for non-hospital physicians and dentists who provide services in the hospital.

The proposed changes are intended to address long-standing concerns around appropriate reimbursement for complex medical and dental procedures.

Audit and Governance

Hon. Kim N. Wilson: Madam Chairman, to continue its track record of timely financial transparency, the Health Council, in close collaboration with the Auditor General, tabled its audited financial statements and 2017/18 Audit Report in June 2018.

The Health Council held a Strategic Planning session where the board and secretariat discussed the strategic vision of achieving a quality, equitable and sustainable health system by addressing local and overseas care costs, out-of-pocket payments, data accuracy, accessible essential care for all, support for a reduction in chronic kidney disease, and enhanced collaboration and care integration.

Information Dissemination

Hon. Kim N. Wilson: Madam Chairman, to enhance public education and encourage public awareness and involvement, the Health Council released key pieces of information about the health system and any proposed or upcoming changes. In 2018/19, this included two issue briefs, four information briefs, and one procedure summary. This was also supported through an improvement in its transparency around interactions with different stakeholder groups.

Looking Forward to the Future

Hon. Kim N. Wilson: Madam Chairman, in 2019/20 . . . excuse me.

[Pause]

The Chairman: Minister, I will just take a minute to just remind the listening audience that we are in Committee of Supply for further consideration of the Estimates of Revenue and Expenditure for the year [2019/20]. And we are currently doing the Ministry of Health, under Head 21.

Hon. Kim N. Wilson: The Health Council will continue its involvement in health system and financing reform to ensure affordable and accessible health coverage for all and achieving a more value-based health system. The Health Council will also continue its work on the development of an essential medicines list and associated regulations, as a step forward toward achieving its mandated function to regulate the price at which drugs are sold.

In June 2019, the Health Council's regulatory oversight will increase in accordance with the Chief Medical Officer (Transfer of Functions and Validation) Act 2018 to include diagnostic imaging facilities, clinical laboratories and hospitals.

In 2019/20, the Health Council will enhance its enforcement of the claims regulations in an effort to further improve the reliability of health system data in aid of health system planning and to better understand health costs.

And finally, Madam Chairman, I would like to acknowledge the 2019/20 Bermuda Health Council board members, whose expertise will contribute to its ongoing achievements. The members are as follows:

- Dr. Alicia Stovell-Washington, Chairperson;
- Mr. Granville Russell, Deputy Chairman;
- Dr. Annabel Fountain;
- Mr. Sandro Fubler;
- Dr. Darrien Ray;
- Dr. Claudette Fleming;
- Mrs. Michelle Jackson;
- Mrs. Laure Marshall;
- Mr. Peter Parker;
- Mrs. Venetta Symonds; and

- Ms. Cynthia Thomas.

In addition, I would also like to acknowledge the ex officio members of the Board of the Health Council, the Permanent Secretary for Health, the Chief Medical Officer, and the Financial Secretary.

Madam Chairman, this concludes my remarks on Head 21, Ministry of Health Headquarters.

HEAD 22—DEPARTMENT OF HEALTH

Hon. Kim N. Wilson: Head 22, the Department of Health, can be found in the Budget Book at pages B-173 to B-183. Madam Chairman, the Department of Health's vision is *Healthy People in Healthy Communities*. The department promotes and protects the physical, psychological and social well-being of the community, to enable Bermuda's residents to realise their optimum quality of life. On page B-176, we see that 285 Department of Health officers work in 25 programmes to ensure the health and well-being of the general population. The total current expenditure is estimated to be \$28,817,000 for 2019/20 and represents a decrease of \$95,000, so that, overall, the budget is very slightly reduced from the 2018/19 original budget.

The Health Department's overarching strategic theme is *to halt the rise of obesity and diabetes*. To this end, the Health Promotion Office develops and implements policies, programmes and products that will promote health and wellness in the community, in collaboration with public health partners. The Department of Health has initiated a whole-of-society approach to halting the rise of obesity and diabetes locally.

Madam Chairman, the Speech from the Throne 2017 stated, "The Government will lead the way in wellness by encouraging its employees to make healthy choices, and will contribute to their well-being by offering programmes, incentives, and education to support the journey to a healthier public service."

The Department of Health is collaborating with the Department of Human Resources, GEHI, and Information and Digital Technologies to form the Government of Bermuda [GOB] Employee Wellness Committee to develop the Government of Bermuda's Employee Wellness Programme, which is branded as [#choosewellness](#). The committee will be rolling out various initiatives in the near future to encourage and support public servants to lead healthier lifestyles.

Madam Chairman, the Healthy Schools Programme promotes health in schools through community health partners, and Department of Health school-based programmes such as Child and School Health, Nutrition Services, Oral Health, Community Rehabilitation Services, and Environmental Health. Healthy Schools has been adopted by 28 of 31 public and private schools, since 2014.

The Premier's Youth Fitness Programme [PYFP] is administered through Healthy Schools. Whilst the programme, implemented by the Premier's Council on Fitness, Sports, and Nutrition, has its roots in all public school levels, the primary aim is to increase the level of physical activity and healthier eating in children and teens, and their families.

Madam Chairman, the 2019/20 budget estimates for Health Promotion and Healthy Schools are listed as cost centres 32240 and 32265, on page B-174, and the combined 2019/20 budget estimate is \$458,000.

Madam Chairman, Nutrition Services has been working towards healthy eating practices within the Health Department's Obesity and Diabetes Framework, which was developed with community-wide consultation and engagement.

Sustainable Nutrition supports accessibility, availability and affordability of healthy foods to all. Programmes include the *Grow. Eat. Save.* workshops, which have been facilitated in partnership with Instructor Chaplain Kevin Santucci, the Department of Parks, the Department of Environment, the Bermuda Agricultural Group, the Devonshire Seventh-day Adventist Church, Animal and Garden and Brighton Nursery. Two workshops, with 54 graduates, have continued, with five weeks of theory and expanded to three months practical experience.

Community Gardens are being promoted in partnership with the Department of Parks, Green Rock, and Keep Bermuda Beautiful, in consultation with the Planning Department, to develop guidelines for the establishment of parish community gardens.

Nutritionists are collaborative partners with the Health Visitors, establishing that the exclusive breastfeeding rates, at age six months, in Bermuda is 16 per cent. This is an increase from a very low 1 per cent rate measured in 2001. This highlights the barriers to breastfeeding in our community, such as the need for policies supporting breastfeeding in workplaces. Continuing policy work includes drafting the Department of Health's Breastfeeding Policy, collaborating with KEMH Maternity Ward for a Baby-Friendly Hospital Initiative, and partnering with WHO/PAHO in the drafting of the Health Department's Infant and Young Child Food Policy.

Community education includes collaboration with the Ministry of Education, the Argus Group, Healthy Schools, the Department of Health, and the Bermuda Dieticians Association in facilitating the School Lunch Challenge, in which 12 schools receive awards for participating, and 23 overall students winners from P1 to M1.

Madam Chairman, the 2019/20 budget estimate for Nutrition Services is listed as cost centre 32110 on page B-173 and is \$189,140.

Madam Chairman, the mission for the Maternal Health and Family Planning Clinic is *to provide women of Bermuda with high quality, accessible and*

affordable reproductive health services, to promote Planned Parenthood amongst women of reproductive age, and to offer antenatal and postnatal care for women who are underinsured or uninsured.

The Department of Health provides the Communicable Disease Clinic—

POINT OF INFORMATION

Hon. Patricia J. Gordon-Pamplin: I am sorry, just a quick point of order.

I lost the Minister with the head to which she is just referring. She is going through it very quickly. And I am trying to copy down and make notes. So, if she would just refer, when it comes to the department heads or the business units, if she could just make sure and slow down a little bit so I can make sure. Then I will not have to come back and ask for it.

The Chairman: So, a point of information with regards to that? Is that what you were asking, just so that the heads are clearly read out?

Hon. Patricia J. Gordon-Pamplin: Yes.

The Chairman: Minister, the Member from constituency 23 has just asked if you could let her know where you are when you are reading in reference to the head and, I guess, the department.

Hon. Kim N. Wilson: I am reading about cost centre 32040—

The Chairman: Basically, she wanted you to slow down a little.

Hon. Kim N. Wilson: Cost centre 32040 at page B-173, for Sexual and Reproductive Health.

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

Hon. Kim N. Wilson: You are welcome.

The Department of Health provides the Communicable Disease Clinic and services to prevent and control the spread of communicable diseases; educates the community about sexually transmitted infections, HIV and other communicable infections; and provides education to promote sexual health.

Last year, Bermuda was formally validated by the Pan American Health Organization as having eliminated mother-to-child transmission of HIV and syphilis. This is a distinguished accomplishment met by few countries, globally.

The management of the two programmes has merged into the Sexual and Reproductive Health Programme.

Madam Chairman, I am now turning to the Clinical Laboratory, which can be found at cost centre 32090, on page B-173. The Clinical Laboratory is sit-

uated at the Hamilton Health Centre. Testing of clinical specimens is performed for child health, school health clinics, oral health, and the sexual and reproductive health programmes. The Clinical Laboratory also serves as the Public Health Clinical Laboratory for Bermuda, and provides specimen handling and international transport services to the Caribbean Public Health Agency [CARPHA] Laboratory in Trinidad for advanced testing for diseases of public health significance. In 2019/20, the Clinical Laboratory will be expanding its testing capacity to support diagnosis in the Adult Preventive Health services.

That again is cost centre 32090, which received a budget of \$276,204.

The Child Health Programme, which is listed as cost centre 23030 on page B-173, will receive the sum of \$2,523,000, which is up from the previous year of \$1,876,307, simply because of the transfer of the Health Visitor's post from another business unit that I will speak about in a moment.

Madam Chairman, the Child and Health Programme consists of four sub-programmes—child health; school health, including asthma education; travel health; and immunisation. The programme provides preventive and curative health services for infants, children, adolescents, adults, seniors, and the traveling public. This is conducted through the various clinics, schools and community settings. Services include health and developmental assessments, screenings, referrals, treatment of minor ailments, health education, health promotion, anticipatory guidance, adults' and seniors' immunisations, and travel consultation for travel to high-risk areas.

Bermuda's Expanded Programme on Immunization [EPI] plans for the needs of vaccines in the Child and Adult Schedules. [The] Expanded Programme on Immunization procures most vaccines through the Pan American Health Organization, ensuring safe, effective, cost effective and quality vaccines. Universal access for many of the vaccines is provided through the public and private sectors.

Vaccine hesitancy is a primary challenge, Madam Chairman. Immunisation coverage was 72 per cent at two years of age in 2017, which is significantly below the global target of 95 per cent coverage. Preliminary data for 2018 is 76 per cent. Low vaccination coverage increases our vulnerability as a community to re-emerging vaccine-preventable diseases, such as measles, diphtheria and whooping cough. The concerns are evident in the low immunisation coverage and confirmed through a poll survey conducted as a part of Vaccination Week of the Americas in April 2018.

To that end, Madam Chairman, the Department of Health has created a working group to address public and health provider concerns. The working group includes Health Department staff, private sector physicians, and community stakeholders. The focus of the working group is education for health pro-

fessionals and the public on the issues. The use of technology for messaging is being explored.

In 2018, the Child Health Programme operated below its established manpower levels. This is reflected in the 32 per cent coverage for five-year-old [health] assessments. However, efforts toward tackling childhood obesity have been prioritised, and the data suggest a stationary 22 per cent of all five-year-olds are overweight or obese.

The community health nurses continue to monitor lunches for all 10-year-olds and educate on healthy nutrition. Health information is also sent home, Madam Chairman, to parents.

Madam Chairman, turning to Occupational Therapist and Physiotherapist [OT/PT] Services, which is located in the Budget Book at cost centre 32080 and 32120, on page B-173. The budget for 2019/20 is \$1,035,000 and \$1,022,000, respectively. Madam Chairman, occupational therapist and physiotherapist services are provided to maximise the functional potential of individuals with delays in normal motor development or with physical movement challenges. The OT/PT team comprises nine occupational therapists, eight physiotherapists, one coordinator, and one team secretary who is shared with the programme.

The OT/PT Seniors Team aims to increase awareness of health prevention for seniors and to support clients to remain as independent as possible in their own homes. Therapy's Seniors Team conducts home safety and falls risk assessments for all seniors who are referred, with the intention of minimising the risk of falls at home. Client and caregiver training are provided to maximise function and promote "ageing in place."

The Seniors-based Team continued to be involved with interdisciplinary rest home inspections to ensure that all licensed facilities were in compliance with rest home standards. Additionally, educational talks for residential care facilities were conducted to decrease risk of falls and increase awareness of equipment used to improve independence.

The OT/PT Paediatric Team aimed to increase early recognition of developmental delays and to provide a more equitable service for children and young people with sensory motor delays throughout the year and not just during the school term time. School-age children with additional learning needs due to complex health conditions and/or sensory motor delays require regular monitoring and intervention to retain their functional ability and to access education.

Last year, the Paediatric Team continued to partner with WindReach to provide treatment intervention to school-age children with complex needs and/or sensory motor delays. These services proved beneficial in reducing the risk of regression of motor skills prior to the start of the year.

Madam Chairman, the school-based Paediatric Team successfully conducted motor screens for all students entering Primary-1 public schools. During the screening event, parents had the opportunity to ask therapists about their child's motor skills and learn about activities to help children stay physically active and further develop motor skills.

Madam Chairman, I would like to turn now to the Speech and Language Programme, which can be found at page B-173, cost centre 32100. For the 2019/20 estimate, this programme will receive \$1,592,000. Madam Chairman, the Health Department's Speech and Language Programme provides community-based speech therapy services in homes, schools, and clinic settings across the Island. The ability to communicate effectively is one of the foundations for a healthy community. Speech language pathologists work to promote functional communication skills, as well as to prevent life-threatening complications that may occur during eating and drinking.

The Health Department's Speech and Language Services provide community-based therapy services to infants and children who may be experiencing communication or swallowing challenges. Therapy services include the provision of prevention and promotion information, screenings and assessments, as well as intervention. This year, 83 children were referred to the early intervention programme, with 50 of these having been seen for a screening or assessment. In total, 48 students have been referred to the school-based programme, all of whom have received a full assessment. A combined 334 clients were followed for regular intervention by both programmes.

Madam Chairman, turning now to the Community Health Nurses, which can be found at page B-172 [*sic*], cost centres 32060 and 32010. Their combined budget—

[Inaudible interjections]

Hon. Kim N. Wilson: Yes, thank you. Page B-173. (I am glad you are listening.)

And their combined budget estimate is \$2,644,000. Again, that is page B-173. I beg your pardon. Cost centres 32060 and 32010, page B-173. Those are the Community Health, Madam Chairman, and the Community Health Administration.

Madam Chairman, community health nurses are responsible for ensuring that the adult population, from age 18 until end of life, has access to health services. Madam Chairman, the analysis of the results of the "Taking It to the Streets" screening initiative showed a high prevalence of behavioural risk factors, such as physical inactivity, tobacco and alcohol use; high prevalence of self-reported non-communicable disease diagnoses, such as diabetes, which represents 16.4 per cent, and hypertension, which represented 38.4 per cent; whilst only approximately 50 per

cent of those diagnosed reported current treatment. Biomedical assessment revealed that almost two out of three were overweight or obese, and four out of five had elevated or high blood pressure.

Madam Chairman, the Bermuda Health Strategy 2014–2019's Health Sector Goal 13 speaks to this, and I quote, "Increase the access to interventions to prevent and manage non-communicable diseases and their risk factors, in order to reduce the burden of chronic non-communicable diseases to Bermuda." As such, the community health nurses will further expand their roles to provide services through the adult preventive health care services. Adult preventive health care services are medical care that focuses on disease prevention and health maintenance, including early diagnosis of disease; discovery and identification of people at risk of development of specific problems; counselling and other necessary referrals; and interventions to avert a health problem.

The Adult Health Programme consists of three sub-programmes, namely, Correctional Health for medical services to inmates in correctional institutions; Occupational Health for medical assessment of recruits to the uniformed services, and Occupational Health services to government employees in hazardous and high-risk occupations; and Forensic Services to the Bermuda Police Service [BPS] and medical supervision of detainees in police custody.

During 2018, 110 clinical sessions servicing 1,020 inmate medical consultations were conducted at Westgate facility. Also, 86 per cent, or 176 new inmates received an initial medical examination within 72 hours of intake. Fifty-six recruitment medicals were completed for the uniformed services, which include police, fire, and corrections. During calendar year 2018, a total of 43 BPS forensic call-outs during working hours and 96 after hours, a total of 139, were serviced.

Madam Chairman, the Oral Health Section, which I would like to continue with, can be found at cost centres 32150, 32155 and 32160, at page B-174. And their combined 2019/20 budget estimate is \$1,497,000. Again, that is with respect to oral health.

The Oral Health Section provides comprehensive dental services to Bermuda's children up to the age of 18 years old, as well as seniors 65 years and older, priority groups, and others including the prisoners at the co-ed and other institutions. These services include prevention, consultation and dental hygiene services, as well as other restorative clinical services. Some of these services are free of charge. The services have now expanded to include full-time dental service at the St. George's clinic, and plans are on the way to provide clinical services to Somerset in the near future.

Preventive services are provided at the schools. The preventive dental staff visit each classroom in the pre-school and primary school settings to provide oral hygiene instructions, fluoride supplement-

tation in the form of drops and tablets, and the screen and seal programmes at the schools, which have been very effective in protecting the children's teeth and reducing the incidence of tooth decay.

Madam Chairman, the Central Government Laboratory, which can be located in the Budget Book at page B-174, cost centres 32200, 32210 and 32220, has a combined 2019/20 budget estimate of \$1,220,000. Again, that is with respect to the Central Laboratory. And that provides a wide range of analytical services.

The forensic programme performs seized drug and toxicology analysis. The seized drug analysis section has seen a change in the type of submissions to the laboratory, particularly those involving [tetrahydrocannabinol] THC-containing products. The product types submitted are no longer the traditional cannabis plant or resin, but are coming in the form of the ever-increasing and popular edibles. The edibles that have been submitted to the laboratory for analysis include gummy candies, lollipops, chocolate and THC-containing e-cigarettes [e-joints]. All include concentrated extracts of THC.

As a direct consequence, toxicology analysis has increased in the clinical area for patients who present themselves to the Emergency Department at KEMH with symptoms of apparent paranoia and psychosis.

The Water and Food Programme continues to perform analysis of potable and recreational water samples, dairy products and food, working closely with the Environmental Health Section. There were 3,832 water samples tested in the prior budget period, and samples for this budget period are showing a further increase. As well as the analysis of dairy products to meet legislated standards, food samples are now being collected routinely from licensed food preparation and retail establishments, and tested for bacterial quality and the presence of disease-causing microorganisms.

Vector Control, Madam Chairman, which is going to be located in the Budget Book at page B-174, at cost centre 32190, has a 2019/20 budget estimate at \$1,637,000. Vector Control is a hard-working team that gets results and ensures that threats of rodent-borne and mosquito-borne diseases like Dengue (I am looking at the former Minister. I said I was going to get that right!), Chikungunya and Zika do not manifest themselves in Bermuda.

Always trying to improve its services, Vector Control has piloted the use of novel rodenticide baits that include rat birth control. Residents are reminded that the best way to limit rodent numbers is to deny rodent access to food sources, such as garbage, by using lidded, metal trash containers and not putting trash out on non-pickup collection days.

The New Day Care Standards, Madam Chairman, were released in November of 2017 and updated in 2018. All stakeholders involved in child

care, from the government agencies to parents and child care providers, are now clear on what is expected from them. A renewal of the oversight system for Bermuda's—

The Chairman: Member from [constituency] 23, do you have a question?

Hon. Patricia J. Gordon-Pamplin: Thank you, Madam Chairman.

Yes. We were just talking about Vector Control. And now I am hearing about child care. So, I am just wondering if the Minister can go back and highlight what head she is speaking about, because obviously we have moved on to something different.

The Chairman: Minister, can you clarify, please?

Hon. Kim N. Wilson: Yes. Child Care Standards comes under the Department of Environmental Health. It is not Vector Control.

Hon. Patricia J. Gordon-Pamplin: So, you were just talking about Vector Control. Okay.

Hon. Kim N. Wilson: It comes under the Department of Health. I am trying to truncate this brief. It is . . . (just a moment).

[Pause]

Hon. Kim N. Wilson: I will have to get that information for the Honourable Shadow Minister. This is with respect to the Day Care Standards, which I do not believe are associated with a cost centre. It is just the standard that we have for implementation of the day care standards. But if it relates specifically to a cost centre, I will get that information this afternoon.

The Chairman: So, the Minister will get that information to you.

Thank you, Minister. Proceed.

Hon. Kim N. Wilson: The stakeholders involved in the government agencies to parents and child care providers are now clear on what is expected. And a renewal of the oversight systems for Bermuda's child care settings has also since resulted. I did provide Honourable Members last week, Friday, with full details concerning that during the course of a Ministerial Statement. So, I will not further repeat myself from last week, just to ensure that we have a proper use of our time.

Madam Chairman, the Environmental Health Section continues to provide monitoring, investigative and regulatory functions in such diverse areas as food safety, occupational safety, nuisance control, water safety, and tobacco control.

Occupational Safety and Health, which is cost centre 32270, at page B-174, is being rejuvenated, with the recruitment underway for a safety and health inspector, to enable more proactive inspections and industry outreach and collaboration. The aim is to increase adherence to occupational safety and health standards, thereby reducing the number of workplace accidents, ill health conditions, and dangerous occurrences.

Environmental Health carries out inspections of cruise ships and other vessels visiting the Island. This port health function is central to Bermuda's compliance with international health regulations.

Madam Chairman, the budget estimates for Environmental Health are listed on page B-174, as cost centres 32170, 32270, 32171, 32172, 32173, 32175, 32180 and 32285, and their combined budget, which excludes Vector Control, is \$2,297,000.

Madam Chairman, turning now to page B-173, which addresses cost centre 32015, the Sylvia Richardson Care Facility, for 2019/20, the budget estimate—

[Inaudible interjection]

Hon. Kim N. Wilson: Pardon me?

Again, page B-173, cost centre 32015, Sylvia Richardson [Care Facility], is \$5,690,000. The Department of Health operates two exemplary long-term care facilities, Sylvia Richardson Care Facility (SRCF) in St. George's, and Lefroy Care Community in Sandys. They provide care and promote independence and optimal health in persons aged 65 years and over.

Madam Chairman, Lefroy House Care is also at page B-173, line item, cost centre 32000. Both of these facilities provide care and promote independence and optimal health in persons age 65 years and over who have significant nursing and care needs requiring 24-hour facility-based care.

Although the standard of care at Lefroy House is second to none, the physical plant has exceeded its useful life and no longer serves our elders well. Lefroy House is close to sea level, and its exposed location has caused it to be damaged by several hurricanes in past years. The Government has now set aside a parcel of land in the vicinity of Rockaway, in Southampton, for the re-location of Lefroy House, and that will also serve as a community health centre for the West End residents.

Additional funding was also approved last year for re-opening 10 nursing beds at Sylvia Richardson Care Facility. Although the 10 beds were previously designated, occupied and funded as the "assisted living," or more independent-care level, it was recognised that this no longer reflects the level of care needed in the population.

Last year's increase in funding and staffing will allow for all 43 beds to be "nursing-care level."

New staff have been hired, and as of February 2019, new residents have begun to be admitted. It is anticipated that all vacant beds will be filled by the end of March 2019.

Revenues

Hon. Kim N. Wilson: Madam Chairman, with respect to Revenues for the Department of Health, that can be located at page B-175. The Revenues for the 2019/20 year are projected at \$3,610,000. These revenues come from the sale of medications, vaccines and biologicals; fees for clinical services; patient fees from the two long-term care facilities; as well as fees for licences and permits issued by the Environmental Health Section of the department.

That concludes Head 22.

HEAD 24—HOSPITALS

Hon. Kim N. Wilson: Turning now to Head 24, which is the Hospitals, that can be located at pages B-184 to B-185 of the Budget Book. Madam Chairman, Bermuda remains severely challenged, like many developed countries, in providing affordable health care services to an ageing and increasingly unhealthy population. Having the Island's only hospitals, and being the largest provider of health care services, Bermuda Hospitals Board [BHB] is frequently a [point of] focus in discussions of how to manage costs.

I would like to start with a national view. Madam Chairman, whilst diagnostic technologies and services, specialist physicians and surgeons, and leading-edge therapies have all been developed and provided at our local hospitals, and increasingly in the private sector, these do not address Bermuda's biggest issues related to health: a growing senior population that has increased from 14 per cent in 2010 to [a projected] 20 per cent in 2020, and people with multiple chronic diseases called "multimorbidity." We cannot lose specialist services which serve many people on the Island very well.

But the bigger question is how the entire system can respond to the community's most pressing health needs. These tend to play out in the hospital at the moment, as it is frequently the only safety net for some of the most vulnerable and unwell people in our community.

This is the big picture that we have to address, and BHB is a willing partner in seeking to address it. For just as government, businesses, and individuals in Bermuda cannot afford the spiralling health care costs, neither can our hospitals.

Both King Edward and the Mid-Atlantic Wellness Institute are working with increasing demand, comorbidity, limited ability to reduce the surge of people in need coming through the doors and limitations on discharging people safely, all in the context of restrict-

ed finances and suboptimal facilities to manage the increase.

BHB Financial Position

Hon. Kim N. Wilson: Madam Chairman, perhaps the most complex challenge facing our health care budget is that Bermuda Hospitals Board cannot fully reduce the country's burden of hospital costs on its own. An effective solution to reduce hospital costs requires the development of solutions outside of the hospitals, both to avoid admissions and to care for post-acute patients when they are discharged.

BHB is in the second year of its Financial Recovery Plan [FRP], which was developed in response to a one-off \$25 million budget cut to hospital subsidy in fiscal year 2018. The Financial Recovery Plan identified a total savings' requirement of \$29 million over a four-year period. The expectation of a fixed income agreement being introduced in 2019 means that this plan is now being revised and further savings will have to be made.

Madam Chairman, in fiscal year 2018/19, BHB expects to achieve a break-even position, having delivered a deficit of \$21 million in the fiscal year ending 2018. This position is, however, non-recurrent and will be supported by a number of technical and one-off adjustments. These include changes to accounting policy on inventory, changes in depreciation policy, and a one-off change relating to the Nurses' Superannuation scheme where provision for this payment is no longer required.

Although not cash-backed, this has allowed BHB to reach agreement on fee charges related to MRI and CT imaging without any requirement for additional funds, thus supporting the wider governmental financial position.

While there have been early successes in holding expenses close to the level last year, revenue related to dialysis and inpatient revenue are projected to decline to \$87 million, compared to \$91 million in 2018. Long-term care revenue for 2019 is projected to be \$27.5 million (compared to \$29.6 million in 2018), with average occupancy exceeding 95 per cent for both years. Dialysis revenue for 2019 is projected to be \$23 million, and this is as compared to \$24.5 million in fiscal year 2018. These [revenue declines] have also continued to cause significant pressure on BHB finances.

Turning to financial year 2019/20, BHB expects operational expenses to increase by at least 1 per cent, reflecting the impact of inflation. This will add \$3.5 million to the forecast outturn expenses position for 2019 of \$335 million.

BHB expects to continue to invest capital funds in its ageing infrastructure, but it is focused on its future strategic requirements by reserving funds within its capital programme for two key developments: (1) the development of an electronic health

record that will benefit the entire population of the Island and will support strategies to improve population health; and (2) the production of a business case for the redevelopment of our KEMH and MWI sites. An initiative that will dramatically improve the facilities' health care is provided, while reducing annual running costs.

Madam Chairman, BHB has invested significant resources in the delivery of its Strategic, Clinical Services, and Financial Recovery Plans. These plans aim to deliver high-quality care within available resources. BHB will not negatively impact clinical quality or financial balance as a result of moving to capped revenue. However, in order to manage utilisation, which, along with inflation, is the main driver of costs, it may have to place clinical controls on the access to non-urgent care.

This may be accompanied by review of the current clinical thresholds in place. The new funding model will require BHB to be more efficient in its use of resources. All processes and procedures will be carefully reviewed, and redeployment roles for staff will be sought where possible.

Hospital Utilisation and Capacity

Hon. Kim N. Wilson: Madam Chairman, like most hospitals, Bermuda Hospitals Board has evolved and grown in line with international best practice and technology. It can treat infectious diseases; manage trauma, mental health and substance abuse issues; and provide the latest specialists and therapies for diseases such as cancer. BHB has also followed international standards by transferring intellectual disability residents out of the institutionalised hospital setting into its group homes.

BHB currently sees over 36,000 attendees annually at the Emergency Department; admits approximately 500 patients per month for inpatient care; has over 1,100 child and adult mental health service users; undertakes over 8,900 surgeries per year in the operating room; conducts over 56,000 diagnostic imaging tests and 3 million lab tests; supports the births of over 500 babies; and cares for 142 dialysis patients, 102 long-term care residents, and 108 hospice patients per year.

At the same time, as people visiting the Emergency Department may have experienced, BHB is under increasing pressure. It is not just the numbers of people coming into Emergency, but it is the complexity of the cases and the multiple health issues they have, the length of time that they need for assessment and diagnostics, and the increased likelihood of their being admitted to hospital. Admissions are up nearly 20 per cent compared to last year.

And yet, discharging patients remains challenging. Families may resist their senior's return, there may not be a nursing home space, community care services are not available enough to support seniors

safely back in their homes, and sometimes it is just because it is raining, or a family member does not come to pick up their senior loved one.

Madam Chairman, this is a major issue in King Edward, but there are similar problems at the Mid-Atlantic Wellness Institute, as well, where beds are also limited. The secure ward, Somers Annex, is over-filled by 30 per cent, and the Somers Ward inpatient unit is nearly 80 per cent full. Even in Child and Adolescent Services, where normally occupancy has historically not exceeded much more than 20 per cent, inpatient occupancy in the last two months of 2018 was 88 per cent and 85 per cent, respectively, and this continued into January.

In pure numbers, mental health inpatient numbers rose from 2,007 [sic] in 2016/17, to 277 in 2017/18, which represents a 35 per cent increase.

The Chairman: Honourable Member.

POINT OF CLARIFICATION

Hon. Patricia J. Gordon-Pamplin: Sorry. It rose from 2,007 to 277. Was that 207? You said 2,007. I just want to make sure that I get the numbers right.

The Chairman: Minister.

Hon. Kim N. Wilson: In pure numbers, mental health inpatient numbers rose from 207 in 2016/17, to 277 in 2017/18, representing a 35 per cent increase.

Fiscal year 2018/19 also saw the culmination of work between BHB, the Ministry of Health, and the Ministry of National Security to relocate a prisoner with a challenging mental health diagnosis to St. Andrew's Hospital in Northampton, England. Secure facilities and trained specialist staff of the kind required to house a patient with this individual's complex mental health needs do not exist in Bermuda. Working with Government, Bermuda Hospitals Board did successfully provide round-the-clock care while the individual waited to be transferred to the UK at a cost of \$400,000. BHB continues to liaise with St. Andrew's so that ongoing needs are assessed. It manages an annual budget of \$280,000 to support this individual's care.

There are also changing dynamics in the group homes due to the ageing of people with intellectual disabilities and mental health problems. About 55 per cent of the people in mental health group homes are over 65. That is a considerably higher rate than the community, and the increasing physical health issues that this population is experiencing are straining the service.

Intellectual disability group homes are similarly pressured by the increasing number of ageing residents and increasing numbers of intellectual disability service users who are currently residing in the com-

munity and need more support. But the staffed group homes, being at capacity, cannot accommodate them.

Reducing Utilisation

Hon. Kim N. Wilson: With respect to reducing utilisation, Madam Chairman, the Patient-Centred Medical Home has continued to care for people who have chronic illnesses who may be underinsured or not insured. Numbers have increased from 167 last year to 2,013. Last year, I provided the clinical data supporting reduced Emergency Department attendances, fewer admissions to hospitals and improved health outcome. And this has continued.

Hon. Patricia J. Gordon-Pamplin: Sorry, Madam Chairman.

The Chairman: Member, do you have a point of clarification?

Hon. Patricia J. Gordon-Pamplin: A point of clarification requested, Madam Chairman.

The Chairman: Yes.

POINT OF CLARIFICATION

Hon. Patricia J. Gordon-Pamplin: Madam Chairman, the Honourable Minister indicated that Patient-Centred Medical Home residents increased from 167 last year, and then she went up to 2,013 in the current year. I am just not sure if we are just getting mixed up in numbers. It is important that we get the numbers right. So, I just wondered if the Minister could clarify what the number is. From 167, what is the new number for this year?

The Chairman: Minister, the Honourable Member is asking for the clarification.

Hon. Kim N. Wilson: Thank you. I got the question. Thank you.

No, it is not a home. I mean, it is the procedure, the programme at the hospital. And the numbers have increased from 167 last year to 2,013 currently.

[Pause]

Hon. Kim N. Wilson: I will confirm that number after lunch, as well.

BHB Strategic Activities

Hon. Kim N. Wilson: The strategic activities for BHB are as follows: Against the clinical pressure to do more is the pressure to reduce costs while improving quality. These are key platforms of the BHB strategy, which took on the Institute of Healthcare Improve-

ment's triple aim in 2016 to reduce the per capita cost of care while improving quality and the experience of patients.

As part of this strategic plan, BHB recently partnered with the prestigious Johns Hopkins Medicine International [JHMI]. While the primary goal of this association is to support the education and training of its clinical staff, BHB is working with Johns Hopkins specialists to assess its stroke service with a view to making improvements and is going to accept residents from Johns Hopkins Medicine International on one-month rotations, starting in the Emergency Department.

BHB is also working with the acclaimed patient safety and service improvement experts from the Institute of Healthcare Improvement, initially focusing on reducing the incidence of falls, pressure injuries, and central line infections. A service improvement programme is also underway with the support of KPMG, who are providing people experienced in supporting hospital services to become more efficient.

Estates Management and Facilities

Hon. Kim N. Wilson: Madam Chairman, while the maintenance of the Acute Care Wing is paid for as part of the public/private partnership, the median age of the Bermuda Hospitals Board's General Wing and Mid-Atlantic Wellness Institute facilities is over 50 years old. These facilities have been subject to decades of under-investment. How BHB can best maintain or replace its ageing facilities in the future is already being investigated. As already mentioned, an Estates Master Plan has been developed, looking at several options as to how best to deliver services from our facilities. Further work is underway to finalise the business case for investment, which will deliver annual revenue savings.

That concludes the presentation with respect to Head 24, Hospitals.

HEAD 55—FINANCIAL ASSISTANCE

Hon. Kim N. Wilson: Now turning to Head 55, Financial Assistance, which can be found in the Budget Book on pages B-186 to B-189. Head 55, the Department of Financial Assistance. The mission of the Department of Financial Assistance is *to ensure that Bermudians with insufficient financial resources have access to services in order to gain, maintain or regain a minimum standard of living while encouraging personal and economic independence.*

The budget, Madam Chairman, for the current expenditure is estimated to be \$51,683,898. There is no change from the prior year. This amount constitutes 21 per cent of the budget allocation for the Ministry as a whole.

[Inaudible interjection]

The Chairman: Point of clarification. What is your point of clarification?

POINT OF CLARIFICATION

[No audio microphone off]

The Chairman: Minister, there is a point of clarification on the floor with regard to the figures that you read on page B-187.

Hon. Kim N. Wilson: Madam Chairman, I will also get that clarification whilst we break for lunch. I will get that clarification. It seems to be \$12 off.

An Hon. Member: It is \$200,000 off.

[Pause]

Hon. Kim N. Wilson: The total current expenditure is fifty-one thousand, six-hundred and eighty-three dollars, and eight-hundred and eighty-nine cents *[sic]*.

[Pause]

Hon. Kim N. Wilson: I will clarify that position after lunch.

The Chairman: Thank you, Minister.

Hon. Kim N. Wilson: The allocation of funds will continue to maintain grants, Financial Assistance programme support, and the child day care scheme during the fiscal period.

There is no capital project planned for the year 2019/20.

Manpower

Hon. Kim N. Wilson: With respect to Manpower, the full-time equivalent [FTE] count for 2019/20 remains at 34, as detailed in page B-188. The caseloads at the department continue to remain steady, with Financial Assistance workers maintaining over 200 clients per worker.

Management Consulting Services has commenced a review of the organisational structure and operation of the department to determine the optimal design or framework to meet current and projected client demand. This was the first recommendation accepted from the 2018 Reform Group Report.

Output Measures

Hon. Kim N. Wilson: The Output Measures for 2019/20 can be located at page B-187, and estimates are listed as two business units, namely, 65050, Grants and Administration; and 65080, General Administration. Cost centre 65050, Grants and Admin-

istration, is estimated at \$49,511,635. These funds manage grants—

Hon. Patricia J. Gordon-Pamplin: Sorry.

The Chairman: Point of clarification? Yes.

POINT OF CLARIFICATION

Hon. Patricia J. Gordon-Pamplin: I do have a point of clarification.

Is there an errata page for Head 55, Financial Assistance? Because the numbers that the Minister is speaking of in her brief bear no relationship to what is in the Budget Book. So, it is important at least if we are debating something that we have the right numbers.

The Chairman: Minister, the numbers on page B-187, and I was following as well. The number that you read did not correspond with what is actually in the book in front of us.

[Pause]

The Chairman: Would you like a minute to confer?

Hon. Kim N. Wilson: Yes, thanks.

[Pause]

Hon. Kim N. Wilson: Okay. Madam Chairman, the first issue that was raised by the Honourable Member concerning the expenditure, the total current expenditure. That is . . . (just a moment).

Just a moment, Madam Chairman.

[Pause]

The Chairman: Just for the benefit of the listening audience, we are now in Committee of Supply for further consideration of the Estimates of Revenue and Expenditure for the year [2019/20]. And we are on Head 55, Financial Assistance.

Hon. Kim N. Wilson: Thank you, Madam Chairman.

Just for a point of clarification, the Budget Book and the information that pertains to the Budget Book, if I can refer Members to page B-187. The revised estimate of 51.684 was a pre \$200,000 transfer from Teen Haven to Child and Family Services.

Child and Family Services is under a different Ministry. So, this was written prior to the transfer of the \$200,000 grant that now will be facilitated to post—

The Chairman: Member, do you have something that you wish to say? Thank you.

Minister, proceed.

Hon. Kim N. Wilson: Thank you, Madam Chairman.

That is post the Teen Haven grant in the sum of \$200,000 being transferred to the Department of Child and Family Services.

I was at page B-187. For the Output Measures, Madam Chair—

Hon. Patricia J. Gordon-Pamplin: Sorry. Sorry.

If I can just help the Minister. With respect, I understand what she is saying about the transfer. But the Minister spoke to a 65050 of \$49,511,000, which in the book, even if the transfer was considered, that is not the right number. So, if the Minister can just make sure and correct that number so what we've got it appropriate. Thank you.

The Chairman: Minister, do you have that question?

Hon. Kim N. Wilson: I do, and I will provide that information from the technical officers.

The Chairman: Thank you.

We will proceed.

Hon. Kim N. Wilson: The 2019/20 budget estimates are listed at two business units at page B-187, 65050, Grants and Administration; and 65080 . . . and that would include the \$200,000 that we just spoke about. So, 65050, these funds are used to maintain grants, but I will clarify that exact figure from the technical team. But I can say that the grants, the purpose of the fund is to maintain grants to Financial Assistance and child day care programmes. There is no change in the amount from the prior year, and all programmes remained static in activities whilst the department transitioned, with the introduction of a brand-new director.

Madam Chairman, there are two types of grants awarded from this estimate. The first involves the issuance of funding to support community-based programmes such as the Society for the Blind, Meals on Wheels, STAR (Supportive Therapy for persons with AIDS and their Relatives), Salvation Army Shelters, and Teen Haven.

The total support to these helping organisations amounts to \$828,000. The remaining amount of \$48,683,635 serves as the total budget divided between the assisted programmes for eligible individuals of \$45,283,635, and the child day care scheme of \$3,400,000.

Madam Chairman, this year, the department addressed recommendation number 5 of the Reform Group Report, which spoke to eliminating the job search sheets once used by able-bodied and earnings-low Financial Assistance clients to perform job search activities. The recommendation read, "firmly establish the job search component for able-bodied unemployed financial assistance clients under the Department of Workforce Development and target job

searches as part of a case management plan that provides appropriate guidance.”

In a previous Ministerial Statement, there was mention that clients, who must participate in job search activities as a part of their eligibility requirement to receive a financial award, must now utilise the Bermuda Job Board. The officers at the Department of Workforce Development stand ready to assist them in finding suitable employment opportunities.

Madam Chairman, there were 38 investigated cases of alleged abuse during this reporting period. Some of the reported cases involved overseas travel, overstated timesheets from caregivers, receipt of financial assistance whilst being gainfully employed, undisclosed income, returned to Island less than one year ago, and unreturned funds from rest or nursing homes where client passed without notification to the department.

A total of \$197,018 was owing at the beginning of the year. The investigative officers were successful in recouping \$29,729, leaving an outstanding amount of \$167,288 owing to the department. The department is working closely with the Attorney General's Office to consider all options to obtain these funds.

Madam Chairman, the total estimate for cost centre 65080, General Administration, for 2019/20 is \$3,172,000. There is no change from the prior year. The largest expenditure in this unit is for the manpower that manages cases and conducts oversight; therefore, salaries represent the largest component, as can be seen in the analysis on page B-187. Nevertheless, salaries represent less than 6 per cent of the total spend on Head 55.

Major Policy Changes

Hon. Kim N. Wilson: Madam Chairman, with respect to the other policies that are coming up this year with respect to Financial Assistance, there are a number of recommendations.

You would recall that on the 11th of February, I delivered to the Honourable Members of this House a Ministerial Statement where I indicated and provided an update on the Financial Assistance Reform, as well as the recommendations that came from the Financial Assistance Reform Committee, and invited Members to familiarise themselves with that document.

Plans for the Upcoming Year

Hon. Kim N. Wilson: Plans for the upcoming year are that, in keeping with the work performed by the reform group, there are a number of recommendations, again that I referred Members to in my Ministerial Statement just a couple of weeks ago, on the 11th of February. And I would advise them to consider that.

And this ends the presentation of Head 55.

HEAD 91—HEALTH INSURANCE

Hon. Kim N. Wilson: Moving on to Head 91, which is at pages B-190 to B-193 of the Budget Book. And that relates to the Health Insurance Department [HID], which has as its mission *to deliver health benefit products with participant focus, consistency, stakeholder collaboration, coordination of affordable benefits, and prudent fiscal and operational management.*

HID's primary role is to provide access to affordable health insurance to all of Bermuda's residents. This mandate is particularly demanding in Bermuda today with the pooled challenges of increasing health costs, poorly managed chronic illnesses, a rapidly ageing population together with low birth rates, and the growing financial weight on individuals and families who are forced to choose between the importance of purchasing health insurance versus daily living necessities. A more value-based health system is needed to manage these demands, which can be achieved by concentrating on population health outcomes and through health financing reform. These actions will assist in reducing the health system's mounting financial pressures, as well as improving overall population health through the delivery of optimal health services to all residents.

Madam Chairman, for the 2019/20 fiscal year, \$3,995,000 has been allocated for this head, which is equal to the approved 2018/19 budget. Head 91 is the partial source of funding behind the Health Insurance Department, which is responsible for developing and administering the government's social health insurance products offered to the public, namely, the following:

- the Health Insurance Plan (HIP);
- the FutureCare Plan;
- the Mutual Reinsurance Fund (MRF); and
- the Government Subsidy Programmes, which pay towards the hospitalisation costs of select populations.

Madam Chairman, HID's policyholders have seen no increase to monthly premiums since 2015 as a result of the Government's financial support and transfers from the MRF. Although there were no benefit additions to the HIP and FutureCare plans directly, the FutureCare pharmacy benefit was amended to apply the same 100 per cent coverage to brand or generic drugs, with the FutureCare pharmacy benefit remaining at \$2,000.

Through this change, pharmacy co-pays were eliminated, and policyholders are no longer beholden to generic drugs in instances when they are more expensive than name brand. This change also eliminated administrative inefficiencies, meaning that HID will no longer have to manually re-examine claims, after they have been submitted and paid, to differentiate between generic and name brand. In the absence of universal drug coding across Bermuda, this manual

process was inefficient and policyholders did not gain any benefit.

Madam Chairman, during fiscal year 2018/19, the Health Insurance Department continued to provide the Personal Home Care [PHC] benefit to eligible policyholders. Approximately 305 policyholders regularly use the personal home care benefit, with HID receiving, on average, four requests for the benefit weekly. It is estimated that HID will pay out more than \$6 million on PHC claims for fiscal year 2018/19, which represents an increase of 43 per cent versus the 2017/18 fiscal period.

Given Bermuda's rapidly ageing population, it can be deduced that the demand for this benefit can exponentially trend upward in the coming years. In 2019/20, HID will pursue ways to restructure the current administrative and operational processes to ensure that the benefit is maintained at a practical level and economically supported.

Madam Chairman, HID's commitment to the treatment of chronic non-communicable diseases continued through the Enhanced Care Pilot Programme (ECP), which is a primary care programme to assist underinsured and uninsured persons with chronic non-communicable diseases.

Currently, the programme has 198 active participants. To date, clinical measures demonstrate that the overall [disease] trend is moving in a positive direction, with health improvements and stabilisation being shown. The outcomes vary with co-morbidities and other factors; however, results show that participants had significantly fewer emergency room visits and hospitalisations.

Madam Chairman, the participants' and providers' feedback has been very encouraging, with both proclaiming positive experiences and desires to see the programme continue.

Looking forward to 2019/20, HID is collaborating with relevant stakeholders in framing a reorganised Enhanced Care Pilot Programme that will continue to meet some of the health care needs of the underinsured and uninsured population, while more efficiently managing care and streamlining the collection of necessary data for future care.

Madam Chairman, I will now summarise the operating results of the various funds under HID's administration, followed by a discussion of the Performance Indicators for the department in that period.

HID Operating Results

Hon. Kim N. Wilson: HIP Operating Results; the [projected HIP] headcount for 31 March 2019 is approximately 3,290 persons versus the previous year's total of 3,070. This represents an increase of 220 persons, or roughly 7 per cent. Projected HIP premiums earned for fiscal year 2018/19 are \$16.3 million, which represents a \$219,000, or 1.4 per cent, increase from 2017/18. Claims incurred in 2017/18 equalled \$27

million, with 2018/19 estimated to be on par at \$26.9 million. HIP has allocated approximately \$1.1 million in administrative expenses in fiscal year 2018/19.

FutureCare Operating Results

Hon. Kim N. Wilson: The projected headcount for FutureCare is approximately 4,158 persons as of the 31st of March 2019, which represents an increase of 73 persons, or roughly 2 per cent, compared to March last year. Projected FutureCare premiums earned for fiscal year 2018/19 are \$24.7 million, which is an increase of \$438,000, or 1.8 per cent, from 2017/18. Claims incurred for 2018/19 are estimated, in total, to be \$35.9 million as compared with \$32.3 million of last year. Administrative expenses of approximately \$1.1 million will be incurred by FutureCare for the fiscal year 2018/19.

Mutual Reinsurance Fund Operating Results

Hon. Kim N. Wilson: The MRF premium, Madam Chairman, for 2018/19 increased to \$101.97 per month, from \$91.57 per month during fiscal year 2017/18. This was an increase of \$10.40, or 11 per cent, mostly to fund dialysis- and kidney-related claims. The total projected premiums to be received by the MRF for the year ended 31 March 2019 total \$57.6 million, representing an increase of \$6.9 million, or 14 per cent, compared to fiscal year 2017/18.

Despite Mutual Reinsurance Fund premium increases in 2017/18, unexpected underfunding occurred for dialysis claims, resulting in a debt of approximately \$9 million due to the Bermuda Hospitals Board for the 2017/18 fiscal year. Total MRF claims for dialysis during 2017/18 totalled \$21.7 million, with 2018/19 having a projected total of \$19.9 million. Administrative expenses of \$1.1 million have also been allocated to the MRF for the 2018/19 fiscal year.

Subsidy Operating Results

Hon. Kim N. Wilson: The total forecasted claims for hospitalisation under the youth, aged and indigent subsidy programmes are \$105.8 million for the year ended 31st of March 2019. These claims are paid from the Consolidated Fund and represent an increase of approximately 30 per cent from the 2017/18 fiscal year's \$81 million. There is \$1 million budgeted in the Consolidated Fund for fiscal year 2018/19, which contributes towards the administration of the aged, youth, and indigent programmes.

Performance Measures

Hon. Kim N. Wilson: Madam Chairman, Performance Measures, the qualitative service performance, at Part 2, which is found at pages B-192 and B-193 of the Budget Book. The HIP and FutureCare claims exposure is jeopardised by reason of the risk which they

absorb as the “insurers of last resort,” and as a pool of the costliest demographics, the disabled and the elderly. Due to the absence of underwriting, as a social programme, some of our performance results are far removed from pure insurance industry standards. Performance indicators of note encompass the following: medical loss ratios; actual claims expenses incurred (in dollars), along with a comparison with the previous year’s (expressed as a percentage); claims turnaround times; and procedural and financial accuracy of key functions.

Loss Ratios

Hon. Kim N. Wilson: Madam Chairman, based purely on the premiums collected, HIP’s projected medical loss ratio for fiscal year 2018/19 is equivalent to fiscal year 2017/18 at 167 per cent, with FutureCare estimated to be 145 per cent, rising from 133 per cent in fiscal year 2017/18. The department’s projected claims increases for 2018/19 versus the previous year are forecast at 11 per cent for FutureCare and negative 0.3 per cent for HIP.

Madam Chairman, the health insurance coverage offered by the department is recognised as insurance that is available and affordable to all residents of Bermuda regardless of their health status. Consequently, the plans assume a high level of risk that private plans never face.

HID’s social mandate tasks them with protecting the interests of a population often considered uninsurable; therefore, HID does not medically underwrite anyone applying for health insurance coverage. Therefore, the plans require significant financial support from the MRF and the government. Without this support, affordable health insurance options available to the public would not exist, resulting in the government paying larger amounts through indigent subsidy claims. Thanks to the funding provided by the government and the Mutual Reinsurance Fund transfers, overall projected loss ratios for fiscal year 2018/19 estimate HIP to be 60 per cent, with FutureCare at 140 per cent, for a combined loss ratio of 90 per cent. Proper funding of the plans allows HID to effectively service policyholders’ health care needs.

Claims Paid

Hon. Kim N. Wilson: With respect to the claims paid, Madam Chairman, the department paid out \$81.3 million in total claims incurred in fiscal year 2017/18. We forecasted paying an estimated \$83.4 million for all the funds for fiscal year 2018/19, which represents an increase of approximately \$2.1 million, which is offset against an increase in PHC claims and dialysis decreasing due to a legislation change introducing a subsidy component.

With respect to turnaround times, Madam Chairman, HID has consistently maintained a high

standard of claims processing, with a steady 14-day turnaround time and a 99.0 per cent accuracy rate. The turnaround time for new enrolment administration is two days with 98 per cent accuracy, with turnaround time for eligibility changes and adjustments also at two days with 98 per cent accuracy. The department’s turnaround times are independently verified.

Thanks must be given to HID’s various business partners, including Sutherland Healthcare Solutions, Argus Insurance, ProServe, and Global Medical Management Inc. [GMMI] for their valuable support, which is greatly appreciated. Finally, Madam Chairman, I would like to thank the Health Insurance Department and the Health Insurance Committee for their diligence and commitment. This ends the presentation on Head 91, Health Insurance.

Closing Remarks

Hon. Kim N. Wilson: Madam Chairman, in closing, as you can see, the mandate of the Ministry of Health is wide-ranging and expansive. We are lucky to benefit from the dedication and expertise of a broad range of health and business professionals, whose commitment to public health is unwavering, despite the deep challenges with resources and growing health needs in the community.

I am truly indebted to our staff and to our health partners, who work miracles on a daily basis to plug gaps and catch people who have fallen through the net, to care for their health and social needs. Their herculean efforts have to be recognised and applauded by the whole community because, without them, Bermuda would look very, very different indeed.

We look forward to further reforms of our health system coming soon to address the known deficits and achieve the Ministry’s vision for *healthy people in healthy communities*.

That concludes my budget brief. Thank you, Madam Chairman.

The Chairman: Thank you, Minister.

I ask whether any Member would like to speak?

I see that the Member from constituency 23 is on her feet. She is an eager beaver today.

Hon. Patricia J. Gordon-Pamplin: Thank you, Madam Chairman.

Madam Chairman, I am going to open my remarks, firstly, by saying that the presumption when we come for Budget Debate and the time that is allocated in order to respond to the budget, so that we have the opportunity to delve into the numbers, is done very measuredly. There is also a presumption that we stand here with numbers in front of us that (a) make sense, (b) are accurate, and (c) are consistent. In this particular budget brief and this budget presentation, none of those three elements has been effective, has

been shown. And I think that it is a travesty to the people of Bermuda to be subjected to a brief that does not support the numbers that have been put in the Budget Book for us to stand here to debate.

We have sections of the Ministry in which the differentials have been looked at based on last year's original budget as against this year's original budget. We have sections that have been based on this year's original budget as relates to last year's revised. We mix and match. We cherry-pick. And none of this makes sense. And I think that it is incumbent upon not just the Minister, but the staff supporting her to ensure that we have the consistency which is necessary in order for us to be able to effectively look at the budget numbers and to be able to support them.

You know, I recognise that the Minister has attempted to have a truncated version of the budget. There was a specific reason, Madam Chairman, that we allocated eight hours to this debate. And the eight hours is predicated upon the ability of the Minister to explain carefully, and not rush through as though we are running from a fire truck, but to explain carefully the allocation of a significant amount of money, \$241 million over the entire Ministry, which is a significant portion of the budget expenditure.

Clearly, it was not deemed necessary or essential to this Honourable House to be able to delve into these numbers with a degree of import or a degree of detail that would give the public a correct indication as to how their money is being spent. And that, Madam Chairman, is most unfortunate.

There are situations, and I will go into the individual details as I get to them, department by department. But there are situations when I question whether the numbers were designed to obfuscate. Because I think that, if we cannot rely on the numbers that are in front of us to be able to examine—

The Chairman: Excuse me, Madam Member who is speaking at this time.

Hon. Patricia J. Gordon-Pamplin: Yes.

The Chairman: We are currently doing the Estimates of Revenue and Expenditure.

Hon. Patricia J. Gordon-Pamplin: Yes.

The Chairman: And I ask that you stick to considering Standing Orders 19 and 32 when you are speaking at this time. Thank you very much.

Hon. Patricia J. Gordon-Pamplin: Absolutely.

Madam Chairman, what I am speaking to is the presentation that the Minister gave, which is an overview of the department's budget. And the comments that I have made are certainly in reference to responding to what the Minister has indicated. So, I do not believe that I am running afoul of the [Standing

Orders] of the House in terms of the numbers. With that said, I will move on.

I am going to go, first of all, to the Ministry of Health. And the Minister indicated in her brief that in covering these areas, there has been significant decrease, based on prior administration, early retirement and fund freezing. There was a shortage of 89 vacant positions, which represented 22 per cent of the workforce. That was in the Minister's brief. What we see in the Ministry of Health—

The Chairman: Member, which head are you referring to?

Hon. Patricia J. Gordon-Pamplin: I am referring to the Ministry of Health, page B-166, in reference to the Minister's comment in her brief about the deficiencies in the numbers of employees that we have.

What I want to point out is that, on page B-166, with respect to employee numbers, the original 2018/19 budget showed 378. And for 2019/20, it is going up by six, to 384. That is the last line under Employee Numbers on page B-166. With that differential of an additional six, and the Minister's indication that there were 89 vacant positions, the question is—from 2017/18, where 378 was the number of employees, through 2018/19, the same number as the prior year, 384 being the estimate for this coming year, with a differential of six—the question is, If there is such significant fallout, or decrease, or inability for the staffing . . . Because the Minister explained how we have only an increase of six people if there is a reduction of—or if there are 89 vacant positions, why are we, over a two-year period of time, only coming up with an uptick of six of those 89? Notwithstanding that she did indicate that recruitment is difficult, but I certainly believe that six over that course of time does not seem to be an appropriate number.

Secondarily, we have a revised estimate on page 18 and 19 in the same line of employee numbers, in which the revised estimate actually went up from 378 to 385 in the 2018/19 revised estimate column, the last line down on page B-166. And that is now, when we look at the 2019/20 estimate, we are saying that it is 384. So, effectively, we are losing one person based on the revised estimate from 2018/19. And I would be grateful if the Minister could explain that level of variance.

So, the Ministry of Health, according to page B-166, comprises the Ministry of Health Headquarters, which is an amount of \$11,649,000, or an increase of \$161,000. So, the questions that I have relating to the Ministry of Health Headquarters . . . and I will go to page B-168 in the Subjective Analysis of Salaries. We are showing that there was \$3,671,000 in the original 2018/19 budget. And for this 2019/20 budget, that number is going up to \$3,912,000, which is an increase of \$241,000 as compared to the original 2018/19 budget.

However, we note that in salaries, the revised estimates for 2018/19 have gone down from \$3,671,000 to \$2,953,000. And I wonder if the Minister can give us an indication as to what has comprised that differential between the \$3.6 million and the \$2.9 million of revised budgets in relation to 2018/19. And then, the \$241,000 increase in salaries, but I do see that there is an increase of two employees who are intended for the year, and whether that \$241,000 is effectively the salaries relating to those two additional people, as we see under page B-169, for the total number of 47 employees.

The Minister also indicated that there was . . . (Let me just go back to the Ministry of Health.) On the Epidemiology and Surveillance on page B-167, business unit 31040, under programme 2102, we had \$315,000 of an original budget for 2018/19, which has gone down to \$295,000 on a revised basis and now up to \$444,000. So, my question is, Can the Minister give us some indication as to the reasons behind the money in relation to those various fluctuations? We have, as I said, the original budget of 315, which has gone down to 295. And that is a reduction of 20. But now it is going up from 315 to 444, an increase of 129, which is a 41 per cent increase. And I just want to understand the numbers behind that particular uptick.

The Ageing and Disability Services in programme 2103, business unit 31135, Ageing and Disability Services, we have a 0.0 per cent increase. It is sort of static between 2018/19 original and 2019/20 estimate. But we had a revised 2018/19 from \$1,023,000 down to \$705,000, which is over \$300,000 of reduction.

And I wonder if the Minister could also advise us as to what comprised that particular reduction in the amount? Why did we revise it down so far in 2018/19 from the original to the revised estimate?

The Chairman: Thank you, Member.

We are now at 12:30.

And I just want be mindful to Members, during the Budget Debate, to please be guided by Standing Orders 19 and 32 as we proceed with this today, and every day.

Minister.

Hon. Kim N. Wilson: Yes, Madam Chairman. I move that we rise and return at 2:00 pm.

The Chairman: Is there any objection to rising and returning at 2:00 pm?

There is none.

[Gavel]

Proceedings suspended at 12:31 pm

Proceedings resumed at 2:02 pm

[Ms. Leah K. Scott, Chairman]

COMMITTEE OF SUPPLY

ESTIMATES OF REVENUE AND EXPENDITURE FOR THE YEAR 2019/20

MINISTRY OF HEALTH

[Continuation thereof]

The Chairman: Good afternoon, Members.

We are now resuming in Committee of Supply, and the Honourable Shadow Minister of Health from constituency 23 has the floor.

Hon. Patricia J. Gordon-Pamplin: Thank you, Madam Chairman.

Madam Chairman, just for confirmation and to know how we are going to proceed, prior to the lunch break the Minister had indicated that she was going to obtain some information for us for which the numbers in the Budget Book are incorrect and I am wondering whether she wants to do that at this juncture or at some later point. We had some variances with respect to the numbers that were in the Budget Book on . . . I am just going to give you the page . . . on page B-187 with respect to Financial Assistance.

I will cover Financial Assistance deeper into my presentation, so I am quite happy if the Honourable Member will get the numbers by then or if the Honourable Member wants to start by giving the corrections, I am easy one way or the other.

The Chairman: Minister?

Hon. Kim N. Wilson: Thank you, Madam Chairman.

Madam Chairman, at page B-187 the information which is contained in the Budget Book is accurate. The information that . . . so the information before Honourable Members is correct. What I read from my brief was an inaccurate number. The Budget Book itself is correct. In fact, this morning I provided over 100 dollar amounts, over 93 statistics, 33 business units, performance reviews, so the fact that there were two typographical errors is a small error.

Thank you.

The Chairman: Thank you, Minister.

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

I will address those particular items because it was not typo, I do not believe, because typo is one or two transpositions, this was not typo, They were just wrong numbers.

But let me go back to the Ministry of Health and that is on page B-167 of the Budget Book. And specifically I want to refer to the programme 2102,

which is Epidemiology and Surveillance, business unit 31040.

The Chairman: I am sorry, Honourable Member. What page are you on, please, again?

Hon. Patricia J. Gordon-Pamplin: [Page] B-167—

The Chairman: Okay.

Hon. Patricia J. Gordon-Pamplin: —of the Budget Book.

The Chairman: Thank you.

Hon. Patricia J. Gordon-Pamplin: And this is under programme 2102 and business unit 31040 in which there is \$444,000 estimated for epidemiology and surveillance. I think the Minister, in her brief, indicated the classification of expenditure that comes under that. But I wonder if the Minister could let us know how many types of outbreaks we have been dealing with in terms of what has comprised the number thus far? And how, if the Minister could also explain, if the revised budget for 2018/19 has gone down from the original of \$315,000 down to \$295,000 and now it is back up to \$444,000; what is likely to be the reason for that variance in the expenditure relating thereto?

Programme 2103 and business unit 31135, which is Ageing and Disability Services, we have this year . . . I am sorry, 2019/20 (when I say this year I mean this year going forward) of \$1,023,000 which is the same as the original from 2018/19. However, the revised from 2018/19 has dropped about \$300,000 from \$1,023[,000] down to \$705[,000] and now it is going back up to \$1,023[,000].

So I just wonder if the Minister could give us some indication as to why that variance and what is likely to account for the reduction in the revision from the original budget that we had from 2018/19, and that is on page B-167.

Similarly, we have on [business unit] 31160, with the K. Margaret Carter Centre a similar kind of phenomenon in which the amount which we had originally budgeted in 2018/19 was \$1.86 million and it is the same for 2019/20, but the revised estimate has dropped down to \$1.39 million.

So I am just wondering what is giving cause to those major variances between the original budget and the revised budget. I realise these are budgeted numbers, but when numbers are this disparate there is usually some explanation, and I just wonder if the Minister could assist us.

Hon. Kim N. Wilson: Point of [clarification].

The Chairman: Yes, Minister.

POINT OF CLARIFICATION

Hon. Kim N. Wilson: I do not know whether the Honourable Shadow Minister will yield, I do have an explanation for all of the variances with respect to every post. Because this is like the fourth one that has been added and I think, perhaps, if I can provide her with clarity it might be of assistance.

Hon. Patricia J. Gordon-Pamplin: Yes.

Hon. Kim N. Wilson: As I mentioned previously—and thank you, Madam Chairman—there are currently 89 vacancies across the Ministry, 15 are frozen, unfunded posts. Of the 15, they are not listed in the Budget Book. But the 74 vacant posts that are funded are spread out across many of the heads, mostly within Heads 22 and 21. So all the posts, including the vacant and unfrozen, are always budgeted for in the original budget every year in anticipation of recruitment, and the revised budget reflects what is projected to be actually spent. Therefore, the decreases in the original budget versus the revised budget of 2018/19 went down due to the vacancies. They were unfilled posts at the time and the new year's budget naturally goes up, again, to reflect that [those] same posts [will be filled].

Thank you, for yielding.

The Chairman: So the increase is in anticipation of those posts being filled at some point and when they are not filled, then the reduction is a reflection of not having them filled.

Hon. Patricia J. Gordon-Pamplin: Yes. Thank you, I accept the explanation and it certainly helps because there are significant variances. However, what does not tie in is the amount of additional staffing. So I think what the Honourable Member is saying is that there are 74 vacant positions that actually are included in the budget numbers and that we are only going to go up by six overall within the Ministry, [correct]? Is that . . . I just want to make sure that I am clear in what the Honourable Member has indicated, but we can investigate that a little bit deeper.

The other thing is that in general, on page B-167, 2101, under 31000, General Administration, the Minister indicated that they were going to be missing some target dates in terms of the legislation and that the target dates, if we look at page B-170 being the performance measures, which effectively ensure that health insurance rates and medical fees are legislated by the 1st of April in each fiscal year. I wonder if the Minister can give us some indication whether these rates . . . whether we will be able to see some definitive response in respect of the diagnostic imaging fees, which seem to have caused some variance within the Ministry over the course of the past year.

So if these rates are going to be legislated by April 1 in each fiscal year, the Minister indicated that they are missing some target dates and the actual outcome for 2017/18 they were not done until June. And the revised forecast for 2018/19 is that we will not have . . . we will have the standard premium rate done by the 1st of July 2018 and BHB fees by 1st of November 2018. Are we now regularising the position so that everything that we anticipate in terms of fees will be done and completed by 1st of April 2019, which is the end of this budget process and the beginning of the next? I just wanted to clarify that, since the Minister indicated that we were missing some target dates.

So I would like to move on to the Subjective Analysis on page B-168, again, under the Ministry of Health, and the subjective analysis specifically relating to salaries. And we had an original estimate of \$3,671,000 and a new estimate of \$3,910,000 [*sic*], which is an increase of \$241,000. Now within this—

The Chairman: Excuse me, Member. That is \$3,912,000 not \$3,910,000 if I am looking on page—

Hon. Patricia J. Gordon-Pamplin: Yes, \$3,912,000.

The Chairman: Okay.

Hon. Patricia J. Gordon-Pamplin: And it is an increase of \$241,000. So with a \$241,000 increase in salaries . . . and I note on page B-169 there are going to be two additional staff. And I am just wondering . . . I just want confirmation that the \$241,000 additional salary is in relation to those two staff members that are expected to be brought on board.

And then I go to Professional Services under the same Subjective Analysis in which the original budget is \$771,000 and the new for 2019/20 is \$752,000, which is a reduction of \$19,000. However, the revised for 2018/19 has actually gone up to \$1,124,000. This cannot fall in the category of the explanation that we had earlier about positions that are there but not funded. So I am just curious as to why there is such a revision upward of \$400,000 (almost) in the revised 2018/19 budget for Professional Services and then it is going to go back down. Was there one particular professional who had come in to do something that was specific or . . . if the Minister could just give us some explanation.

And similarly, the Rentals, we had a budget of \$466[,000] versus \$471[,000] going forward, but we have a revised estimate from 2018/19 of \$589[,000]. So what comprises that additional cost in rentals that we have seen here in the Budget Book?

Some of the other numbers that we have . . . Materials and Supplies, albeit we have quite a variance between the original estimate and the revised estimate, the numbers in and of themselves, I do not believe, are sufficiently material for me to panic about

them. But it would be useful to just have a brief explanation as to what we are dealing with.

Okay, so on Grants and Contributions, which the amount is \$5,342,000 from [the] 2018/19 original and it basically remains static this time [at] \$5,343[,000]. But the revised 2018/19 went down to \$4,868,000. Now if we refer to page C-17 of the Budget Book in which the grants are delineated and outlined, what we notice in the major variance is effectively in the LCCA in which we have budgeted \$2,862[,000], which we had last year as well as this, but we have a revised estimate for \$1,875[,000]. And I am wondering if the Minister can give us some indication as to the positive impact or failure to pay out . . . or, sorry, lack of necessity to pay out . . . not failure, but lack of necessity to pay out nearly a million dollars through LCCA, because that is effectively saying that they are revising from \$2,862[,000] down to \$1,875[,000] of grant to LCCA. And correct me if I am wrong, but the LCCA payment from government. It is predicated upon the claims that are put through by LCCA to government for expenditure that they put out for clients who are coming to them seeking assistance, where the government believes that it is appropriate to reimburse. I am just wondering where that favourable million dollars has come from in the course of the revision on 2018/19.

In addition, the Grants to External Bodies we had a revised estimate of \$212,000 as against an original of \$100,000 in 2018/19, but we have nothing for 2019/20. And I just wonder if the Minister (again, this is on page C-17) could help us in terms of who had been allocated a grant under cost centre 6869, that will no longer be getting a grant.

Also, in 6912, just as a matter of interest and question, 6912, the Minister indicated the \$753,000 was in respect of Lorraine Rest Home of \$502[,000] and Matilda Smith Williams of \$250[,000]. And I just go back to the question on Matilda Smith Williams in terms of their management and their directorship and whether, in fact, that information has been brought up to date in terms of having proper directors in place as well as having their financials completed because apparently they were deficient before based on public information. That will give us the differences between the various years, year on year. So I am satisfied other than the queries that I have just raised.

Also under 6895 with the Health Council, there is a budget. It was \$700,000 last year; it is \$800,000 this year. I do know that the Minister had indicated in her brief that there was . . . she did mention something about the increase in grant for the Health Council, albeit I am not certain exactly what it was because she did go through it very, very quickly. So I just wanted . . . if the Minister could just underscore, again, the reason for the uptick between \$700,000 in the original estimate for the Health Council for 2018/19 and the uptick to \$800,000.

Also, the question is that in looking forward for the estimate, given that the former CEO of the Health Council is no longer with the Health Council, and we have an acting CEO, is it the intention to replace that position as part of this \$800,000 grant that the Government is giving to the Health Council? Is it the intent to replace an individual and basically bring the staffing levels up to the levels that they were before the former CEO was dismissed?

And also, with respect to the Health Council, according to, actually, today's newspaper there were going to be no further provisions of health services recommended by the Health Council that would be included in the Standard Health Benefits. And the question that I have for clarity is, Are we saying that there will be no new providers allowed? Or are there no new classifications of services? So, in other words, if we have diagnostic imaging . . . if we have MRIs, is it the process that we will not have any new ones for, or is it the providers that we will not have any new ones for? So I just need some clarity on that.

I go back, Madam Chairman (and I apologise for going backwards and forwards, but this is just the way that the questions have come), and I look at the Revenue Summary on page B-168 with respect to the Registration for Doctors, under 8151, where we had a revision in 2018/19 of \$150,000 and we are going back down to \$50,000 which equates to the original estimate from 2018/19. And I am wondering whether we are no longer requiring or . . . I mean, why the difference? Why do we have a \$150,000 revised and we are only having \$50,000 again? Is there some sort of . . . was there a multi-year registration? Was there something that creates the money being static year on year, because the \$150,000 to \$50,000 seems like quite a large decrease?

In addition, on Registration on Nurses, under 8155 for revenue source, we had \$75,000 as against \$50,000 originally budgeted, and revised at \$55,000, which is \$25,000 or \$20,000 of additional money that is being received for registration fees. And I just want to point out from that perspective that I believe that this is extremely positive, because that would mean that if we have got more nurses being registered, then that is helping to alleviate the challenge and the stress that we have in the nursing profession. And so I just want to highlight my concurrence with that and my appreciation for that level of uptick. It does not really require an answer. It is just that I think the acknowledgement that we are getting more nurses registered, I think, is very, very positive.

I would like to go over the page to B-170 under the Ministry of Health, and that is to . . . okay, on the grantees submitting up-to-date financials. This is under business unit 31015, under the Grants Administration. The second item down is the grantees submitting up-to-date financials and annual reports by September in the following fiscal year. And the original forecast was 100 per cent, which one would expect,

because if people would want to get money, then they have to know that they certainly have to comply with the necessary criteria. But the revised forecast was 93 per cent.

We are targeting an outcome of 100 per cent for next year, which is the right number, but [regarding] the 93 per cent, where we have the revised forecast in 2018/19, the questions are: Can the Minister advise who is deficient in filing and what steps have been taken to rectify that deficiency? Are we likely to see [some] reluctance or [some] resistance to providing a grant to somebody if their records and such are not up to date as they would have to apply, or they would have to have that information included with their application? And I just wonder what steps are being done to rectify that deficiency from last year. And then the question would be, also, if last year the money was already paid out and the accounts had not yet been received, why?

The next Grant Administration is the number of Public Health Scholarships awarded and total funds granted. And we are showing that there are going to be 15 awards totalling \$100,000. Could the Minister give us some detail in terms of, not so much necessarily the names of the recipients, but rather the categories and classifications of what is being awarded as grants with respect to health scholarships?

The next performance measure is the increase in number of applicants to the Barbara Ball Public Health Scholarship in priority areas—nursing, occupational, physical and speech/language therapy, and social work—to up that by 5 per cent. Now when I look at the numbers year on year, the actual outcome, we had 17 out of 50 applicants in the actual outcome for 2017/18. In 2018/19 we had an increase from 17 out of 50 (which was the original forecast). And the revised forecast was 23 out of 63 applicants, which was 37 per cent. We are now saying that we want an increase from 23 out of 63 applicants.

What is the target in terms of what is the amount of money that we are going to be paying out and what is the target? To say we are going to increase from 23 out of 63, what if we have 63 applicants? What if we only have 10 applicants? So I am just wondering how the performance measures are actually going to tie into a realistic scenario as to what exactly is happening with the application for scholarships in that area.

I would like to now go down to business unit 31020, under Corporate Services. The first output measure is to implement Bermuda health strategy initiatives to reduce and contain the standard premium rate and per capita health expenditure. Now there had been talk before of looking at utilisation as being a methodology by which one could ensure that we contain standard premium rates because additional utilisation just has extra costs related to it and, therefore, the cost of premium will go up based on the additional claims experience of necessity. So, I am just wonder-

ing how the reduction and containing of standard premium rate and per capita health expenditure is going to be attained. The targeted outcome for 2019/20 is—on the standard premium rate—a reduction of \$370. And I am not certain . . . I probably . . . the 2018/19 per capita health expenditure being less than . . . I am sorry, they want to make it less than \$370 is what I am reading here; but I am not certain based on the way it is worded. I just . . . if I can get some clarity, that is probably the best thing to ask for.

Okay, the next Corporate Services, number of PATI requests closed out of total received, processed within legislated timelines is discontinued. And there seems to have been substituted in its place the number of PATI requests and reviews processed, including requests and internal ICO and judicial reviews. And that is anticipated being 25 after a revised forecast of 20, when there was nothing budgeted in 2018/19, but in reality in 2017/18, there were 28. So, now we have gone from 28 of actual to nothing budgeted. It was shown as a new performance measure, and that now is giving us a revised forecast in 2018/19 of 20 and then a targeted outcome of 25. The Minister indicated in her brief earlier that there was one particular PATI request that effectively utilised some three hundred and something man hours for investigation at a cost of some \$20,000.

The Chairman: Wow.

Hon. Patricia J. Gordon-Pamplin: I wonder if the Minister could give us some indication generally as to what the subject of that PATI request was that was [requiring] such intense resources in order to be able to respond to it.

I think the Minister indicated in her brief, as well, that it certainly cannot be the intention of a PATI request to make such outrageous demands on staffing resources and everything else to respond to a PATI request. But I think that if we are able to . . . within . . . through the course of the budgetary process, if we are able to advise what sorts of things are really sort of beyond the pale, then it may give the public a better appreciation of what might be an appropriate PATI request. To say just because you can does not mean that you necessarily should. And I think that if we can have that, just a reminder from an educational perspective periodically, to say, you know, this is really kind of ridiculous.

The other thing that I would like to highlight is that in the PATI requests that were published in the course of the past year, we did have an indication that there had historically been indicated that there was a bias towards a particular provider of services and the PATI requests from internally to the Health Council had actually revealed that there was no targeted bias on diagnostic imaging reimbursement. And I think that that is important to mention, that not only can a PATI request support a request for information, it can also

clarify when information that is being sought or data that is being given by the Ministry is not accurate. And in that particular instance, the PATI request was able to reveal that the information that was being published by the Ministry was not accurate.

In business unit 31030, Health Care Registration and Regulation, we are dealing with percentages of complete and accurate health care professional registration files with the internal audit. We are also looking at the percentage of complaints against health care professionals that are resolved by a professional statutory body, and the percentage of international health regulations core capacity components that are obtained. The question that I have for accurate health care registration and complaints against health care professionals being resolved by the statutory body . . . percentages really do not mean anything if you do not have an indication as to the severity of the problem. How many? You can say 85 per cent. You could have had, you know, two actual numbers.

But I think that we need to understand whether these challenges that we have, especially with respect to complaints against health care professionals that are required to be resolved by their statutory body within the year, are pervasive challenges. So it will be good to know: what is the number? How many have these professional bodies had to deal with? And we want to ensure that we do not have rogue service providers and, you know, people who do not adhere to normal international standards and professional standards.

I did notice the percentage of international health regulations core capacity components obtained. Even though I am not a health care professional, I certainly do understand English; but this means absolutely nothing. I wonder if the Minister could just give us some indication as to exactly what that is, the international health regulations core capacity components. That does not mean an awful lot.

I would also like to go on now to Performance Measures on page B-171, included in Ageing and Disability Services. The number of strategic initiatives that have been developed has been discontinued and the question begs as to why. Why have we discontinued strategic initiatives? Because, clearly, Ageing and Disability Services is a segment of our community that would, obviously, require a good strategy to ensure that their needs are being met. And I am just wondering why the strategic initiative development has been discontinued.

I will skip over the next one, the number of presentations, but go down to the number of accessibility assessments conducted. And we have 55 as a targeted outcome, as against 45 in the original forecast. So the question begs on these accessibility assessments: Are we . . . what is the need? Is 55 the right number? Are 55 all that there are in terms of what our population is requiring? Is 55 a guesstimated number? Is 55 an appropriate number? Do we have

only 55 people that need these services? Or do we have 100 and [it is] only 55 [that] we are going to be able to get to, dealing with the requests and the requirements of 55 people? So I am just curious as to how that is working out.

Also, the number of senior abuse investigations. Now, I do know that the Minister gave a Ministerial Statement in the House, perhaps not too long ago with respect to senior abuse investigations. But as we are looking at a targeted outcome of 33 investigations, that is a problem. It is a problem inasmuch as 33 investigations would suggest that 33 of our seniors are being abused in some way, shape or form, either financially (as the Minister indicated in her brief earlier today), sexually, medically, or just neglect. There is a problem. And for us to think that we have got 33 investigations that we are likely to have to conduct is a cause for concern.

The number of cases managed by case management under Ageing and Disability Services, that number has been discontinued. We forecast 220 in 2018/19, but that performance measure has been discontinued. And I am just wondering what has replaced the number of cases that have been managed by case management. What replaces that category in terms of making sure that our clients are well served?

The next performance measure is the number of residential care home complaints received. The question is: Can we get some indication as to what is the time lag in relation to the residential care home complaints that have been received? And effectively what I am saying is, from what source? Where are these complaints coming from? Are they coming from nursing staff at the home? Are they coming from relatives? Are they coming from the clients themselves? I am just curious as to how we can get a handle on ensuring that the aged and disabled people in our community are well served and that they are not being exploited and neglected.

The number of residential care home complaint investigations—the number of investigations. We cannot really target an outcome there because it is really going to be predicated upon how many complaints have actually been received. So let us . . . even though there is a targeted outcome of 30, even though the number that we are going to be . . . the number received, the number investigated is higher than the number received. Presumably there is at least a lag from the prior year as to those investigations that might not have been completed in the prior year that are included in this output number of 30. But certainly it will be good to know what outstanding ones we have at the moment. How can we get that number down to zero (or as close to it as possible)? Because 30 is still entirely too high.

The number of residential care home inspections has been discontinued. And I would be curious and certainly interested in understanding why. It would seem to me that residential care home inspections

must form a basic part of what standards are and how our people who are aged and disabled are being cared for in those various environments. So, to discontinue the inspections certainly gives me cause for alarm. And I wonder what we have put in its place, if anything at all.

I am going to go down now to 31160, the K. Margaret Carter Centre, in respect of the number and percentage of clients able to effectively use communication devices. And we have got a 65 per cent targeted outcome. Communication devices are clearly the ears and eyes of the world as we have progressed, and while many of the people who might be in this circumstance at the K. Margaret Carter Centre may be entrenched in their old training ways or the things that they know, I am just wondering what training services we are putting in place to help people over that hump of trying to understand the value and use of additional technology and the like so that they can actually enhance their quality of life.

And then I look at the number of clients receiving coordinated occupational therapy and physical therapy services, and the number of clients involved in fitness exercise programmes. And we have got a number here of 23 and 28, but there is no indication as to what the population is in that particular area overall. So what is the statistical bent in that regard?

We had, on page B-172, a number of discontinued performance measures that had been indicated, and I guess the question is . . . instead of going down each and every one, if the Minister can perhaps give us some indication . . . because we were looking historically at, let us say as an example, the number of clients participating in production of in-house contract work. We had 93 per cent, and now that has been discontinued.

So are we saying that we are not . . . because some of these types of services, such as stuffing envelopes and licking stamps and putting things . . . you know, that gave people a pride in their ability to conduct a particular service, to feel useful, to feel valued and to know that they had an output that was exciting to them, that they could measure and that they knew they were doing well. So if we have discontinued that in-house contract work, the question begs, Why? And what are we doing as an alternative to assist in stimulating people who otherwise may be challenged and who might have been looking forward to these types of programmes as being something that helped to get them into the mainstream of community life?

So that is just an example and, as I said, there is perhaps no necessity to go into each and every one of them, but I would certainly be interested in the number of clients that are participating in training and employment and the percentage demonstrating satisfactory or better skills.

You will know, Madam Chairman, that we have seen [some] instances, at times, in the supermarkets, where some people with special needs are

there packing groceries and making a really good . . . you know, doing a good job of it and learning how. You know when you see them progress from putting eggs on the bottom to understanding that they have to put eggs on the top, these are things that you can see their growth and development. So why are we discontinuing the number of clients participating in training and employment? And I am just concerned as to what we are replacing it with.

So I think that the questions of all of those discontinued programmes will remain as we go down through the list to make sure that if we are discontinuing a programme, what are we putting in its place?

So we are looking also at therapeutic riding skills and life skills programmes at WindReach. This is a new measure, and I am excited to see that there is something that has been budgeted to ensure that these programmes are reaching the intended population and making sure that we can follow their programmes as time goes on. So that is really quite exciting to me.

The number of community initiatives and stakeholder relationships developed or maintained. This is a new development. And there are 10 of them that are projected. We did not hear any real detail as to what these community projects are, so it would be useful, not so much just from a budgetary and expenditure perspective, but from a growth perspective for the development of people who have special needs within our community. And I think sometimes when people hear of it and they know, *I have got a neighbour, or I have a cousin, or I have a son, or I have somebody who could benefit from these services*, the more that we put that message out, the more they are able to participate and get themselves involved in those types of programmes. So I would try to encourage that we have the educational aspect to publicise where we are with these types of things.

And, again, some of the performance measures, as indicated under K. Margaret Carter Centre, recognising the special population that is involved in this, we want to make sure that, you know, we want to encourage and we want to show that we are quite pleased and happy with the new performance measures. And just to say that we are happy and interested in following those measures up.

I am now going to go to page B-173, which is the Department of Health. I would like to look at . . . I think what the Minister indicated before is that a significant portion of the difference that we had between the original estimate and the revised estimate can be accounted for by the unfilled positions. So, given that, and I have not tested that against the subjective analysis, but I can certainly accept that explanation for the purposes of this.

But I just wanted question programme 2201, business unit 32000, Lefroy Care Community. The Minister indicated that there was intent to move the Lefroy House, which is no longer fit for purpose, to a

place down closer to Rockaway. And we have \$4.86 million that has been allocated to the Lefroy Care Community in expenditure. So what I did not . . . well, I do not believe that I saw, and certainly the Minister did not allude to it, any budget for capital development that would enable that transition from Lefroy House property, where it now is, down where it is intended to go. So, it is wonderful to say, *yes, we are going to move it from here because it is no longer fit for purpose*, but what are we doing in terms of budgeting for the capital expenditure to make that transition as opposed to just having it articulated in lip service?

We need to see money that is appended to the project in order to see it come to fruition. And certainly, from my perspective as a former Minister of Health, I certainly encourage that particular project. We were looking before at how you can rehab the building itself and, you know, renovate the building. And sometimes when you reach something, if something needs a wrecking ball, it just needs a wrecking ball. And, you know, I am a wrecking ball kind of girl, Madam Chairman.

Community Health Administration, again, it is a little difficult because the Minister did not take the time to show that the differences between the original and the revised were all due to personnel challenges. I am going to take that as a given.

But the Sylvia Richardson Care Facility, I have some questions relating to it, if you will just give me a second. I will tell you what I will do, I will go to that, I think, in my performance output . . . I will come back with a question on the Sylvia Richardson Facility.

The Child Health 32030, we have an increase of \$647,000 over last year's original budget of \$1.876 [million] to this year's \$2.523 [million] and the Minister indicated that it was a transfer of costs. But I do not think that I got a clear indication as to what those cost transfers comprised. So, if the Minister could give us some idea as to the details surrounding that \$647,000.

Okay, my next question that I have is on Community Health 32060, in which we notice a significant decrease of \$560,000 from \$2.184 million down to \$1.624 million—these are original budgets and new estimates—a decrease of \$560,000. And I do not think that my shorthand was sufficiently quick enough to understand what the Minister said, if indeed she did, in respect of what caused that Community Health budget to be decreased to that extent. If the Minister could just reiterate or articulate that, I would be happy.

If I go down to Oral Health, I think that the—

The Chairman: What page are you on?

Hon. Patricia J. Gordon-Pamplin: I am sorry, [page] B-174, programme 2202, and cost centres 32150, 32155, and 32160.

Actually, you know, Madam Chairman, the differential there is only \$4,000. And in the overall

scheme of things it is not necessarily material, but I had highlighted that the revised 2018/19 was down to 135 as against . . . and we were back up to an estimate of 233. And I believe that that is one area which would account for reduction in staff, in filled positions, that was actually short of what had previously been budgeted. So, unless there is any difference there, then I will accept that explanation.

[Cost centre] 32190, which is Vector Control, we had an original budget of \$1.604 [million] and we have a new budget coming up of \$1.637 [million]. Now the one thing we have noticed over the course of the past summer, and leading, certainly, into this period of time, is the massive numbers of complaints that we have had with respect to the rats that we have on the road. Now we have had a reduced trash collection, but we also have the responsibility of the population to ensure that their garbage is put out at the appropriate time and that there is, . . . you know, that we can help to minimise the negative impact of the rat infestation.

But I think, with that said, we also have to look at the methodology by which that reduction in garbage collection was attained. And I think that while that may be a matter to be determined and discussed under Public Works, because of the actual responsibility for garbage collection comes with it, certainly the Ministry of Health has the output and the negative fall-out as a result of additional rats.

I heard somebody say to me that they ran across a rat and it was about the size of a cat. And I have seen some really horrendous-sized animals running across the streets. So I think that we must be mindful of what it is that is required. So the additional money, the \$33,000 extra that we have for Vector Control, and given that we have got once-a-week trash collection—which has now been engrained as the status quo as opposed to the twice per week, when we get to the summertime—we are going to have significant problems and we are going to need every bit of that \$33,000 extra to be able to keep the rat population under control.

Port Health, which was new, I think the Minister indicated that this was with respect to environmental health issues relating to cruise ships and the like, so that was certainly understood.

Also, there were not significant differences, under Environmental Health, there were no budgetary differences of significance between any of the existing [cost centres] of 32170, 32171, 32172, 32173, 32175, 32180 and 32270—all of which the Minister just put in one sort of category and said that these are the numbers in total.

However, with that said, it would be good to hear what comprises the expenditure, notwithstanding that there is no difference from the year before, what comprises the expenditure for Institutional Hygiene, Public Health Nuisances [Pollution], Food and Beverage Safety—well, Food and Beverage Safety, I believe is self-explanatory—but Water and Sanitary En-

gineering Controls, [and] Environmental Health Administration. While the numbers have not changed year-on-year, I think that . . . I do not think that it is fair to expect the public to remember, *Well, last year you told us that this is the number, and this year you are asking us to support the same amount of expenditure, so we do not have to tell you again what is included.* It would be good to take the time to explain to people what is included in those cost centres for which we are expecting the public to pay an additional \$1.5 million. So, it would be just useful to have that information, if we could.

And I want to go down to the next programme 2204, which is Central Laboratory and the business units under that of Forensic Analysis, Urine and Drug Testing, and Water and Food Analysis.

Under Forensics, 32200, we have \$673,000 in Forensic Analysis, which has gone down \$20,000 from the previous estimate of 2018/19. But the question that I have here is a very simple one. In the Minister's brief she indicated that this forensic analysis is revealing things such as gummy candies, lollipops, TCP-laced chocolates and food stuffs and that people are presenting with levels of psychosis based on the ingestion of some of these articles that are being tested and found to have TCP and the like (I think it is TCP, I am probably saying it wrong)—

The Chairman: CBD?

Hon. Patricia J. Gordon-Pamplin: I do not know, whatever . . . THC . . . THC, sorry . . . TCP is an anti-septic that we used to use with a horrible smell for gargling when you had a sore throat as a child, so it is THC.

So we have got, with this determination that the outcome of the forensic analyses that are being conducted are showing that we have got people that are presenting with psychosis and other ailments as a result of ingesting these substances, are we likely to look at . . . and this is in the context of this budget and what the forensic analysis is requiring. Are we likely to look at the adequacy or the propriety of that 7 grams of marijuana that we had for personal consumption? It is just a question. I do not know the answer. But it would certainly be interesting, if our people are suffering and the Government believes that an intervention with respect to sugar tax is appropriate, then certainly I would question the levels of, you know, marijuana and marijuana-laced products that is appropriate for our people.

So I want to go to the Subjective Analysis on the Department of Health and there is no change in the staff numbers, but the salaries have increased from \$19,640,000 to \$20,292,652, which is 3 per cent. Now, given that there is no staffing increase, we had 285 last year . . . no, sorry, we had 280 . . . yes, it has got a bit confusing, Madam Chairman, because if we looked at the original budget to the 2019/20 estimates

(which is what we are meant to be doing), we had 280 in original 2018/19 and 285 in total. And this is on page B-176. We have 285, but in the difference column we have zero. Now the zero would only obtain if we are comparing the revised estimates to the new year's estimates going forward.

So this is what I said at the outset, that some of our ministries in some of our areas, we are picking bits and pieces. In some you have got the original 2018/19 to the 2019/20 estimate and in others you are comparing it to the revised. It has got to be one or the other, it cannot be both.

[Inaudible interjection]

Hon. Patricia J. Gordon-Pamplin: Well, if we have the original . . . if we look at page B-176, and the total staffing, employee numbers, full-time equivalents, the original for 2018/19 is 280. We are now showing a 2019/20 estimate of 285, which is a difference of 5, but in the difference column it says zero. So that is where my question is. The zero is the entire way down the line and, therefore, that would say to me that there is no difference. But why not? I could probably—

[Inaudible interjection]

Hon. Patricia J. Gordon-Pamplin: Yes, and it actually is in Community Health, 3060, where the original was 25 and we have now got 19, so that is 6, and then there is one which is probably a wayward one somewhere in between.

But this is the reason why it is important to check the numbers, because if we are trying to explain the fact that there is \$652,000 in additional salaries and I turn over and I look and see that there is no additional staff, then it does not make sense. So, if the numbers were correct, then presumably the \$652,000, or the increase of 3 per cent, would be explained by an additional five staff that are intending to come into business unit 32060, where we had . . . no, sorry, that would be a reduction. So I do not know, we have to . . . we need an explanation because the original is 25 in 32060, I now have 19 in 2019/20. I do not know where that difference is. I do not know where that difference is.

[Inaudible interjection]

Hon. Patricia J. Gordon-Pamplin: On 32060, if we have a reduction in staff . . . something is not right here. Something is not right . . . okay.

The Chairman: Yes, Member, 32060.

Hon. Patricia J. Gordon-Pamplin: [In] 32060 we had a difference. We had 25 original and now 19. But that is a reduction of 6. So a reduction of 6 would not account for an increase of \$652,000 in the salaries cost

analyses. So maybe we can just have a look at that and understand what it is.

Other Personnel Costs, just what is the makeup of those other personnel costs that we have?

Professional Services, and this is back to page B-175. Why is there a reduction in professional services from \$1,743[,000] to \$986[,000]? And is that indicative of a particular consultant, a particular individual, a particular programme, a particular something that we had that we budgeted for in 2018/19 that we no longer require in 2019/20? If the Minister could let us know what that is because that was not covered, I do not believe, in her brief and that would be useful because that is a significant savings of \$757,000.

Materials and Supplies, has gone down. So that is okay. I like it when stuff goes down, Madam Chairman, because that means we are saving something and somebody is looking for some efficiencies somewhere, so I have no problem with that. But I just note that salaries and wages have actually gone up whereas the personnel numbers, as I mentioned before, on page B-176, albeit they say zero, it looks like it has increased by five, and I just need to have an explanation because the numbers are wrong.

Let me look at the revenue sources, patient fees. Well, with revenue sources the Minister basically said that there is \$3,610,000 coming in for revenue. We got no detail in respect of any of the line items. So if the Minister could be good enough to explain to us where these fees are, such as, I mean, we talk about patient fees . . . where and what and how and based on what categories? Because right now we are as much in the dark as the public.

General Licences—for what?

Medication—what kind?

Dental Fees for Children, that is pretty self-explanatory.

Tobacco Distributor Fees, perhaps, self-explanatory.

Registration of Day Care; \$15,000.

And \$75,000 for Testing Fees.

These are revenues that are coming in, but we did not get any detail. So we are only left here to hazard a guess.

So I would like to go now to the performance measures in the Department of Health on page B-177, and that is the Lefroy Care Community. The number of falls sustained by elders, we had an original forecast in 2018/19 of 15, and we have a targeted outcome of 15 falls.

Madam Chairman, I do not know about you, but if my mom is in a nursing home I do not want her to fall. So what are we looking at in order to be able to effectively ensure the safety of our seniors so that we are not budgeting for 15 people to fall and be injured? That is just unacceptable. And I think whether it is a question of training of the staff, then we need some more money in the training budget. If it is a question of equipment that is required for harnesses and the like,

we need to see it in the capital acquisition budget. But we do not see that. And I am concerned that 15 people are being budgeted—seniors—elders are being budgeted to fall and hurt themselves in a nursing care environment in the Lefroy Care Community. Unacceptable!

Because the one good thing . . . and I think it is important to highlight positive as well, is if there is a challenge, the percentage of elders receiving a full medical review annually is budgeted at 100 per cent. And we had an actual outcome of 100 per cent in 2017/18, a budget of 100 per cent with a revised forecast of 100 per cent and a new targeted outcome of 100 per cent. That is going in the right direction! That is absolutely 100 per cent correct for it to be 100 per cent. We want our seniors to be well taken care of. We do not want to be budgeting for 15 of them to fall and be injured. That is not acceptable.

Okay, I am going to Community Health Administration and the percentage return rate of performance appraisals and forward job plans to the Department of Human Resources by the specified due date, 95 per cent. I would imagine that HR would be interested in whether we are not able to achieve 100 per cent. We are budgeting for mediocrity. We are saying, *Oh, 95 per cent, 90 per cent, 80 per cent, whatever, it's good enough.* But it is not.

If we have a job to do, a requirement of our job [is to provide] excellence (and this is on page B-177), if it is a requirement of our job to provide excellence, then excellence is what we must have. So to budget for less than 100 per cent and to say we did not quite get there, is not good enough. What remedial measures are being put in place to ensure that the job that people are being paid to do is being done?

Percentage of new cases that achieve closure. That is kind of very subjective, so I am not going to criticise that particular performance measure that has been discontinued, but obviously, there is a problem.

And if we had a challenge at Lefroy House, Madam Chairman, I now look at business unit 32015 at Sylvia Richardson Care Facility. Now Sylvia Richardson . . . we know this has been the crème de la crème of seniors' residences. It was put in place, it was well done, it was well-financed, it was well-structured, and it had to all intents and purposes what is required for an excellent senior care facility. But we are budgeting for 20 falls sustained by elders.

The Chairman: Mm-hmm, 30 actual.

[Inaudible interjection]

Hon. Patricia J. Gordon-Pamplin: That is not acceptable. That is not acceptable. Twenty is not acceptable. And I do not care . . . the Honourable Member says we budgeted for 24.

An Hon. Member: That's right.

Hon. Patricia J. Gordon-Pamplin: If we budgeted for two, that was two too many!

[Inaudible interjection]

Hon. Patricia J. Gordon-Pamplin: And I am saying, Madam Chairman, that as time goes on we should look at where we are faulty—

[Inaudible interjections]

The Chairman: Members, Members.

Hon. Patricia J. Gordon-Pamplin:—where we have been faulty, where we have been deficient, and how we can do something about it. Because one fall by an elder resulting in an injury in a government-operated care facility—never mind the private ones, but a government-operated care facility—means that we are missing the mark and we need to do something better. Because the actual outcome in 2017/18, as you might see, was 30! So we have at least budgeted a little bit better to say that we are expecting a slightly better outcome, but it is still not good enough. Twenty are far too many.

And then, number of incidents that are not fall related or errors relating in harm or injury to an elder, we are looking at 10 at Sylvia Richardson. But we had zero at Lefroy House. So Lefroy House is clearly doing something right and we need something that needs to be enhanced in the care quality at Sylvia Richardson when we have already believed Sylvia Richardson to be the crème de la crème of government facilities.

Number of elders with pressure sores. Madam Chairman, pressure sores are inexcusable. It is a poor medical outcome for seniors to have bed sores.

[Inaudible interjection]

Hon. Patricia J. Gordon-Pamplin: A poor outcome. We have seen it happen in the hospital setting. And this is not a criticism of the existing Government; it is a criticism of the system that we are using to make sure that we care for our seniors. Seniors ought not to have bed sores. Bed sores are painful. I have seen them, Madam Chairman. I have seen people care for them. I have seen the discomfort etched in the faces of seniors who are being turned and were suffering. This is not something that we, in our sophistication as a jurisdiction, should be able to accept. It is not acceptable, and it is certainly not acceptable to me.

I know, Madam Chairman, with my mother, and I can say this on an anecdotal basis. My mom lived in a nursing home. My mother did not have bed sores. I saw to it that she had the necessary care. And I can tell you that any person who puts their senior in

a home and finds out ultimately that they develop bed sores, there is something wrong. And we need not to accept it as a people.

And I am happy to see in Sylvia Richardson that there are 100 per cent of our seniors who have received the annual medical review.

On the performance measures for Child Health on 32030, under Child Health, the percentage of five-year-old students assessed for health parameters and developmental milestones . . . the actual outcome for 2017/18 was 32 per cent. The forecast for 2018/19 is 70 per cent and the targeted outcome for 2019/20 has gone down to 60 per cent.

Now this is where I am going to criticise here, Madam Chairman, because this is a Government that says that they care about people and you are only budgeting 60 per cent to see to it that our five-year-old students are assessed for health parameters. What is going wrong?

What is going wrong? That is not what I deem to be a level of care that is required for our young people. So we are failing our seniors and we are failing our young people.

The percentage of children over age five who are overweight or obese in our public and private school system . . . it is a 25 per cent budget. And I think that the Ministry's approach towards sugar tax as well as their exercise regimes that were articulated by the Minister this morning are certainly moves in the right direction to help to ameliorate any challenges that we have, because, obviously, this can only lead to further health challenges and problems as a child grows older. So we want to make sure that they are arrested as quickly as possible.

And I think that the percentage of new mothers visited by the Health Visitor within 14 days of delivery, 95 per cent . . . while it is not everybody, I believe that that is a reasonable output. It is a reasonable output because new mothers are either not where they might otherwise have been, may have moved to a different address, may even have left the Island. So we cannot expect 100 per cent in this particular instance, but certainly we can strive to have as much as possible.

The six-week test . . . 75 per cent, mm-hmm, yes, I do not know. All I say is thank goodness that as a new mom . . . from my perspective, I had all the necessary health care that was needed and the follow-up attention.

But everybody does not have that. And I think that if we are going to provide the services of government, we have to strive towards at least a 90 [per cent] or 95 per cent success rate if we want to see that there is an impact to what we doing.

Let me go to page B-176 [*sic*] and the question on performance output on the number of clients receiving emergency contraception for pregnancy prevention.

The Chairman: On [page] B-176?

Hon. Patricia J. Gordon-Pamplin: I am sorry, [page] B-178, I am sorry. My eyes are getting old. [Page] B-178 at the top of the page, the number of clients receiving emergency contraceptives, this is emergency contraceptive for pregnancy prevention. There seems to be a challenge here with respect to education.

The Chairman: So is that the . . . what is that? The morning-after pill?

Hon. Patricia J. Gordon-Pamplin: I am thinking that is what it is because this is *emergency* contraception. This is not standardised, you know, targeted . . . ordinary birth control.

[*Inaudible interjection*]

Hon. Patricia J. Gordon-Pamplin: No, this is not ordinary birth control.

[*Inaudible interjection*]

Hon. Patricia J. Gordon-Pamplin: Because I do not need this, so it is kind of a foreign subject to me right now. But I think that we . . . it would not hurt to step up our educational process in this respect. We have got 200 morning-after pills that are targeted. You now, if we have a proper regimen of prevention through the educational process, then we might find ourselves not requiring that many.

Percentage of women with abnormal pap needing referral to a gynaecologist, now this is saying 4 per cent is the targeted outcome. I am hoping that this is 4 per cent of those people who are presenting for the test who might find that they need to be referred, but I would hope that the target is 100 per cent of those who require the referral if they have an abnormal result. I would hope 100 per cent of them would be referred to a gynaecologist as opposed to 4 per cent. So I think it might be just the way that the outcome is worded, because I am absolutely certain—

The Chairman: So out of 100 per cent, 4 per cent need it.

Hon. Patricia J. Gordon-Pamplin: Yes, exactly. So 4 per cent of the people who are presenting for a pap test may find that it is abnormal, but of those 4 per cent, 100 per cent should be referred to a gynaecologist.

Okay, what number of family planning visits are undertaken? And the number of family planning visits . . . there has been a 33 per cent reduction between the actual of 2017/18 . . . I am sorry, the original forecast of 3,000 down to a revised forecast or targeted outcome of 2,500. So we have got about a third, 20 per cent, of reduction. So I am just wondering if the Minister can explain what is the criterion that is

implemented to determine what an appropriate candidate is for family planning visits? If we are planning on 2,500 of them, what are the criteria? How are we going to manage that? And what staffing do we have to ensure that that is being done, if that is an accurate output measure?

Percentage of antenatal clients having three or more antenatal visits. It is pretty much 100 per cent and I think that is as good as it can get.

Clients being screened for STIs. I think it is important that just as a matter of education and knowledge that our population is aware of the necessity for screening and the necessity to follow-up whatever treatments are recommended as a result.

Percentage of persons with HIV infections receiving highly active antiretroviral therapy (HAART). We are showing that 98 per cent are receiving, but if we could have a number because that will give us an indication as to how pervasive this challenge is in our community. What is the number as opposed to the percentage? It could be that we have got 10 and, you know, and 9.8 of the 10 are receiving, but it could be that we have got 200 and 98 per cent of that number, so it is important to know the number.

Under Communicable Disease, 32050, the number of health promotion activities held, it is a measure that has been discontinued. And if we want to continue to ensure that our people are educated in the challenges of communicable disease, we cannot discontinue the health promotion activities. That just does not make logical sense and I think we need to reconsider that particular situation.

The number of social workers (this is under business unit 32060, Community Health), the number of social worker referrals for persons 65 years and older is a 75 per cent targeted outcome. The question is, with the other 25 per cent, is there no need? Are those other 25 per cent self-sustaining? Do they have support systems and services that are available to them that does not require for the department to be able to make referrals of a social worker?

It is just . . . that is just to know as opposed to . . . it is not a criticism, it is just for people to be aware. And I did ask how many.

Under Community Health, the percentage of clients visited within 48 hours of referral for nursing care, including disabled, seniors, chronic non-communicable disease . . . how many? We have got 95 per cent, but what is the number? How many people are we targeting?

And I am going to just move on because some of my colleagues will probably deal with the speech and language, nutrition and occupational therapy aspects of the performance indicators for the Department of Health.

And actually I may come back to some of them later on, but for the moment I am going to move on to Hospitals.

Madam Chairman—

The Chairman: What page are you on?

Hon. Patricia J. Gordon-Pamplin: I am now moving on to page B-184, with respect to Hospitals.

Now, the Government provides KEMH an MWI with a grant in order to cover the costs that they incur with respect to the services that they provide—sorry, this is long.

So let me look at KEMH, in which the total grant in contributions between the two actually totals \$145.6 million. Under [cost centre] 34000 for KEMH, \$108,330,000 being the grant, the subsidy, that is relating to the indigent, the aged, the youth, the geriatric for inpatients, as well as the indigent, aged and youth for outpatients, and there is some subsidy given for the clinics. So the total of those are \$108,330,000.

But I just want to explore for a moment, Madam Chairman, these allocations. In 2018/19, we had an original subsidy of \$4.5 million for the indigent, the revised estimate was the same . . . I am sorry, the estimate for 2019/20 is exactly the same. This is on page B-185.

The Chairman: Okay, thank you.

Hon. Patricia J. Gordon-Pamplin: For the aged we have \$43.3 million of original, \$43.3 [million] revised, and \$43.3 [million] for 2019/20. Similarly, for youth we have \$7.696 million original, the same number for revised, and the same number for 2019/20. This gives us a total inpatient subsidy of \$55,506,402 in all three categories, the original estimate, the revised estimate and the new estimate for 2019/20.

Before I make my comment on this, I am going to go down to the indigent for the outpatient subsidy, \$2.9 million original estimate, revised up to \$3.3 million, and taken back down to \$2.9 million. The aged have an original of \$39.147 [million], it went up on a revised basis to \$48.402 [million], and back down to \$39.147 million. And the youth went from \$8.127 [million] original, a revised \$8.227 [million], and in 2019/20 it has gone back down to \$8.127 [million]. So that gives us on an outpatient subsidy basis a total of \$50.242 million that was the original estimate for 2018/19; which has been revised up to \$59.942 million; and it has gone back down in 2019/20 to \$50,242,514.

The very obvious question begs in this: Why are these numbers fluctuating to this extent? If your revisions are showing, certainly on an outpatient subsidy basis, if your numbers are showing that you were required . . . that you were \$10 million . . . \$9.2 million short in your aged subsidy when we have a growing seniors' population with more people requiring services, where is the logic or the sensibility in taking the 2019/20 subsidy back down to a level that was below the revised estimate for 2018/19? It does not make logical sense; it does not make accounting sense.

The only sense that it could make is if that by having that extra \$10 million that is not put in the budget for this year, it kind of helps to create the \$7.3 million surplus that we are showing on an overall basis. Because what will happen is that we had a \$108 million of 2018/19, and if we have a revision of \$118 million, it means that we now are going to be required to put a supplementary in for that extra money.

[Inaudible interjection]

Hon. Patricia J. Gordon-Pamplin: That is provided that the revised estimate has been carefully thought-through and carefully generated. So if we now are saying that we are only going to go back down to \$108 million in the 2019/20 estimate, then the question begs, Is somebody not going to get services? Are you not going to allow somebody to go to the hospital? Or is—

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: Does the Honourable Member wish to have an intervention.

The Chairman: Members, Members, Members.

[Gavel]

[Crosstalk]

Hon. Patricia J. Gordon-Pamplin: Madam, shall I sit while people are . . . ?

The Chairman: No talking across the floor.
Speak to the Chair.

Hon. Patricia J. Gordon-Pamplin: Thank you, Madam Chairman.

So Madam Chairman, there are two things that are very stark to me in these estimates versus what we are expecting for next year. Either on an indigent, aged and youth basis for inpatient we are expecting exactly the same number of patients with exactly the same conditions, with exactly the same costs in 2019/20 as we had originally in 2018/19 with no variation in terms of any uptick for inflation, any change in patient demand and numbers of patients that are coming in—either that is the case or there is somebody who is not going to receive services, but it cannot be both.

So we have to determine when we are budgeting, are we budgeting adequately for the services that we have to provide? And to have these numbers static for original of last year and this coming year does not make sense.

And then in the instance of the differential in the outpatient subsidy, the significant portion of it is \$9.2 million relating to aged, that is going now back

down . . . they are saying that we do not need that \$9.2 million that we have revised in our estimates for 2018/19, so we are going to go back. So, either we are going to have aged who have deceased and that will no longer require the services or there is not going to be any inflationary impact on those patient services or, what is more obvious to me, the budget number is wrong. And I think that we need to have some realistic budgets in this instance.

The Minister gave us an overview in a brief with respect to the resources and the positions of the hospital because, obviously, giving a grant and a contribution to the hospital is predicated upon the services that are required. But the hospital in and of itself also has fees that it is able to obtain from its various sources. And through those fees that the hospital is able to obtain, they are able to offset some of the costs that they have ultimately so that there is no necessity to rely on Government 100 per cent of the time for 100 per cent of the money.

But I just question that in that equation, if the Minister could let us know, how much did the Hospitals Board actually receive finally, the final count for their diagnostic imaging differential that was recommended through the Health Council? And, have they considered that at the same time that the diagnostic imaging was reduced under the BHeC regime that the operating fees were adjusted to balance the BHB revenues?

So I am just curious as to . . . and those numbers were not specified here, but they were included in the Minister's brief. So I just wanted to find out whether there had been any consideration when the Minister indicated what the hospital's financial position was, if the Minister . . . if the hospital had advised the Minister to take that amount into consideration in looking at the review of fair financial status at the hospital.

The grant to MWI, again, it is static. It has not changed by any amounts of money from one year to the next on the 2018/19 to 2019/20. And, again, I have to stress that I am very concerned about this additional \$10 million differential between the revised estimate and the original estimate for 2018/19.

Okay, so now I am going to move on to Financial Assistance.

The Chairman: What page are you on?

Hon. Patricia J. Gordon-Pamplin: And that is on page B-186, and that is where I come a little bit unstuck because as the Junior Minister indicated, and it has been seen throughout the department's budget, the differences that have emanated from the . . . in the Budget Book the differences between 2018/19 and 2019/20 (and this is as shown on page B-187). Throughout the Budget Book we have looked at the estimates for 2019/20 and the original estimates of 2019/20/21.

[Hon. Derrick V. Burgess, Sr., Chairman]

Hon. Patricia J. Gordon-Pamplin: We now have in this—Financial Assistance. We have looked at the difference between the revised estimate of 2019/20 . . . I am sorry, the revised estimates for 2018/19 and the estimates for 2019/20. So I am a little bit confused as to why we have a difference here which has changed on just this particular head, Head 55. So if the Minister could give us some indication as to why we have this difference (this is on page B-187, Mr. Chairman).

The Chairman: Mm-hmm.

Hon. Patricia J. Gordon-Pamplin: And that is . . . if you look under the Financial Assistance, 5501, at the top—

The Chairman: Yes.

Hon. Patricia J. Gordon-Pamplin: —we have the 2019/20 estimate is \$51.484 [million] and it is \$51.684 [million], which is the original estimate.

The Chairman: Mm-hmm.

Hon. Patricia J. Gordon-Pamplin: But if you look at the Grants and Administration, we had \$48.512 [million], which was the original for 2018/19 and for 2019/20, we have \$48.312 [million]. So that is a \$200,000 decrease.

And by the same token, if you look at the original for General Admin, 65080, for 2018/19 it was \$3.172 [million] and the 2019/20 is \$3.172 [million] so that should give zero of differential.

The Chairman: Yes.

Hon. Patricia J. Gordon-Pamplin: So the Minister indicated earlier that the total that she was showing . . . my book is showing \$43.12 [million]. The Minister's brief said \$49.512 [million]. The Minister indicated after lunch that her brief was incorrect, which I accept. But the book clearly also is incorrect and inconsistent with what we have seen in the other ministries.

So I just wondered whether we can get an errata that corrects this page because (a) it is inconsistent, and (b) it does not . . . you know, it just does not give lie to being able to delve into the numbers and appreciate the fact that they are correct. So if we could just maybe have that.

The Chairman: Well, Member—

Hon. Patricia J. Gordon-Pamplin: This is just on this page.

The Chairman: No, I understand. Just for the listening public, it is . . . what is in the [Budget] Book, the original and the estimate . . . in fact, what should have happened, it should have gone from the . . . that is where the difference should have been between the original estimate, not the revised.

Hon. Patricia J. Gordon-Pamplin: Right, exactly, exactly.

The Chairman: Yes, yes.

Hon. Patricia J. Gordon-Pamplin: So what has happened, Mr. Chairman, is that what we have got here. The difference is between the revised and the new estimates, and not the original and the new estimates.

The Chairman: Yes, that is it.

Hon. Patricia J. Gordon-Pamplin: That is the reason I was querying because that is the only place within the Ministry that there is a difference. So, you can understand that there is some confusion.

The Chairman: No, it is incorrect.

Hon. Patricia J. Gordon-Pamplin: Yes, it is incorrect. Okay.

So, with respect to Financial Assistance, and I know we have had some updates in the House fairly recently, but I think that it would be useful if the Minister had come . . . because this is a budget debate as to what we are anticipating for the next 12 months as opposed to what the Minister might have told us happened from before. It will be useful to have gotten some kind of breakdown with respect to financial assistance, such as the number of clients who are on financial assistance, how many people of that financial assistance budget are actually receiving child subsidies.

I know the Minister said that she had given a Statement in the House a couple of weeks back, and that Statement a couple of weeks back should suffice and, therefore, we should not be asking the questions. But the topic for debate for us today is the budget that is in front of us. And why I think it is important to be pedantic about this particular thing is because that is what people want to know. It is *their* money that we have to explain to them how we are going to spend it. And in the context of whatever Ministerial Statement might have been given, we do not have this degree of specificity or detail, and it is important that we know that.

And I would like for the Minister to give us some breakdown as to where this \$48,312,000 is intended to be spent. We do have . . . of that number, we would have able-bodied unemployed, we have seniors, and we have disabled. So we know that the seniors form a significant portion of the money that is

allocated on financial assistance. We want to make sure our seniors are fine. So we are not denying them, but we want to scrutinise it because we are asking the public to pay for it. So that is important for us to be able to say to the public that this is where your money is going, not based on what a Minister told us a couple of weeks ago.

I would also like to ask the question, because a couple of weeks ago what the Minister did say (and I think it is relevant to bring it into this), is that ultimately the system will change such that seniors who are receiving financial assistance now, that the government will be able to recoup that financial assistance, post-death, to put it back into the coffers so that the government is not subsidising the inheritance of the beneficiaries of the estate of the senior.

I hope I made that clear.

So what was said was that if you are a senior and you are getting money today . . . this is what the Minister had indicated. If you are a senior and you are getting money today from financial assistance, and you have an asset, when you die your asset that you have, your estate will be required to claw back some of that money that you had gotten while you were alive. So that will dissuade the practice whereby people who have a mommy or a granny who has assets, [are] saving the granny's assets to protect their inheritance, and using the government's money to take care of mama and daddy, which, clearly, that was not the intent, I am sure.

So the question that I have with respect to these grants administrations is, Is there a possibility of the Government looking at how financial assistance is meted out in life so that government is not seen to be a grave robber after death? Because I think that if we look at how we give the money out . . . if you know that your granny has got a house that is worth whatever it is worth, but you are not going to take money up on your granny's house (that granny worked for to look after herself in her old age), and now you are going to say, *Oh, no, no, no, that's my inheritance, so I'll go to Financial Assistance [and] I'll see how I can qualify*, and now the government is finding itself in a situation of having to put an inordinate amount of its budgetary allocations into financial assistance, knowing that part of this is protecting somebody's inheritance at the taxpayers' expense . . . that is not the intent and that cannot be right.

So as the Minister indicated that that was going to be the Government's new policy going forward, my question is: As opposed to creating bad blood . . . after death is difficult enough. So instead of creating bad blood after somebody dies to now go to junior son and junior daughter and say, *Give me the money back that we spent on your mom*, if we are able to put the programmes and policies in place to prevent somebody who has those assets, without creating hardship . . . and I have to stress that, because sometimes people have estates that really are not revenue-

bearing estates. And so I am not asking for hardship just because you own a piece of property. But is there a way that within this grant administration that we can look at ensuring that we do not pay out more at the front end so that we do not have to recoup it at the back end?

And that is a major challenge that I could see that the Government would have if it decides that that is the correct policy, to take money back out of the estate after a senior has passed away. I just think that we need to find a better way to administer those grants of financial assistance, and I would like to get some detail on that in terms of how the Minister is looking at dealing with these situations and these issues.

The employee numbers in Financial Assistance, we are seeing that there is a total employee number of 34. But what we did not hear was what the caseload is. How many . . . oh no, I am sorry. The Minister did indicate that there are approximately 200 clients per worker. I did get that. I beg your pardon. That there was a management services review underway . . . what is the outcome of that management services review? What is it determining in terms of whether our case workers are able to cope with the demands that they have with the client base that is coming in? And are we looking at an increased dependence? Or are we looking at a decrease in dependence on financial assistance? Are we having more people coming through the door or fewer people coming through the door?

None of that detail was specified in the Minister's brief, and I think to ask the public to spend \$48.3 million of their money, I think we need to know. And I believe the Minister has an obligation to tell this Honourable House and the people of Bermuda.

Now, if I look at the performance measures on page B-189, the Minister has indicated that we have a 70 per cent output to provide financial awards to 100 per cent of our new financial assistance clients within 10 working days . . . 10 working days. And the targeted outcome for that is 70 per cent. So that is really saying that anybody who walks in the door today, within 10 working days we have made sure that all of your documentation is in a row and 70 per cent of you are going to get your award.

But if I refer back to the seniors' issue, of asset-holding seniors. Is that 10 days an appropriate time to evaluate whether junior, who is bringing mama through the door for financial assistance, is really giving all the necessary detail in terms of mother's wealth to determine whether mom is actually eligible for financial assistance? So if we do not take the time to investigate and put in the necessary practices up front, we are going to find ourselves grave robbing when mom or granny passes away.

So if we take the time to say we are making sure that whatever comes across our desks is appropriate and, with that said, what we do not want to do is

to say to everybody who walks into financial assistance, *I don't have to go to work. I don't have to do this, because in 10 days' time I'm going to get financial assistance cheque.* That is not the intent. The intent is to ensure that the people who are genuinely in need get the assistance. And now it has gone up to \$51 million in total between the administration and the actual grants administration itself, you know, the clerical administration—that at is a lot of money, that is a significant portion of our budget overall and we need to be able to ensure that it is being well spent and given to those who rightfully deserve it.

Able-bodied unemployed is something that we are not going to be able to avoid. We do not want people going hungry while they are looking for work, but we have to make sure that the criteria are there. The idea of able-bodied unemployed being given assistance by Workforce Development is a positive thing because it saves them from going to knock on an employer's door with this piece of paper saying, *Could you sign this to say I am looking for a job?* When (a) there was no job advertised and (b) there is no likelihood that the skill set between the seeker and the company to which they are presenting this report . . . there is no similarity . . . you know, there is just no comparison.

So we want to make sure that people do not think that, *All I have to do is go in, wait for 10 days and I'll get a cheque.* And we also do not want to put the pressure on the staff to meet unreasonable goals in vetting all of the necessary documentation in order to determine the appropriateness of the applicant.

Okay, the performance measure number two, to award grants to charitable organisations within 30 days of receiving requested documents. And in 2018/19 it looked like there were five days, it does not say "days" but I am assuming it was five days, was the original forecast and now that has moved to 30 days. And I want to say that the 30 days is, perhaps, a more appropriate time because that will give the department the opportunity to properly vet the application process to make sure that public money is not expended in a method by which they have not really earned it or deserve it.

Output measure number three, to provide awards to 100 per cent of the day care providers by the last day of the month before they are due. If the Minister could just explain to us what the process is when it comes to making sure that the day care providers are paid. Are they paid based on a bill that is submitted? Is there a certain period of time that the invoice has to be submitted? Because if you want to pay them by the last day of the month before they are due, which basically says that my child care money has got to be paid by February 28th when it is due by March 1 or March 31 when it is due April 1, what is the process that is in place to make sure that the necessary documentation is submitted before that money is disbursed? It will be useful to know that.

And to complete 700 site visits, this is under business unit 65080, for financial assistance clients during the year. And the question begs here is . . . why? What happened to the rest? Because the targeted outcome was . . . the original forecast was 600, the actual outcome in 2017/18 was 500 (I am not sure what the original was) but the forecast now has gone back down to 500. And if you are going to try to complete 700 site visits for financial assistance clients, why is 500 now an appropriate number? Is it that we do not have enough staff to do it? Is it that we do not think it is necessary? Is it that the history of some of the people that are already on the record is such that they are so reliable that we do not have to do it a second time? There has got to be reasons behind it, but we did not hear that and it would be useful to hear why 500 is deemed to be a more appropriate number.

I am going to go on to Health Insurance and that is on page B-190. And, as I said, only because I want to cover all of the topics at a high level and then I will have more questions going forward as do some of my other colleagues, so I am just doing this, but I will reserve the right to come back on some of these issues.

So with respect to Health Insurance, which is Head 91, the mission statement, as I look at [page] B-190, Head 91, is: *We will deliver health benefit products with participant focus, consistency, stakeholder collaboration, coordination of affordable benefits, prudent fiscal and operational management.*

[Ms. Leah K. Scott, Chairman]

Hon. Patricia J. Gordon-Pamplin: So my question is: What comprises "affordable," coordination of affordable benefits? What comprises affordable? And I ask that in the context of the Minister's indication on her policy that going forward they were going to go to the single-payer system and there was going to be changes and whatever changes were going to be made, but we did not hear a detail relating to what is proposed in terms of our health insurance.

And part of the reason, Madam Chairman, that we actually allotted this much time was so that we could hear details so that the public could [have] fleshed out to them exactly what to anticipate, what to expect and how this new policy going forward is likely to impact the premiums that you are paying, the services that you get, the money that it is going to cost, and whether our health care system is going to bankrupt us as a country. This is detail that we absolutely need to know. So how are we going to have the necessary information in the absence of the Minister's description and advice as to where we are going, going forward?

The department objective is *to administer corporate financial and risk management strategies to mitigate departmental risk and more efficiently manage the funds.* How is this meant to be attained? We

did not hear that. If the Minister can give us some assistance with respect to what the plan is and where we are going with this?

Develop and implement a robust management reporting process to enable better management decision-making. Are we looking at precertification? Are we looking at some kind of caps? Are we looking at controls? What does this mean? And how will it be achieved?

Looking at the General Administration for Health Insurance Administration under cost centre . . . I am sorry, programme 9101, cost centre 101000, we have a revised estimate of \$4.293 million up from \$3.995 [million] in 2018/19 and we have a new estimate for 2019/20 of \$3.930 [million], which is a reduction of \$65 [million] 2019/20 over 2018/19 original, but it falls far short of the \$300,000 differential between the revised 2018/19 estimate and the estimate for 2019/20. So the question begs, why have we reduced that estimate from revised to something that is closer akin to what existed in the original 2018/19 budget when 2018/19 has already been shown to be out of whack between the \$3.995 [million] and \$4.293 [million]? That does not seem to make much sense. I mean it does not seem to . . . I do not quite understand it, so if the Minister could explain it, that would be useful.

The subjective analysis, when the Minister gave her brief, she indicated that 2019/20 was \$3.995 [million], no different from 2018/19 and, in fact, the number in the Budget Book is \$3.930 [million]. So based on the number in the Budget Book is where I am going to set my queries. And that is, on salaries on the subjective analysis, where the original budget was \$1.497 [million] and the revised is . . . I am sorry, the new budget for 2019/20 is \$1.385 [million], which is a reduction of \$112[,000].

In the light of the Minister's indicating that the health insurance department and the staffing and everybody related thereto are so hard-pressed based on early retirements and frozen positions and the like, based on what the previous administration did, how are we now justifying the reduction of \$112,000 if the Minister had already determined that staffing was not appropriate before, why are we reducing the salaries? That would suggest that staffing . . . there has got to be something wrong with the money relating to salaries going forward for this time. So I just wanted to—

[Inaudible interjection]

Hon. Patricia J. Gordon-Pamplin: Yes, yes, you got it. And I do appreciate that. The Honourable Deputy Speaker has just given me a little bit of interpolation with which I am pleased, because I had kind of overlooked . . . sometimes you have so many numbers that you are looking at . . . there is one less staff, so that accounts for the \$112,000 decrease there.

Professional Services, we are going down by \$19,000 and I am just curious to know wherein lays the differential on that professional services.

And the other question that I have is the receipts credited to the programmes, \$1,860,000 of receipts credited to the programme. What are those receipts? What is the detail, what is the makeup respecting those receipts that have been put into this programme, or that is anticipated to be received into this programme, what are they? And that gives us a total of \$3,930,000 estimate for 2019/20 and not \$3,995,000 as was articulated in the Minister's brief.

So I am going to go to page B-192, Madam Chairman, with respect to some of the performance measures that have been indicated in the [Budget] Book. So the administrative expense ratio for health insurance plan, expressed as a percentage of premium, is estimated to be 7.3 per cent. In the original forecast (and this is for HIP) it is 6.1 per cent, but the actual outcome for 2017/18 showed that there was an 8.8 per cent expense ratio. And while the forecast for 2018/19 has been revised to 7 per cent, the targeted outcome is 7.3 per cent.

The Minister indicated that HIP is effectively the . . . it is the insurer of last resort and, as a result, they are required to cover literally any and everybody who may or may not have insurance coverage in any other sphere and, therefore, it may be a little bit more complex to administer the HIP. But still, at 7.3 per cent, the question is what efficiencies are being brought into the Ministry in order to be able to bring that administrative expense ratio down from 7.3 per cent to something that is a little bit more equitable and, perhaps, try to narrow that gap between industry average and what is the actual expected cost?

We are showing a \$343.00 administrative expense per policyholder, which is down from \$463.00. We did have a forecast of \$346.00 and we are saying okay, now we can probably do better by \$3.00 on the administration of a policyholder. But when one looks at administration expense per policyholder it effectively says take all the administrative expenses, take the total number of policyholders that you have, divide one into the other and that kind of gives you an average of what the individual one is going to cost.

I am not sure that that is an effective way or an appropriate way or an accurate way of determining what the administrative expense is per policyholder. I think that there is a better analogy that we can use or a better equation that we could use in order to ensure that what the cost of policy administration per policyholder is, is something that should be more appropriate. Because you cannot say that, you know, Mr. Smith who comes in the door with zero challenges and Mrs. Smith who comes in the door with a bazillion challenges, that their policy administration fee is exactly the same, it does not make any sense.

So I am just curious as to how we are able to effectively make a determination on the administrative expense per policyholder.

The claim expenses by premiums as a percentage, we have 168.5 per cent projected loss ratio. That is inordinately high. But given that the HIP is the insurer of last resort, that means that everybody and everything that goes in . . . whatever existing conditions, pre-existing conditions, new conditions, you know, major challenges, major medical challenges, that fit in, they all have to fit into that bucket. And, therefore, your percentage is extremely high.

The claims for HIP, the total claims are anticipated being \$27.757 million. That is indicative of the amount of or the type of coverage that is required, so I can accept that.

The headcount though of the policyholders does not seem to support the amount by which the increase is likely to go up. Like, we now have 3,103 policyholders, we have 3,526 anticipated, but the cost in claims is anticipated to go up from \$26.565 million to \$27.757 million, which is literally \$1 million of increase in cost for policyholders for claims for over 420 additional patients or clients or policyholders.

And that does not seem to equate if you start to look at what the expense ratios are, it does not seem to equate with an appropriate amount of uptick for budgeting for the coming year based on the fact that we are expecting this many new policyholders coming into the system. It is not possible that 400 people are going to cost you only \$1 million extra when 3,000 people cost you \$26 million. That does not make any sense if you start to . . . if you can do the math.

Let me go down to the FutureCare Fund, administrative expense ratio for FutureCare Fund is 4.9 per cent. And that really is closer and more indicative of what the industry requires, but FutureCare is a far more targeted group and, therefore, it probably makes sense that they are able to attain an administrative expense ratio of 4.9 per cent or somewhere in that vicinity.

The total claims, though . . . and this is under FutureCare on page B-192, the total claims for the FutureCare Fund, the . . . if you look at the last line there, the total claim number, which is . . . we have under . . . let us see, it is the one, two, three, fourth line down where we have \$28 million of original forecast which is going up to \$36,900,000 over the course of the next year. And that presumably is indicative of the numbers of people who will hit age 65 who will now be eligible to go onto FutureCare, and some of those people will be coming off of HIP, so there is a possibility that we have got some sort of synergy between the two programmes, coming off of HIP, going onto FutureCare.

But the percentages do not make an awful lot of sense. And I say that from FutureCare, if you look at the percentage . . . okay, if you look at the percent-

age, the original forecast percentage of claim increases versus the previous year being 3 per cent, that 3 per cent—and this is where we start getting ourselves into trouble when we are not consistent—because that 3 per cent number is based on the *revised* budget, not the original budget.

So if you look at, Madam Chairman, if you look at the original budget of \$28.274 million on FutureCare—and that is on total claims for FRF on the fourth line down—\$28,274,879 original forecast for 2018/19 and then you have a targeted outcome for 2019/20 of \$36,940,138, that is a difference of \$8,665,000, and that is a 30 per cent increase. Now when you look down at the last line in that segment where it says percentage claim increase versus previous year you are showing that there is a 3 per cent increase. And why is it showing a 3 per cent increase? It is showing a 3 per cent increase because that \$35,864,000 that is the revised forecast, measured against the targeted outcome for 2019/20, is only \$1,075,000 and that is 3 per cent.

But we cannot cherry . . . we cannot pick and choose. We cannot say on the one hand that our budgets are meant to reflect the differences between original estimates and the new estimates for this year and then come up with percentages that are reflective of the revised estimates as against the new estimates because that is not consistent and it is not right, it is not accurate at all. So we are showing that our actual percentage is 30 per cent as opposed to a 3 per cent on the FutureCare.

And if we go back up to health insurance, by the same token, where we are showing a 3 per cent on the original forecast as a percentage of claims increase versus the previous year of HIP, where we are showing 3 per cent, by virtue of the same math, the targeted 2019/20 budget of \$27,757,000, as against the original of \$26,565,000, comes out to a \$1,191,868 differential, and that is 4.48 per cent, that is nearly 5 per cent difference as opposed to . . . if you measure that against the new revised forecast, your \$27.7 million is put up against a \$26.9 million for a differential of \$808,000, and that is 3 per cent.

So it is fine to choose the number that gives you the right output, but it is not correct and it is not . . . it basically is obfuscating the numbers, and I think we need to be careful about this. You know, either we are going to have one directive or we are going to have a different one. So, it is important that we start to be consistent in the methodology which we use to give information as to what it is that we are actually doing.

Now, I covered the hospital subsidy in the performance measures, but I do have some questions so I am going to come back to that a little later. And the combined HIF, FCF and BHB subsidies, you know, there are some numbers there that we really need to flesh out.

But overall, Madam Chairman, I think it is important for us to recognise the importance of that consistency, as I mentioned, so that we have a common thread by which we are able to examine numbers from one year to the next and from one department to the next. And, you know, the unfortunate thing, perhaps fortunate or unfortunate with me, is that as an accountant I look for the numbers, and if the numbers do not tie, the numbers do not tie. And if they do not tie, I am going to ask the questions.

So as a general overview, I would like for the Minister to give us some more detail with respect to the Grants Administration as to what we are paying for in Financial Assistance and, in particular as well, to ensure that we have some detail with respect to the health policy that she is intending to implement through their new Government policy and strategies in terms of where we stand. And those are the big questions, apart from the smaller questions which I have asked specifically and I would expect to have some responses as time goes on.

I do know though that there is one other thing and that was with respect to day care standards because the Minister had indicated—one minute we were talking about rats and the next minute we were talking about children and day care and I was like a little bit confused—but she did not indicate where she was in terms of the heads, and the Minister indicated that she would get that information for us and let us know where she was referring to on those day care standards.

And the other thing that she spoke about with respect to the hospitals was electronic health records. And the question begged in that—and that was on Hospitals [pages] B-184 to B-185—when it comes to electronic health records, which the Minister had in her brief, it is not specific in the—it is just part of the cost of the hospital which the Minister gave us detail about with respect to the electronic medical health records—the question is, we did hear that through the Health Council there was some, I guess, coordination of medical record numbers for clients and the like, but I think there were 1,400 of them (if I remember the number that she said correctly), but we have thousands of people here, so where are we with respect to doing something in relation to medical health records . . . electronic health records?

Because that is a significant key in helping to control the cost of health care so that somebody will know that patient 1234 did not go to doctor A, B, C, and D, get the same requests, have the same tests all done, and the system is paying for it four times over. When, in fact, the patient is really only looking for some kind of comfort that diagnosis by A was maybe not what they wanted to hear, so they go to B and that is not what they want to hear, so they go to C or D and then when they find out what they want to hear, then they are satisfied. But we are paying four times over for the patient's comfort in knowing what the out-

come of their diagnosis is and I do not think that this is a fair use of our funds.

So if we had an electronic health record system, then it would help to alleviate that challenge. And I do know that because, as I said, I was the Minister in that area, it was kind of difficult because I did have somebody come in and they said that putting in an electronic health record system would be between \$20 [million] and \$40 million. To which I said to him \$20 [million] to \$25 million is an estimate, \$20 [million] to \$40 million is a guess, go back and bring me back something that makes sense. Because you cannot say something could either be \$20 million or \$40 million—it cannot be, it cannot be. That made no sense.

And one other thing, too, and that is on patient-centred medical home leaves and this is with respect to Hospitals and I am looking . . . I am thinking this is also on page . . . Hospitals is on page (I have it turned over) . . . page B-184 is Hospitals. When the Minister indicated that the patient-centred medical homes had gone from 167 patients up to 2,013 patients, and I am just wondering what precipitated that very large increase. I have a couple of other questions, but I can always come back and ask them a little bit later.

Thank you, Madam Chairman.

The Chairman: Thank you, Member.

Are there any other Members that wish to speak?

The Chair recognises the Honourable Jeanne Atherden from constituency 19.

Hon. Jeanne J. Atherden: Thank you, Madam Chairman.

I think, Madam Chairman, I think it goes without saying that we are all here trying to get a clear understanding of the numbers that are here because the Minister reminded us that the health insurance—health—the whole Ministry of Health, after debt, is the largest Ministry. And, therefore, I think it is very important for us to have clarity on how the money is being spent.

And so I am going to go through and ask some questions. I am pleased that my colleague had started off with some of these questions, but I am going to go through and ask some that I believe are important out there.

With respect to the Ministry of Health Headquarters, I think it is important for us to understand that this department is responsible for the grants and administration. And I know that some questions have been raised—

The Chairman: What page are you on, Member?

Hon. Jeanne J. Atherden: I am going to go now to start off with [page] B-167 and it says . . . this is under 2101, General, and then it goes [to] 31015, Grants

Administration, and it shows that the actual for 2017/18 was supposed to be \$5,484,000 and the original was \$5,342,000 and then it goes across in terms of the revised.

Now, when you go to [page] C-17, it says under the Ministry of Health that the actual for 2017/18 is \$6,203,000 rather than \$5,484,000. And the reason I am asking that is because that is \$719,000, and so it makes you start to wonder when you have Grants that all of a sudden the money is there and then nothing is there later, is this something that has moved somewhere else or is this something that the Ministry has decided that there is not a programme. So I think it is important for us to have some clarity on the fact . . . and especially, it looks to me like it is relating to 6869 which is Grants to External Bodies of \$719,000. So if that is the case it would be nice if the Minister could indicate where that money has gone to, just so that we are clear on what the Ministry is covering, okay?

So then after that when you start to go and you start to look at some of the performance measures and . . . the Minister might not know, but I am sure the technical officers will know, and the people of Bermuda will know, that I am really a stickler in terms of performance measures because I believe that they are helping us understand how the money is being spent, they are helping us get an appreciation on whether we are getting value for money and, therefore, I think it is important to have measures that make sense.

So if I go and I look at Corporate Services—

The Chairman: What page are you on, Member, please?

Hon. Jeanne J. Atherden: It is on [page] B-170, sorry.

The Chairman: Thank you.

Hon. Jeanne J. Atherden: If I go to [page] B-170 and I am going to go to business unit 31030, Health Care Registration and Regulation, okay, so then, in this—and this is the third item down—it says *percentage of complaints against health care professionals resolved by professional statutory bodies within one year*. And according to this it was 80 per cent, 85 per cent, and 88 per cent. Well, it begs the question of . . . if you are only resolving 88 per cent, there are still some more complaints out there in any one year which are unresolved. So it would be interesting for the Minister to be able to let us know how long it takes for the rest of the complaints to be finalised.

And the reason I say that is because my second question to the Minister is, Do all professional bodies have a complaints committee separate from the Council that the complaints are referred to? Because I am certain that there were some professional bodies where there was a question of, did they have a

separation of the complaints committee versus the Council and they had to do something about resolving it. So it would be nice if she could answer to us: How long does it take to resolve the complaints—those ones that are not done—the 15 per cent? And, also, how long . . . whether all the professional bodies have actually gotten a separate complaints committee separate from the Council?

With respect to [page] B-171, this is talking about . . . this is Ageing and Disability Services—something which is dear to my heart and dear to everybody else out there because we are all getting older and it is important—it says *the number of complaints submitted to the Registrar*. Now, the original forecast for 2018/19 was 34 and then it was discontinued. Now, I am going on the basis that it might have been discontinued because it is [being] reported somewhere else. So, could the Minister tell us where the complaints are submitted to if they are no longer reported to the Registrar? Because I cannot believe that somebody does not do a follow-up of these complaints. We have had enough issues in this House about complaints and following them up.

So if the Minister could tell us something about that, this would be very important.

[Inaudible interjection]

Hon. Jeanne J. Atherden: I am on [page] B-171 and this was under Ageing and Disability Services, and halfway down it says *number of senior abuse complaints*—something which, I know, is dear to your heart, Member—and it says in terms of original forecast it was 34 and then for 2018/19 this has been discontinued and in 2019/20 it has been discontinued. So I want to know, Where are the complaints referred to? It must be somewhere. I cannot believe that it is not done. So that was my question with respect to that.

Then when you start getting into [page] B-172, which shows [the] number of clients participating in greenhouse gardening programmes and the client percentage demonstrated satisfactory or better skills. And I think that this is . . . it said the original forecast was 91 and it has gone down to 56 per cent and up to 80 per cent. Now I glory in the Ministry doing this because I know that, you know, the people that have come out to learn those greenhouse skills have been very important in terms of people going home and opening up little gardens out in the back.

And I was pleased to hear that the Minister was indicating that they have moved it from just the little training programme. I think she said that now you get sort of three months of subsequent training afterwards, which is good because most times you are there, you think you have got it, and you go back home and you try and do it and before you know it some of those things are dying off. So doing that, I think, is very . . . is a good idea. But I would like to know if the Minister could tell us in terms of going up

from 56 per cent and up to 80 [per cent] what is, what I call, the deterrent for getting it 100 [per cent]? Because I think the bottom line is we have to ask questions like, *What is the deterrent?* because then the Minister or someone can tell us what they are working on, as opposed to just saying, it is not good enough to have 86 per cent when you should have 100 [per cent]. What is the deterrent?

So then I go to the Department of Health and when I start to go to the Department of Health I have, you know, a couple of my favourites which are in there, and the favourites go down to Lefroy House and Sylvia Richardson. And the reason I say they are my favourites is because Lefroy House . . . I have always felt that Lefroy House . . . we had lots of good ideas about what we wanted to do with them, but we never quite pulled it off.

So I was pleased that my colleague asked the question about . . . if we have developed a space where they might be able to go, that it would be nice for us to be able to get some indication of timing and money and capital because the bottom line is that it is no good to say that you have got something planned if you cannot see something that says that money is going to be allocated for that. If not, it becomes a good-to-put into the Budget Book and then later on the seniors are still suffering and the people up at Lefroy House are still going through and working under conditions which are stressful. So it would be nice to know that.

Now with respect to Sylvia Richardson, I think that the Minister indicated that there were the 10 beds that were opened up and, therefore, the . . . I think she said they started to have them . . . started to be filled in February and there was an indication that they would all be filled by the end of March. And I just wondered if the Minister could just confirm that, not only are the beds going to be filled, but the issues with respect to elevators and other things have all been resolved because I know that this was one of the things which was delaying us—the previous Government—trying to get on and do some of this.

And the second part of it is that if the Minister could indicate that, what I call, the system with respect to the Hospitals Board and transferring people to them have been . . . whether a system has been set up so that when people come out and are eligible—when I say “eligible,” in terms of the type of care that they have [would indicate] that Sylvia Richardson is appropriate for them—I wonder if the Minister could just explain to us whether there is a system in place to make sure that the right people get into the right beds.

Now with respect to . . . still going on . . . and I am sorry, I am going to bounce back to the . . . if I can bounce back just a moment to [page] B-167? This is the office of the Chief Medical Officer. In that there was an indication that the office of the Chief Medical Officer spent a lot of time in terms of with the pharmacies and the doctors and the registration, et cetera,

and monitoring the health of the public, and I just wondered whether the Minister could indicate whether . . . the process and procedures are such right now that all of the persons who are physicians who must have registrations, whether all of those registrations are up to date.

I know she indicated that there was going to be online registration for them and that means that that is good because it should make it easier for people to actually register and it should make it easier to have it . . . for anyone to know that someone has not registered.

Now there was an indication that this was going to be transferred to the Health Council, so if the Minister could indicate to us when that would be, would it be in next January? Because I think it is sort of an annual item. So if we could get an indication of that.

The Minister also indicated that the chronic disease register, and she mentioned about STEPS 2019 that is going to be implemented because that was . . . the last one was, I think, 2015. So I think it would be nice if she could just indicate to us when it would be because I know that this is something that . . . the more information that we get out to people to tell them that it is coming and get them committed . . . and this, to me, is something that could become a bipartisan thing. Because I do not believe that anybody—on this side or the other side—would not want to be supportive of saying to people *get out and provide this information and get it done as quickly as possible*. Because the longer it takes to get this information in, the longer it takes us to understand some of the corrective action.

And I say that because I remember the thing that I was struck by, the fact that . . . I mean, that is when you realise that a woman’s waist was now 32 inches as opposed to what used to be the size before. And these are things that . . . and then that is when we [found out] about diabetes and diseases, so it is important.

So if I then go to Ageing and Disability Services on [page] B-167, the Minister indicated that there was . . . that the K. Margaret Carter [Centre] was liaising with MWI and I know she mentioned about the client-centred passport, but I just wondered whether any progress has been made in terms of potentially having MWI effectively, almost, taking over the service that is being done by [the K.] Margaret Carter [Centre]. The reason I say that is because if you go up there, [the K.] Margaret Carter [Centre], you know, they have their clients there, they are teaching, they are putting them through . . . learning how to have life skills, how to be able to stand on their own, they are coming up with the products being created so that they can sell them—I do not know whether you have seen them at Christmas time, where you can go and buy sand and a lot of other things—but MWI is doing the same thing too. And I often felt that there was

something where we had a potential duplication and if we could figure out how to merge the two, then it might then create some, not only economies, but also some staff might become available.

Okay, so there was an indication of . . . when we were talking about—this is Ageing and Disability Services—there was an indication that there were 15 complaints and there was somebody responsible for investigating them in 24 hours. And I just wondered if the Minister could indicate who right now, the Ageing and Disability Services department, reports any complaints to where they feel that they need some further action or intervention. I know at one stage there was a concern as to whether the police had a dedicated individual, but it seems to me like that dedicated individual got some other activities on their plate, and so I just wondered whether we have been able to get, what I call, the type of responsiveness that one would need.

With respect to the Health Council, well, my colleague asked some questions about the money and the Health Council and I am not going to go into that. I think that . . . what I was intrigued by though was the fact that there was an indication that a programme had been started in terms of a unique patient identifier and that we had 1,400 patients that were actually part of this pilot. And I just wondered, without giving anything away with respect to confidentiality, is the Minister able to indicate whether these 1,400 people are concerned in one particular . . . (how shall I say?) . . . one particular discipline or whether they go across a range of disciplines? Because, obviously, the more we get to be able to look at how the system works, then the better it will be.

With respect to . . . I think those are the questions that I had with respect to Head 21. Okay, now we can go to Head 22.

With respect to Head 22, back to . . . I have dealt with the Eat and Grow programme, which I think was good, . . . nutrition . . . the elimination of the mother childhood disease. With respect to . . . I was intrigued because [on page] B-173 the Minister indicated that Child Health includes transfer of child health visitors. Perhaps, afterwards she could clarify that because I did not understand that.

Then she indicated that . . . the five-year-old coverage that . . . they had only been able to see 32 per cent of that due to low staff numbers. And, obviously, when we talk about numbers and positions we are recognising that this is a factor of headcount and that is why my colleague was asking about how many people we actually had. Because the [Budget] Book says one thing and so you cannot see how many are missing.

If I then go to Community Health, I guess I need to understand something because when I try to look at Community Health and then when I try to look at performance measures, I did not . . . it talked about—this is on [page] B-178—it talks about the per-

centage of clients visited within 48 hours, but if the Minister . . . because, unless I am missing it, I could not see where the clinics are. If the Minister could remind me where the clinics are with respect to . . . the clinics that we used to have in St. George's and Somerset and Hamilton where people used to come in and have services? Because I know that they used to be a significant part . . . for seniors, they used to be a significant part of keeping them under . . . at least their health under control.

With respect to Vector Control, and this is now on [page] B-174, which is . . . I know Vector Control is very significant. I mean, we know, leaving aside the rats and the mosquitoes and all sorts of other stuff, the rodent control, the Minister talked about child care standards. And I wonder if she could clarify that because I could not remember and I could not understand how Vector Control got into that. Okay, now I wrote it down, but as I say, I am a former Minister there too, but things change and so if she could remind us about that.

[Inaudible interjection]

Hon. Jeanne J. Atherden: No, maybe you are worried about . . .

So that with respect to revenues on . . . this is [page] B-175, I think I just want clarity in terms of revenues, where it says patient fees. If the Minister could clarify what those patient fees are. I started to think that it could have been patient fees for people that went to Sylvia Richardson and Lefroy because, to me, those are the places where you have patients. But then, on the other hand, I thought that it could be for some of the other clinics, et cetera. So if the Minister could just clarify what the patient fees, which is \$2,534,000, if she could just clarify what those patient fees are? That is on page B-175.

Okay. With respect to the Department of Health, as I said, I have asked my question about client visits, et cetera, so I am not going to belabour that.

[Mr. Rolfe Commissiong, Chairman]

Hon. Jeanne J. Atherden: And I think my next question goes over to Hospitals. With respect to the Hospitals, bearing in mind the Minister has indicated that . . . oh, sorry, I am sorry, Mr. Chairman, can I just backtrack for one second? I do apologise.

Before I go to Hospitals, I just want to backtrack for one second.

The Chairman: Sure, go ahead.

Hon. Jeanne J. Atherden: This is [page] B-167. There is, under [line item] 2103, the Ageing and Disability Services, okay, I just want to ask the Minister, Where is the National Ageing Plan that was being developed by the former Government? Because it had a

strategic workforce initiative and it talked about employment and financial strategy. The reason I am saying that is because when I come later and talk about the Hospitals, it then starts to tie into some questions about the amount of money that is being spent on the aged. So I am going to ask that question here relating to the National Ageing Plan and then I will flip back over to Hospitals now.

And so if I then go to [page] B-184, I think the difficulty or the dilemma that I have is the fact that when you look at the Hospitals and you look at the amount of money being spent, and recognising that the Minister just sent out something called “Innovation in Hospital Financing,” which is putting a lot of emphasis on hospitals and how much money is spent in hospitals, it just begged a question in my mind in terms of . . . if you look at the inpatient, that has tended to be fairly consistent in terms of the amount of money that is spent on indigent, the amount of money that is spent on the aged, the amount of money that is spent on youth.

When you start to look at the outpatient, the aged, that amount of money is just . . . it is . . . it is swinging. It is swinging, you know, because you are ending up saying that in 2018/19 there was \$39 million you thought we were going to spend, then it has been revised up to \$48 million, and then revised down to \$39 million—\$9 million on outpatient is a huge amount. That is like . . . that is like almost 30 per cent! Twenty-five per cent of outpatient . . . and recognising—this is outpatient, this is not inpatient—and when you start to say that for aged you are paying almost . . . you are paying more money for outpatient services than for people being in the hospital, it begs the question of what type of analysis has been done with respect to this?

Because . . . I am asking the question, which as I asked the Minister earlier, if you have the clinics where seniors could go to, that would be the first place where the seniors could go and get a handle on *I’m not feeling well*, they could start to find out what is happening to them before they get full-blown illnesses and, therefore, I wonder whether the clinics are still [operating]. What is the . . . if the Minister could tell us, if they are [operating], how often and what type of numbers of people come to these clinics? Because without that, you have to try and figure out why the hospital then is becoming, what I call, the place where \$39 million of services are going to . . . in this year just gone by up to \$48 million—a \$9 million increase—it means that something is driving that.

Now recognising . . . and I am saying this because under normal circumstances I would not say this, but I am saying this because the only other thing that comes to mind in terms of outpatients is . . . if you are at the hospital, it is labs, it is diagnostic imaging, and it is CAT scans and MRIs. I would hate to think that this \$9 million is being driven by some of those increases. But the reason I say I hate to think that is

because I cannot believe that seniors would be . . . coming up with that type of increase, but I would like think that the Minister could explain to Mr. and Mrs. Public because that is a huge increase.

With respect to some of the other things where we know that the aged subsidy picks it up, I wonder if the Minister could indicate to us how many people that are on dialysis are over 65. The reason I say that is because, obviously, dialysis is something that people are on, but . . . my question was . . . it is a twofold question: What has been the increase in dialysis expenditure this current year? What has been the separation between dialysis at the hospital and dialysis at the new facility? Because there is a new facility, and that is the way you get to understand how additional service providers impact on the cost of expenditure in the health system. So if the Minister could indicate how many people are on dialysis over 65, the amount of dialysis expenditure for the year, and how much was at the hospital and how much was at the new service provider?

Let us see . . . then . . . if I then go back to . . . let’s see, it is . . . the Minister talked about the hospital and electronic health records, and I just wonder if the Minister is able to indicate whether the hospital and the Ministry programme—the one that she talked about earlier—whether they are at least talking to each other to make sure that they are not duplicating [tasks] and that they are actually, you know, travelling on the same path, or at least a path which makes sense.

Now with respect to access to urgent care, okay, when we talked about the hospital the Minister talked to us about the number of people who were actually going into the hospital’s patient-centred home and I must admit I was amazed because . . . sorry, the hospital has a patient-centred home and there was an indication that I think that . . . and this is where we said that it started off at 167 and currently it is up to 2,013 and I thought, fantastic! Because I know that the patient-centred medical home is the hospital’s version of saying if you come there and you are uninsured, then they are going to take care of you and they are going to start to manage you and they are going to start . . . you have to have at least two or three of those diseases, like high blood pressure, diabetes, obesity—you have to have some of those conditions in order to be part of their system.

But once you get in there that means that this goes a long way to take the pressure off the general population.

Now, the other side of it is . . . and when we talked HIP and FutureCare and MRF, the Minister talked about the Enhanced Care Pilot [programme] and the numbers there just seemed miniscule. And I do not understand, I do not understand how the numbers—

Hon. Kim N. Wilson: Point of personal privilege.

The Chairman: The Chair recognises the Minister.

POINT OF CLARIFICATION

Hon. Kim N. Wilson: Thank you and I thank the Honourable Member for yielding. That was a typo. It was not 2,013 it was 213 with respect to the patient-centred medical home.

Hon. Jeanne J. Atherden: Thank you, Minister.

The Chairman: Thank you, Minister.
Do you wish to resume?

Hon. Jeanne J. Atherden: So, so, we are saying it has gone from 167 to 213?

[Inaudible interjection]

Hon. Jeanne J. Atherden: Okay, that is fine. That is fine. So it has gone from 167 to 213. That is fine because that . . . that is the type of increase that I would have expected it to go through. But it still begs the question that I have when we are starting to talk about . . . when you were starting to talk about HID [Health Insurance Department] and FutureCare, et cetera, because there was an indication that the Enhanced Care Pilot [programme] only had 190 active people, recognising that the hospital is just one place, but the Enhanced Care Pilot [programme] was supposed to have several doctors.

So I wondered if the Minister could indicate to us: (1) the number of doctors that are part of the Enhanced Care Pilot [programme]; (2) whether any of them have opted out; and (3) what has been the percentage increase since it started, recognising that both of them started [at] pretty much the same time? And I just wondered if she could tell us that number.

Okay. With respect to [page] B-187, Financial Assistance, I guess my colleague asked a lot of the questions that I had, but my questions really focus on the fact that we know that a lot of people that are on financial assistance are seniors, and we know that a lot of people that are on financial assistance also have illnesses, et cetera, which sometimes prevent them from working. So I just wondered if the Minister is able to indicate whether any of her financial assistance . . . whether any of the financial assistance clients are any of the individuals that are either part of the patient-centred home recognising that . . . I am presuming that they are not part of the hospital's Enhanced Care Pilot [programme] because the hospital is only taking people who are uninsured.

With respect to . . . the other question, if the Minister could indicate . . . a lot of people do not, perhaps do not understand the relationship between the Standard Health Benefit and the monies which are collected that go into the MRF fund and then go out afterwards to form the basis of funds being available

for the Enhanced Care Pilot [programme]. So if the Minister could just indicate to us how much, on an annual basis right now, is being transferred from the MRF to go into the Enhanced Care Pilot [programme] "pot" (if you will) to take care of these individuals. And also, how much money is actually left and how much is being drawn down?

And I think those are the questions that I have, and I am sure my colleague is probably ready to go again. Are you? Okay.

The Chairman: Well, thank you, Member from constituency 19.

The Chair now recognises the Member from constituency 22 *[sic]*.

Hon. Patricia J. Gordon-Pamplin: Twenty-three.

The Chairman: Twenty-three.

Hon. Patricia J. Gordon-Pamplin: Close enough.

The Chairman: You now have the floor, Member.

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

I just wanted to go to page C-5 on the Capital Development. And I did mention earlier that it was good if we could see some sort of money going towards the Lefroy House relocation and I see that there is \$250,000 in 2019/20, which probably will not do much more than do some plans, so the question begs, what is the kind of time frame within which it is anticipated that we will be able to see some kind of action? I see there is a \$19 million TAF, but I am just curious as to what the time frame is that we are expecting for that to move.

Also, we had under Hospitals [on] page C-5 under Hospital Capital Development, 75022, the Mid Atlantic infrastructure upgrades. And the question is, there is \$4.5 million out of a \$7.2 million TAF, but \$4.5 million has been allocated within this coming year's budget, and the question is, of that infrastructure we had spoken of or that had been, initially, information that they were going to try to combine the campuses of Mid Atlantic with the KEMH on the footprint at some point in time after the demolition of the old nurses' quarters and the question is, has there been any update with respect to what the overall property plan or what the footprint plan is in relation to that capital development?

Under the Department of Health on page B-181 with respect to the housing conditions, and this is Department of Health, business unit 32180, which is the Housing Conditions. The question that I have is the performance measure indicates the percentage of tourism properties rated compliant with health, hygiene and safety standards and my question is: In light of the number of new vacation rental properties

that have been brought on the market, are these conditions and safety standards with health and hygiene, are they being rated in the vacation rental property space as well? Or is it only in the traditional hotel-type management for tourism properties?

I also have a question on page B-180 with respect to indicators and that is on the occupational health and wellness, business unit 32130, where it indicates that a [percentage] of all inmates received in correctional institutions who received an initial medical evaluation and that number is 95 per cent. That is slightly disturbing and concerning inasmuch as within the context of a prison environment, it would seem to me that 100 per cent of our inmates ought to be examined upon intake, you know, for an initial medical examination.

We need to ensure that our officers are working in safe environments. And if we do not have a 100 per cent intake, how do we know that some new inmate coming into the system has not been or is not an HIV/AIDS patient or whatever with whom the correction officers are required to interact on a daily basis? So we need to make sure that their safety is also taken into account along with the intermingling of inmates one with the other so that we have . . . we ensure that there is a safety measure employed with our . . . you know, within the corrections institution. So I am just curious and concerned that this should be looked at.

Okay, so I want to go back to page B-179 and this is with respect to Nutrition under business unit 32110, the proportion compliant with the school nutrition policy, all government and private primary, middle and high schools should be . . . I am sorry, they are budgeted as being at 90 per cent targeted income being compliant with school nutrition policy. Now I do know that within the Ministry, and it was Marie Beach, if I recall, and she probably still is working with that programme, was quite pedantic and quite excited about what she was able to bring to the children in highlighting the necessity for good nutrition and taking out sweets and the like away from the school policy . . . away from the school environment. And I am just curious as to how that nutrition policy has been developed further subsequent to what Ms. Beach was actually doing and as we saw being active.

Also with Nutrition compliance with medical nutrition therapy diets at rest homes and correctional facilities, so the question is: How are the diets . . . how are the medical nutrition therapy diets being managed and controlled in the rest homes? Is this relating to all rest homes? Is this relating to only government-run rest homes? Or does this incorporate the entirety of the rest home industry so that any senior who is in any rest home is reasonably able to know that they are receiving medically nutritious diets that have been approved by the department?

When it comes to occupational therapy, early intervention within 20 days from intake . . . school

health, 20 working days from the date of intake, in seniors and adults, 20 working days—this is a percentage of referrals assessed within established time frames—and we are going for in excess of 85 per cent, whereas we had an original forecast before of 90 per cent. So why are we . . . I guess, diluting this requirement to come down from a 90 per cent requirement down to just a greater than 85 per cent? And while it may not seem to be a large differential in terms of percentage points, we just do not want people falling between the cracks, and I think that this is important.

So the number and percentage of clients demonstrating progress towards functional goals following their first review period with early intervention, school health, seniors and adults, they are all sort of in excess of 85 per cent is the goal . . . is the targeted outcome. But how are we measuring . . . how are we actually measuring this? Is this being measured by international world health organisation standards? Is it measured . . . how are we ensuring that what we are indicating to be the outputs are actually able to be measured to confirm that the outputs are actually being met?

And then I want to go to Oral Health Control. With seniors the total number of visits per sub-programme with seniors, children, prisoners and special patients, there are 1,500 seniors that are under—and this is on page B-180 under business unit 32150, under Oral Health Control—with 1,500 seniors being . . . the total visits and; of children, 3,200 children; prisoners, 275; and special patients, 65. Now this is in comparison to seniors, 250 being the original forecast for 2018/19.

So the question is, while it is very positive, obviously, for our seniors to ensure that there is dental . . . oral care available to them, that seems to be an inordinate range between 250 original forecast for 2018/19 and 1,500 in 2019/20, given the Minister's lament earlier of the shortage of staff and the inability to recruit effectively, how are we going to achieve that 1,500 targeted outcome if the staffing is not there?

In terms of children we are going from 1,000 original forecast in 2018/19 to 3,200 children, again, we want to stress the importance of our young people having the ability to have oral care, but are we realistic in saying that if we had a forecast of 1,000 . . . can we realistically go up to 3,200 if we look at the fact that in 2017/18 the actual output was 1,395; so we are effectively talking about more than doubling the output from then until the 2019/20, albeit we do not have the actuals in respect of 2018/19 so I do not know what the incrementals were.

The 275 prisoners being the targeted outcome, the question begs: How many inmates do we have? Because I thought that we actually were down on the number of prisoners in the correctional institutions, so are we giving an output measure that is actually in excess of the population that we have going

into the prisons? Are we . . . I mean, how can we have 275 dental checks unless we are doubling up at some point in time? I just do not know. The numbers just did not seem to tie.

And the percentage, the proportion of patients who demonstrated improved oral hygiene status at recall. The target is greater than 85 per cent. And I think that we cannot really get much better than that because notwithstanding what you would want to hope that people take advantage of the opportunities, then what will happen is that they will effectively be able to . . . you know, that 85 per cent is not that bad even though we would like for it to be a 100 per cent improvement, that is an unrealistic expectation. So 85 per cent, I am happy to deal with that.

Public Health Nuisances by air quality, noise vibration and beach pollution. So the question that I have—and this is on page B-180, business unit 32171, with respect to Public Health Nuisances—and on that we are dealing with air quality, noise vibration and beach pollution. Now with noise vibration there is a targeted outcome of three; two for beach pollution; and 30 for air quality. I wonder if the Minister could just give us some indication as to what constitutes that public health nuisance with respect to those three categories.

It would seem to me as though with beach pollution we would have things like the washing back of sewage, and the like, on the beaches, and this would perhaps be something that would come into that ambit of beach pollution.

But noise vibration, for there to be only three . . . one can only stand on the corner of any Hamilton street, any hour of the day or night and hear boom boxes coming from three or four blocks down the street and feel that if that is not noise pollution, I am not quite sure what is. We constantly also get situations in which you have people who live on the harbour and you have boats that are doing, you know, casual and social functions on the water. And somehow, notwithstanding, if I have a complaint from my constituents, I say to them, *Listen, it is only for a couple of hours once every other week, so don't complain, just put some ear muffs on and go to sleep.* But by the same token, it is quite a nuisance, and I think that my very glib response ought not necessarily—

[Inaudible interjection]

Hon. Patricia J. Gordon-Pamplin: Oh, yes. That too. That too, definitely.

And so I just wondered what constitutes that.

And, Mr. Chairman, just by way of interpolation and information, you actually spoke about kites. We have had situations, especially on the south shore in the Astwood Park area, where there has been a tremendous nuisance that has been created to the extent of a complaint having been made to the Department of Parks, and somebody going over and ac-

tually daring to cut down the kite and having a nasty confrontation [between] the owner of the kite and the complainant who was a tourist facility in that particular area. So the question begs, what actually constitutes this noise pollution, and how are we likely to be able to ameliorate that so that we have a comfort level for people who have to be subjected to inordinate noises?

The number of food hygiene complaints that have been received and the percentage of complaints resolved, it is good to know that even one complaint of food hygiene variance is one too many. But the fact that 100 have been resolved, I think is a very positive thing and we are pleased to see that.

Under Vector Control, we spoke about the rodent issue and the proliferation thereof. But there is also under Vector Control, 32190, on page B-181, a percentage of positive mosquito traps. There is a 30 per cent of positive mosquito traps. The question I want to ask is, How many actual mosquito traps . . . sorry. It says that there are 16,000 service visits. That seems like an inordinate number of visits for the department to be able to undertake, so I am just curious. What constitutes a service visit for mosquito issues? I think the rodent issue speaks for itself.

I spoke earlier about forensic analysis, so there is no need to go back into that area.

I do want to go into the number of urine drug testing things that are facilitated. The question is, Are any of these drug testing screenings in relation to the sports anti-doping measures? Or are those purely done by the sports bodies, by BSADA [Bermuda Sport Anti-Doping Authority]? And are these urine screens, or confirmations, only in relation to government employees or . . . because there are 3,000 of them that had been targeted. We had an original forecast. We had 3,100 in 2017/18. As I said, I do not know what the incremental is between 2017/18 to 2018/19, but we have a projected of 3,000 in 2019/20, so I was just a little bit curious as to whether these are just related to government employees and their necessity to be drug free.

The other thing that I have is the discontinuance, under 32230, of the return rate of performance appraisals and forward job plans. Again, in this business, you know, I was just curious that this measure was discontinued and I am just wondering what it has been replaced with.

The health promotion, a portion of action plans developed as part of the National Health Promotion Strategy for a Well Bermuda, it says that there are 100 per cent of the action plans, but it does not give us a number. I know, certainly, the actual outcome in 2017/18. There were 15. And in 2018/19 we had 16 of 18. But [what is] the targeted outcome for 2019/20? How many action plans are we anticipating?

Also, the public awareness of media, radio, TV, Facebook campaigns, and public health messages, I think all of us know the jingle of *healthy people*

and healthy communities, which has been the mantra for the department for a few years. But I am just wondering whether there is any way that we can enhance that completed message to ensure that the public actually continues to have an appreciation for the campaign that the Department of Health is attempting to advance.

Comprehensive School Health. The percentage of schools taking part in Healthy Schools programmes. I did ask the question earlier; I now see that according to the targeted outcome it is 29 of 31. I just wonder if we can get some kind of response in terms of how that programme actually measures out or relates to, or translates to the benefit to our young people. Are we noticing that there is any less obesity or there are any less health issues that our young people are experiencing as a result of this comprehensive school health [programme].

The Occupational Safety and Health, business unit 32270, page B-183. The question with respect to falls, falling objects, fatalities (fortunately, there were none), faulty equipment and burns in the workplace, Occupational Safety and Health. Within the Department of Occupational Safety and Health, and I always to declare my interest when I get to something of this sort because I have actually had the, I guess, pleasure of working in that kind of environment, noticing the importance and being trained in the importance of certain safety features, such as, you cannot be on a ladder that is leaning up against a wall without somebody being at the bottom, and just some basic things. We are looking for a targeted outcome of possibly having 300 falls in the number of workplace accidents. And that is an awful lot. [This] suggests to me that there is something missing in our message to be able to highlight the importance of safety features that are required.

I will tell you, Mr. Chairman, my safety feature was done as a result of my active involvement and certification in asbestos abatement. But in some instances, I have seen people on sidewalks doing things that . . . you know, they will be digging up a sidewalk and there is no dust mask. There are things that, while it may be, *Oh, I'm just doing it for now*, people may not realise the long-term impact, the negative [impact], you know, the inflammation of the alveoli by ingesting, by breathing in toxic kinds of things which they may not be properly aware of. Having things like personal PAPRs, [powered air purifying respirator], when they are dealing with hazardous and toxic material, that these are critical, not because a supervisor wants to be a nuisance, but, rather, because individuals, the health impacts could be negative.

So as a result of that, I am just wondering, apart from the inspections that need to be completed in order to make sure that people are compliant with the safety things, whether we could ensure that these

educational issues are effectively dealt with so people are aware?

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: I have the right to ask questions. It is better than being up on the wall, that we heard about last week.

So the number of asbestos inspections performed has been discontinued. Mould inspection has been discontinued. School inspections have been discontinued. And that is a particular concern for me. The question begs, Is there a particular reason why these inspections have been discontinued in terms of recognising the necessity for occupational health?

The number of dangerous occurrences is targeted at 180, which, in fact, I think, we need to work on how we can minimise those numbers because, obviously, those are challenges.

I think if my other colleague does not have another question I will take my seat to allow the Minister to answer some of the questions maybe, and then we can have more questions, if need be. Thank you, Mr. Chairman.

The Chairman: Thank you, Shadow Minister.

The Chair now recognises the Member from constituency 19, once again.

Hon. Jeanne J. Atherden: Mr. Chairman, I have one question and I think this sort of brings it all together.

Recently the Health Council put out a paper on hospital financing. And the Minister talked about BHB and talked about \$20 million being reduced out of the hospital. Now, that is a significant amount, recognising that we are saying that we are \$770 million, so that is a significant amount. The Minister also talked about the health system financing reform, and she had indicated that . . . I thought that we were going to be seeing something soon. So, obviously, it has not come yet. I think she seemed to be indicating that there was going to be a delay in perhaps the Standard Health Benefit numbers.

So I wondered . . . I can ask the Minister this question because I think it brings it all together. The BHB came up with a 2016–2021 Strategic Plan, and in that they talked about bringing the cost of health [care] down, they talked about modernisation projects, and they talked about some of the things that are going forward. Now that plan was designed, if you will, to take the fat and other things out of the hospital. So it begs the question then, How are we going to now take \$20 million out . . . and if I am reading some of the information [correctly], \$20 million this year and \$20 million next year and \$20 million . . . I have heard \$60 million. That is a lot of money if BHB did what they were supposed to have done, which is to have a strategic plan to bring these costs down.

The second thing that I have to ask the Minister, because she said it, is the fact that if after that (we are talking about bending the cost curve) . . . I agree that by taking some of this out [it] would bend the cost curve. But, it has to be realistic and sustainable. And that is why I think everybody is waiting on the health system financing reform. And I wondered if the Minister can give us some indication as to how soon we would see the health system financing reform and, also, whether there is going to be any delay in the . . . when will we have the numbers for the Standard Health Benefit for 2019?

Because normally it would be April 1st, but that is only a couple of days away, and I haven't seen anything. So I just think that this brings it all together. We have had lots of information out there. Bermuda wants to be able to see what the Minister is saying. And we do not want to hear different things coming out from the Health Council, albeit the Minister, we want to be able to see something that says, *This is the way the Ministry has their handle on reducing the cost of health [care] and everybody has bought into it.*

Thank you, Mr. Chairman.

The Chairman: Thank you, Member, from [constituency] 19.

The Chair now recognises the Minister.

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

Mr. Chairman, there were a number of questions that were asked and I will endeavour to answer them, starting with the most recent questions and working my way backwards.

Mr. Chairman, it is correct that the Government is committed, as we indicated in our Throne Speech, to addressing the unsustainable costs of rising health care. During negotiations with the Bermuda Hospitals Board, we were able to discuss an alternative mechanism for paying for their services. Heretofore, the services were paid for in a mechanism that we refer to as "fee for service," which throughout many jurisdictions internationally, it is recognised that this is not the most effective and efficient mechanism used for paying for hospital care.

And, as such, we are moving to a block grant for the hospital for this fiscal year. The sum that has been agreed [upon] is \$330 million. I am not sure where the Honourable Member got the information with respect to \$20 million less, \$20 million less, \$20 million less. But we have indicated that this year it will be—that is not what I said. This year it will be \$20 million we have been able to save to our health care costs. Thanks in a tall order to the Bermuda Hospitals Board under the chairmanship of Mr. William Madeiros as well as the executive officers who have worked endlessly and tirelessly with both the Bermuda Health Council as well as the Ministry of Health to be able to effect this great savings.

Mr. Chairman, there were a number of questions asked concerning the Department of Financial Assistance, as well as other heads. I will just go through those questions again in the reverse order.

There was a question that was asked concerning the Department of Financial Assistance and how clients are currently on the patient care centre. And I can indicate that there are 24 clients that are receiving that particular benefit. With respect to the question asked concerning the enhanced care pilot of HIP and FutureCare, there are currently three practices participating, outside of BHB. [There are] 70 persons [who are] BHB participants and they are HIP and FutureCare patients. There were no practices that opted out. There is a rolling enrolment so it is difficult to put a particular percentage on those exact numbers because they vary. From February 2017 to December 2017 there were 162 enrolled patients. In 2018, there have been 36 enrolled patients. With respect to participating practices, they do not have the capacity to add any more patients at this time.

Questions concerning the HIV status of those members in the community, there are currently 299 residents in Bermuda who have HIV status. HIV is a reportable condition in Bermuda under the Public Health Act 1949. The data presented in this report is based on a retrospective analysis of information collected through Bermuda's confidential HIV/AIDS reporting system. It is recognised that there is undiagnosed and/or unreported infection in Bermuda so it should be noted that this report can only provide information on the diagnosed and reported cases.

In respect to the volume of dialysis, Mr. Chairman, there are approximately 160 patients receiving dialysis treatments within the hospital and 40 of those are in the two outside practices. The growth is expected to be between 5 [per cent] to 10 per cent increase per annum.

I already did make mention of the typo that was 213 as opposed to 2,013. Also, Mr. Chairman, with respect to the outpatient versus inpatient provisions, there is an approximate 2:1 ratio of outpatient care to inpatient care currently at BHB. The majority of hospital revenue has, historically, come from outpatient services.

There was a question concerning the SPR, and at this point we are targeting no changes now to the SPR [Standard Premium Rate]. The objective is to reduce total expenses from premiums and co-pays to less than 10 per cent of the household income for those with limited resources. There is also an objective to provide a premium to all members of the public for a comprehensive set of essential benefits. I have mentioned in this honourable place that we are gathering that information now and we will be reporting on that as soon as possible. I will bring that information to both the public as well as Honourable Members as soon as that information has been obtained.

With respect to the clinics, the Department of Health . . . health centres are under [business] unit 2201, community health cost centres, and 32010 and 32060, respectively.

There was a question concerning vector control and my transition to the new care standards. The new care standards, as I indicated, were released at 2017; however, I also during the brief indicated that cost centres for environment health for the following centres all deal with licensing.

Child care standards relates specifically to the licensing of the child care providers. Those were cost centres 310170 [sic], 32270, 32170, 32172, 32173, 32175, 32180, and 32285. This is at [page] B-174. So I was speaking about all the environmental health cost centres and the licensing provisions. One of such is the licensing of the day care facilities. It is a subprogramme under cost centre 32170, Institutional Hygiene. So that is where the day care providing is, under the subcategory of that one.

Inspections are carried about by the Elder Care Team, which is comprised of various disciplines. This is with respect to the residential care homes. Whenever a complaint is received, depending on the nature of the complaint, the relevant disciplines conduct the inspection. For example, it could be a complaint of poor quality of meals; then Nutrition Services would the conduct the inspection and report to ADS [Ageing and Disability Services] within given action points and timelines to rectify the said deficiencies. The ADS inspections officer will then follow up with an unannounced visit to see if corrective actions have been carried out.

Hon. Patricia J. Gordon-Pamplin: Thank you. Mr. Chairman—

Hon. Kim N. Wilson: With respect to the efficiencies—

Hon. Patricia J. Gordon-Pamplin: Sorry.

The Chairman: Excuse me, Minister.
Go ahead.

Hon. Patricia J. Gordon-Pamplin: Yes. It was just that we had a question with respect to the hospital. I realise that the Minister is scrolling through on her equipment, so before she goes too far down, we want to go back to the hospital. My colleague has a question with respect to the hospital, the comment that she made. I didn't know if it was more convenient to—

The Chairman: So what is it, a point of clarification?

Hon. Patricia J. Gordon-Pamplin: No, no, no.

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: No, just a point of intervention because the Honourable Member . . . she dealt with hospitals, and now she has moved on to something else. But she is scrolling, so rather than get way up there, and know that we need something back here, it might be more convenient if we ask the question respecting the hospital.

The Chairman: Well, the Minister has it in her discretion and—

[Inaudible interjections]

The Chairman: Yes.

Hon. Jeanne J. Atherden: Mr. Chairman, it is a point of clarification.

The Chairman: Minister, will you accept the point of clarification?

Hon. Kim N. Wilson: She is asking me to clarify? Or she—

Hon. Jeanne J. Atherden: I am going to—

Hon. Kim N. Wilson: So, a point of clarification means she is clarifying something.

Hon. Jeanne J. Atherden: Right.

The Chairman: Mm-hmm.

[Inaudible interjections]

The Chairman: Will you accept it?

Hon. Kim N. Wilson: Yes But, Mr. Chairman, with respect, I would prefer to go through all the answers that have come up. They will have an opportunity. We still have several hours to answer any further questions, if need be, and then I will go back to those.

[Inaudible interjections]

The Chairman: Okay. Well, you have that discretion. You may proceed.

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

With respect to the HIP administrative expenses, what efficiencies have been done . . . what has been arrived at to bring down the expenses? They have been negotiated with vendors to keep rates as static as possible. Automation of financial statements, and the cost of doing business increases, i.e., office supplies, maintenance, et cetera.

Mr. Chairman, the fees with respect to [page] B-175, the question concerned Lefroy House [Care

Community] and Sylvia Richardson [Care Facility], those fees totalled \$2.6 million.

There was another question concerning long-term care strategy. A long-term care strategy has been drafted with consultation with close stakeholders; however, due to resource challenges and urgent priorities, we have not been able to complete it. However, we are hopeful that we will finalise this in the coming months.

Mr. Chairman, the unique patient identifier, there were some questions concerning that. The pilot which includes 1,400-plus entries, includes 13 health system stakeholders, including services at the Hamilton Health Centre, the government services, community-based providers, insurers, as well as BHB.

Some questions did also come up concerning positions at the Health Council. We are recruiting currently for project-specific roles for data analysis and regulation support. Recruitment will also include that of the CEO.

[Inaudible interjection]

Hon. Kim N. Wilson: Yes, there were some other questions concerning how to mitigate the departmental risk of HID [Health Insurance Department] and manage the funds and achieve better management decision making. I can report, Mr. Chairman, that by doing so they will establish a risk management committee, provide that security cameras are upgraded, [implement] tightened internal controls with separation of duties, dual authorisation signatories, daily cash rejections, monthly bank reconciliations, monthly reporting to the Health Insurance Committee, as well as retrospective claims adjudications.

Mr. Chairman, there is . . . and I think the Honourable Member indicated this when she was going back through the Budget Book on page C-5, which deals with the capital for the new Lefroy project. It is expected [to be] a five-year capital project, and it is listed at page C-5, \$250,000 is the estimate for 2019/20. This is primarily budgeted for design work for this year to bring forth the concept phase to a design facility that will replace the existing facility as a new build in the Rockaway area.

[Inaudible interjections]

Hon. Kim N. Wilson: Of Southampton.

[Inaudible interjections]

Hon. Kim N. Wilson: The prior STEPS [to a Well Bermuda] survey was 2014, as opposed to 2015. The new one is being planned. [The] interviewer recruitment and training [is] beginning within the next two months and the survey is expected to be in the community by the summer.

Okay. [There were] some questions concerning dialysis figures, as well as the OCMO [Office of the Chief Medical Officer]. Under General Administration it was revised for 4,293, this was 300,000 from the Ministry of Health to the BHB dialysis for 2017/18. An estimate of \$3.930 million versus \$3.995 [million] as was stated in the brief, is \$65,000 for one employee who moved to the OCMO.

Professional services reduction consultant salaries, receipts were credited to programmes, \$1,000,860 made up of vendors, partners, maintenance and rent.

[Inaudible interjection]

Hon. Kim N. Wilson: For one employee who moved to OCMO.

With respect to grants, that was asked, in 2017/18, a \$718,000 grant was provided to the Brown-Darrell Clinic for the diagnostic imaging.

I talked about the child care.

Okay. The hospital, I will have to get that figure, but you will recall that I have said in this honourable place that it is a matter of public record that there was a transfer . . . the hospital owed money from . . . I will get that information. There was like . . . it was a transfer, but I will get that in just a few moments.

I am trying to go through this as quickly as possible, Mr. Chairman.

Okay. [Regarding] the outcome of the management consulting services review for the Department of Financial Assistance, this exercise is ongoing. The anticipated completion date is the end of April 2019. Management Consulting Services will be examining the current structure to determine if there are sufficient resources and the right type of resources. This may or not change the current staff complement. It is yet to be determined.

With respect to FutureCare claims, these were increased mostly due to the personal home care benefit and a correction in hospital dialysis claims which had previously been going into the incorrect fund.

For the administrative expense per policyholder, HID [Health Insurance Department] can report that it is calculated at approximately \$343, on average per person.

With respect to questions that were asked concerning the process to ensure day care providers are paid on a timely basis, the process, Mr. Chairman, is that day care providers, or the vendor, confirm the attendance of the children by invoice at the end of each calendar month. It is the responsibility of the vendor to ensure that their information is received correctly, accurately, and on a timely basis. The department completes four to five cheque runs a month to ensure that the payments are completed on time.

Yes, there was a question concerning the emergency contraception, which is the morning-after

pill, and there was also a question that relates to the criteria for family planning visits. The Sexual and Reproductive Health unit serves clients from 16 years of age. Clients have access to contraceptives, and female clients can access contraceptive shots. Some are administered monthly, and others are administered quarterly. The measure indicator is compiled by combining all visits to give the output measures, which are located on page B-176. Mr. Chairman, the Department of Health's clinics and client files are paper based and there [are no] electronic medical records. The actual number of clients is not available at this time without further detailed analysis. With respect to the Family Planning staff and quota question, there is one medical officer, there are two public health nurses, and one receptionist. And I have already indicated that there are 299 clients, currently, with HIV.

There was an indication that . . . about the \$200,000 reduction due to Teen Haven. I can advise that the original and revised 2018/19 bottom line of \$200,000 is the same. The budget office has relocated the money, with respect to that particular section. But it is \$200,000, which represents a reduction that was transferred to Teen Haven.

With respect to performance measures concerning the Department of Financial Assistance, I am advised that the application process is now 30 days to determine eligibility, as opposed to 10 days.

With respect to cost centre 32060, Community Health Referrals, the percentage of clients visited within 48 hours of referral was 680.

With respect to the hospital subsidy, the hospital receives the allocation in the Consolidated Fund for all subsidised persons. It does not reflect actual claims because we do not pay by claims anymore. It is for a total of all subsidised persons, and this was changed in 2017 when the hospital saw a reduction in the sum of their subsidies that they received by the value of \$25 million. And as such, we are now, like I said, converting to a block grant.

KMCC [K. Margaret Carter Centre] administrator is modifying the programme to be more specific to meet the needs based on the introduction of the client centred passports. All discontinued measures are still being covered within the new measures.

With respect to the questions concerning cost section . . . oral health, Department of [Health], Headquarters, Head 22, the Environmental Health [section] business units have seen no changes, and the expenditure with respect to forensics [which shows] a reduction of 20 per cent, is because a senior post was regraded to create a career ladder in the business units old structure [of] two seniors and an analyst, and now the new structure (which is less one) includes one senior, one analyst, and one technician.

There was another question concerning, I think, the Port [Health] workers at page B-175, and the \$757,000 for professional fees. Why did it go down? This is mainly due to the reclassification of the

new cost centre, which is the Port Health, workers professional fees [changing] to salaries once these posts were approved. So these are the port workers who will be regulating our ports, and the like, who I spoke about in the brief concerning international standards for public health.

These questions are now going back to KMCC. Accessibility assessments are conducted based on various means of referrals received from either the Department of Planning, the Corporation of Hamilton, local businesses, private residents, as well as contractors. The performance measures that related to the rest homes are included in this budget document, Mr. Chairman, for accountability to the public. However, it must be stated that there is no care home in the world that has zero bed sores, zero errors, or zero falls. This is a reality of any care setting for elders, and we continue to strive to keep the numbers as low as possible and to address issues that may arise as quickly as possible. But there is nowhere in the world where you would not see instances of falls or bed sores.

With the respect to the changes to the number of stakeholder initiatives that were collaborated on this year concerning the department of ADS [Ageing and Disability Services], as ADS was short-staffed, you will recall that I did mention that we were able to recruit, however, we do have two members who are currently on maternity leave. We did not have the resources to lead initiatives as the core focus for the year was un-stabilised in the office in software training. However, we often collaborate with relevant stakeholders on initiatives that impact the office, such as visioning workshops, pertaining to day programming for adults with disabilities, as well as a lot of collaboration with MWI [Mid-Atlantic Wellness Institute] and WindReach.

With the respect to the changes to the number of cases managed, again, this is under ADS. [The] 1:0 to 2:5 ratio is the [maximum] caseload that case managers should have based on best international practices in management standards.

At page [B-]168 of the Budget Book, the revised budget, again, with respect to the question concerning professional services. The revised budget is increased due to legal fees that were required by the CMO [Chief Medical Officer] office needing more legal support for the boards. One consultant for the personal home care programme has also been added and more service providers are required for vacant posts.

With respect to the rest home inspections, the number of inspections, that section was removed as a part measure because it is redundant now that 100 per cent receive at least two annual inspections, and more often than the two annual, if complaints are being received.

With respect to the question of the IHR [International Health Regulations] core capacities, the IHR core capacities are the minimal skills resources available at designated ports of entry in a country to be in

compliance with International Health Regulations 2005. These refer to the ability of a country's port to deal with serious public health instances for prevention and control, laboratory resources for testing for diseases, managing cases of infectious disease, as well as communicating risk to the public.

With respect to the complaints that come under HC regulation, there were eight new physician complaints that were handled in the office for this year and one lengthy inquiry occurred and is being resolved. We will reconfirm with . . . I will need to get confirmation, but it looks like there were also two dental complaints and four with respect to the allied health profession.

With respect to PATI [Public Access to Information], last year we had 17 requests from one person. They were not related to diagnostic imaging at all, and that was not any information that was provided by me.

[Inaudible interjection]

Hon. Kim N. Wilson: It was all related to child care.

This is concerning the professional registration and the revenue that is generated from that. [The year] 2018 was a one-off year for major renewal volume. This fiscal year just had physicians renewing for their annual registration. Only in the past month, which is January 2019, Allied health, which is a much larger group, as well as pharmacists, also began the renewal process.

There was also a question that was raised concerning recent communications as it relates to a moratorium on the standard premium rates . . . I'm sorry, a moratorium with respect to submitting applications for new services and providers to be covered under the SPR [standard premium rate]. If access to care is identified as an issue in the interim for essential services, then the Health Council will put out a call for specific applications if such changes do not impact the SPR. This moratorium, as has been indicated earlier, Mr. Chairman, is until we have collaborated to determine what will be included in the new Standard Health Benefit package to best address our health needs. We anticipate the new package to be discussed and redesigned over the next few months. As I indicated, Mr. Chairman, that information will be brought to the public as well as to Honourable Members.

[Inaudible interjection]

Hon. Kim N. Wilson: Matilda Smith [Rest Home] grant.

The 93 per cent performance measures is due to Matilda Smith being late with respect to the supply of certain information, and we are working with them to guide them through to ensure that they abide by Financial Instructions.

Yes, there was a question concerning the outbreaks that were investigated in 2018. There were six. Two were TB outbreaks, one was . . . I am looking at the former Minister. Ciguatera? *[sic]*

An Hon. Member: Chikungunya.

Hon. Kim N. Wilson: That one.

[Also, gastritis], influenza, and a suspected case of measles in the past two months.

The vacancies with respect to the OCMO account for the variance in the budget. Two additional posts accounts for the increased budget, concerning the OCMO.

I spoke about the Port Health. Those were questions that came up right before we took the lunch break. And I believe I have addressed as best as possible the other questions, but no doubt more questions might arise if I have missed something.

Thank you for your patience, Mr. Chairman.

The Chairman: You are welcome, Minister.

The Chair now recognises the Member from [constituency] 19, Ms. Atherden.

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

I will just go back to two. The Minister talked about the hospital grant, this was when you were talking about the \$20 million, I tried to write down what you said the grant was going to be. So if you could just repeat that. That was when we were talking about the saving of \$20 million.

When I spoke about the point of clarification, I have the Budget Books that go back from 2016, 2017, 2018, 2019, and 2020, or whatever else, and other than this one year now where the hospitals outpatient fees are greater, every other year the inpatient is greater than the outpatient. So, I am saying that I believe the statement that you read to us was not correct. But that gets back to the question that I asked which hasn't been answered. Which is, Why is there this \$9 million, which is the revised figure for BHB in the aged?

The other question that I asked related to the Department of Health on [page] B-175. I was curious as to what the patient fees were, the revenue?

I think those are by and large the three most significant ones.

Thank you, Mr. Chairman.

The Chairman: Thank you, Member.

The Chair now recognises the Minister. You have the floor, Minister.

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

I did fail to answer that particular question with respect to page B-185. The apparent difference in the original estimate of \$2.5 million speaks to the HIV drugs that are given out by BHB. Also, with respect to the sum of \$9.7 million from the original estimate to

the revised estimate, what that will represent is us seeking a supplemental for the dialysis subsidy patients.

Hon. Jeanne J. Atherden: Supplementary? Sorry, I shouldn't say supplementary.

I think I asked the question about dialysis as to how many people were over 65 because that would then perhaps give a rough explanation of why we have \$9 million. Bearing in mind, as there are only so many beds down at the hospital, in terms of the dialysis unit, I was quite surprised that all of a sudden \$9 million comes into that.

The Chairman: Thank you, Member.

The Chair, once again, recognises the Minister of Health, Ms. Kim Wilson.

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

I do not have that information as to the number of individuals who are over 65 and are receiving dialysis. However, I will undertake to get that information and provide it to the Honourable Member.

[Inaudible interjection]

Hon. Jeanne J. Atherden: If I can just finish up my other question confirming the amount that you said that BHB was going to get, that was going to result in the \$20 million savings. And also, the revenue for that particular cost centre 8163.

The Chairman: The Minister will respond momentarily.

Hon. Kim N. Wilson: Modern technology is incredible!

There are 158 dialysis patients and 54 per cent are over 65 years old. With respect to the fees for legal . . . okay. There was a question concerning the Enhanced Care Pilot [programme] funds; 0.0 per cent were allocated from the MRF [Mutual Reinsurance Fund] in 2018/19; \$1.750 million were drawn down to date; \$7.15 million are left with \$6,163,065 approved to be paid to BHB for kidney related claims.

And as I have indicated previously, Mr. Chairman, the hospital, as well as the Health Council and BHB have collaborated to design an innovative solution that will repurpose our health care system into a sustainable path for future generations. In the upcoming fiscal year, the government will fund the Bermuda Hospitals Board using a streamlined payment mechanism. This will replace the current activities-based approach and move toward a payment arrangement for better support of the Board's objectives involving efficiency and maximising the quality of outcomes and access to care. Again, moving from a fee-for-service space.

The new consolidated payment method will reduce the fragmentation and allow us to prevent a forecasted \$20 million of additional spending. This savings will then be used to minimise premium increases for the Standard Health Benefit and invest in evidence-based programmes for more prevention and primary care.

Mr. Chairman, if I can add, the status quo for this is not sustainable. And without reform the health care services that we hold very dear to us will be held at risk. And although the Health Council and the Ministry have been able to curb spending growth in recent years, there is much more to be done to meet our goals of access for all, affordability, and better health outcomes. This is a huge and material difference in the amount of health care system spends, and the mechanisms for BHB fees versus the rest of the health system. Over the past 15 years, BHB's costs have increased significantly while the rest of the system has been relatively stable.

Mr. Chairman, in 2010, the National Health Accounts predicted that by 2017 health spending would reach \$1 billion, if it kept growing at its current pace. We have put a raft of measures in place to create a downward pressure on the health costs, and have successfully averted a billion dollar fiscal cliff and kept health costs around \$700 million since 2012. And Bermuda has bent the cost curve; however, we have to keep putting downward pressure. This year's actuarial work revealed that if we did not address the volume-based billing method on the Island's largest provider, health costs would increase by \$20 million, resulting in untenable premium increases. And to prevent this we collaborated with BHB, Mr. Chairman, to devise an alternative innovative way of funding its operations, moving us away from the antiquated and expensive volume-based method model. We will use this first year as an interim transition year to develop longer term solutions, such as a cap and collar funding model, and paying for performance, not just for activity.

Honourable colleagues have to understand that as a country we are standing on a burning platform and we have to make a choice whether to keep the status quo and let health care costs continue to grow out of hand, or take a leap to make the brave changes that are needed to pay for health care more efficiently. We are very lucky, Mr. Chairman, that we have a coalition of willing—the Ministry of Health, the Health Council, and BHB's most senior leaders, as well as many providers and others—partners who are fully supportive of the need to change. This will allow fiscal space to focus on health outcomes and care quality.

The BHB funding reform is the first phase of turning Bermuda into . . . the feedback received (I am sorry, Mr. Chairman). There were some comments earlier about the methodology that will be used with respect to the health financing reform. That has not

been made public yet. We are still considering the stakeholder consultation groups submissions, and the like, and again, when more information is available and the decisions have been made, that information will come to the public as well as Honourable Members. Thank you.

The Chairman: The Chair now recognises the Member from [constituency] 19.

Hon. Jeanne J. Atherden: Sorry, Mr. Chairman, and I think the Minister just gave me the opportunity to lead right in.

Yes, the Minister is talking about the fact that if nothing had been done, we would have been up to a [billion] dollars. But I think it is important to note that what the previous Government did, with respect to holding the costs down, has resulted also in the continuation of the bending curve. And in the Health Council's SnapFacts (I think it was), which was sent out, which shows bending the cost curve, you will see that a large portion of this was when we held the cost of Standard Health premiums down and that helped continue it. Thank you, Mr. Chairman.

The Chairman: The Chair now recognises the Member from constituency 23.

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

Mr. Chairman, when the Minister responded on patient fees, page B-175, revenue source cost centre 8163, the Honourable Member indicated—

[Inaudible interjection]

Hon. Patricia J. Gordon-Pamplin: This is [page] B-175, patient fees, 8163, the Honourable Member said it was \$2.6 million relating to Sylvia Richardson and Lefroy House. Can the Minister give us a breakdown [telling us] what of these fees were related to Sylvia Richardson and what of the fees were related to Lefroy House?

The Chairman: Does any other Member care to speak to the heads in question?

Hon. Patricia J. Gordon-Pamplin: Yes, I have another question.

The Chairman: You may proceed.

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

And page B-187, we had Grants Administration, 65050, in respect of Financial Assistance. And the one thing that I had noted during my earlier question is that the Minister has not given us a breakdown of what comprises financial assistance. The reason this is important is, I think the Minister covered it by

saying, *I gave a Statement the other day*. I think that is insufficient. And I wonder if the Minister can give us some details with respect to where our \$48.3 million is likely to go in respect of Financial Assistance.

The Chairman: Mm-hmm.

The Chair now recognises the Opposition Leader. You have floor, sir.

Hon. L. Craig Cannonier: Good afternoon, Mr. Chairman.

And just my apologies, I was called to a meeting by the Finance Minister, so I slipped out of the debate and I am just getting back. I apologise if I missed one of the answers to this here.

But on [page] B-189, and shifting to Head 55, under performance measures, at the very bottom it says *to complete 700 site visits*. And I noticed that the target has averaged around 500, which leaves 200 other site visits out, not having been accomplished. I was just wondering, what is the backup plan to those other 200? Do we roll the 200 that were not visited into the next fiscal year? Do we have an approach to that? I know that these guys do a fantastic job of trying to keep up. What might help them to facilitate these 700 visits, which seems to be maintained as a performance target?

Just above there, on the same page B-189, point one, where it says, *to provide financial awards to 100 per cent of new Financial Assistance clients*. We are achieving 70 per cent, which seems to be standard. Also, point three, *to provide awards of 100 per cent to day care providers*. [This] is 80 per cent. For the differences there, I am just trying to understand a little better about how they keep up with this. So, you are talking about 30 per cent. I don't know what the 30 per cent of [what] is, whether it is a hundred new financial awards or whatever the case may be.

But knowing the situation, that many of these people are frustrated and desperate, I was just curious as to letting the public know what kind of plan there is to catch up or to get to that other 30 per cent that you are not meeting, as far as your target is concerned . . . understanding that they get frustrated.

The Chairman: Thank you, Opposition Leader.

Hon. Kim N. Wilson: Mr. Chairman, the part that I did rush through concerning the brief is . . . and I will read it, but Mr. Chairman, it was, again, emphasised in my Ministerial Statement on the 11th of February. However, as it relates to the Department of Financial Assistance, there were no policy changes this current year; however, as a result of the reform, planning and feedback captured with the various audit reports, the following proposed changes are being considered for the coming year:

- Recommendation 6—Re-examine the overseas travel policy in an attempt to reduce

abuse of the financial programme. The penalties should be more punitive. The department should have the authority to refuse future applications from individuals where it can be proven that they disregarded the rules on multiple occasions. Perhaps better known as the “three-strike rule.”

- Recommendation 8—Amend the Financial Assistance legislation to clarify the definition of a “senior” as being distinct from a person who receives a pension before the age of 65. There are instances where employers are providing the option of early retirement. In some cases, these individuals are still able to work, and should be treated as “able-bodied.”
- Recommendation 24—Amend the Financial Assistance Act 2001 to more clearly define “financial assistance” by indicating what a “minimum standard of living” actually means in terms of a basket of goods and services. The cost of living from year to year has constantly increased making this “welfare” programme difficult to sustain. Extensive research in respect to the “low income threshold” and other market data like rental and utility costs will be examined to determine where changes should occur.

Plans for the upcoming year, Mr. Chairman, relate to the following:

In keeping with the work performed by the reform group the department will undertake to complete the following:

- Recommendation 7—Conduct more frequent public awareness media activities to ensure that the community is well informed.
- Recommendation 10—Request the Attorney General's Chambers to provide a legal opinion advising whether a person who inherits a property from a senior who has benefited from financial assistance could be statutorily required to pay back some portion of the funds to government. There has been much debate in the media in respect to this topic following its first announcement in the House in February. The department has many examples where parents convey property to their relatives without receipt of benefit. The parent is then removed from the home only to seek financial assistance. In this instance, the “reclaim” is two-fold:
 - One, where a senior conveys a property, receives no benefit of sale and then requests to be a recipient of financial assistance, the government should be able to recoup a percentage of the funds used to sustain the well-being of the senior from the inheritance.
 - Secondly, as expressly stated, if one inherits a property where the owner re-

ceived financial assistance prior to their death, a portion of sale should be provided to the government to recognise the benefit that that person received during life.

Mr. Chairman, nobody wants or intends to deprive seniors of their properties. But in the face of an ageing population and rising need for assistance, the country has to find other ways to fund the long-term care of financial assistance recipients. It is the fairest to taxpayers that seniors use their assets to fund their care, rather than the government paying and their next of kin keeping the assets.

- Recommendation 11—Review social policy in other jurisdictions to determine whether any mechanisms are in place to enable governments to recover financial benefits paid to seniors who own property.
- Recommendation 20—Financial Assistance staff will participate in extensive customer service training to improve the clients—

[Hon. Derrick V. Burgess, Sr., Chairman]

The Chairman: In the Gallery, I don't know what you got . . . a camera there? It is not allowed in here.

[Inaudible interjection]

The Chairman: It is not allowed here. Please, put it away.

Hon. Kim N. Wilson: Mr. Chairman, Recommendation 20.

The department plans to work with the government nutrition team to promote a nutrient-rich shopping list. There are plans to increase the list of “forbidden” items or those goods that cannot be purchased using a food card issued by the department. Currently, the only items banned for purchase are alcohol and tobacco.

Mr. Chairman, there were a few other questions, if I can add those real quickly now?

The Chairman: Mm-hmm.

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

The enquiry targets, Why are they so high with respect to occupational safety and health? [Having] 300 accidents per year is an ambitious low aspirational target and represents less than one work place accident per day, and if one reflects on the numbers of road crashes per day, it gives it somewhat of a perspective. Is there anything else that can be done? Each work place needs to have a Safety and Health Committee that meets monthly, as per the Occupational Safety and Health Regulations 2009. It is a legal requirement and self-enforcing legislation.

Mr. Chairman, with respect to the school inspections [that were] discontinued. What is the reason? The Government's Safety and Health officer performs this role. This officer works for the Cabinet Office and is not an employee of the Department of Health. Asbestos and other inspections, such as mould, are not discontinued, but this output measure was detailed in the Budget Book, and in general, the Department of Health is moving to outcome and impact measures and will be moving away from just raw outputs.

And, Mr. Chairman, I have one more question concerning the Department of Financial Assistance figures. The Department of Financial Assistance has a team of 33. Their budget supports over 3,200 clients. The assistance is broken up in the following: 1,180 are pensioners or seniors. This is of the—

The Chairman: [That is] 180?

Hon. Kim N. Wilson: I'm sorry.

- Of the 3,200 clients, there 1,180 who are pensioners or seniors;
- 900 persons with disabilities;
- 210 are able-bodied and unemployed;
- 360 are persons with low incomes;
- and approximately 610 are on the child's day care allowance.

And as I've spoken about, there are grants in the sum of \$820,000 to five helping organisations, such as the Meals on Wheels and Salvation Army. And \$11.5 million [is for] health insurance for eligible clients who are also on financial assistance.

And, Mr. Chairman, \$5.2 million is spent on food expenses for families receiving financial assistance. [Also,] \$2.1 million pays for medication for eligible clients on financial assistance. And \$1 million is for electricity expenses for families on financial assistance.

Thank you.

The Chairman: Any further speakers?

The Chair recognises the Honourable Member Ms. Gordon-Pamplin.

Hon. Patricia J. Gordon-Pamplin: Thank you. I did not hear the Minister . . . I have to say I am kind of a bit jaded at this point, but I did not hear the Minister in terms of how much of the patient fees related to Lefroy House and how much related to Sylvia Richardson? I did ask that question.

And I also have one more question that I had not asked before. And that is a query with respect to the rules relating to home care charges, for home care providers.

The Chairman: Rules regarding home care?

Hon. Patricia J. Gordon-Pamplin: Yes. The question that came up to me directly was an individual who goes to get Mrs. Smith and takes her to the hospital for her dialysis, and then she may wait with Mrs. Smith because Mrs. Smith now has to go to the pharmacy. Is that entire time eligible for that home care provider's time? Or, while Mrs. Smith is in dialysis, if that home care provider goes to do an errand in Hamilton, is that time discounted? In other words, is it specifically only the time that is spent for travel as well as, you know, just the back and forth? And is Mrs. Smith deemed to be in government care when she is doing her hospital services? That was just a question that was asked of me—

The Chairman: Okay.

Hon. Patricia J. Gordon-Pamplin: —and I would be curious to know the answer to that.

The Chairman: Ms. Jackson.

Ms. Susan E. Jackson: Yes, mine is going back to financial assistance and in particular the day care allowance, Mr. Chairman.

So, the Minister gave a Ministerial Statement, and I am referring line 65050, Grants, Administration. In particular, the child day care allowance. The Minister gave a Ministerial Statement a few weeks ago in which she outlined the number of people who are receiving the day care allowance, and how much it was on a monthly basis, which I believe was about \$850 a month. Within the Budget Book, fair enough, it is coming in at just over \$3 million a year. Based on the math that I had done on that particular day that she delivered the Ministerial Statement, it could have gone up to almost double that price.

Now, the research and the understanding that I have come to realise, Mr. Chairman, is that the government's day care allowance is having an impact on day care, driving [up] the cost of day care across the Island. And so, if government is paying a certain amount of money for day care, then all the other day cares will raise their prices accordingly. So I am wondering if the Minister and the Ministry have any strategy on how we can maintain some sort of control over that spend? Because when I did my math, based on the number she gave in the Ministerial Statement it was more like \$6 million a year. I see that it is \$3 million in the book, so I will stick with that if that is what is estimated for this year.

But at some point Government is going to have to take a look, not at the principle of it, the principle of it is amazing. People, young families, deserve to have that kind of allowance. Goodness knows we all know the struggle of the expenses of raising children.

The Chairman: Mm-hmm.

Ms. Susan E. Jackson: But I do believe that the Government has the capability to put policy in place or maybe even legislation that somehow controls the upward trend of the prices that day care centres are charging based on what Government is prepared to pay through financial assistance.

The Chairman: Got you.
Any further speakers?
Minister?

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

I think with respect to the last intervention with respect to whether Government would look to control what day care centres are charging, that falls a little bit outside of the remit of the Budget Book. It may have been, and I suspect it was, an area that was addressed in the financial assistance reform bipartisan committee's submissions, which that Honourable Member was a member of, but I cannot add anything to that with respect to this because it is somewhat outside of the budget purview.

However, Mr. Chairman, I am trying to seek the information that was just asked concerning a personal home care provider and whether or not they are paid to wait for an appointment with a family member. So I am hoping to get that.

Mr. Chairman, with respect to the questions that were raised concerning the output measures for—

The Chairman: Didn't you answer that already?

Hon. Kim N. Wilson: No, this is to the Opposition Leader's question.

The Chairman: All right. I know the Member responsible asked the same question.

[Inaudible interjections]

The Chairman: For the output measures, what is the difference of the 70 per cent and are we addressing that? I know she did ask that.

Hon. Patricia J. Gordon-Pamplin: I don't remember.

The Chairman: You did. I am very clear on that.

[Inaudible interjections]

The Chairman: But go ahead, you obviously didn't answer. That's fine.

Hon. Kim N. Wilson: Okay. Thank you.

So the department is currently undergoing management service . . . this is what I did answer, actually, but the Honourable Member did indicate that he was out in a meeting. The management services

review, to examine the human capital resources versus the volume of work within that department to determine if there is a need to expand or retool some of the persons who are employed there, Mr. Chairman, in the Department of Financial Assistance in particular, and they are hoping that this information will be available upon the conclusion of the financial services review which they expect will be by the end of April.

The question concerning the amounts with respect to the grants, for \$2.6 million the patient fee breakdown, \$500,000 represents Lefroy House revenue and \$2.1 [million] represents Sylvia Richardson.

With respect to the home care provider question, they are not paid for hours outside of the specific destination of a home to hospital, back and forth. The errands are not covered.

And then my final question I believe, Is the Department of Health . . . I did answer that question already.

Thank you, Mr. Chairman.

The Chairman: The Honourable Member Mrs. Gordon-Pamplin.

Hon. Patricia J. Gordon-Pamplin: Yes, I did have a question earlier on page B-181, under business unit 32180, for Housing Conditions. I inquired as to whether vacation rentals were included with the health safety and hygiene standards for inspection, the percentage of tourism properties rated to be compliant. I wondered whether that was just relating to hotel properties, or whether with the proliferation of vacation rentals, whether those were also included in that.

And then, just with respect to the response that the Minister just gave in respect of Lefroy House and Sylvia Richardson. I believe there used to be a differential in the payment of government fees relating to how much the government allowed for patients who were in Lefroy House versus what they allowed for patients who were in Sylvia Richardson. Does that differential still exist? And what is the reimbursement that government gives to the clients in respect of the two properties?

The Chairman: Minister.

Hon. Kim N. Wilson: Thank you. I can say that that differential does still exist, and I will get those figures in a few moments.

Mr. Chairman, with respect to the question concerning the vacation rental properties, they are licensed hotels and guest houses. So that would be within a different purview. So it is just . . . we are not inspecting them, they are being licensed as hotel properties and guest properties.

And if the Honourable Member can stand by, I will undertake to get the . . . it is the same as it was last year, actually. But I will get that information for her.

The Chairman: Any further speakers?

The Chair recognises the Ms. Atherden. You have the floor.

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

Mr. Chairman, through you to the Minister, this is, I think it sort of ties into [page] B-167, which is the Ageing and Disability Services. I asked the question to the Minister about where the Government stood with respect to the National Ageing Plan that was being developed. The reason being is that in there you had things like ageing at home and healthy ageing, some of the programmes which have been at least discussed, but there were other things that were part and parcel of that, so perhaps if the Minister could indicate to us where they are because that would result in funding and expenditure.

Hon. Kim N. Wilson: Mr. Chairman, as I indicated previously, in answer to that question, the long-term care strategy has been drafted with consultation with close stakeholders. However, due to resource challenges and urgent priorities, we have not been able to complete it.

We are hopeful that we will finalise it in the coming months.

The Chairman: Any further speakers?

Ms. Jackson.

Ms. Susan E. Jackson: Yes, I am still working on this day care allowance. I am on page C-18, Grants and Contributions, and line item 7043, Child Day Care Allowance. So, in 2017/18 the actual was about \$2.2 million and it was bumped up at the end of the year, beginning of 2018/19 to \$3.4 [million]. So, even if we are just looking at these two years, we are looking at an increase of over a million dollars, and it does not say in the Budget Book at all how many people or how many individual allowances that cost is going to be . . . or how many allowances are included in that total cost. I am wondering if the Minister can tell me for this year, for this year's estimate of \$3.4 million, how many individuals will be—

The Chairman: Benefitting from that?

Ms. Susan E. Jackson: —benefit from that. Thank you, Mr. Chairman.

The Chairman: I thought she said 610.

Ms. Susan E. Jackson: [She said] 610? Thank you.

The Chairman: Any further questions?

Ms. Gordon-Pamplin.

Hon. Patricia J. Gordon-Pamplin: Yes, thank you, Mr. Chairman.

I did have one other question that the Minister did not respond to and that is on page B-184 with respect to hospitals. The Minister indicated that she would undertake to find out how much the BHB received from the DI [diagnostic imaging] differential, between the reimbursement on diagnostic imaging. She said she would get it for me. But the question then followed from that, With the diagnostic imaging reimbursements, the operating room [OR] fees were adjusted to balance the BHB—

The Chairman: Page B-184?

Hon. Patricia J. Gordon-Pamplin: Yes, [page] B-184 with respect to hospitals.

The Chairman: Okay.

Hon. Patricia J. Gordon-Pamplin: And this was the hospital had received some money on diagnostic imaging, and I wondered how much. The Minister undertook to get me the number. And the question also begged, With that reimbursement, at the time the reimbursement level was set, the OR fees were adjusted so that the hospital was not hard done by.

The Chairman: Wouldn't lose any money.

Hon. Patricia J. Gordon-Pamplin: The question I had was, Did the hospital advise the Minister when preparing for the grant that they needed to cover their costs, that they had actually received an uptick in OR fees because they were getting less in diagnostic imaging reimbursements?

The Chairman: Got it. Right.

Hon. Patricia J. Gordon-Pamplin: So they should not have had as quite as high a net expenditure. And I am just wondering if that had been considered by the hospital or advised by the hospital to the Minister.

The Chairman: Any further speakers?
Minister.

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

Mr. Chairman, with respect to the questions that just came out, Lefroy House charges \$1,350 per month. Sylvia Richardson charges \$5,000 per month.

And with respect to the transfer of the health visitors from community health to child health, the health visitors are advanced practice nurses that work with expectant and new mothers and their infants to assure the vulnerable dyad, which is the mother and baby together, is protected and supported to assure the healthiest start in life. Health visitors assure a healthy environment, help to guard against postpartum depression, and promote breast feeding. The health visitors are better aligned with the work of child

health and they respect the life course public health approach.

Mr. Chairman, with respect to the other question concerning diagnostic imaging, the total offset is estimated at \$3,167,619, and that represents the period of the 1st of June 2017 to the 31st of October 2018.

The Chairman: Any further speakers?

There appears to be none.

Minister, do you want to move your heads?

Hon. Kim N. Wilson: Yes, Mr. Chairman, I move that Heads 21, 22, 24, 55, and 91 be approved as printed.

The Chairman: It has been moved that Heads 21, 22, 24, 55, and 91 be approved.

Are there any objections to that?

There appear to be none.

Approved.

[Motion carried: The Ministry of Health, Heads 21, 22, 24, 55 and 91 were approved and stand part of the Estimates of Revenue and Expenditure for the year 2019/20.]

Hon. Kim N. Wilson: Mr. Chairman, I move that the Committee do rise and report progress, and ask for leave to sit again.

The Chairman: Are there any objections to that motion? There appear to be none.

[Motion carried: The Committee of Supply agreed to rise and report progress, and sought leave to sit again.]

House resumed at 6:22 pm

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

REPORT OF COMMITTEE

ESTIMATES OF REVENUE AND EXPENDITURE FOR THE YEAR 2019/20

The Speaker: Good afternoon, Members.

Are there objections to the Committee rising and reporting progress?

There are none.

We will now move on to the other Orders of the Day. I believe . . . Junior Minister, are you going to . . . okay.

[Inaudible interjections]

The Speaker: Yes, Junior Minister. Yes.

Junior Minister, are you going to move?

The next item is [Order] No. 3 . . . is it?

An Hon. Member: Three.

The Speaker: Three, yes.

[Inaudible interjection]

The Speaker: [Order No.] 3 is being carried over.

[Inaudible interjection]

The Speaker: Land Tax.

An Hon. Member: Yes, it is being carried over.

The Speaker: Okay. Which item were you going to do today?

[Inaudible interjections]

The Speaker: [Order No.] 4 and [Order No.] 5. Okay.

Order No. 4 is Financial Services Tax Amendment Act 2019. Junior Minister of Finance, you have the floor.

BILL

SECOND READING

FINANCIAL SERVICES TAX AMENDMENT ACT 2019

Hon. Wayne L. Furbert: Mr. Speaker, the Government wishes that this Honourable House [would give] consideration to the Bill entitled Financial Services Tax Amendment Act 2019.

This Bill provides for revenue-raising measures in support of Government's 2019/20 budget, but also exempts insurance policies taken out by Government from the tax. In the 2017/18 budget, in an effort to broaden the tax base, the former Government enacted the [Financial Services Tax Act 2017](#). This legislation introduced a Financial Services Tax [FST] on insurance premiums, excluding health, money transactions, or for money service business and bank assets.

Mr. Speaker, when applied to banks, the tax was calculated at 0.005 per cent of the assets. The tax, as applied to local insurance companies, was a tax on gross premiums earned, excluding premiums from health insurance. The rate of tax was set at 2.5 per cent of non-health related gross premiums. Finally, the rate of tax for the money service business was 1 per cent on their aggregate outgoing transmission volume. When the former Government introduced FST, this tax was an obligation of the respective financial institutions. It was up to the company if they passed this tax on to their customers or not.

In 2018/19 it is estimated that government will collect a total of \$8.6 million from this tax, broken down as follows:

- \$4.1 million from bank service tax;
- \$4 million from the insurance service tax; and
- \$500,000 from monetary service business tax.

Honourable Members will recall that the Tax Reform Commission (TRC) recommended increases of Financial Services Tax on bank assets and insurance premiums. The exact recommendations were as follows: The bank fee [is] to be increased by 0.0075 [per cent], or 75 basis points. The fee on insurance premiums would be doubled from 2.5 per cent to 5.5 per cent. This increase will be the obligation of the insurer.

Mr. Speaker, in the Pre-Budget Report we announced that based on the TRC report the Government was considering increasing the Financial Services Tax on banks and insurance premiums to generate additional revenue, and that the increased fee on insurance premiums would not be the obligation of the insurer.

Following consultation, the Government will increase the tax on premiums by 1 per cent, an increase of tax on bank assets from 0.005 per cent to 0.0075 per cent of its consolidated gross assets as at the end of this tax period. The FST increases will be on the same terms as the existing FST remittance introduced by the former Government. This will yield an additional \$3.4 million in revenue.

Mr. Speaker, the Bill will also exempt insurance policies taken out by government, as it is pointless for government to be increasing its insurance costs to its own taxes. Currently, government incurs 8.9 [per cent] in insurance costs, so it will save approximately \$311,500 in increased rates.

I shall now give some specific examples to illustrate the impact of the tax increase. The first example relates to the impact of the proposed increase on an annual home insurance invoice of \$3,500. Of all the tax increases passed on to the customer by the insurance company, the present rate of 2.5 per cent would result in a tax amount of \$87.50. With the proposed increase to 3.5 per cent, the tax will be \$120.50. The total payment for the home insurance policy of \$3,500, if all the tax was passed on, it would rise from \$3,587.50 to \$3,622.50. The overall increase to \$35.00, or 98 . . . sorry. It is \$35.00.

The second example relates to the impact of the proposed increase on an annual property insurance policy for a business with a premium of \$100,000. If all the tax increases were passed on to the business by the insurance company, the present rate of 2.5 per cent will result in a tax amount of \$2,500. With the proposed increase to 3.5 per cent, the tax would be \$3,500. The total payment for the property insurance policy of \$100,000, if all the taxes

were passed on, it would rise from \$102,000 to \$103,000. The overall increase is \$1,000.

In the existing climate of low overall inflation pressure, . . . With these introductory remarks, Mr. Speaker, I now read for the second time the Bill entitled Financial Services Tax Amendment Act 2019.

Thank you, Mr. Speaker.

The Speaker: Thank you, Junior Minister.

Does any Honourable Member wish to speak?

I recognise the Honourable Member Pearman. Honourable Member, you have the floor.

Mr. Scott Pearman: Thank you, Mr. Speaker.

At the invitation of the Honourable Member, Mrs. Gordon-Pamplin, our speaker on Finance, she has invited me to speak first on this in the debate. Just a few points, really.

We have spoken at length in the Reply [to the Throne Speech] about the regrettable fact that these existing taxes are being increased, but I think for the benefit of the listening public it does help to drill down on what this tax increase is.

The Financial Services Tax, as the Junior Minister explained, is a quarterly tax in respect of banks on consolidated gross assets. The tax is increasing from 0.005 per cent to 0.0075 per cent, and so that is an increase in the existing Financial Services Tax of some 50 per cent. In respect of domestic insurers, the existing quarterly tax percentage is 2.5 per cent, which is increasing to 3.5 per cent on gross premiums, again, a quarterly tax. That is a 40 per cent increase on tax.

The question, of course, that this begs is who will these tax increases be passed along to by the banks and the domestic insurers? The Junior Minister answered that question by referencing himself to the Tax [Reform] Commission report. If I may, Mr. Speaker, just read from the [Tax Reform Commission report](#) at page 26.

The Speaker: Go ahead.

Mr. Scott Pearman: It says this, illuminatingly: “Bermuda’s financial services sector can effectively charge whatever rates they wish, since the sector’s pricing is not regulated.”

And so those charges will, in all likelihood, be passed on to the consumer. I mention this because the tax will be passed on like any other cost of business. So, for example, taking the premiums in the insurance sector, they have carved out health insurance and annuities, but your car, your bike insurance, will be going up.

So, we would simply say on this very short amendment, that it is an increase in taxes which will make the cost of living in Bermuda more expensive.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

We recognise the Honourable Member Gordon-Pamplin. You have the floor.

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

Mr. Speaker, my honourable colleague has underscored the challenges that we have with this legislation. We recognise that the Government needs money, but nowhere have we seen that there has been any attempt to harness the cost of operating such that they do not need to go after the taxpayer to get more money. That has been the lament that we have expressed, both during . . . basically, during everything that the Government has done. Certainly, through the budget—

[Inaudible interjections]

The Speaker: Members! Members!

[Inaudible interjections]

The Speaker: Members!

Hon. Patricia J. Gordon-Pamplin: Certainly, through the budget delivery, as well as in the Budget Reply.

Our concern, Mr. Speaker, is the fact that notwithstanding the Government has indicated that certainly some of these taxes are going to be the responsibility of the corporation, the business, that in the absence of controls and regulations that would dictate and control the amount by which a company can pass on to its insurance, there is nothing to stop a company from increasing its rates and thereby through the mathematics of it, recouping the additional money that they are required to pay. And what that does is effectively pass on an increased cost of doing business to the average person in the street.

The Members would have the public believe that we are doing nothing but scaremongering. But the reality is the cost of licensing your car, the cost of licensing your cycle, is going to increase. And I think that to the extent that the average person is able to appreciate that, they have done that.

This is a tax increase that has inured to the charge of the average person in the street who, with other taxes that have been meted upon us, can sometimes ill afford any increases. We saw it; we complained about it when we debated the budget. We complained about it in the Budget Reply, and we are now solidifying that complaint with respect to the legislation that is before us.

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: This will do nothing more—

The Speaker: Members, Members!

Hon. Patricia J. Gordon-Pamplin: —than increase the cost of the average everyday person's expenses.

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: Now, many people—

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: —many people—

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: —many people—

The Speaker: Speak to me, Madam.

Members, just let this one Member have the floor, please.

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

Many people, Mr. Speaker, are struggling. Many of them have to get to work—

[Inaudible interjection]

Hon. Patricia J. Gordon-Pamplin: —and what we have heard about—

An Hon. Member: It's a little late.

The Speaker: Members, it doesn't need a chorus back there. I think you may need to leave the Chamber if you can't speak to yourself without me hearing you, because you should not be speaking to anybody else.

Thank you.

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

Mr. Speaker, many people need transportation to get to work. And I am going to specifically focus on the cost of insurance in relation to vehicles. Many people require their vehicles to get to work. And in so doing, they do not have any choice but to ensure that the motor vehicle is properly insured and [the taxes are paid], as far as the government is concerned, to make sure that they have their tax sticker. And this is going to cost them more.

And for those people who are struggling, many of whom we have heard are operating already below the poverty line, many of whom we are looking at knowing how difficult it is to try and have a job and

keep a job. Many of them are working at prices that are less than stellar, in terms of what we would want, as we have heard based on the Committee that we had for a living wage. And if we start on the one hand to say that we have got to improve the standard and cost of living, and then on the other hand we put in place a tax that we say the company is going to pay for, but that we *know* in reality the company will pass on to the consumer, then I wonder whether we are not putting the cart before the horse.

Should we not be looking at legislation that effectively controls certain costs and then put this legislation in effect? Or, should we be looking at how we can curtail the amount of taxes that have to be gouged out of our taxpayers in order to meet the burgeoning cost of government? And nobody wants to address that. The minute we open our mouths concerning it, it is like we are, you know, the sky is falling. But that is not the reason, Mr. Speaker. The challenge that we have, the concern that we have is the fact that people are finding themselves in situations where they just cannot make ends meet and this Financial Services Tax Amendment Act is going to exacerbate that situation for a lot of our ordinary citizens.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Member wish to speak?

I recognise the Minister of Tourism. Minister, you have the floor.

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

Mr. Speaker, it is interesting. When you hear Members opposite, and in particular the Member who just took her seat—

An Hon. Member: Yes.

[Inaudible interjections]

The Speaker: Now, speak to Chair now. Speak to the Chair.

Hon. Zane J. S. De Silva: The Honourable Member. Yes.

Because, Mr. Speaker, when I hear the Opposition talk about people struggling, and then in the same breath the Honourable Member says, *gouging taxes* . . . now those are pretty interesting words, coming from that side of the House, Mr. Speaker. These are the same folks who doubled our debt in three years. The same folk who told our seniors that *money doesn't grow on trees*.

[Inaudible interjections]

Hon. Zane J. S. De Silva: The same that said, *We are going to shut down Lamb Foggo Clinic*. Right? The same folk who said, *There will be no more mam-*

mograms for our people. And they hung bras up on Cabinet Office.

An Hon. Member: Yes.

[Inaudible interjections]

Hon. Zane J. S. De Silva: It is the same people who cut scholarships for the very people she says are struggling.

An Hon. Member: Same people!

Hon. Zane J. S. De Silva: The same people who she just talked about, people who ride the transportation in the country because they are struggling, they [OBA] did not put any money into buses for five years. But found \$100 million for a sail boat race!

[Inaudible interjections]

An Hon. Member: Hypocrisy!

Hon. Zane J. S. De Silva: You see? That is what we have to listen to in this House. People cannot make ends meet.

[Inaudible interjections]

The Speaker: Okay, Members. I just need to hear one voice.

Hon. Zane J. S. De Silva: Mr. Speaker, this is the same Opposition that turned water off for residents up in Dockyard, residents that needed water that had dialysis issues.

An Hon. Member: Yes.

Hon. Zane J. S. De Silva: Putting people's lives at risk. But you want to come [here] a year and a half after we won the Government and talk about how you are worried about the people who are struggling in this country.

An Hon. Member: That is the hypocrisy!

Hon. Zane J. S. De Silva: The same people who you promised 2,000 jobs for and lost 2,000!

You tell the people of the country, *Well, you know what? We are the brains of the country. We are going to borrow \$800 million right now so we won't have to borrow any money for three years*. And a year and a half later, what happens? They borrow another \$150 [million] because the \$800 [million] was gone.

Some Hon. Members: Yes!

Hon. Zane J. S. De Silva: The same Government, the same Opposition that backs Morgan's Point for \$160 million, the debt is in default, and you do not tell the people of the country—\$160 million! Yes; that the taxpayers—the very people who they say are struggling—are going to have to pay for.

And, Mr. Speaker, do we like to raise taxes? Hell, no!

An Hon. Member: Absolutely not!

Hon. Zane J. S. De Silva: We know, Mr. Speaker, that raising taxes in the country is not good for the economy. No country in the world is going to tax themselves out of any debt whatsoever. It does not work like that.

But when we try to bring companies and new business to the Island to generate work for the people who are struggling, to generate foreign exchange for the country, what happens? We get all sorts of accusation about, *Oh, we have some doubts about those companies. You know, it has more red flags than South Shore when a hurricane is coming.* You know, that is the type of thing . . . that is what we get from that side.

An Hon. Member: Yes.

Hon. Zane J. S. De Silva: And then they will tell you, *Well, let's all work together. Let's all work together.*

[Inaudible interjections]

Hon. Zane J. S. De Silva: So here we are. We are Government; they are Opposition. And I guess that is what we are going to get for the next couple of years. *The sky is falling. Lights are going to go out.* We heard all those stories. *You people can't run a country!*

[Inaudible interjections]

Hon. Zane J. S. De Silva: Pardon? And we are showing it—

The Speaker: Speak, speak to the Chair. Speak to the Chair. Speak to the Chair.

Hon. Zane J. S. De Silva: —the Honourable Member says.

The Speaker: Speak to the Chair.

Hon. Zane J. S. De Silva: But that is what they say,—

The Speaker: Speak to the Chair.

Hon. Zane J. S. De Silva: —*You people* (and we know what they are saying), *You people can't run a*

country. Even though we doubled our GDP from 1998 to 2008.

An Hon. Member: Yes.

Hon. Zane J. S. De Silva: Highest in our history for that period of time, Mr. Speaker. And let me say this. Anyone who had a business, whether you were selling toothpicks, or whether you were selling insurance, everybody that owned a business in this country from 1998 to 2008 made money. Some of them, like they have never made before.

[Inaudible interjections]

Hon. Zane J. S. De Silva: Yes, I would know. Yes, I would know. I speak from a position of authority.

An Hon. Member: And honesty.

Hon. Zane J. S. De Silva: And honesty. I did not deny it.

An Hon. Member: Without apology.

Hon. Zane J. S. De Silva: And without apology, too. Thank you very much.

But, Mr. Speaker, let me say. We will have to raise taxes from time to time. But let's not forget that for the first time in 17 years, what do we have?

An Hon. Member: A balanced budget.

[Inaudible interjections]

Hon. Zane J. S. De Silva: First time in 17 years! And what else do we have for the first time in about, since 2002? We have a surplus.

[Inaudible interjections]

Hon. Zane J. S. De Silva: And of course, the Honourable Member, Mr. Pearman—

Mr. Scott Pearman: Point of order, Mr. Speaker.

The Speaker: Point of order.

POINT OF ORDER

[Misleading]

Mr. Scott Pearman: The honourable gentleman is misleading the House. The PLP do not have a budget surplus. They have a predicted budget surplus. We will see what happens when they come home to roost.

[Inaudible interjections]

[Gavel]

Hon. Zane J. S. De Silva: You see, Mr. Speaker, therein lies the attitude. That Honourable Member says, *Oh, no, that's an estimate*. But as I said during the budget, if we would have predicted that we would have a \$70 million loss, they would have said, *Oh, yes! It's in concrete*.

[Inaudible interjections]

Hon. Zane J. S. De Silva: Oh, yes! But how about . . . where was that Honourable Member when Bob Richards was predicting to balance the budget in three years?

Some Hon. Members: Crystal ball!

Hon. Zane J. S. De Silva: Never happened! Never happened! But you see, that is what they do. Point of order. We predicted a \$7 million surplus. But has anyone else predicted a surplus in the last 10 years?

An Hon. Member: No, sir!

Hon. Zane J. S. De Silva: Let's ask the Honourable Member that!

[Inaudible interjections]

Hon. Zane J. S. De Silva: No. All we have heard about is . . . Oh, no. Wait a minute. We did have a prediction from Mr. Bob Richards, the former Finance Minister. He said that he would balance the budget in three years. Borrowed \$960 million in three and a half years . . . \$100 million for the boat race.

[Inaudible interjections]

Hon. Zane J. S. De Silva: But you see, Mr. Speaker, that is what we deal with. So, when Members opposite get up and try to diss anything that this Government does, we will defend—

An Hon. Member: Absolutely!

Hon. Zane J. S. De Silva: —not only what we are doing, but what we are going to do. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.
Does any other Honourable Member . . . I recognise the Honourable Member from constituency 19. Honourable Member, you have the floor.

Hon. Jeanne J. Atherden: Thank you, Mr. Speaker.
Mr. Speaker, I think that we have to start recognising that if we do not raise the concerns that the constituents have out there, then we are not doing our job. I am sure the Opposition *[sic]* Members will remember when they were in Opposition—

[Inaudible interjections]

Hon. Jeanne J. Atherden: —I am sure the Government Members when they were—

[Inaudible interjections]

The Speaker: Members, she is speaking to the Chair.

Hon. Zane J. S. De Silva: —in Opposition will remember how vigorously they talked about the concerns that their constituents had. I do not believe that it is necessary for us to shout and to start getting into issues—

An Hon. Member: It's not Sunday School.

Hon. Jeanne J. Atherden: The public wants us to see us up here talking about their issues, and they want to us respecting—

[Inaudible interjections]

The Speaker: Members!

Hon. Jeanne J. Atherden: And they want to see us respecting the concerns that they have.

And I think that as we go forward it is important to recognise that these taxes will have an impact. And if we do not say that clearly . . . I am not saying that the Government does not the right to raise taxes. But I think also we have to recognise that governments raise taxes because they need revenues to take care of programmes. And if the Government delivers on their programmes, then the constituents should be very happy. But in the meantime, if the Government did not have as big a size of government, it would not need as much revenue. Thank you, Mr. Speaker.

[Inaudible interjections]

The Speaker: Thank you, Honourable Member.
Does any other Honourable Member wish to speak?
Any other Member?
I see—

Hon. Michael J. Scott: Mr. Speaker, Mr. Speaker, my—

The Speaker: Thank you, Honourable Member from constituency 36.

Hon. Michael J. Scott: Mr. Speaker, we are looking at the Financial Services Tax Amendment Bill, a simple item to increase the rate of tax payable by banks, domestic insurers, as indicated.

Mr. Speaker, I recall that the Junior Minister, who is piloting this Bill, indicated to this House during the Budget Debate that the taxes raised and addressed by the Finance Minister on that day, were the most progressive tax platforms we have had in a long time. When you tax banks and insurance companies, and those who are able to pay, that is called progressive taxation.

And yet, I cannot imagine how the Finance spokesman for the Opposition today, Ms. Gordon-Pamplin, or any Member of the other side, can characterise a debate on yet another example of progressive taxation against those who are most able to pay, as gouging. It is so disingenuous. It is . . . it lacks genuineness. It lacks truthfulness. It is an obvious attempt to score some kind of point, but it does not make any sense, Mr. Speaker. And if this is going to be the beginning of the financial Bills that we are going to be dealing with during the budget, then this is not going to be a very informative exercise that we are having.

The honourable former Leader of the Opposition, Ms. Atherden, is correct. The people do wish for the Opposition, and all Members of this House, to raise their concerns. But what I recall when we addressed and had the national budget presented in this House by the Finance Minister, the Honourable Curtis Dickinson, the deadly silence into which he cast this entire House, but in particular the Opposition, because the budget was so wise. The budget was so full of integrity. The budget was so fair. And not once did I hear any allegation, any criticisms of it, Mr. Speaker, [saying it was] engaging in gouging. And so clearly, this is just political brinkmanship and attempts to try what Oppositions must do.

But I really stood to underscore the point that this Bill, taxing those who are most able to pay, is progressive. And I wonder if we could keep the debate focused upon these kinds of concepts, Mr. Speaker, because that is where this financial services item resides. And it is consistent with the model in line and length that was adopted by the new Finance Minister, Mr. Dickinson, when shaping this budget. It was based on listening to the very people who the Honourable former Opposition Leader, Ms. Atherden, says that we should be listening to. It was founded upon the consultation with them and, therefore, we have not made the error of raising concerns in this item that requires statements about gouging. As a matter of fact, there ought to be some celebration that those who are most able to pay this tax are the precise candidates for taxation.

So let us proceed. There are other financial items (without anticipating debates) that we will get through. This is a good one and it is consistent with the theme established in the national budget debate to begin with. A good budget, a fair budget, a budget that was based on good consultation and reflected the sensitivity of this Government through the statements

contained in the national budget by the Finance Minister. And he promises reforms, which we are all looking forward to.

I now hand the matter over to the Junior Minister.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

No other Member?

Junior Minister.

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

Mr. Speaker, I find it ironic. We are talking about raising certain taxes which *they* put in place. The Financial Services Tax was put in place by the One Bermuda Alliance. As a matter of fact, Mr. Speaker, at least this Government consulted with these industries this year. And, Mr. Speaker, if you recall, they raised that particular tax on banks, services tax. That tax at that time was point . . . or 50 basis points—50, Mr. Speaker. We have increased it by 25. Half of what they had. Half of what they had, Mr. Speaker.

[Inaudible interjections]

Hon. Wayne L. Furbert: Well, you did 50; we did 25. That is half.

Mr. Speaker, they did 50 basis points and we raised it by 25 basis points. It is half of what they originally raised it by. I understand the Honourable Member, Trevor Moniz, is a lawyer and does not understand those numbers. But 25 is half of 50.

Mr. Speaker—

The Speaker: Yes.

Hon. Wayne L. Furbert: —I find it ironic that the Honourable Member Jeanne Atherden, because she and I were both on the Tax Reform Committee.

The Speaker: Mm-hmm.

Hon. Wayne L. Furbert: We had suggested that the tax on bank fees be increased by . . . to 75 basis points—75—much higher! Much higher than what this Government has brought forward. We suggested that the insurance premium [tax] increase from 2.5 [per cent] to 5 per cent. Much higher than what this Government is bringing forward to this Honourable House.

Mr. Speaker, it shows that this Government has at least listened and cares about what is happening out there. So I find it ironic, as I said, Mr. Speaker, that the Honourable Member on that side, who speaks for Finance, the Honourable Member from Paget, would have the nerve to come to this House and tell us that a tax that they included, that they brought forward to this House (and ours is much lower than what

they suggested), is not in keeping with [the] cost of living.

Mr. Speaker, we all know that we have to raise taxes from time to time. We did not raise payroll tax, something that they would have done enormously. They would have had large increases to get the numbers that they wanted. There was no way of getting around it. We have listened to the country and said we [will] not put rental tax in place.

Well, Mr. Speaker, we had to find some taxes from somewhere. This here goes after the banks. And let me just say one short thing to you. You do not need an increase from this House for any banks to increase their service charges. They increase it every five minutes.

[Inaudible interjections]

Hon. Wayne L. Furbert: As a matter of fact, the Honourable Member Jeanne Atherden, which I understand is on one of the bank's boards, I understand it, maybe I am wrong. She should have declared her interest, when she first stood up.

[Inaudible interjections]

Hon. Wayne L. Furbert: So, Mr. Speaker, what I am talking about is this. We do not need this Honourable House to bring fee increases on the banks for them to increase their bank charges to Bermudians. They do it every five minutes.

The Speaker: Mm-hmm.

Hon. Wayne L. Furbert: And their numbers are enormous. I saw some numbers today from a particular bank, which I will not call their name. I could not believe the percentage of increase they were putting on the locals. It had nothing to do with percentage increase. It had nothing to do with it!

So, Mr. Speaker, with those remarks, I move that we go into Committee.

The Speaker: Mm-hmm.

Deputy, would you like to assume the Chair?

House in Committee at 6:55 pm

[Hon. Derrick V. Burgess, Sr., Chairman]

COMMITTEE ON BILL

FINANCIAL SERVICES TAX AMENDMENT ACT 2019

The Chairman: Honourable Members, we are now in Committee.

Hon. Wayne L. Furbert: Mr. Chairman, the [Financial Services Tax \[Amendment Act\] 2019](#). This Bill seeks to amend the Financial Services Tax Act 2017.

The Chairman: Mm-hmm.

Hon. Wayne L. Furbert: I emphasise that year.

[It is] "the principal Act."

Clause 1 is self-explanatory.

Clause 2 amends section 2 of the principal Act—

The Chairman: Hold on one second.

Hon. Wayne L. Furbert: Sorry.

The Chairman: What . . . are you going to move all the clauses?

Hon. Wayne L. Furbert: I'm sorry. I'm sorry, we will move all the clauses unless anyone needs me to stop.

The Chairman: [Clauses] 1 through 4?

Hon. Wayne L. Furbert: Move all the clauses.

The Chairman: No objection?

Continue.

Hon. Wayne L. Furbert: Clause 2 amends section 2 of the principal Act to insert the definition of "Government insurance" as meaning insurance policies taken out by a government department. Let me make that a little more clear.

Clause 3 amends section 4 of the principal Act to increase the rate of tax payable by banks and by domestic insurers, as indicated. In addition to the exemption for health insurance and annuities, insurance policies taken out by a government department will not be included in the taxable gross premiums written in a tax period for the purposes of calculating the tax payable by an insurer.

Clause 4 provides for commencement.

It is noted that [clause 4(1)] section 3(b) which provides for the increase in the tax for insurance premiums, comes into operation on May 1st, 2019. This delay was made after consulting with the insurance companies—after *consulting* with the insurance companies—who advised that all their April renewals had already been sent out.

Thank you, Mr. Chairman.

The Chairman: Any further speakers?

The Chair recognises the Honourable Member Pat Gordon-Pamplin. You have the floor, Honourable Member.

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

Mr. Chairman, I just wonder if the Minister could confirm for us how they intend to ensure that the increase that is intended for the insurer is not passed on to the consumer.

The Chairman: Any further speakers?
Minister? Junior Minister Furbert.

Hon. Wayne L. Furbert: Thank you, Mr. Chairman.
We cannot ensure that. We are following the same guidelines that you did in 2017.

The Chairman: Any further speakers?
There appear to be none.
Minister.

Hon. Wayne L. Furbert: Thank you, Mr. Chairman.
I move that this House—

The Chairman: You want to move clauses.

Hon. Wayne L. Furbert: I move clauses 1 through 4.

The Chairman: [Clauses] 1, 2, 3 and 4.

Hon. Wayne L. Furbert: Yes.

The Chairman: It has been moved that clauses 1, 2, 3 and 4 be approved.
Are there any objections to that?
There appear to be none.
Approved.

[Motion carried: Clauses 1 through 4 passed.]

The Chairman: The preamble.

Hon. Wayne L. Furbert: [I move] the preamble.

The Chairman: It has been moved that the preamble be approved.
Any objections to that?
Approved.
The Bill will be reported to the House.

[Motion carried: The Financial Services Tax Amendment Act 2019 was considered by a Committee of the whole House and passed without amendment.]

House resumed at 6:58 pm

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

REPORT OF COMMITTEE

FINANCIAL SERVICES TAX AMENDMENT ACT 2019

The Speaker: Members, are there any objections to the Financial Services Tax Amendment Act 2019 being reported to the House as printed?

No objections?

So moved.

That now takes us on to the next item on the Order Paper, which is [Order] No. 5, the second reading of the Foreign Currency Purchase Tax Amendment Act 2019. And Junior Minister, you will lead this?

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

The Speaker: Junior Minister, you have the floor.

BILL

SECOND READING

FOREIGN CURRENCY PURCHASE TAX AMENDMENT ACT 2019

Hon. Wayne L. Furbert: Mr. Speaker, with the Governor's recommendation I move that this Bill entitled the Foreign Currency Purchase Tax Amendment Act 2019 be now read for a second time.

The Speaker: Any objections to that?
No objections.
Continue on.

Hon. Wayne L. Furbert: Mr. Speaker, the Bill now before the House is the [Foreign Currency Purchase Tax Amendment Act 2019](#). The purpose of the Bill is to amend the First Schedule of the [Foreign Currency Purchase Tax Act 1975](#), which I shall refer to as "the Act."

Mr. Speaker, the Act provides that taxes are to be paid on or on behalf of persons who purchase foreign currency from banks and similar financial institutions. The rate of taxes set out in the First Schedule to the Act and the current rate is 1.0 per cent. The last time the rate was increased was in 2010 when it was raised from 0.05 per cent to the current rate of 1.0 per cent. The kinds of transactions that are caught by the Act include purchase of foreign currency for travel overseas

The kinds of transactions that are caught by the Act include purchase of foreign currency for travel overseas, purchase of imported goods and services by traders, and this is also purchases by consumers through catalogues and by way of the Internet.

Persons will also notice a charge when they pay on or pay off their credit card balances. Mr. Speaker, the Act does provide for exemptions from the tax on certain transactions. The list of exemption transactions [are] set out in the Second Schedule of the Act. For the convenience of the Honourable Members, I shall recite those transactions that are exempt

from tax. A transaction by any of the following bodies are free of the tax; namely:

- the Government;
- the Bermuda Monetary Authority;
- the Bermuda Housing Corporation;
- the Bermuda Hospitals Board;
- the Bermuda Tourism Authority;
- the Bermuda Deposit Insurance Corporation;
- a bank;
- a deposit company;
- a credit union;
- a trust company.

In addition to the entities just mentioned, remittances of premium income by local insurance companies, or non-resident insurance undertakings, and pensions contributed by local pensions, are not subject to the tax.

Mr. Speaker, the main purpose of the Bill is to raise additional revenue; indeed, while the community would prefer that taxes not be increased, it is important that all parties assist in the road to fiscal consolidation driven by a sense of shared sacrifice. There is no question that the demand for government services is increasing along with the pressing requirements to reduce the deficit. The proposed change in this rate will assist to provide some additional revenue that is required to satisfy the expanding public needs of our community and reduce the deficit.

Mr. Speaker, I wish to comment briefly on the scale of the increase before the Bill is committed. The rate of taxes is being increased by 25 per cent. However, due to the small base of the tax, the impact is not unduly large in effect. It does not mean that the price of goods and services will go up 25 per cent.

In the case of the proposed increase of foreign currency purchase tax, the overall impact of the cost of the import of goods is an increase of 0.25 per cent. I shall now give some examples that illustrate the impact of the tax increase.

The first example relates to impact of the proposed increase on a grocery bill of \$300. If all the goods have been imported, the present rate of 1.0 per cent would result in a tax amount of \$3.00. With the proposed increase to 1.25 per cent, the tax would mean that the person who bought some groceries for \$300.00 would pay \$3.75 [tax]. The total payment for the purchase of the \$300.00 worth of groceries, excluding any other elements of cost, would rise from \$303.00 to \$303.75. The overall increase is 75 per cent, no . . . sorry, it is seventy-five cents.

The second example relates to the impact of the proposed increase on a credit card payment of \$1,000.00. At the present rate of 1.0 per cent, the tax amount is \$10.00. The proposed increase of 1.25 per cent, the tax will be \$12.50. The total payment for the purchase of the \$1,000.00 of foreign currency, excluding any other elements of cost, rises from \$1,010.00 to \$1,012.50.

The third example relates to the impact of the proposed increase on a university, which I am sure I will hear [about] today, on college tuition bills and other expenses totally \$50,000 a year. The amount of tax is at the present rate of 1 per cent. It is \$500.00, making the bill \$50,500. The amount of tax that is proposed of 1.25 per cent will be \$625.00.

Mr. Speaker, other examples could be given for the retail sectors and other sectors, but the outcome will be same. I could talk about eggs, but I will not today.

Finally, the last full year for which import data is available is [2017], when imports of goods amounted to approximately \$1 billion. The existing rate of FCPT at 1 per cent would have raised the cost, including the FCPT, to \$1.096 billion. If we apply the proposed rate of 1.25 per cent to the 2017 import bill, it raises it to \$1.099 billion. The percentage difference of impact on total import of goods between the old tax and the proposed tax is 0.25 per cent. The proposed new rate does not increase the cost of imported goods and services by 25 per cent. The impact is neither exorbitant nor inflationary in the existing climate where the headline rate for the consumer price is 1.4 per cent. The yield from the tax will be roughly \$26.1 million for this financial year. In the existing climate of low overall inflation pressure, a 0.25 per cent change on the cost of goods and services, assuming all of it is passed on to end users, and not further inflated, is not a burden.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

We recognise the Honourable Member Pat Gordon-Pamplin, you have the floor.

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

The Speaker: Yes.

Hon. Patricia J. Gordon-Pamplin: Mr. Speaker, I want to speak to Mr. and Mrs. Smith.

The Speaker: Well, speak to them through me then.

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

Your \$300 grocery bill is only going to cost you another \$3.75, so don't worry about it. Your travel overseas, it is only going to cost you an extra 25 per cent foreign currency purchase tax increase from 1.0 per cent to 1.25 per cent. That's okay. It is not significant. It is miniscule in the overall scheme of things. Your school fees—

Hon. Wayne L. Furbert: Point of order, Mr. Speaker.

The Speaker: Point of order.

POINT OF ORDER

[Misleading]

Hon. Wayne L. Furbert: The Honourable Member is misleading this House and the public. I believe you said the groceries would increase by . . . how much?

Hon. Patricia J. Gordon-Pamplin: [By] \$3.75.

Hon. Wayne L. Furbert: No, Mr. Speaker. That is wrong.

An Hon. Member: How much?

Another Hon. Member: Look it up.

An Hon. Member: She told you, you said no. You got to prove it.

Hon. Patricia J. Gordon-Pamplin: That was the number that the Honourable Member gave in his presentation, so—

Hon. Wayne L. Furbert: Mr. Speaker, no. What I said was, Mr. Speaker, what I said was—

Hon. Patricia J. Gordon-Pamplin: —I was only repeating.

The Speaker: Ah! Ah!

Hon. Wayne L. Furbert: Mr. Speaker, what I said was, that the groceries would be \$300, would be \$3.00 at the current rate.

An Hon. Member: That is what she said.

Hon. Wayne L. Furbert: At the new rate of 3.75. It doesn't go up. It doesn't go up 3.75. The rate is seventy-five cents.

[Inaudible interjections and laughter]

Hon. Patricia J. Gordon-Pamplin: Mr. Speaker, I think we have a hearing problem or an understanding problem.

The Speaker: Just speak to me slowly, so everybody can understand it. How's that?

Hon. Patricia J. Gordon-Pamplin: Yes. I will speak really slowly, Mr. Speaker.

[Laughter]

Hon. Patricia J. Gordon-Pamplin: Some people need to slow down.

[Laughter]

The Speaker: Just speak to me, just speak to me.

Hon. Patricia J. Gordon-Pamplin: I will. I will.

So, Mr. Speaker, Mr. and Mrs. Smith, your extra seventy-five cents that you have to pay, she doesn't have the seventy-five cents. You are paying \$303.00 now for your foreign currency purchase. It is going up to \$303.75. It is okay. It is not that much.

Your \$50,000 school fees that you are paying now, it is only going to cost you an extra \$500.00 in the overall scheme of things. Don't worry about it; it is just a little bit. It is miniscule.

Your cost of food is going to go up, Mr. and Mrs. Smith. The cost of your Amazon purchases is going to increase, Mr. and Mrs. Smith. All the cost of your imports is going to increase, Mr. and Mrs. Smith. The cost to settle your credit cards because you had to use your credit card because you did not have the cash to pay for it, if you use your foreign currency credit card, it is going to cost you a little bit extra to settle it. But it's okay because this is a Government that really cares, got your back, and we are concerned about you. That is what we would have Mr. and Mrs. Smith believe.

Mr. Speaker, the cost of traveling overseas, it is just going to cost you a little bit extra, but you can afford to take a trip, so you can afford to pay a little bit extra in foreign currency purchase tax when you have to pay to buy your US dollar currency, or your foreign currency, when you are ready to travel. But that doesn't matter! It's okay, because it is not that much in the overall scheme of things.

But, Mr. Speaker, let's start to consider the knock-on effect, the knock-on effect that, when a corporation, a business here that is spending not just the \$1,000 at which there is that 0.25 per cent uptick that it is going to cost them addition in foreign currency, but the companies that have to purchase all of their inventory overseas, the companies that are putting out significant amounts of money, and the companies that are putting out significant amounts of money that impact on their cash flow and they are going to do it at the outset. What is that going to do?

That company is not going to just mark-up the cost of their goods by 0.25 per cent of the additional bit on the foreign currency purchase tax. That company is going to wrap that in to an overall increase that says to Mr. and Mrs. Smith, *I had to put this money up. I had to advance it. It has cost me a little bit more, but I am going to put a little bit more on that just to make sure that I am covering my costs of administration.* That is what it is going to come out to. So what you are going to find is that where you were paying \$303.00 before, and now you are \$303.75 for your grocery bill, that grocery bill is going to end up being \$305.00. Not as a result of the tax, but as a result of the tax and the knock-on impact.

Now, here is what also is an interesting conundrum, Mr. Speaker. If you get paid in US dollars, it is not going to impact you one iota because you have US dollars to go to the bank and buy US dollars. You have US dollars with which to pay your US dollar credit card. It doesn't cost you one penny different.

So who is going to benefit? [It is] those people who have the benefit already of being paid in US dollars, having US dollars at their disposal and being able to purchase both their foreign currencies . . . all they have to do is go downtown, go to the cash machine, Mr. Speaker. Put in your US dollar credit card, your US dollar bank card, and take out US dollars and it does not cost you an extra dime!

But Mr. and Mrs. Smith, who pay . . . who are ordinary citizens in our community, who are struggling as it is . . . and Members can say that we do not care about people who struggle. And, Mr. Speaker, to that I say, I don't care about what they say. Because the reality is that we have always shown concern for the people who we represent. So when Mr. and Mrs. Smith go to the bank and stick in their credit card, their Bermuda dollar credit card to get US dollars, they are paying for the exchange rate at the source. And then, Mr. Speaker, the cost that they are going to end up paying when they go to the store is going to be exacerbated by the fact that the cost of doing business by these stores has increased. However you slice it that is the reality.

Now, we have heard, Mr. Speaker, because I said earlier, that Government has not exhibited any austerity measures in and of itself. They are not cutting back. And the first thing that we hear Members opposite saying is that, *Oh, we don't care over here because we are willing to lay people off to shrink government's cost of operation.* But, Mr. Speaker, if people were sufficiently astute to be able to understand that reducing the cost of government does not necessarily equate to laying people off, you can reduce the cost of your government's civil service bill by encouraging an entrepreneurial spirit in which departments can move off without being a cost to the government and no person has to lose a dime in income.

Mr. Speaker, just as an example, you will recall that at the airport we used to have the Department of Airport Operations. And the Department of Airport Operations [has been replaced], Mr. Speaker, now we have Skyport. We have one of the most professional individuals, who used to be on the payroll of the government, Aaron Adderley, I am going to call his name, because I have the upmost respect for him and the work that he does. He is no longer a charge to the taxpayer. But he is employed, and he is employed well. Why? Because there was a carveout from the job that he did to a similar job with a new institution that is not on the government payroll. That is how the government can reduce its expenses.

So I am just giving that as a little tip because, clearly, Government Members do not understand the

minute you say that there are no austerity measures in the government—

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: —cost of operations, that automatically there is an assumption that we are saying that we are going to cut payroll and cut people off the payroll.

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: That is not the case! There are departments that the Premier, when he was Shadow Finance Minister, Mr. Speaker—

The Speaker: Yes.

Hon. Patricia J. Gordon-Pamplin: —highlighted and articulated that these are situations that could be—

[Inaudible interjections]

The Speaker: Members! Don't get noisy. Members!

Hon. Patricia J. Gordon-Pamplin: —ripe for privatisation or mutualisation. And that does not cause people to lose their jobs.

And I am so tired of hearing Members opposite suggest that for us to ask them to consider austerity measures would automatically mean that people will lose their jobs. That is the scaremongering to which our community has been subjected, Mr. Speaker. But there is nothing further from the truth. It takes innovation. It takes determination, and it takes cooperation that we can bring this monster of a debt down to a sizable and manageable state with government austerity and without laying people off and sending people home without having any pay.

So, I hope that that has been sufficient to explain to Members where we are coming from when we say that government can cut its cost. Just look at the one example and use the Department of Airport Operations, and consider how that was an area in which there is no longer a cost centre in the government budget and the employees relating thereto have not been laid off, there has been no cut.

So, Mr. Speaker, I am concerned because collectively the Government might say, *Oh, it is not that much. It is only a little bit. Who cares?* But when you start to add one charge—

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: —to another and then to another, and then to another, Mr. Speaker—

The Honourable Member will have his opportunity to speak, and he is perfectly capable of so doing.

The Speaker: All right, Members. I only need to hear one voice.

Hon. Patricia J. Gordon-Pamplin: When we start putting one tax on top of another tax on top of another tax, and no matter how little it might be, Mr. Speaker, if you have, *This tax is going to cost you another twenty-five cents. The next one is going to cost you another dollar. Next one might cost you another twenty-five cents. And the next one another fifty cents.* Before you know it, Mr. Speaker, you are ending up paying an extra two or three dollars that you may not have.

[Inaudible interjection]

Hon. Patricia J. Gordon-Pamplin: And all we get from Members opposite is, *You borrowed \$100 million.* But we also put \$335 million, by return, into the economy. But that is an inconvenient truth that Members opposite would not wish to acknowledge because it does not support their narrative.

Mr. Speaker, I will always stand by the concern that we have for the people who we serve . . . and especially those people who being paid in Bermuda dollars, who are struggling as it is, who are not able to compete with those who are being paid in US dollars. They are being hard done by.

The Speaker: Mm-hmm.

Hon. Patricia J. Gordon-Pamplin: When I mentioned “gouging” earlier, Members took exception to it. So I am happy to pare back that language a little bit, if you do not think that we are being “gouged.” But all I can say in this circumstance, Mr. Speaker, is that the Government gets the gold mine, and the people get the shaft. Thank you, Mr. Speaker.

The Speaker: Would any other Member wish to speak?

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

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

Mr. Speaker, you know, I heard the Honourable Member who just took her seat, praising Skyport, which is fine. I do not mean to do anything opposite, but Skyport belongs to Aecon. Aecon gets over \$20 million of revenue that we used to have in our coffers. They are in charge of the airport. They will be getting a whole lot of money. All of the concessions at that airport, they will get it. Now, they do not even want to pay for the guarantee that we give the airlines to bring in our passengers. And they want us . . . plus they are down there getting lights free, the fire department is free, we are paying for that. That is a deal you could not even make in heaven because heaven would want

everybody to come out fair. So that deal was not made in heaven, Mr. Speaker.

And we got an airport that is probably \$100 million overcharged. We don't know, because it never went out to tender. I should say, we got a building that looks like a spaceship. Nothing about it looks like Bermuda. Every time I go down there I say, *Look at that spaceship sitting down there. I'm waiting for it to take off.* It has no type of identity to this country. That is what you get when you do not tender things out because if you had tendered it out, you would have got companies that would have given you competitive bidding and they would have taken Bermuda's architecture into consideration. So the Skyport is no example. They have got \$20 million right off the reel, before they even started, of our money. And the taxpayer has to make up for the lost revenue. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

I recognise the Honourable Member Pearman. Honourable Member, you have the floor.

Mr. Scott Pearman: Thank you, Mr. Speaker, just two very, very quick points.

I think that all of us in this House, all of us in this Chamber, knows that our Island hangs in a very delicate financial balance. We are about to see \$39 million of tax increases in a declining economy, and so let us all hope that something major does not happen to upset that delicate balance.

Secondly, Mr. Speaker, on this specific amendment Act, in relation to foreign currency purchase, the Opposition spokesperson on Finance in the House, the Honourable Member Pat Gordon-Pamplin, has made the point, but let me repeat it again, because it is worth making again. We live on an Island in the middle of the Atlantic where most everything we have has to be imported. And those imports have to be paid for using US dollars. This is a 25 per cent across the board increase in those existing charges and so, regrettably, Mr. Speaker, this will only serve to increase the cost of living in Bermuda.

The Speaker: Thank you.

Does any other Honourable Member wish to speak?

I recognise the Opposition Whip. Honourable Member, you have the floor.

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

I just want to get up and share a few words of concern around the increase of the foreign currency purchase tax.

The Speaker: Yes.

Ms. Susan E. Jackson: It is my perception that we in Bermuda are looking at so many very small, as the Government would put it, tax increases, which I am afraid are going to add up, and the people who are living here who call Bermuda their home, are the ones who are going to end up feeling the brunt of the tax increases and are going to end up paying the price to keep the Government's tax bounty afloat.

The foreign currency purchase tax, in my personal opinion, is something that is going to be directly related to people who are paid in Bermuda dollars. And the people who are paid in Bermuda dollars are the ones who are oftentimes faced with the less attractive salaries. We are the ones who are living here who do not have options for other foreign currencies. And so it is the working person in Bermuda who is earning Bermuda dollars who is going to have to pay the increased taxes. And as my Member before me had mentioned, other people who have plenty of money who may be living on this Island for short periods of time are often paid in their home country's currency, which is US dollars. And so they are not going to face the kinds of taxes that we here in Bermuda who get paid in Bermuda dollars are going to face.

We already know that everything is expensive. We have, you know, the sugar tax has been put on us. Land tax increase is coming. We have . . . if we use our credit card, in particular, if we use a US dollar credit card to pay our taxes, we are going to get charged to use that card. So not only are we going to be paying additional foreign currency purchase tax, but we are also going to be charged to use our card. And we are using our card because we don't have the cash to pay it upfront.

We are also going to be faced with . . . if we are a retailer, we are going to be faced with the possibility of commercial rental taxes being passed on to us, commercial land tax is going to be passed on through our rents. For the retailer, not only are they going to have those commercial taxes through the land tax, but they are also going to have to face the foreign currency purchase tax when they are purchasing goods overseas. And many of them who are purchasing goods in the United States are facing higher US taxes.

So, all I am saying, Mr. Speaker, is that all of this is going to start to add up. We may think, or the Government may think, *Oh, we are just going to put \$3.00 here, and a few dollars there* . . . the person who is really trying hard to raise their family, maintain a household, is going to feel that \$3.00 extra on that \$300 grocery bill. I watched a gentleman who was out with his two young children. They were purchasing a little juice. That little juice that he bought for those children, actually, there were two juices . . . now, I remember when they used to be \$1.25 each, they were now \$7.50 for two little juices—\$7.50. And if you could have seen the look on that man's face—

[Inaudible interjections]

Ms. Susan E. Jackson: If you could have seen the look on that man's face—

The Speaker: Members! Members! Just let her speak to me. Let the Member speak to me.

Ms. Susan E. Jackson: —to realise that even taking his two young infant children out on a Friday night for a slice of pizza and a juice, that he was going to be paying that kind of money . . . and that price is coming through the taxes—

[Inaudible interjections]

Ms. Susan E. Jackson: —that the Government is adding to the cost of goods in Bermuda, Mr. Speaker.

[Inaudible interjections]

Ms. Susan E. Jackson: And when it is time for us to travel, that same father is going to look and see that when he is trying to convert his \$100, \$200 or \$500 to US [dollars] that that, in turn, is going to be less that he is going to get. I think it is a real disgrace that people who have supported Bermuda, are supporting the Government, are the ones who are all going to have to face the price of this tax increase. It needs to be completely transparent, and people have to acknowledge that these taxes are going to reflect on the local community directly.

Mr. Speaker, I just want it to be very clear that when all of these prices go up, and when, in particular, we look at a foreign currency purchase tax, we are going to realise that not only are we creating an inflationary environment, but we are also lowering the quality of our currency. That dollar that we have that is a Bermuda dollar that so many of us have proudly walked and said, *Oh, we are on par with the United States dollar, and oh, my goodness, the quality of Bermuda's currency is so high*, and slowly but surely, that is being chipped away. And before we know it, we are going to find that it is going to be a noticeable difference, and we are going to have to pay additional Bermuda money in order to gain the same amount of US dollars. And it is going to be clear and this community is going to know.

So, the Government can go ahead and institute this tax increase on our foreign currency purchases, but it is going to show up and it is going to reflect poorly on the economic environment here in Bermuda, Mr. Speaker, and I just want that to be noted. Thank you.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

We recognise the Minister of Education. Minister, you have the floor.

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

Mr. Speaker, I was not expecting to speak on this, but I could not stay on my . . . I could not not get up on my feet after listening to the Honourable Member opposite to me speak. And she spoke very highly of Mr. Aaron Adams [*sic*] who I know as a personal friend.

Some Hon. Members: Adderley.

Hon. Diallo V. S. Rabain: Aaron Adderley.

The Speaker: Yes.

Hon. Diallo V. S. Rabain: Who I know as a personal friend . . . Devil's Hole, he lives on Devil's Hole. And I know him to be a very good worker and very knowledgeable and someone who Skyport was very eager to take on. But, Mr. Speaker, when the Honourable Member speaks about that particular deal, as if it was the greatest thing since sliced bread, I have issue with that.

Hon. Patricia J. Gordon-Pamplin: Point of order, Mr. Speaker.

The Speaker: We will take your point of order.

POINT OF ORDER

[Misleading]

Hon. Patricia J. Gordon-Pamplin: At no time did I say that that was the greatest deal since sliced bread. I simply pointed to a situation in which someone who used to be on the Government payroll is—Sir!

The Speaker: Ah! Ah!

An Hon. Member: Oh, sorry.

The Speaker: Whip, Whip, stay on that side. Stay there. Stay there.

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: That someone who was on the Government payroll, who is no longer on the Government payroll, but is not unemployed. I never once said that that was the ideal situation. I just pointed out to the possibilities—the possibilities—of being able to—

The Speaker: Okay. Thank you. You—

Hon. Patricia J. Gordon-Pamplin: —carve out and—

The Speaker: —you made your point.

[Inaudible interjections]

The Speaker: Members! Members!

Hon. Patricia J. Gordon-Pamplin: —not have people be unemployed.

The Speaker: Member, you have made your point.

Hon. Patricia J. Gordon-Pamplin: So I just don't want to be misled.

The Speaker: Your point has been made.

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

And I am actually grateful for that Member for getting up and saying that because, Mr. Speaker, it is amazing how short the memories are here.

Now, Mr. Speaker, when we go back to the budget that gave us the deal that the Honourable Member speaks of, when we go back to the last One Bermuda Alliance budget that did that one, a budget that was \$67 million in deficit, Mr. Speaker, and out of that deficit, \$25 million of income from the airport was erased from our books.

An Hon. Member: Hmm.

Hon. Diallo V. S. Rabain: Was erased from our books, Mr. Speaker.

And, Mr. Speaker, the great deal that the opposite Member does talk about, with that \$25 million of revenue, which does not include the revenue that comes from the departure tax and all of that. I am just talking about the revenue of running the airport that also disappeared, \$20 million of expenses.

So, it does not take a rocket scientist to see that \$5 million in revenue disappeared from our budget—disappeared from our budget. So, that Honourable Member would have us believe that we should encourage Government to take some of our operations to the private sector, lose income, give that income away so they can use that to pay our employees the same that we are paying them now, plus make extra profit for their coffers, their friends' coffers, while we are forced to raise taxes to replace that money that they have given away.

But now they want to stand here and complain that we have to raise money to replace the money that they have given away. I do not get it, Mr. Speaker! I just do not. And to stand up here and try to tell us that this is the best way to go speaks to the narrative that they just still do not get why they sit on the Opposition benches and were the first party to be a one-administration party.

They do not get it! If they continue to stand here and talk the rubbish that they want to talk, this is

what will continue to be. They will stay over on that side for the rest of their natural-born lives until they perhaps fool the people and become another reiteration of what it is that they are, Mr. Speaker.

[Inaudible interjections]

Hon. Diallo V. S. Rabain: Mr. Speaker, so here we have an Opposition that can do no better than talk about privatise and give away additional revenue that we do not already have, and then complain when we have to raise revenue to do the things that they are doing.

But, Mr. Speaker, what that Opposition Member did not point out is that we are still working with the bad set of cards that they have dealt Mr. and Mrs. Smith (as she refers to them), but we still manage to put a budget on the floor that will create a surplus, Mr. Speaker. That is what we have done! And that is what this party is about! And in addition to producing a surplus, we have funded over 500 people to go back to school.

Some Hon. Members: Yes! Yes!

Hon. Diallo V. S. Rabain: We have increased the amount of money put into our school system! We have done the things that Mr. and Mrs. Bermuda need to have done that they decided were better off spent on a boat race. Thank you, Mr. Speaker. That is what they would expect us to listen to.

So, if any of them want to get up and talk about the great Aecon deal, let them remember that we have lost revenue. We have lost revenue for 30 years on the great airport deal. And we are now raising—

Hon. Patricia J. Gordon-Pamplin: Point of order, Mr. Speaker.

Hon. Diallo V. S. Rabain: We have to raise money to replace the money that they have lost—

The Speaker: Point of order. Take your—

Hon. Diallo V. S. Rabain: —but we have still—

The Speaker: Point of order! Minister! Minister!

Hon. Diallo V. S. Rabain: —come up with a surplus!

The Speaker: Minister!

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

The Speaker: Point of order!

POINT OF ORDER

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

Mr. Speaker, the Honourable Member insists that we have lost money. It is no different than the \$30 million that we had to pay based on their deal at the hospital—\$30 million a year, \$2.5 million per month.

The Speaker: You made your point. You made your point, Member, made your point.

Were you finished? Minister, were you finished?

[Inaudible interjections]

The Speaker: Mr. Swan.

Hon. Hubert (Kim) E. Swan: Good evening, Mr. Speaker.

Mr. Speaker, allow me just to say a few brief words on this Foreign Currency Purchase Tax Amendment Bill, and to speak also to some of the comments that have been made by persons opposite us in this Government.

Mr. Speaker, if I did not know any better, I would think that they cared.

[Laughter and inaudible interjections]

Mr. Hubert (Kim) E. Swan: I really would think that they cared about Mr. and Mrs. Smith. And that is not to say that there are not Members there who do care. But as a collective and as one who sat in their midst and advocated for Mr. and Mrs. Bermuda, every time I spoke in my life, I can tell you that there is something that people must know. Your actions speak louder than the words you spoke before 2012 and certainly after 2017. That period of time that you had to govern is what you will be judged on.

You are not going to be judged on the time that you spent prior to 2012 when you said rosy stuff. You are going to be judged on your time in Government.

[Inaudible interjections]

The Speaker: Members! Members!

Hon. Hubert (Kim) E. Swan: And your time in Government is what . . . because I have heard, you know . . . I want to say this, Mr. Speaker. During the Budget Reply time, I spoke earlier. I was up as an opening batsman. I came in, opening batsman, the Honourable Wayne Furbert and myself. He took the first ball on behalf of the Government. Yes, yes! You know what, Mr. Speaker? I am not ashamed of my past! I am thankful for it, Mr. Speaker. You know why? Because I understand far better than the average bloke the type of stuff that is getting shovelled out there, shovelled out there, shovelled out there.

[Desk thumping and general uproar!]

[Gavel]

Hon. Hubert (Kim) E. Swan: But I am here to tell you, you have got your record that you need to answer for. And you know what? They can go back and look at all the Hansards that they want. And do you know what I was going to say? Stay right there, my brother. Do not come yet. Stay right there.

[Laughter]

Hon. Hubert (Kim) E. Swan: You know what? Before my finance guys came in, I said, *Nah. They are not here.* And they have got plenty to say, because they are not here. When they were here, when I went up over and back, they were quiet as a mouse! They were . . . (Oh, man, don't let me break my phone!) They were quiet as a mouse.

You know, the Finance Minister . . . My mama called me. *Good evening, Mom. I know you are listening.*

She said, *You know, don't get too worked up, Kim. I don't want you to have a heart attack.*

The Speaker: You were not listening to it then. Don't get too worked up.

Hon. Hubert (Kim) E. Swan: *I mean, if you can, that man, Mr. Dickinson, that man, Mr. Dickinson, you know, he is so calm. And he presents his work so good.*

She said, *I really enjoy listening to him.*

I said, *Everybody did, because when he had a part and was speaking, everybody was listening.*

You know, what's the Christmas? . . . *not even a mouse.* But he was not around today. The Premier was busy doing some people's business. And everybody was chirping, could not get them out of their seats many times. But they were up, talking about . . . and I remember in the opening bat, I talked about condescending coded messages.

Some Hon. Members: Ah! Oh!

Hon. Hubert (Kim) E. Swan: What are condescending coded messages?

[Inaudible interjections]

Mr. Hubert (Kim) E. Swan: *Monstrous debt.* I might have said the same myself when I participated thus. But let me tell you what monstrous debt . . . when you say "monstrous debt"—and you created the monstrous debt—then that becomes duplicitous! Because when in 2011/12, 2010, when people were talking about the sea of debt, I raise my hand, I was there, too. I certainly did not expect those persons to come

there and double what they found thereabouts. Give or take a penny or two, they doubled it!

But yet, you know what? People said they had to pay the people we hired. When a Government was confronted with a recession not of the Government's making, I think everybody can agree with that.

An Hon. Member: They would have you believe it, though!

Hon. Hubert (Kim) E. Swan: Well, you know, I participated in having them believe that the PLP caused the recession. Why, the PLP is mighty, man, we could cause a recession! They could take over the whole world! But you know what? Mr. Speaker, I ain't got to talk too much longer. Because, you know, I just came in for a little bit just in the middle order today to push the ball around a little bit, push it around a little bit, point out some of the duplicity.

[Inaudible interjections and laughter]

Mr. Hubert (Kim) E. Swan: Let me tell you where the real duplicity is. It is not on the Opposition tickling up the Government. Because that is part of your job. Maxwell used to say, you know, in Opposition, really you have got to be responsible. You know? And we are seeing it.

[Laughter]

Mr. Hubert (Kim) E. Swan: But let me show you where you really see it, is when good ideas . . . and you know what? I am going to send a shout-out down to Old Maid's Lane. *Man, you are in Opposition?* Come with some *solutions*, will you? Come with some solutions! And that is what I am passing on to the Opposition today. Come with some solutions! Because when I became an Opposition Senator in 1998, I started the only Opposition we ever had.

I read, when the library was still—

[Inaudible interjection]

Hon. Hubert (Kim) E. Swan: When the library was still in existence, I read Dame Lois Browne-Evans' speeches. I read the late Freddy Wade's speeches. I read C. Eugene Cox's speeches. And I want to say this, Mr. Speaker. That was the epitome of speaking for Mr. and Mrs. Bermuda—not what we are hearing today. What we are hearing today is not that! And let me say this. In this budget, and in the last year since the last budget, this Government has gone out of its way to bring to Signature Bank. Why? Because the local banks do not want to participate in the vision of this Government.

This Government, in Opposition, came with solutions that the then-Government did not take. FinTech. Blockchain. It may have been language that

many persons did not understand. But the young minds that I am associated with understood it, advanced it, believed in it, and pursued it! Today, we have the opportunity to get that vision. But what do we hear from the Government, the former Government? We hear them putting up the very roadblocks, and it is not like we can look at HSBC, who are in Asia and all over the world, looking at how they can move in the same space. And so, on foreign debts, foreign practices . . . why are we on that? Because you cannot have foreign purchases without banking institutions, and this country cannot move itself forward without banking.

And if the Opposition wants to [do] what they want to, [which is] help, get on board and help this Government. Come with some solutions! Stop using that coded language. Because the people know it is disingenuous. They did not buy it in 2017. And they are not going to continue to buy it.

[Inaudible interjections]

Hon. Hubert (Kim) E. Swan: Oh, yes, the paper will write it. The paper will write it.

And let me tell you this, Mr. Speaker. Let me say this. The opportunity for the Opposition to find themselves is here and now, as this Government moves forward with FinTech, something that it brought to this very House in 2014. And the roadblocks that they are putting in our way and—

[Inaudible interjections]

Mr. Hubert (Kim) E. Swan: Some of your Members, not you. Some of your most vocal Members, not you. You are vocal, but not your most vocal Member.

The Speaker: Speak to the Chair. Speak to the Chair, Member. Member! Speak to the Chair.

Hon. Hubert (Kim) E. Swan: And, Mr. Speaker, and, Mr. Speaker, in what we need . . . look. The former Government, as I wind up, Mr. Speaker, the former Government—

The Speaker: Well, speak to the Chair and stay on point. Speak to the Chair.

Hon. Hubert (Kim) E. Swan: The former Government . . . we are talking about the foreign [currency] purchase tax.

The Speaker: Yes. Speak to the point.

Hon. Hubert (Kim) E. Swan: Because this Government cannot get foreign purchases.

The former Government put in place a hotel right there on the beach, right there on the water. This Government, and it has an opportunity to have a gam-

ing licence. And it is up to this Government to find a way to facilitate those transactions so that we could get what? More [foreign] currency coming in, so our what? Our Finance Minister who understands finances to the umpteenth degree, can decide whether some of these taxes can be what? Maybe roll it back when the income starts coming in.

But first, you have to do what is the lay of the land. And it is not to be lost, not to be lost that [for the first time] in 14 or 17 years, this country has a surplus—has a surplus! So those coded words are not going to work, because persons who are looking at the real numbers know the real deal. And let me tell you, I have been in the legislature since 1998. And I know that every budget that comes up gets scrutinised, and some get people marching. The late Dr. Saul would have remembered that every day when the budget came up.

And what I am here to say is that you have not seen it. And you heard *silence* from this side over here when this gentleman is here. So, keep chirping. He is here now. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member want to speak?

No other Member?

Junior Minister.

[Inaudible interjections]

The Speaker: Members, if you do not want to take to your feet, be quiet.

Hon. Wayne L. Furbert: Mr. Speaker, again I find it ironic, because let us look at this. The Honourable Member said that they care about Mr. and Mrs. Smith. They really did not. Because for five years, Mr. Speaker, they did not give our seniors any increase. They did not give our civil servants any increase. So, let us just imagine that \$300 in 2012.

[Inaudible interjections]

The Speaker: Members!

Hon. Wayne L. Furbert: Let us just remember that bag of groceries, that [cost] \$300 in 2012. How much do you think that cost, they lost from 2012 to 2017? With no increase! With a rate of inflation, Mr. Speaker, occurring every year, that \$300, they could probably only buy \$250 worth of groceries. Maybe I should go slow for some of you.

[Inaudible interjections]

Hon. Wayne L. Furbert: Mr. Speaker, what I am saying to them is that Mr. and Mrs. Smith, who could buy some groceries at \$300 in 2012, could not buy that

\$300 in 2013 because of inflation. They could not buy it in 2014 because of inflation.

Hon. L. Craig Cannonier: Point of order, Mr. Speaker. Point of order, Mr. Speaker.

The Speaker: We will take your point of order.

POINT OF ORDER

[Misleading]

Hon. L. Craig Cannonier: Yes. The Honourable Member is misleading the House and, unfortunately, probably unintentionally doing that. If he can recall, going back those few years, we were the ones who put in a policy with the grocery stores to reduce the cost of groceries more than the rate of interest, more than the rate of interest.

The Speaker: Thank you, Honourable Member. Minister, Junior Minister.

Hon. Wayne L. Furbert: Mr. Speaker, if you ask the Honourable Member, How long did it last? How long did that last?

Hon. L. Craig Cannonier: Mr. Speaker, he said in 2013 it was more. And I am referring to 2013 when he put that policy in place. He does not know what he is talking about.

The Speaker: Thank you. Junior Minister, keep going. Speak to the Chair.

Hon. Wayne L. Furbert: The Honourable Member, again, I would ask the Honourable Member Patricia Gordon-Pamplin, who understands a little bit about numbers, to explain this one. If the groceries are at \$300 in 2012 and the rate of inflation hit that in 2012, it was, let us say, 1 per cent. It is now \$297. Another 1 per cent in 2013, it is down a further 1 per cent. And let us say you went for six months for whatever you did for the grocery store.

Then in 2015, Mr. Speaker, it went up again! My point is that they could not buy some groceries at \$300 in 2017! Because they refused to give the civil servants increases. They had the furlough days, so the civil servants were earning less money for that period of time. And seniors could not buy their same bag of goods.

So, Mr. Speaker, we came in, gave the seniors an increase, we gave the civil servants an increase. And so, the 1 per cent, the 0.25 per cent that they are getting on groceries, they can now afford it if they bought it based on what you said.

Now, the Honourable Member Jackson, talked about how they paid with their credit card. I do not know what rate she knows they pay for credit cards.

But if they are charging the rates that I know they are paying for rate of credit cards with the banks, it is much more than 1 per cent. So, they bought the payroll tax, I am assuming, paid the payroll tax by 1 per cent. I am assuming that is what you are saying, paid the payroll tax by credit card. The rates that the bank charges, which you work at, and the Honourable Member is a director of, charges much higher.

Hon. Patricia J. Gordon-Pamplin: Point of order, Mr. Speaker.

The Speaker: Yes. We will take your point of order.

POINT OF ORDER

Hon. Patricia J. Gordon-Pamplin: I just think it is important to point out that interest on credit card balances is only appended if the balance is not repaid. So, people use their credit card so that they have the benefit of cash flow. And if it is paid before the end of the month, there is no charge for credit card interest.

Hon. Wayne L. Furbert: I know that. And if they did not pay it, what happened?

The Speaker: Continue on, Junior Minister.

Hon. Wayne L. Furbert: We know that. The question is, if they did not pay it, what happens?

[Inaudible interjections]

Hon. Wayne L. Furbert: No, you are assuming. So, Mr. Speaker, let us look at this [other] point. The Honourable Member said that this juice—the Honourable Member said that somebody went to some place and bought two juices for seven dollars and something.

An Hon. Member: Honourable Member Jackson.

Hon. Wayne L. Furbert: The Honourable Member, Ms. Jackson. I do not think they need to blame the Government for that. Maybe she needs to blame the Honourable Member from constituency 10. I just looked online. Walmart charges sixty-two cents.

If we added 1 per cent to that, that is only 0.006. I would say that you suggest that the Honourable Member from constituency 20 ask the Member from constituency 12 what his profit margin is. I am sure it is higher than 1 per cent.

Ms. Susan E. Jackson: Mr. Speaker, point of order.

The Speaker: Point of order.

POINT OF ORDER

[Misleading]

Ms. Susan E. Jackson: He is misleading the House. He is singling out one particular distributor when there are a number of distributors on this Island.

[Inaudible interjections]

Ms. Susan E. Jackson: And I would also like to add that, no matter what the price is on the goods,—

The Speaker: Members! Members!

Ms. Susan E. Jackson: —that this Government is, as we are debating tonight, further taxing our individuals who are living here in Bermuda who are paying in Bermuda dollars. Not only have they added the sugar tax, but now the foreign currency purchase tax, as well!

The Speaker: Not a full speech. Not a full speech. Thank you.

Hon. Wayne L. Furbert: Mr. Speaker, it was that Honourable Member who brought up juice, not me.

[Laughter and inaudible interjections]

Hon. Wayne L. Furbert: If you had brought up shoes, I would have mentioned shoes. But you brought up juice, \$7.50 for two bottles. Not me! I am just explaining to you that when I looked at Walmart right now, it is sixty-two cents!

The Speaker: Junior Minister, let me help you out. Just speak to me. Just speak to me, and move on. Speak to me. There you go.

Hon. Wayne L. Furbert: So, do not blame me about the juice, Honourable Member.

The Speaker: Move on.

Hon. Wayne L. Furbert: We are charging 0.25 per cent on top of that, .25 per cent. And the Honourable Member, I am sure that the profit margin is much higher. So, blame the Honourable Member somewhere else, not this Government! That is my point.

Mr. Speaker, the Honourable Member also said that it does not affect individuals who have US dollars. Well, if the Honourable Member goes down to MarketPlace and buys some eggs or some juice in US dollars, it is affecting them, too.

Hon. Patricia J. Gordon-Pamplin: Point of order, Mr. Speaker.

The Speaker: Yes, Madam.

POINT OF ORDER

Hon. Patricia J. Gordon-Pamplin: I very clearly said that it will not impact people who are paid in US dollars, on their travel overseas or for them to have to pay their credit cards, because there would be no foreign currency purchase tax appended. That is what I said.

The Speaker: Thank you.

Hon. Wayne L. Furbert: Mr. Speaker, I did not call the Honourable Member's name.

The Speaker: Just speak to the Chair. Keep moving on.

Hon. Wayne L. Furbert: I was calling the Honourable Member Jackson, once again from [constituency] 20. She is the one who said it. The Honourable Member who said it, she said it.

The Speaker: No problem. Keep speaking.

Hon. Wayne L. Furbert: I heard what you said. I was not talking about you.

Hon. Patricia J. Gordon-Pamplin: And I know what I am talking about.

Hon. Wayne L. Furbert: If you are guilty, it is a different story.

But, Mr. Speaker, those Honourable Members, for some reason—

The Speaker: Speak this way.

Hon. Wayne L. Furbert: —in the last year and a half, they have got saved. For some reason, they have changed this whole epitome of where they are. We just spoke about a tax that they were the ones who brought it to this Honourable House, not us.

Mr. Speaker, I know I got saved when I crossed this floor.

[Laughter]

An Hon. Member: Very much so!

Hon. Wayne L. Furbert: That is for sure. You are still to be saved.

Some Hon. Members: Ooh!

Hon. Wayne L. Furbert: The Honourable Member now leaves the Chamber, because she does not want the Honourable Member Kim Swan and I to talk about that group, not in this House.

The Speaker: Just speak to the Chair. That is all. Speak to the Chair.

Hon. Wayne L. Furbert: I will ask the Members to read my book when it comes out.

An Hon. Member: Oh, Lord!

[Inaudible interjections]

Hon. Wayne L. Furbert: So, Mr. Speaker, what I am saying to the Honourable Members in this House is that this Government has shown concern for our seniors and our civil servants by giving them increases for the last two years. And we recognise, Mr. Speaker . . . let me talk about one other thing, Mr. Speaker.

The Speaker: I thought you were wrapping up, you know.

Hon. Wayne L. Furbert: How do you think they were going to balance the budget, Mr. Speaker?
Sorry. I am speaking to you, Mr. Speaker.

The Speaker: Go ahead.

Hon. Wayne L. Furbert: How do you think they were going to balance the budget? They planned to increase payroll tax from the employer from 10.25 to 11.25, employer. The average employee would have paid an increase of 1 per cent. Let us look at this, Mr. Speaker. The Honourable Member talked about 1 per cent paid on a \$50,000 for a scholarship. That would have been \$500. We accept that. But imagine a Bermudian earning \$5,000 a month. You would pay 1 per cent. You would pay \$500 on payroll taxes every month! Does anybody want to stand up and dispute that?

Hon. Derrick V. Burgess, Sr.: No, they cannot.

The Speaker: Speak to the Chair.

Hon. Wayne L. Furbert: The average tax that they wanted to increase for them, that is how they learned to balance the budget, on the backs of labour, Mr. Speaker! We are trying to diversify and make this much more accountable for a wider group. I will say it again. They complain that we are increasing, that the charge for a scholarship would have been \$500 on \$50,000, one time a year. But they would charge \$500 of employee tax every month, \$500! And 12 times [\$500] is \$6,000 a year, Mr. Speaker!

And I challenge anybody to get up on this side. The employers from whom they were trying to increase, it was significant, significant! The Honourable Member who were talking about the restaurant stuff, he knows that they increase a retail tax from 0.0 per cent. Let us not forget . . . you guys forget your history.

So, Mr. Speaker, with those few remarks, now that they have all gone quiet, they probably have gone out back and to have some juice.

The Speaker: I suggest you go to Committee now. How is that?

Hon. Wayne L. Furbert: Mr. Speaker, I move that we go into Committee. Thank you.

The Speaker: Thank you.
Deputy.

House in Committee at 7:55 pm

[Hon. Derrick V. Burgess, Sr., Chairman]

COMMITTEE ON BILL

FOREIGN CURRENCY PURCHASE TAX AMENDMENT ACT 2019

The Chairman: Honourable Members, we are now in Committee of the whole [House] for further consideration of the Bill entitled [Foreign Currency Purchase Tax Amendment Act 2019](#).

Minister, you have the floor.

Hon. Wayne L. Furbert: Thank you, Mr. Chairman.
Mr. Chairman, I move clauses 1 through 3.

The Chairman: Continue.

Hon. Wayne L. Furbert: Mr. Chairman, this Bill seeks to amend the Foreign Currency Purchase Tax Act 1975 to increase the rate of tax.

Foreign Currency Purchase Tax Act 1975? Ah! I cannot even think of that date, that year 1975. Who was in power at that time, Mr. Chairman? I am not going to try to . . .

The Chairman: I was not born yet.

Hon. Wayne L. Furbert: I am not going to . . . moving ahead.

The Chairman: Move ahead.

Hon. Wayne L. Furbert: Foreign Currency Purchase Tax Act 1975 Act. I did not even . . . I missed that. Did all of you miss it? The Foreign Currency Purchase Tax Act 1975? Did we all miss that, 1975? I will repeat it again.

The Chairman: Minister, let us do clauses 1 through 3.

Hon. Wayne L. Furbert: Yes, I am sorry.

Clause 1 is the short title of the Bill and is self-explanatory.

Clause 2 amends the First Schedule to the Foreign Currency Purchase Tax Act 1975 to increase the rate of tax from 1 per cent to 1.25 per cent.

Clause 3 provides for commencement date, which is April 1st, 2019.

The Chairman: Any further speakers?

The Chair recognises the Honourable Member Pat Gordon-Pamplin.

You have the floor, Mrs. Gordon-Pamplin.

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

Mr. Chairman, clearly, nothing that we say matters. The people do not matter. And therefore, we have to accept the fact that the Government has chosen to push through this tax amendment Bill.

The Chairman: Member, Member. I think you need to withdraw that statement. This is the House of Parliament. I am here to listen to you, and what you say matters like any other Member. Please, do not insult the Chair.

[Inaudible interjection]

The Chairman: Okay. Can you withdraw that statement, please?

Hon. Patricia J. Gordon-Pamplin: Can I express it differently? I withdraw that statement if that is unacceptable.

The Chairman: Yes.

Hon. Patricia J. Gordon-Pamplin: But I am happy to say that the Government has decided that it is going to incur additional taxes on Mr. and Mrs. Bermuda. And clearly, by this tax upon the other tax upon the other tax, there is nothing we can do about it. So, therefore, we have to accept it.

The Chairman: So, you have nothing to say on clauses 1 through 3.

Would any other Member like to speak?
Minister.

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

I move clauses 1 through 3, clauses 1 through 3.

The Chairman: It has been moved that clauses 1 through 3 be approved.

Are there any objections to that?
There appear to be none.
Approved.

[Motion carried: Clauses 1 through 3 passed.]

Hon. Wayne L. Furbert: I move that the Preamble be approved.

The Chairman: It has been moved that the Preamble be approved.

Are there any objections to that?

Hon. Wayne L. Furbert: I move that the Bill be reported to the House as printed.

The Chairman: It has been moved that the Bill be reported to the House as printed.

Any objections to that?

There appear to be none.

The Bill will be reported to the House as printed.

[Motion carried: The Foreign Currency Purchase Tax Amendment Act 2019 was considered by a Committee of the whole House and passed without amendment.]

House resumed at 7:58 pm

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

REPORT OF COMMITTEE

FOREIGN CURRENCY PURCHASE TAX AMENDMENT ACT 2019

The Speaker: Good evening, Members.

Is there any objection to the Foreign Currency Purchase Tax Amendment Act 2019 being reported to the House as printed?

No objections.

Moved as printed.

That now brings us on to the next Order of the Day, which is [Order] No. 6, the second reading of the Hotels (Temporary Customs Duty Relief) Amendment Act 2019. And I believe, Junior Minister, you will be leading this one, as well?

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

The Speaker: Yes.

Hon. Wayne L. Furbert: I do not expect a long discussion on this one unless they begin . . .

Mr. Speaker, with the Governor's recommendation, I move that this Bill entitled the Hotels (Temporary Customs Duty Relief) Amendment Act 2019 be now read the second time.

The Speaker: Are there any objections?
None, continue.

BILL**SECOND READING****HOTELS (TEMPORARY CUSTOMS DUTY RELIEF)
AMENDMENT ACT 2019**

Hon. Wayne L. Furbert: Mr. Speaker.

The Speaker: Yes.

Hon. Wayne L. Furbert: The Bill proposes to extend the Hotels (Temporary Customs Duty Relief) Act 1991 by a further five-year period, expiring by March 31st, 2024. That provides a zero rate of customs duty on capital goods to be used in a capital investment scheme for hotels. Qualifying goods are listed in the Appendix of Public Notice 26, Customs Duty Relief, Hotels (Temporary Customs Duty Relief) Act 1991.

The items included in the list of goods are intended for the renovation and repurposing of hotels and guest houses. The duty relief for hotel redevelopment is easy to obtain. Any hotel may claim duty relief by making a customs declaration in respect of qualifying goods and specifying CPC 4509 in box 16 on that form. A copy of the relevant hotel licence should accompany the customs declaration. Detailed declaration guidance is easily accessible on the government portal.

Many properties have benefited from the Act that is due to expire on March 31st, 2019. Since the last extension of the Act in 2014, the hotel sector in Bermuda has benefited by receiving approximately \$12.7 million in duty relief on the renovation and repurposing of their facilities.

An Hon. Member: What was that amount?

Hon. Wayne L. Furbert: [It was], \$12.7 million.

Mr. Speaker, 2018 turned out to be another record-breaking year for the number of visitor arrivals from cruise ships. Cruise, air and yacht figures are combined with air arrivals growing by 4.6 per cent. Despite the success, hotel occupancy for the full year increased by only 1.1 per cent over 2017, to 63.7 per cent, which is still below the 2007 rate of 71 per cent. There is no doubt that every hotel with a licence relies on this concession. This includes hotel development prior to any order under the former Hotels Concession Act, or now the Tourism Investment Act.

Mr. Speaker, not all properties need or can afford the TIA at the investment levels stated. Upgrades are vital to maintain standards and the hotel licensing regulations and are monitored through compliance inspections twice a year. This concession helps hotels to comply with these regulations.

Mr. Speaker, the hoteliers have made it very clear to Government that they require this assistance to successfully navigate through these times. The ex-

ension of custom duty relief will allow industry to be better prepared for any challenges that lie ahead.

The hotels are generally committed to maintaining staffing levels wherever possible, while continuing to offer first-class service and amenities to the guests of their establishments. The extension of duty relief will encourage the properties to continue to upgrade in order to provide the greatest quality experience possible to both visitors and residents alike. The Government is equally committed to supporting this industry, as it provides a diverse range of good jobs to a wide cross section of Bermudians. Therefore, Mr. Speaker, the Government commends this Bill to the House . . . no, sorry.

The Speaker: You invite others to speak to it.

Hon. Wayne L. Furbert: I beg your pardon?

The Speaker: You are inviting others to speak to it.

Hon. Wayne L. Furbert: Yes. I would like to invite other Members to speak to the Bill. Yes.

The Speaker: Would any other Member wish to speak to this?

We recognise the Honourable Member from constituency 23.

Honourable Member, you have the floor.

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

Mr. Speaker, we recognise the importance of hotel development and the incentive for hotels to bring their investments and their foreign currency into Bermuda to assist not just in the development of their capital project, but, in so doing, to assist our people to be put to work while these projects are being developed. This is, obviously, a positive thing for Bermuda.

The Hotels (Temporary Customs Duty Relief) Amendment Act 2019 really serves to extend the expiry date of this Act. It is an overarching Act, from 2019 into 2024, which is another five-year period of time. Given the positive benefits that this provides for us, or our people, notwithstanding that there is lost revenue to the government, we recognise that the other side of it shows that we are actually perhaps picking up money, because without people being employed, there is no payroll tax coming into the coffers, another situation where this would benefit Bermudians.

So, as a result of that, Mr. Speaker, we certainly have no objection. Certainly, it is a Bill that was extended last time, in 2014 under our administration, until 2019, where it will expire at March 31. And now we are including a further five-year extension to 2024. And there is no objection.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

None?

Junior Minister, you have the floor.

Hon. Wayne L. Furbert: Mr. Speaker, I move that this Bill be committed.

The Speaker: No objections to that, are there?
I did not think so.
Deputy.

House in Committee at 8:04 pm

[Hon. Derrick V. Burgess, Sr., Chairman]

COMMITTEE ON BILL

HOTELS (TEMPORARY CUSTOMS DUTY RELIEF) AMENDMENT ACT 2019

The Chairman: Honourable Members, we are now in Committee of the whole for further consideration of the Bill entitled [Hotels \(Temporary Customs Duty Relief\) Amendment Act 2019](#).

Minister, you have the floor.

Hon. Wayne L. Furbert: Mr. Chairman, this Bill seeks to amend the Hotels (Temporary Customs Duty Relief) Act 1991—

The Chairman: Do you want to move—

Hon. Wayne L. Furbert: I am sorry. I am sorry.
I move clauses 1 through 3.

The Chairman: Continue.

Hon. Wayne L. Furbert: This Bill seeks to amend the Hotels (Temporary Customs Duty Relief) Act 1991 so that the relief may be granted in respect of goods imported on or before 31 March 2024.

Clause 1 of the Bill is the citation and is self-explanatory.

Clause 2 amends section 7(2)(b)(i) of the Hotels (Temporary Customs Duty Relief) Act 1991 by deleting the reference to 2019 and substituting “2024.”

Clause 3 provides for commencement on the 1st of April 2014 *[sic]*.

The Chairman: Thank you, Minister.
Any speakers?

The Chair recognises the Honourable Member Pat Gordon-Pamplin. You have the floor, Mrs. Gordon-Pamplin.

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

Mr. Speaker, I believe the Minister misspoke, because he said the commencement comes at the 1st of April 2014. But, in fact, it comes into effect the 1st of April of 2019.

So, we have no objection other than that.

The Chairman: Okay.
Minister.

Hon. Wayne L. Furbert: Thanks, that is called *working together*.

[Laughter]

The Chairman: Okay. Very good.

Hon. Wayne L. Furbert: Thank you, Mr. Chairman.
I move that the preamble be approved.

The Chairman: You want to do the clauses first.

Hon. Wayne L. Furbert: Oh, sorry. Yes, move clauses 1, 2 and 3 again.

The Chairman: It has been moved that clauses 1 through 3 be approved.

Are there any objections?

There appear to be none.

Approved.

[Motion carried: Clauses 1 through 3 passed.]

Hon. Wayne L. Furbert: I move that the preamble be approved.

The Chairman: It has been moved that the preamble be approved.

Are there any objections to that?

Approved.

Hon. Wayne L. Furbert: I move that the Bill be reported to the House as printed.

The Chairman: It has been moved that the Bill be reported to the House as printed.

Any objections to that?

Approved. The Bill will be reported to the House.

[Motion carried: The Hotels (Temporary Customs Duty Relief) Amendment Act 2019 was considered by a Committee of the whole House and passed without amendment.]

House resumed at 8:07 pm

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

REPORT OF COMMITTEE

HOTELS (TEMPORARY CUSTOMS DUTY RELIEF) AMENDMENT ACT 2019

The Speaker: Members, is there any objection to the Hotels (Temporary Customs Duty Relief) Amendment Act 2019 being reported to the House as printed?

None.

So moved.

I believe that brings us to the close of the Orders of the Day.

Junior Minister, one more? Do you want to do [Order] No. 7, as well?

Hon. Wayne L. Furbert: Yes. Yes.

The Speaker: Oh. Okay. All right. We will move on to [Order] No. 7.

[Order] No. 7 is the second reading of the Restaurants (Temporary Customs Duty Relief) Amendment Act 2019.

Junior Minister, I believe you are going to be leading that one, as well.

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

The Speaker: Thank you.

BILL

SECOND READING

RESTAURANTS (TEMPORARY CUSTOMS DUTY RELIEF) AMENDMENT ACT 2019

Hon. Wayne L. Furbert: This is very similar to the Hotels (Temporary Customs Duty Relief) Amendment Act 2019. I am not going to go through a whole spiel, but this expires on March 31, 2019. I would ask now that the House approve a further five-year period, expiring March 31, 2024 [sic].

The Speaker: 2019.

Hon. Wayne L. Furbert: Yes, 2019.

The Speaker: Yes. Do not turn the clock back. And it may have been a good year, but we are not ready to go back just yet.

Would any other Member like to speak to that?

I recognise the Honourable Member from constituency 23.

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

Mr. Speaker, as we did in the previous Bill, and given that this actually has the same intent and purpose, we certainly support, and we have no objection to this Bill.

The Speaker: Honourable Member, Junior Minister.

Hon. Wayne L. Furbert: Mr. Speaker, I move that this Bill be committed.

The Speaker: Thank you.
Deputy.

House in Committee at 8:09 pm

[Hon. Derrick V. Burgess, Sr., Chairman]

COMMITTEE ON BILL

RESTAURANTS (TEMPORARY CUSTOMS DUTY RELIEF) AMENDMENT ACT 2019

The Chairman: Honourable Members, we are now in Committee of the whole for further consideration of the Bill entitled [Restaurants \(Temporary Customs Duty Relief\) Amendment Act 2019](#).

Minister, you have the floor.

Hon. Wayne L. Furbert: Mr. Chairman, I move clauses 1 through 3.

The Chairman: Continue.

Hon. Wayne L. Furbert: Mr. Chairman, the Bill seeks to amend the Restaurants (Temporary Customs Duty Relief) Act 2002 so that relief may be granted in respect of goods imported on or before 31 March 2024.

Clause 1 of the Bill is the citation and is self-explanatory.

Clause 2 amends section 7(2)(b)(i) of the Restaurants (Temporary Customs Duty Relief) Act 2002 by deleting the reference to 2019 and substituting "2024."

Clause 3 provides for commencement on April 1st, 2019.

The Chairman: Any further speakers?

The Chair recognises the Honourable Member Pat Gordon-Pamplin.

You have the floor, Ms. Gordon-Pamplin.

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

As we did in the last Act, we have no objection to this.

The Chairman: Okay.
Minister.

Hon. Wayne L. Furbert: Mr. Chairman, I move clauses 1 through 3.

The Chairman: It has been moved that clauses 1 through 3 be approved.

Are there any objections to that?

There appear to be none.

Approved.

[Motion carried: Clauses 1 through 3 passed.]

Hon. Wayne L. Furbert: I move that the preamble be approved.

The Chairman: It has been moved that the preamble be approved.

Are there any objections to that?

Approved.

Hon. Wayne L. Furbert: I move that the Bill be reported to the House as is.

The Chairman: It has been moved that the Bill be reported to the House as printed.

Any objections to that?

There appear to be none.

Approved.

The Bill will be reported to the House as printed.

[Motion carried: The Restaurants (Temporary Customs Duty Relief) Amendment Act 2019 was considered by a Committee of the whole House and passed without amendment.]

House resumed at 8:10 pm

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

REPORT OF COMMITTEE

RESTAURANTS (TEMPORARY CUSTOMS DUTY RELIEF) AMENDMENT ACT 2019

The Speaker: Good evening, Members.

Is there any objection to the Restaurants (Temporary Customs Duty Relief) Amendment Act 2019 being reported to the House as printed?

No objections.

So moved.

Now that brings us to the end of the items to be done on the Order Paper today.

Yes. Would you like to do your third readings?

SUSPENSION OF STANDING ORDER 21

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

This is the Foreign Currency Purchase Tax Amendment Act 2019.

I move that Standing Order 21 be suspended to enable me to move that the Bill entitled the Foreign Currency Purchase Tax Amendment Act 2019 be now read the third time by its title only.

The Speaker: Any objections?

[Motion carried: Standing Order 21 suspended.]

BILL

THIRD READING

FOREIGN CURRENCY PURCHASE TAX AMENDMENT ACT 2019

Hon. Wayne L. Furbert: I move that the Bill be now read a third time by its title only and passed.

The Speaker: So done. So moved.

[Motion carried: The Foreign Currency Purchase Tax Amendment Act 2019 was read a third time and passed.]

The Speaker: Would you like to do the next item?

SUSPENSION OF STANDING ORDER 21

Hon. Wayne L. Furbert: Yes, the second one is the Financial Services Tax Amendment Act 2019.

I move that Standing Order 21 be suspended to enable me to move that the Bill entitled the Financial Services Tax Amendment Act 2019 be now read the third time by its title only.

The Speaker: Are there any objections to that?

[Motion carried: Standing Order 21 suspended.]

The Speaker: Continue, Minister.

BILL

THIRD READING

FINANCIAL SERVICES TAX AMENDMENT ACT 2019

Hon. Wayne L. Furbert: I move that the Bill be now read a third time by its title only and passed.

The Speaker: No objections?

So moved.

So passed.

[Motion carried: The Financial Services Tax Amendment Act 2019 was read a third time and passed.]

The Speaker: Would you like to do the next one?

SUSPENSION OF STANDING ORDER 21

Hon. Wayne L. Furbert: Hotels (Temporary Customs Duty Relief) Amendment Act 2019.

I move that Standing Order 21 be suspended to enable me to move that the Bill entitled the Hotels (Temporary Customs Duty Relief) Amendment Act 2019 be now read for the third time by its title only.

The Speaker: Any objections?

[Motion carried: Standing Order 21 suspended.]

BILL

THIRD READING

HOTELS (TEMPORARY CUSTOMS DUTY RELIEF) AMENDMENT ACT 2019

Hon. Wayne L. Furbert: I move that the Bill be now read a third time by its title only and passed.

The Speaker: Any objections?

None.

So moved.

[Motion carried: The Hotels (Temporary Customs Duty Relief) Amendment Act 2019 was read a third time and passed.]

SUSPENSION OF STANDING ORDER 21

Hon. Wayne L. Furbert: The last one, Mr. Speaker, Restaurants (Temporary Customs Duty Relief) Amendment Act 2019.

I move that Standing Order 21 be suspended to enable me to move that the Bill entitled the Restaurants (Temporary Customs Duty Relief) Amendment Act 2019 be now read the third time by its title only.

The Speaker: Any objections?

No objections.

[Motion carried: Standing Order 21 suspended.]

The Speaker: Continue.

BILL

THIRD READING

RESTAURANTS (TEMPORARY CUSTOMS DUTY RELIEF) AMENDMENT ACT 2019

Hon. Wayne L. Furbert: I move that the Bill be now read a third time by its title only and passed.

The Speaker: Any objections?

No objections.

So moved.

[Motion carried: The Restaurants (Temporary Customs Duty Relief) Amendment Act 2019 was read a third time and passed.]

The Speaker: Mr. Premier.

ADJOURNMENT

Hon. E. David Burt: Good evening, Mr. Speaker.

Mr. Speaker, I move that this Honourable House do now adjourn until Wednesday, March 13th, at 10:00 am.

The Speaker: No Members wish to speak to that?

[Laughter]

An Hon. Member: Easy.

Some Hon. Members: Oh! Oh! Oh!

The Speaker: I will recognise the Honourable Member from constituency 10.

Honourable Member, you have the floor.

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

The Speaker: Yes.

Hon. Michael H. Dunkley: You were looking the other way, so I just had to let out a little cough so you did not miss me.

The Speaker: Well, the gavel was in my hand and about to go down.

Hon. Michael H. Dunkley: I saw that. I saw that.

Mr. Speaker, "fiscal discipline" in words, but not in action. Mr. Speaker.

The Speaker: Yes.

PROFESSIONAL SERVICES/CONSULTANTS AND ADVISORS

Hon. Michael H. Dunkley: After having answers to Parliamentary Questions delayed and deferred by the Honourable Premier, it was certainly not surprising for me this morning that answers were provided after a Ministerial Statement that the Honourable Premier delivered to this Honourable House in which the Honourable Premier expressed his support for each Minis-

ter not only having an advisor or a consultant, but also, Mr. Speaker, for *ministerial private offices*, Mr. Speaker.

Now, Mr. Speaker, I, like my colleagues, always try to keep my ears close to the ground, my eyes on the horizon. And I have enough experience to [sniff] out things—

[Inaudible interjections and laughter]

The Speaker: Members, Members!

Hon. Michael H. Dunkley: Even though it is shocking, Mr. Speaker, in 20 months this Government has lost the trust of many of the people who elected them and have supported the renewal of things that got them into trouble last time in Government. And I state that one of those things is a friends-and-family plan.

An Hon. Member: Speak to your Members.

The Speaker: Speak to the Chair.

Hon. Michael H. Dunkley: Mr. Speaker, the delay and the deferment was, in my humble opinion, because the Honourable Premier needed some time to come up with this Statement in which the answers would not appear as shocking as they were. But they are, Mr. Speaker. Because six Ministers and the Premier have had advisors or consultants, and by listening to the Honourable Premier's Statement, the numbers will grow. And I will list them, Mr. Speaker, from the [answers](#) that I received this morning.

- the Minister of Economic Development and Tourism (now the Minister without Portfolio) has an advisor.
- the Minister of Education has an advisor.
- the Minister of Transport and Regulatory Affairs/Minister of Home Affairs, has an advisor.
- the Minister of Legal Affairs has a consultant.
- the Minister of Public Works has a consultant.
- the Minister of Transport and Regulatory Affairs had a consultant for a period of time.

When questioned by the Honourable Opposition Leader, the Premier stated that they would be paid full-time at PS level 36, which I believe is about \$118,000, Mr. Speaker.

Mr. Speaker, learning all of this after the recent conversations in the media that a gang consultant received a hefty raise, from \$92,000 to \$125,000 per year, because he asked for it, he said, and it was uncovered after questioning . . . learning this after a highly paid appointment over in the Brussels office . . . Mr. Speaker, this, to many Bermudians, is unreal. Bermudians are struggling from one end of the Island . . . and I hear Honourable Members on that side say, *What?* Well, it is true. Bermudians are struggling from one end of the Island to the other.

The economy is going backwards.

[Inaudible interjections]

The Speaker: Members! Members!

Hon. Michael H. Dunkley: We are likely, Mr. Speaker, back in a recession. Stores are closing. Raises are hard to come by as business is weak. The bungled sugar tax has put a burden on consumers. And the Government now, Mr. Speaker, is doubling down with version two of the sugar tax. Costs across the board have been rising.

[Inaudible interjections]

The Speaker: Member! You need to quiet up.

Hon. Michael H. Dunkley: Even some Government departments, Mr. Speaker, do not have the promised raise of 2 per cent, or 2.5 per cent—and the Government has not clarified which it is. Whichever one, the PLP Government has not paid it to all of the government departments. And yet . . . and yet, the PLP Government deems it appropriate to put well-paid advisors in front of Bermudians.

Mr. Speaker, but it gets worse. It actually gets worse than this, Mr. Speaker, because if you look at the Statement that the Honourable Premier presented to this House this morning, the Honourable Premier says that he now supports the SAGE recommendations that Ministers should have a private office. And he says, and I quote, “to relieve the Permanent Secretaries of the day-to-day tasks associated with Ministers’ needs.” That is interesting, Mr. Speaker.

The Honourable Premier then in this Statement, which I am looking at, tried to tie into—I am not saying that he does, but he tries to tie into—it a 2011 (and it is on page 1) Civil Service Review, which the PLP Government, I believe at the time, rejected or simply did nothing about, Mr. Speaker. So, here we are.

Now, for the record, I never supported the SAGE recommendation that the Premier refers to about ministerial private offices. And that position has not changed. And I say that because people will ask the question.

Mr. Speaker, I find it very interesting that the Honourable Premier now says that he supports the recommendation. But in the last two Budget Statements, and I believe in the last two Throne Speeches delivered by the PLP Government (and I am happy to be corrected if I am wrong, Mr. Speaker), the only mention that I see of SAGE recommendations is in the 2017 Throne Speech when it refers to a commitment, Mr. Speaker, which you would be very familiar with, to establish three Parliamentary Oversight Committees of the House. Nothing about consultants to Ministers. Nothing about advisors to Ministers. Nothing about private offices. Nothing, Mr. Speaker.

So, Mr. Speaker, there has been no clarification or correction from the Honourable Members on that side. And I ask why this policy has changed or has been pulled out of the air somewhere, Mr. Speaker? Why has it only now seen the light of day? Mr. Speaker, why have the actions in approving these positions been kept secret? Mr. Speaker, in my view, this whole scenario is unacceptable for a number of reasons, not for the least that the Minister of Finance has talked about a current poor fiscal position that we find ourselves in—made a great, great deal about it.

But, Mr. Speaker, in addition, I believe it is a feeble and frail attempt to justify the spending of taxpayers' dollars after being exposed. Mr. Speaker, in addition, it goes against the public comments of the Minister of Finance regarding that financial discipline which I referred to, and it shows that family-and-friends is back in full effect.

Now, furthermore, Mr. Speaker, here we are tonight. We have crossed the halfway point of this Budget Debate. And if questions had not been asked, I believe that this issue would have been kept in the dark. Now, Mr. Speaker, last time I checked, and I listened a lot in the Budget Debate, but they said that we had to pay in the coming year \$116 million per year in interest—\$116 million a year in interest. However, this Government, with the sign-off of the Honourable Premier, which he has the full authority to do under the Ministerial Code of Conduct, I must say that, Mr. Speaker, has quietly and without transparency hired numerous advisors and consultants for Ministers, and now states that they need private offices and staff, Mr. Speaker.

Where does it end?

Where does it end? None of this is in the Budget.

Now, Mr. Speaker, this is not putting Bermudians first. This is putting themselves first, putting themselves second and third. This is not fiscal discipline, Mr. Speaker, but tax-and-spend under cover of darkness. And, Mr. Speaker, I hear Honourable Members saying, *You know your cocktail is coming,* Mr. Speaker.

[Inaudible interjections and laughter]

The Speaker: Just speak to the Chair. Just speak to the Chair. That is all.

Hon. Michael H. Dunkley: I am speaking to you.

The Speaker: Speak to the Chair.

Hon. Michael H. Dunkley: But, you know, be that as it may, it does not bother me, Mr. Speaker.

The Speaker: Speak to the Chair.

Hon. Michael H. Dunkley: Because I do not work for them. I work for the people of Bermuda, Mr. Speaker.

[Inaudible interjections]

The Speaker: Speak to the Chair. Speak to the Chair.

Hon. Michael H. Dunkley: So, now I hear, Mr. Speaker—

The Speaker: Members! Members!

Hon. Michael H. Dunkley: I do not want to hear anybody from Government say how hard they work! I do not want to hear anybody from Government say that people need support to do their job, because it was not in Throne Speeches. It was not in the Budget Debate, Mr. Speaker.

We did it, Mr. Speaker! We did the same job that they did, Mr. Speaker. And in the past, many Ministers had to struggle with the same challenges that they struggle with, Mr. Speaker.

And you know what, Mr. Speaker? I believe that Ministers get a reasonable salary for the work they do, and I believe the people of Bermuda believe that, as well, Mr. Speaker.

But, Mr. Speaker, what I find interesting is that the Honourable Premier loves to take a picture with every moment, loves to make a big deal—

[Laughter and inaudible interjections]

[Gavel]

Hon. Michael J. Scott: Point of privilege, Mr. Speaker! Point of privilege.

The Speaker: Members! Members! Members!

Hon. Michael H. Dunkley: Mr. Speaker, he loves to make a big deal—

[Inaudible interjections]

The Speaker: Speak to the Chair, speak to the Chair, speak to the Chair.

Hon. Michael H. Dunkley: Mr. Speaker, he loves to make a big deal about everything.

But, Mr. Speaker, until the Honourable Premier was pressed and prodded in the House, we heard nothing about it.

Now, Mr. Speaker, I believe that we need to do better about this. And while the Government might laugh and make fun of this, Mr. Speaker, Bermudians are struggling. Bermudians are struggling.

[Inaudible interjections]

The Speaker: Members!

Hon. Michael H. Dunkley: Taxes are rising, Mr. Speaker. The cost of living is rising. And about 11 per cent of everything the Government raises goes towards paying off that debt that I referred to, Mr. Speaker.

[Inaudible interjections and laughter]

Hon. Michael H. Dunkley: Mr. Speaker, consultants and advisors will always face political smack. We know that when we were on that side, we faced political smack all the time about consultants and advisors. But this takes it to a new level, Mr. Speaker. It takes it to a new level. And Bermudians are wondering why they should accept it.

The OBA was the Government, and we answered the questions, repeated questions, about consultants. It was relentless up here in the House of Assembly. And they have every right to do it on the Opposition side. But, Mr. Speaker, we reduced the number of consultants. We reduced the money that was spent for the consultants. And we saved taxpayers' money in doing so, Mr. Speaker.

An Hon. Member: And then you had a boat race.

Hon. Michael H. Dunkley: And then, the Honourable Member says, *we had a boat race*. And that is fine! They can talk about that. We had a boat race that put Bermuda on the map and helped us go forward! But, Mr. Speaker, now we are going backwards under this Government.

Mr. Speaker, we are going backwards.

But I do roll forward. I roll forward to the current position we are in, Mr. Speaker. And now, Mr. Speaker, we are at another level. Many Bermudians are questioning the fact of why the increase in consultants. Mr. Speaker, last October, I believe, or November, when the Honourable Premier stated that Cabinet was reshuffled and the size of Cabinet would be decreasing, the Honourable Premier at the same time made an announcement about a Minister without Portfolio and a Minister in the Cabinet Office. Now, Mr. Speaker, we learn that that Minister without Portfolio actually has an advisor. So, a Minister without Portfolio, and if this makes common sense and good sense, let us hear it. But we have a Minister and an advisor in one office—no portfolio, Mr. Speaker.

Mr. Speaker, at the very least, if the Premier came today he should have tabled the contracts of all what people did, because there could have been some justification. There could have been some justification. And now, Mr. Speaker, we hear in the answers provided that there is a consultant in the Ministry of Legal Affairs who is often heard saying, on a talk show, *I'm not a lawyer*. But is a consultant in Legal

Affairs. I guess, Mr. Speaker, that is because the person stays at a Holiday Inn.

Now, what is interesting, considering all of this, if you add it all up, you have to connect the dots, Mr. Speaker. The number of consultants, who the consultants are, and the fact that it was brushed under the carpet by the Minister without Portfolio in a recent debate that Inter-Island Communications had been engaged by the Department of Communications in a fee-for-service contract, Mr. Speaker, for advertising on IIC stations.

Hon. Jamahl S. Simmons: Point of order, Mr. Speaker.

The Speaker: We will take your point of order. Take the point of order.

POINT OF ORDER

[Misleading]

Hon. Jamahl S. Simmons: The Honourable Member is misleading the House. I did say that all contracts would be on the website. And they were.

Thank you, Mr. Speaker.

The Speaker: Thank you. Member.

Hon. Michael H. Dunkley: Mr. Speaker, thanks for the point of clarification. The contracts were published probably about 24 hours later. I find it interesting that they were published 24 hours later. But what they did not say, Mr. Speaker, was what the total cost of the contract was. They just said, Mr. Speaker, *for Ministerial Statement, \$150. For an interview with the Minister . . . I think it was \$150. For a radio spot, \$35*. So, what is the charge? It is a one year fee-for-service contract. Is it \$50,000? Well, we know it is more than that, because it had to be gazetted. Is it \$199,000? Is it \$299,000? What is the charge, Mr. Speaker?

So, some of this would be considered wastefulness with borrowed money. Some would be considered improper use of taxpayers' money without full transparency. But, Mr. Speaker, it is more than this. In my humble view, Mr. Speaker, it is a very secret and manipulative attempt by the Government to launch a propaganda machine on the backs of Bermudians. Connect the dots, Mr. Speaker—political advisors, consultants, contracts that are out there.

And I hear Members whistling under their breath. Go ahead and do what you have got to do. Those tactics are dying just like we are from day-to-day, Mr. Speaker.

The Speaker: Just speak to the Chair. Speak to the Chair.

Hon. Michael H. Dunkley: Mr. Speaker, it is launching a propaganda machine around taxpayers' money. That is the failed guys under the camouflage, under the camouflage, Mr. Speaker, of Government business being put in place to serve the people.

Mr. Speaker, as American Express has always said, *Membership has its privileges*. And it is clear now, Mr. Speaker, with little justification from what has been uncovered today, it sends a chilling message across the Island. From one end of the Island to the next, this Government says, *Do as I say and not as I do*, Mr. Speaker.

So, as I close, Mr. Speaker, there is no justification for what we have uncovered today. And this Opposition will not back down in spite of criticism by this Government. We will speak loud and vociferous for the hard-working people of Bermuda, who now realise that *putting Bermuda first* is only when they want it to be put first, Mr. Speaker! Many people are critical of these actions, and you cannot justify what has been uncovered today. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

I recognise the Honourable Member, Minister Simmons.

PROFESSIONAL SERVICES/CONSULTANTS AND ADVISORS

Hon. Jamahl S. Simmons: Thank you, Mr. Speaker.

Mr. Speaker, since the late 1990s, the Honourable Member who took his seat has floated the notion of a friends-and-family plan, repeatedly floated the notion. And, Mr. Speaker, I would just like to read a quote for you. And I am going to explain a little bit about why the strategy has been deployed, to talk about a friends-and-family plan.

Before I begin, however, let me declare my interest. My wife is one of the people listed on the information that the Government has put out today. I can tell the public that I did not sit in Cabinet when that contract was discussed, nor was I involved in it.

But having said that, Mr. Speaker, I am going to read you something, and this is something that I think that the listening audience should listen to. When you hear the words "friends and family," I am going to explain the roots, the root of this tactic.

And I quote, "Don't forget you must pitch the old Black male vs. the young Black male, and the young Black male against the old Black male. You must use the dark skin slaves vs. the light skin slaves and the light skin slaves vs. the dark skin slaves. You must use the female vs. the male, and the male vs. the female. You must also have your white servants and overseers distrust all Blacks . . ." And that is a quote from the Willie Lynch letter.

Mr. Speaker, if you listen to the One Bermuda Alliance closely, they would have you believe that membership with the PLP, hung out with the PLP, went to high school, kind of knows you, sat next to you in class should disqualify you from serving your country. Using your skills, your knowledge, your intellect and your experience denied because of whatever party you are affiliated with or the people you happen to be connected by blood with, Mr. Speaker.

If you listen to the One Bermuda Alliance, Mr. Speaker, since they were the UBP in the 1990s talking about friends and family, you would believe that every consultant, every contract, everything that is done by a PLP Government is corrupt. It is a backroom deal. It is shady. It is all this, right? Mr. Speaker, there is a reason why they have been deploying this tactic for so many years, despite name changes and despite re-brandings and re-imaginings.

First, the UBP recognised that they had an inability to attract the masses of black voters. They deployed a strategy in 2003 and in 2007 of voter suppression, not in the traditional sense—not in the traditional sense, Mr. Speaker. But in the sense of this: If I cannot get you to love me, then I need to focus my energy on making you hate them. And so, recognising you could not draw people to you, you were determined to drive people from you. That was tried in 2003 and failed, tried in 2007 and failed. But it succeeded in 2012, and the outcome speaks for itself. People did not switch their vote; they stayed home.

So, go back to the 2012 [campaign]. So, raise the PLP's negatives. Use innuendo. Use name-calling. But drive the people away from it—Willie Lynch tactics. If you can create the perception that the PLP is corrupt, that their hands are in the cookie jar, if you can shape that and build that in people's minds, they may not vote for the OBA, but they will have trouble voting for us.

So, let us talk a little bit about that, right? They are focused on travel costs since the 1990s. The focus has never been whether the travel was effective. The focus has never been whether the travel delivered on what was promised. The focus was a sly innuendo, *You see them taking all those trips? You see them out there on the plane all the time? Trying to take your money and spend it willy-nilly*. That has been the coded message and undercurrent under what has been said.

That is why they focused on GP cars, Mr. Speaker. They did not talk about how many hours the Minister did or how productive he was or she was, or any of that. No. *You see them? They are driving around in those cars. They even had their children in the car! They had groceries in the car, Mr. Speaker!* You lived it. You have seen it, right? That is why they focus on who was hired since the 1990s, instead of why they were hired.

Understand this, Mr. Speaker. In my opinion, the friends-and-family argument is divisive and racist

to the core. Let me say it again. It is divisive and racist to the core. If you look up examples of black stereotypes, Mr. Speaker, what do you see? You see a mirror image of what they have tried to portray us as. Simple and childlike, and their supporters refer to our people as what? *Sheeple, Kool-Aid drinkers*. They also use stereotypes that are ignorant, lazy, buffoonish and thieving.

So, Mr. Speaker, I am sure you notice the parallels of the narrative that has been spread since the late 1990s. But that is not the only reason that I believe this friends-and-family narrative is racist, Mr. Speaker. Mr. Speaker, earlier in my remarks . . . Well, I should say this. No, Mr. Speaker. Almost every single PLP appointee has been questioned, has been disparaged, has been smeared—you name it. But I can speak of one who was not, an appointee whom I made, Mr. Speaker, an appointee who was a former PLP Senator, and appointee who was a former PLP candidate.

Mr. Speaker, I appointed Jonathan Smith to the Bermuda Casino Gaming Commission because it was the right thing to do, because he was qualified and capable, and I had confidence that he could do the job as delivered. But we did not hear one peep, not one peep about friends and family when it came to him, not a dicky bird about friends and family when it came to him. And I have to ask why? Why, Mr. Speaker? What was different about Jonathan Smith? He was a PLP candidate. He was a PLP Senator. He was, in their words, the very definition of friends and family. But there clearly was a difference, Mr. Speaker. There clearly was a difference.

Mr. Speaker, I want to use some quotes. We can talk about this friends-and-family narrative. On the appointment of former Tourism Minister, Renee Webb, to the Brussels Office to defend our interests and help deal with some of the madness out there, the Honourable former Premier, who just took his seat, said, *It seems this could be a friends-and-family plan*. He did not acknowledge her abilities. He did not acknowledge her experience. It was immediately denigrated and reduced to innuendo and stereotypes.

Mr. Speaker, a Member who sits in another place wrote, and I quote, “It would seem that only the political elites are benefiting in this declining economy . . . It is unconscionable that in these times, the Premier should be acting in this very privileged fashion that is light years away from the lifestyle of most of the Bermudians who voted for him.” Senator Nick Kempe. Divide, divide, divide.

[Inaudible interjections]

Hon. Jamahl S. Simmons: Oh, I am sure.

Mr. Speaker, I am going to use a phrase that we have not heard a while in this Chamber. I contend that the One Bermuda Alliance is not operating with clean hands and pure hearts. Because if they were,

Mr. Speaker, they would remember the names of their consultants, Louise Jackson, Don Grearson, Charmaine Burgess, Judy Benevides, Ambrosio and all the rest. They forgot about David Dodwell, whom they appointed to the head of the BTA [Bermuda Tourism Authority].

Some Hon. Members: Oh! Oh! Oh!

Hon. Jamahl S. Simmons: Former Tourism Minister, former UBP candidate. But that was not friends and family. You know why that was not friends and family? Because, you know, *We trust him. He has got the best interests of the country at heart*. Those are the lyrics you hear. They forgot about how they appointed Allen Dunch to the head of the Gaming Commission, whom the Minister that appointed him described as “a mentor.” My, my, my! Mr. Speaker, maybe they forgot, or maybe their ethics are situational, at best.

Mr. Speaker, I want to make something clear. I want to declare my interest, fully. I am related to the Simmons, the Butterfields, the Williams, the Smiths, the Bascomes, the Listers, the Snaiths, and more, and the Dolans. No Caines yet, no Caines yet. I have not found them yet.

[Laughter]

Hon. Jamahl S. Simmons: Unlike some of the characters that that party put through the last election, I have deep ties in this country. Understand? I have deep ties in this country. I am a proud graduate of West End Primary. I am a proud graduate of the Berkeley Institute. And I am a proud graduate of Howard University, Mr. Speaker. I worked at VSB, ZBM, Oracle Communications, Cabinet Office, Shell Company of Bermuda, Bermuda Health Care Services, Security Associates, and acted as a marketing consultant for many, many others. And I had a lot of girlfriends, Mr. Speaker.

An Hon. Member: Watch yourself now.

[Laughter]

Hon. Jamahl S. Simmons: But, Mr. Speaker, if the OBA had their way, every person whom the PLP touched, talked to, saw, was related to . . . when Dr. Brown had somebody from Howard University, they talked about the “Howard University Mafia”—disqualified. You run down the list, Berkeleyites. It is all this innuendo about connections.

But, Mr. Speaker, unlike a lot of them, we have deep connections in this community. That is real, okay?

Dr. Brown once said, *You know, in Bermuda, if you don't appoint your friends and family, who are you going to appoint? Your enemies? Who are you going to appoint, the enemies?*

Mr. Speaker, it is wrong, and I refuse to accept a Bermuda where a person can be denied the opportunity to use their intellect, their experience, their wisdom, their education to serve this Government because the OBA says that they are in the wrong party or they are the wrong colour or they are the wrong this or the wrong that, or any other listed experience except, *Can they do the job?* Mr. Speaker, can they do the job? I refuse to accept a Bermuda where the integrity of people who are put forward to serve is questioned publicly by OBA politicians who show their face and the cyber-Klansmen supporters online who conceal theirs.

Thank you, Mr. Speaker.

[Desk thumping]

The Speaker: Thank you, Honourable Member.

Does any other Member wish to speak?

I recognise the Honourable Member from constituency 9.

Honourable Member.

[Inaudible interjections and laughter]

The Speaker: Ah, ah! Members! Only one Member has the floor, and that is the Honourable Member from constituency 9.

Honourable Member Moniz, you have the floor.

EU BLACKLISTING OF BERMUDA

Hon. Trevor G. Moniz: Thank you. Thank you, Mr. Speaker.

No, Mr. Speaker, I will not engage that Honourable Member who just spoke on the politics of distraction. I want to get back to the business of the people of Bermuda.

Today, Reuters carried a report that tomorrow the EU will be blacklisting Bermuda.

[Inaudible interjection]

Hon. Trevor G. Moniz: Potentially; that is right. It has been reported.

Now, I think the people of Bermuda deserve to have a report from the Government of Bermuda on what is the situation. I understand, I saw that a lot of the Ministers were missing today, and they were shooting around in their cars, et cetera. They were not in the Chamber in their seats. I saw them shooting off.

[Inaudible interjection]

Hon. Trevor G. Moniz: I understand there were meetings.

Hon. Wayne Caines: Point of order.

The Speaker: Point of order.

POINT OF ORDER

[Misleading]

Hon. Wayne Caines: The Member is misleading the House. Ministers were not missing this morning or any time this day in large numbers from any part of this debate. That Member is misleading the House.

The Speaker: Thank you, Member.

Hon. Trevor G. Moniz: We can just disagree on that, I guess, Mr. Speaker. Thank you.

The Speaker: Well, as you know, Member, Members slip in and out of here all day.

Hon. Trevor G. Moniz: That is true. That is true.

The Speaker: Continue on. Continue on. I will not call names of any Member. I am just asking you to continue on.

Hon. Trevor G. Moniz: Mr. Speaker, I am presuming that on a matter as important as this, there were meetings that took place. In fact, I know that there were meetings that took place. I think the country deserves a report from the Premier. The country, the people of Bermuda deserve a report. We have seen a report from Reuters, which has reported. The comments in the local media are that the Government could not be reached for comment. I think the people of Bermuda deserve a comment, deserve to know where Bermuda is, and the Government should not be running and hiding from the situation. They need to tell the people of Bermuda where we are.

There is no need for the Minister of Home Affairs to get angry at . . . the Minister of National Security to get angry about it. I am just asking them to report to the people of Bermuda. That is all I am asking. It is being reported [by the press]. People will know what is in there. There have been reports that the European Commission argues that the Island has been playing games to dodge the EU requirement. So, there are reports that Bermuda is in a bad place. And, potentially, tomorrow there is a meeting that may put us on a blacklist. And the people of Bermuda want to know where we are. And I think that they deserve some answer from the Government in this House tonight. The Government have the opportunity to answer. They should not be angry about it. They should welcome it.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member. I recognise the Honourable Minister. Minister Caines.

OBA's DIVISIVE POLITICS

Hon. Wayne Caines: Mr. Speaker, if you know anything about the Progressive Labour Party Government, and the leader who now leads this party, you would know and the Opposition would know that he does not run from anything. And like any challenge that we have faced, we will face this head-on at the appropriate time. We will not take our guidance, our prodding, from the press. We will apprise this country of our status in the appropriate manner.

Mr. Speaker, I listened to the MP Dunkley. And I listened to the arrogance. And I say that, Mr. Speaker, without casting any aspersions—

[Inaudible interjections]

Hon. Wayne Caines: —on the character of the Honourable Member of Parliament. But we have to understand that we all have to take a tack when standing in this House. We cannot on the one hand say *I am for this country being together, working together as the people of Bermuda*, and on the other hand speak as if we are denigrating the Government and vehemently segregating the people of Bermuda.

Let me give you an example, Mr. Speaker. In the early part of this year . . . excuse me, in the middle of last year, the Government was doing a FinTech initiative. We met with people within the Progressive Labour Party caucus, and we discussed it. We hashed it out before it went to public. We discussed the length, the breadth, the challenges. How would Bermudians get jobs? And what will the downside be? How will we get through banking? And as a party, we worked through it.

We are not homogeneous in thought or in action or in the way we think. And so, like with anybody else, it took us some time understanding and working through it as an organisation. Some of our Members were sceptics. And within our meetings, they shared their scepticism. And we were able to outline the pitfalls and the challenges, and we were able to work and come out of the meeting, singing on the same chorus.

We then said, *We have to do this with the stakeholders in the community*. And so, the FinTech team went on a roadshow. We went to a number of the alphabet soup, ABIC, ABIR. We went to the schools, and we shared what the vision was for FinTech. Just before it became public, just before the legislation came, we met with the Opposition. And a number of Members of the Opposition came to our offices, and we went through the legislation line by line, precept upon precept. Many Members in the room, they challenged us. Many Members of the Opposition, they challenged us on the legislation. It was not acrimonious; it does not have to be. They challenged us on the direction that we are going in.

And in that meeting, at that time, the Honourable Member Michael Dunkley said nothing. We were given the opportunity to say the challenges that we had with the legislation, Mr. Speaker, understanding the pitfalls, understanding the challenges. That Member, when it counted, when his colleagues sat in that room and they shared with us the challenges, the problems, the concerns they had, he sat in the meeting where it was designed in a consultative basis, where we could work together collaboratively on behalf of the people of Bermuda. He was given the opportunity to voice his concerns legitimately, meeting with people. He sat in that room mute! Not one word.

Hon. Michael H. Dunkley: Point of order, Mr. Speaker.

The Speaker: Yes. We will take your point of order.

POINT OF ORDER

Hon. Michael H. Dunkley: I should add that the Honourable Member is being scarce on some facts here. The meeting was one day before the legislation was to be debated in the House. And the next day, when the legislation was to be debated, there were amendments added to it, Mr. Speaker. We were not, in my view, invited to a meeting to have a lovefest with Government. We were invited to the meeting to get a better understanding of what was taking place, and then to debate it on the floor of the House of Assembly.

I took the invitation. I listened. I learned. And then I had concerns. Thank you, Mr. Speaker.

[Laughter]

The Speaker: Honourable Member.

He has made his point. You can continue on.

Hon. Wayne Caines: And that shows you the cut of that Honourable Member's jib. He was given the opportunity in the room. He did not read up beforehand. He did not offer his concerns in that room.

But let me tell you what that Honourable Member did. He had concerns, yes. So, there is the Honourable Member in this House who speaks of "Bermuda incorporated," and wanted to work on behalf of the people. And then it is the Member of Parliament who puts it down and becomes the milkman on Twitter. And the milkman on Twitter goes, and he disparages the Government. He disparages the work that the Government is doing.

Case in point, the Member goes to Miami. And he meets with an overt protagonist who has a problem with a potential company that is coming to Bermuda. He meets with that man. He meets with that man, he discusses all of the challenges that that man has with this particular company. He does not come back and take his concerns, legitimately, as a former

leader, as a diplomat, as a former head of state. He does not go to the Bermuda Monetary Authority, with dignity. He, the former leader of this country, with an alias, with a *nom de plume*, gets online and, like—

[Inaudible interjection]

The Speaker: Speak to the Chair.

Hon. Wayne Caines: He gets online and starts twitting his findings. And that is a legitimate course of action for him. But then, at the same time, you are saying you are working in the best interests of Bermuda. The man whom he met with, the man whom he is working with right now, the man whom he was speaking with right now, guess what? He is enthralled in civil litigation in Miami, Florida, as we speak.

Hon. Michael H. Dunkley: Mr. Speaker.

The Speaker: Yes.

POINT OF ORDER

[Misleading]

Hon. Michael H. Dunkley: The Honourable Member is misleading the House. And I go back. I am not talking about what he is saying right now, Mr. Speaker. The gentleman whom he refers to originally, Mr. Speaker—

[Inaudible interjections]

The Speaker: Wait, wait, wait.

Hon. Wayne Caines: Whom do you refer to?

Hon. Michael H. Dunkley: The person in Miami, Mr. Speaker.

Hon. Wayne Caines: Who was it?

[Inaudible interjections]

The Speaker: Members, Members.

Hon. Michael H. Dunkley: If you need me to refresh the name because you have forgotten it since you sat down, I am happy to do it.

Mr. Speaker, the gentleman supported the company initially.

An Hon. Member: Who is it?

Hon. Michael H. Dunkley: And then, when he found out what they were about, he turned on them, Mr. Speaker. And what was my advice to him? To contact the Bermuda Monetary Authority. That was my advice, Mr. Speaker.

Hon. Wayne Caines: The point I am making, the point I am making, Mr. Speaker, is that, as a Member of this House, he was given the opportunity. He understands the mechanism. And he knows the way that we deal with it. Before he speaks to the Bermuda Monetary Authority, he takes what he believes are the findings, and he submits them on . . . he submits his responses on Twitter.

Mr. Speaker, we—

[Inaudible interjections]

Hon. Wayne Caines: And he thinks those comments affect me.

The Speaker: Do not get sidetracked. Just—

Hon. Wayne Caines: No, he thinks that comment would affect me.

The Speaker: Do not get sidetracked. Speak to the Chair. Speak to the Chair.

Hon. Wayne Caines: Mr. Speaker, this is a man now who speaks of the Government spending. We listened to him talk about the Government, the Ministry of National Security going above and beyond its \$134 million allotment. He asked in the House for me to go abroad, during his speech, and get information and bring it back. Before we can do any such findings, what does he do? The former leader of this country runs to the press. Remember, he is talking about working to take Bermuda forward. He is talking about making sure that we are going in the right direction.

He paints, again, a false narrative that the Ministry is going and doing something that is in breach of the Standing Orders, when he knows full well—when he knows full well, being a former Minister of National Security—that there is something called a “virement” that, as long as you stay within your allotted amount, you can move money legally, in conjunction with Financial Instructions, from one department to another department within a Ministry, as long as you do not go over the total \$134 million that has been established for the budget. He knew that. But that was not his stock and trade.

The method that he is using today is something that is consistent with his leadership. He has to paint a narrative that this Government is irresponsible, that this Government is mis-spending, that this Government is wasting the people's money. He would never tell the people in Bermuda that it is a legitimate exercise for a Minister of Government to move money around from one department to another, legally, through a virement. Why would he not do that, Mr. Speaker? Because that is not consistent with his narrative.

We have heard the salary of Pastor Bean being moved, increased. And, of course, we get it that

the people of Bermuda are concerned, not about only Pastor Bean's salary. They want us to be cautious. They want us to make sure we measure twice and cut once. We get the fact that our people are hurting. And that is understood. But when we talk about Pastor Bean's salary, the very people in this room, Mr. Speaker, do they forget the contract that that Minister signed with John Jay [College]? How much money were we spending a year on John Jay [College] for them, for them overseas to do the gang initiative? How come everybody was comfortable with John Jay [College] doing all the gang initiatives? How come the people who are blogging, how come the people who are writing, how come they never rose in solidarity because the people at John Jay [College] were getting paid to do the work?

[Inaudible interjections]

Hon. Wayne Caines: It was this Government that said, *We believe we have capable, talented, educated Bermudians who can do the work!* Now, remember. We are not talking about wasting the people's money. Why was the MP silent when we talked about, in this House, the "restorative circle" and Berkeley Institute, where men are sitting together, working through problems, working through challenges? Why was he silent on Twitter and on Facebook when we highlighted last week that young men at Elliot School, who are working through challenges, working through issues . . . why did he not speak about it then?

When we highlighted all of the work that they were doing to reduce the gang numbers in Bermuda, where Pastor Bean is doing the work, how come he never got up at the same time with the same verve to thank him for the work that he is doing in our community? Never has he done that! But he will be the first one beating the drum to stir division in this country.

An Hon. Member: Yes! Yes, he will.

Hon. Wayne Caines: He is being divisive! And the narrative that he is trying to paint in this country with the FinTech being a debacle . . . let me remind you that 55 companies have set up in Bermuda. Daily, companies are coming to this country to set up. People can say what they like about its being a flight of fancy. The evidence speaks contrary to what he is saying.

He is painting a false narrative. And he must continue to speak on that same track in order for it to make sense for the demographic to which he represents.

We have an opportunity when we talk about the money that the Government is spending. And I am often caught in between the tale of Two Bermudas. When we are talking about the salary of everybody at the Tourism Authority, they are silent. When we are talking about the salaries of the CEO and how much

that board gets paid, they are silent. When they are talking about the salary, the hundreds of thousands of dollars in bonuses, they are silent! And what do they say when they open their forked mouths? *They deserve it. They have the experience. Our economy is depending on it.*

[Inaudible interjections]

Hon. Trevor G. Moniz: Mr. Speaker. A point of order, Mr. Speaker.

POINT OF ORDER

[Imputing improper motive]

Hon. Trevor G. Moniz: Mr. Speaker, this is really going too far. It is unparliamentary language for the Member to be shouting and screaming over there. But to talk about "having a forked tongue," you are saying someone is lying. You are imputing an improper motive. And somewhere you have to stop, Mr. Speaker, somewhere. I don't know if, you know . . . Thank you.

Hon. Wayne Caines: Mr. Speaker—

The Speaker: I do not have a problem with the expression, a little bit of loudness in your delivery. But be cautious about the words you may use.

Hon. Wayne Caines: Mr. Speaker, I am guided. And in the delivery, I will amend my approach, Mr. Speaker. Thank you for the guidance.

Mr. Speaker, when we look at the direction that we are going in, when you see how our country is divided, there is a specific narrative that is being painted. The Premier answered some specific questions today around leadership. And when you go back and look at . . . as I was saying before the point of order, when we talk about things that we do with the Progressive Labour Party and you hear words, the buzzwords, the dog whistle (and I hope that is not offensive, Mr. Speaker), the dog whistle is that it is the friends-and-family clan. What he is saying is that—

An Hon. Member: They are not qualified.

Hon. Wayne Caines: Black Bermudians are being given opportunities, and it is too much money for them. That is the dog whistle.

The opportunity, when we are talking about . . . and remember, I am not speaking to anyone's qualifications and whether they deserve it or not. But listen to the names and the words that are being used when we are talking about the salaries of the Bermuda Tourism Authority. You will hear things like, *They deserve it. Their compensation is commensurate to their education and to their experience.* Understand the dog whistle when you have Pastor Bean, who has his master's [degree], who is working in this constitu-

ency and this community every single day for the people of Bermuda, working diligently.

Now, remember. We get the fact that this country wants us to be balanced and measured with the purse. That is not lost. There are times, as we see with the CEO of the Tourism Authority, as we see with the leadership of the RA when we are paying for the board of the RA, that at times money is being spent to get the right people in the right posts. It is being seen as being justified. But when it is done by this Government, it is being tainted with a brush that is not legitimate. It takes my mind immediately to the former Attorney General, to a gentleman by the name of Mr. Ambrosio.

Some Hon. Members: Well!

Ooh.

Oh! How much did he get paid?

Hon. Wayne Caines: And, Mr. Speaker, I am being measured in my delivery, because I am teetering towards the “forked tongue” sort of comment, and I will not go back there as per your advice.

Now, listen to what the Honourable Member, Mr. Dunkley, said. He said that we were not told about it. We were not given their roles and their responsibility. We did not know what they were doing. Understand what he said, and put it in the context of a very young barrister who was appointed by the former Attorney General, who was doing things in a department that no one outside of a specific and selected few knew about. Now, does that strike in all fours in what MP Dunkley is saying now? Did we know about it? Did it come across this House?

But, guess what? That was okay. That was legitimate because of who did it. Yes?

Hon. Trevor G. Moniz: Point of order, Mr. Speaker. Point of order.

The Speaker: We will take your point of order.

Hon. Wayne Caines: Did you bring a contract to this House?

The Speaker: Ah! Ah! Ah!

Hon. Wayne Caines: Did you bring his contract to this House?

The Speaker: Member! Member! Take the point of order.

POINT OF ORDER

[Misleading]

Hon. Trevor G. Moniz: The Honourable Member is misleading the House.

What has happened here is a situation where this Government . . . for example, it said, *We're not giving that person a raise*. And then you find out that he is being given a raise. You have a situation—

Hon. Wayne Caines: Mr. Speaker, who said that he is not given—

The Speaker: Ah! Ah! Ah! Member! Remain in your seat for the time being.

Hon. Trevor G. Moniz: You have a situation where Parliamentary Questions are asked, and they are not immediately answered. There is avoidance. There is never any avoidance on my part, or on the OBA's part, to answering any of those sorts of questions if they were asked. The PLP is so frightened by these—

The Speaker: Ah! Ah! Ah! Member! Member, you made your point of order. Do not go too far. Do not go too far, because from where I sit, I represent the committee. So, let us just leave it there. Thank you.

Hon. Wayne Caines: Mr. Speaker, I think that we have been having a very robust debate. And, at times, the debate becomes exuberant. What I have taken from the debate today, and I have listened to the Members opposite . . . we have had some robust debate and at times it has become boisterous.

What I can say is that at the opportune time I believe that the crux of the debate centred around the actual people's business. When certain Honourable Members speak they are not speaking for the betterment of Bermuda; they are speaking to divide Bermuda. They are speaking for their own personal agenda. And often times it is evidenced in the way that they do it, and how they do it. There are times when Members in this House will make no statements and you look at social media three minutes later, and everything that we had discussed, significant leaders in this country, are putting it on social media. Or they will say absolutely nothing in this House and they will be on the seven o'clock news every single night proffering comments that will not be challenged where it is supposed to take place, and that is in this very Chamber. And that, Mr. Speaker, is a challenge for the country.

If we are, indeed, here to heal the country, we have the opportunity to discuss those contracts, let's do it here. Let's talk about education, and let's see if these people are not trained Bermudians, having been off to university, have the rightful training. Why would we hide from the fact that we have trained Bermudians that are taking their rightful place?

We have a responsibility for the budget. Now, if we were coming back and asking for supplemental budgets, if there was money being hidden or stolen, of course you bring it up in this House, Mr. Speaker. The reality of it is that Bermudians are getting opportunities. They are getting the opportunity to show what

they do, and they get to show [that by] working on behalf of Bermuda. I think, Mr. Speaker, that is an opportunity that we should hold Members to account for how they see themselves, the things that they say on social media, and how they work with duplicity and not for the betterment of Bermuda, and then say they are working on behalf of the people of Bermuda.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Minister.

Does any other Honourable Member wish to speak?

No other Member—

I recognise the Opposition Leader, Honourable Member.

EU BLACKLISTING OF BERMUDA

Hon. L. Craig Cannonier: Yes, thank you, Mr. Speaker.

I guess I wanted to start off by saying to the Minister of Finance, *thank you very much*. I had the opportunity of sitting in a meeting this afternoon. Quite frankly I was surprised at who all was in the meeting, concerning the issue of this blacklisting, potential blacklisting. I can concur with the Minister and the Premier that this has been a bit of a challenge for Bermuda. It almost appears as if we are solely being singled out even in reference to the other overseas territories and including the crown dependencies.

I am not going to talk about what was said in the meeting, I will leave that for the Finance Minister and/or Premier to summarise. But I do believe that there is some light in us being able to go to Bermuda to essentially lay out the facts in where we are. We in the House are very clear as to all of the work that was put in. I believe that it was collaborative in the fact that I recall the many meetings that were being held in chambers outside of this one. We were seeking to come to a conclusion that would satisfy the requirements of the EU.

I am reminded of the challenges even when we were Government in being blacklisted very early in the stages by the French and the challenges that went along with that trying to get off of the list. So, what I would encourage, and I have said this to the Premier, I would encourage him to do as much as he can to travel to the UK so that there is face time, actually, with those members who do not understand Bermuda as a jurisdiction, who do not understand the nature of the work that we—

Mr. Rolfe Commissiong: They understand well.

Hon. L. Craig Cannonier: No they don't. They do not understand, necessarily, the nature of the work that we do.

Some are saying that they understand well. He does not know what he is talking about. There are

many who I came into contact with who did not have a clue; it was purely politics for them, without understanding the nature of what it is that we do.

So I would encourage the Government to continue to travel. I would encourage them to continue to have meetings with the IB business sector. Clearly, I am sure they are concerned. But it would be nice, and I am looking forward to tomorrow that we will not be on that list. But, if it is the case that we are, I know that across the aisle we will be looking for how we work with this issue and move it forward.

So I just wanted to say, *thank you*, to the Minister for the last-minute call. I know that he probably had to call the meeting at the last minute, per se. But it was a very interesting meeting to see how everyone was in the room attempting to work with the situation. But also, it was good to see the concern in the room. And I think it would be remiss of me not to say that there is some serious concern in the sector, just as there are serious concerns in Government on how we got to this place and how we then move forward if, in fact, we do find ourselves on that list. It is important to the everyday Bermudian, even though they may not understand the intricacies or some of the details that we at least attempt to give them some kind of idea of where it is that we are and how we plan on moving through this.

And I am sure after I have . . . I must say that after the meeting I did have a private meeting with the Premier and the Minister, and they were definitely seeing eye-to-eye on how we should be approaching this and moving forward. So I want to say to them that I appreciated that opportunity to speak with them concerning this matter.

PROFESSIONAL SERVICES/CONSULTANTS AND ADVISORS

Hon. L. Craig Cannonier: I wanted to speak to the issue today and give a solution as to the concern that I have been hearing all day, after the Premier's Statement. I have heard a whole lot being said. I do not believe that the narrative out there that we are somehow being . . . some folks are being paid too much. I mean, I do not believe that this is solely a black issue or solely a white issue as to not being paid enough. I mean, I must admit in the room with the Premier and the Finance Minister I was saying how we are not being paid enough for the work that we do.

[Inaudible interjections and laughter]

Hon. L. Craig Cannonier: And I do not believe that it is a solely black narrative, or solely a white narrative. Bermudians, period, have challenges with the salaries that many people [are paid] in Bermuda.

The only thing that I believe is going to dispel this challenge, is this . . . and it was brought up by the Honourable Member who is not in his seat right now),

but it was brought up, can they do the job? I believe, for the most part, if we are able to identify the qualifications and just list them out, to say, *Listen, this is why we have taken on this person; these are the qualifications that they have*, it would go a long way in dispelling what many of us have been victim to—not just this Government, but we on this side as well—many of the blogs, a victim to the hearsay, a victim to the misperceptions that are out there, because people simply do not understand some of what it is that we are doing, and some of the qualifications that people do have. So when these appointments are made it would be great . . . and it is fair to say, *Did you do it? And did you do it?* The point is here and right now, people are looking for some answers.

So, I think if we can dispel a whole lot of these things, if we list out what those qualifications are, and why, exactly it is that we are bringing these people on, because I do believe that we have an opportunity to be transparent here and help Bermudians understand how this is going to affect them, and how this is going to encourage a better economy for all of us by doing this here. It is clear from the recommendations from 2011, the Civil Service [Review]. I remember it very well. There were many recommendations in there. But this was just one of them. It was not the SAGE recommendation. SAGE basically was saying they agree with this particular recommendation, that this private office should be given. And I know of those . . . I am looking around . . . yes, there are only three of us who have been Premier, and some of the Ministers travelled to England who have sat in the room with many of these ministers and heads, and they have seen many of these folks are in the room, five and six of them. But they are up and coming civil servants.

So, I read with interest that the Premier is looking to identify some of these high-fliers. I believe that we already know who these high-fliers are. So I am encouraging the Government to get on with identifying these high-fliers. The interesting thing about this will be that if we are identifying these high-fliers and the Premier is going about setting a new precedent here, it will be very interesting to see what happens with many of these consultants that have already been put in the position. I did not have the luxury of the answers at the time the Statement was being read, so it was kind of surprising to me that we were getting this Statement at the same time we were getting answers to some questions that has been posed.

So, we recognise that this is a new policy. But along with that policy, there is a whole list of recommendations concerning this private office and some of the things that should happen. And one of those things was to ensure that the permanent secretaries have a . . . that there is some accountability in place for the permanent secretaries and, as they go forward, identifying also the high-fliers that should be going into these positions. And I would encourage Members to go back to the recommendations that were made in

2011, because not only do they identify the office, but it identifies some of the other things that should be going with it.

So, I hope that the recommendations that are in there concerning the permanent secretaries and the other recommendations, which it looks like there is about eight of them, are implemented so that it is a comprehensive programme that does not have any loopholes in it. Right now, what we see is that a recommendation is being made, and the recommendation from the 2011 report said that it should be coming from those high-fliers within the civil service. We do not have that right now. So, it would be good if we could hear the Premier at some point in time—I am not saying it has to be in this House, he may want to just do it to the public, whatever the case may be—identify exactly how this is going to be laid out as far as the recommendations so that it is comprehensive in the appointment that we have now seen and read [about].

So I would encourage Members to go back to that, because the real thing is, Can they do the job? Yes. Everyone is going to ask that question: Can they do the job? And Honourable Members were talking about, well, you know, some Members (you know, talking about friends and family) . . . let me just remind everyone in this Honourable House. Immediately, when I became the Minister of Public Works, my first cousin, I had not seen him in probably four or five years—had not seen the man. He was doing an internship over at the incinerator. On the radio I was being accused—on the radio—of friends and family. I had not seen the boy for about four or five years; did not even know that he existed over there and was doing a programme. And yet, at the time, the Opposition (which is now the Government) was accusing me of hiring my cousin.

So, we can throw this stuff back and forth. And the only thing that dispels that is this: Can they do the job? List out what the qualifications are, stand behind the decisions that you have made and let the public know why you have made that decision.

What I see right now is a lot of questions around now we are saying that we have a new policy that we are going to adopt. Now, in 2011, when that report came out, I must admit it was turned down. People did not even want to look at the report. I mean, there were a whole lot of things in there. I remember going through the report. It was turned down flat out-right. Now, the Government is deciding that they want to take up this policy. I am encouraging them on this particular area to take up the recommendations in full, because it is comprehensive, it is well-thought-out, and it will go a long way to improving the success of the civil service.

So, with that in mind, I want to again thank the Minister of Finance for the opportunities that he has given for us to sit at the table to listen to some of the recommendations as we move forward tomorrow. I am

looking forward to a good day tomorrow. And I hope that after we get a decision made by the EU concerning this issue of us being on the list, that I look forward to the Finance Minister or the Premier calling me to say, *Listen, this is where we are now; this is how we are going to proceed.* And so, with that in mind, Mr. Speaker, thank you.

The Speaker: Thank you.

Does any other Member wish to speak?

I recognise the Honourable Member Commissioning because he jumped up a few times before in the past this evening. Honourable Member from constituency 21, you have the floor.

EU BLACKLISTING OF BERMUDA

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

Mr. Speaker, the Opposition Leader just sat down. He said that the EU does not understand (I am paraphrasing) who we are. I interpolated that they know all too well who we are.

Hon. L. Craig Cannonier: Point of order, Mr. Speaker.

The Speaker: Yes.

POINT OF ORDER

Hon. L. Craig Cannonier: I said that there are some—not all of them. Some are playing politics.

Mr. Rolfe Commissioning: Okay, some.

But for those others, they know all too well who we are.

[Gavel]

The Speaker: Minister. Yes.

[Inaudible interjections]

The Speaker: Okay. All right.

Mr. Rolfe Commissioning: This is who we are in their eyes: we are a country that has an effective zero corporate income tax rate. We are a country that does not impose income tax on its highest earners. That is who we are.

Now, between the 1980s and perhaps 2008, 2009 and 2010, in that world that was all right. What we fail to understand is that this world has changed. It took four decades, but it has changed. And we are right in the crosshairs.

We have in Bermuda to such an extent that we can have a man who is a firm member of the 1 per cent and get up and pose as someone who is here to defend poor people. He pays relatively nothing in

come tax, or tax on his income. And people like him and others—

The Speaker: “Honourable Member.”

Mr. Rolfe Commissioning: The Honourable Member and others who are not in this Chamber—

The Speaker: Watch how you describe Honourable Members in the Chamber.

Mr. Rolfe Commissioning: Thank you, Mr. Speaker. I stand to take your advice.

Would be those who are often on the frontline in making those disparaging comments as described by my colleague in [constituency] 14, to divide and conquer our people, while they get away with paying relatively nothing at all in terms of Bermuda’s tax burden which has disproportionately fallen on black Bermudians and persons of low income for decades.

That is the price we pay for Bermuda’s success. We place a tax burden on those who can least afford it, and we have been doing it for over a century. As a matter of fact, we have normalised it so much, we would go overseas and brag about it. *We have our own unique tax system; we’ve had it for a hundred years. It was not designed to undermine your economy and draw off all these millions of dollars that could have gone into your own tax coffers.* When the reality is that was a tax system that was so regressive it placed, again, most of the tax burden on poor and, historically, black people in this country. Yet we brag about it!

They know who we are. They benefitted from it for the last three decades as well. But times have changed. And we have to change with it. This Government knows this. We know that we have to re-engineer what Bermuda is, who we are, what are values are to suit what is going to happen over the next 10, 15 and 20 years, as this shift continues to take place. And it is taking place, unless your head is in the sand. You clearly see the writing on the wall.

I am not going to say that this is going to be the end of the world and the sky is going to fall, but things will be and are now different than they were. And we have to accept that. Who knows, we may be better off imposing income tax. We might be better off going and talking to our friends in international business, and saying, *Hey, maybe we do need to put corporate income tax on the table, maybe 5 per cent, 10 per cent, 8 per cent,* just so we can be considered part of the mainstream at least in respect of western nations, because we are not now. This is what they are telling you.

Yes, there is a lot of hypocrisy. The French have an expression. They call it . . . what is that expression?

An Hon. Member: *Schadenfreude.*

Mr. Rolfe Commissiong: No, no, no; that's German.

[Laughter]

An Hon. Member: *Je ne sais quoi.*

Mr. Rolfe Commissiong: No.

There is a French expression. They call it, *réel politique*.

So you hear many of us in Bermuda talking about, *Oh, what they are doing; they have members in their own club who are indulging in tax avoidance practices and the whole nine yards*. It does not matter. He who has the power to wield it. That is the world we are now back to. It is not new; we are going through another cycle.

That is the world that is evolving right before our eyes. How we navigate this will determine the future of Bermuda. But rest assured that there is no turning back. And there are so many of us now who are feeling really comfortable and doing well in the status quo that has existed for the last two decades, but like I said, the writing is on the wall.

Let's say tomorrow we wake up and we are not on that list. We can breathe a temporary sigh of relief, but that is not the only geopolitical threat to Bermuda, and existential threat. We know that the UK the OECD, the EU, are positioning to create a new world order upon the axis of the neo-liberal order that has just met its demise, circa 2008 or 2009. The demand for public registries of beneficial ownership. That is still there. If we have a Labour Government in the UK tomorrow or next week or in three months' time or a year, believe me, they are not going to be waiting around to 2023 to impose it.

The Dutch already have Bermuda on their blacklist. The Dutch, of all people! One of the architects of a Dutch sandwich, the way in which they use to transfer profits of companies from Ireland to Holland and then to Bermuda, companies, such as, Google. They put *us* on a list! I tell you, it is rich; you couldn't make this stuff up! They are now reformed. That is the world we are living in.

So, Mr. Speaker, we are dealing with a budget right now and I would hope that we see an alignment between our fiscal realities in Bermuda and this geopolitical threat, which can be a geopolitical opportunity if we are prepared to make some of the hard changes that are necessary to put us back in a more mainstream light amongst those countries we have historically considered our peers. And it is going to mean that we make some hard choices and have tried to achieve a consensus amongst all groups on the Island so that we can begin to come out from under this cloud.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

I recognise the Honourable Member from constituency 7. Honourable Member Richards, you have the floor.

PROFESSIONAL SERVICES/CONSULTANTS AND ADVISORS

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

You know, Mr. Speaker, I am going to be very honest and frank. That is the only thing that I can be.

The Speaker: Please do.

Mr. Sylvan D. Richards, Jr.: When I walk around Bermuda these days I am in a funk. And when I say "funk" not in the George Clinton kind of funk.

The Speaker: Parliament . . . Parliament, funk it up, eh?

Mr. Sylvan D. Richards, Jr.: I am in a funk, Mr. Speaker, because when I walk the streets of Hamilton people stop me and talk to me because they know I am a politician. And I must have a face people just like to talk to. And I listen.

[Laughter]

Mr. Sylvan D. Richards, Jr.: I should have been a psychiatrist or psychologist or something.

[Inaudible interjections]

Mr. Sylvan D. Richards, Jr.: But, Mr. Speaker, in all seriousness, what I am hearing is causing me great concern and consternation.

And we are up here, and we make jokes, and we spar across the aisle here. But I am finding it increasingly difficult to find any type of amusement when I come into this place, Mr. Speaker.

When the PLP were elected, we took our tromping. That is politics. But I was really, really pulling for the PLP to be successful. We talk about division, and tone, and tenure, and this, that and the other, and this Honourable Member this, and this Honourable Member that. I do not care about any of that. What I care about is what I know is happening out there on the streets of Bermuda. And what is happening in the streets of Bermuda is that people are losing hope.

Now, I know what it is like to be sitting in Government in Cabinet and trying to figure this thing out. There are always internal issues that we have to deal with as a Government and as a country. Then you have the external threats that are constantly coming at you like a tsunami. It never ends. And I am afraid, Mr.

Speaker, that because of our lack of unity, and because of our partisan politics, we are not working together the way we need to as a country to deal with the threats that are here, that are coming, and that will continue to come, Mr. Speaker.

I just want results. I do not care who the Government is, I want results. And the people of Bermuda want results. Now, everybody in this place knows that things are not going very good for Bermuda right now. We all know it. I am losing sleep at night thinking about this thing, because people are talking to me, and I know they are talking to you, and you, and you. And they are saying something has to give.

And we have statistics that come out every other month, or whatever. We have had nine months of decline in retail sales. Now, some may try to say, *Well, that is not a good economic indicator. Don't worry about that. People are shopping overseas and online; it's all a bunch of excuses.* I know it and you know it, people are losing confidence in this Government. They lost confidence in our Government. And pride goes before the fall. So the only reason I am on my feet today is because we need to get serious about what is going on in this country.

Now, I watched the Finance Minister when he was on the Gary Mareno show a couple of weeks ago. I watched him very intently. And I just had to smile, because he sounded like Bob Richards. This current Finance Minister is facing the exact same challenges that Bob Richards faced.

We have a civil service that is growing. We have a civil service that is getting bigger. We have a civil service that we could not afford when we were Government, and we definitely cannot afford now. So I get very concerned when I see the numbers going in the opposite direction.

I work in the private sector. In the private sector everybody is doing more with less. Nobody has secretaries anymore, nobody has support staff. You sit at a desk with a computer and you get the job done—in the real world. So, when I heard what the Premier read this morning about PSs are going to get assistants and this and that, how much is all this going to cost? It's not free; it costs money! Where is this money going to come from?

Now, when we were Government, we had to make do with what we had. So, I am just having a hard time grasping, in the economic situation we are in, when the Finance Minister is being forced to tax the death out of our people, because he has no other choice, because the private sector is not growing.

New business is not coming to the Island and doing what we would like it to do. It is a bunch of smoke and mirrors, as far as I am concerned. So, we need to get real. Government, you need to get real.

People out there are losing hope. People are still leaving the Island. People are still going to England and wherever because they feel that the pasture is greener on that side.

I talk to businesspeople in town, right? They are whispering, *Man, my revenues and my sales are down 30 per cent. I'm going to have to start laying off people.* You know all the bars downtown? Nobody wants to say it, but I will say it. They have lost money because people are not going out and having a splash like they were before the road sobriety test was put in place. Now, I am not saying that we should drink and drive. What I am saying is to recognise that there is an economic impact. And when you are running a restaurant, we all know their margins are thin. You are not making as much money now as you were before. I am just putting it out there. Nobody wants to talk about it. Everybody wants to tiptoe around this thing.

People are hurting. And when businesses hurt, they start laying off people. That is common.

So, all I want to say is, let us get real up in here.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

I now recognise the Honourable Minister . . . Oh, I did not see you back there. Okay.

Go ahead, Minister.

PROFESSIONAL SERVICES/CONSULTANTS AND ADVISORS

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

Now, Mr. Speaker, these are very interesting topics tonight. Let me start where the previous Honourable Member left off. And it is interesting to hear him talk. When he says things like, *We made do with what we had*, let us talk about that for just a second. *We made do with what we had.* Well, let us see, let us look at what you have done. Within the first six months, you borrowed \$800 million. Okay? Two and a half years later, three years later, they borrowed another \$150 million. Well, give me a billion dollars, and I will make do with that, too! That is number one.

Now, Mr. Speaker, there has been a lot of talk about consultants tonight. But let us just talk about a little bit of history. Let me talk about some former political consultants whom you might know, one by the name of Wayne Caines, Jamahl Simmons, Scott Simmons, the Honourable Premier David Burt himself, all former political consultants. Look where they are today. See? It is about service, Mr. [Speaker]. It is about service. You can call them consultants if you want, but look at the service that has been provided. And with that . . . you know what also comes with it? A little bit of education, Mr. Speaker, education.

To think that we have four former consultants right down at the Cabinet Office, and look where they are today. Look where they are today. It is all about service, Mr. Speaker. See? Because if you listen to the Members opposite, you would think that, *Well, let's see who we can give a job to today. Let's not*

worry about their skills. Let's not worry about what value they can bring. Let's not worry about any of that.

But, Mr. Speaker, let us talk about some of the things that those Honourable Members did, and not in any particular order. There was a legal firm by the name of Mello Jones & Martin. We had a wife of a Minister who worked in that firm, not making \$125,000 a year, not making \$90,000 a year. And the Honourable Member Dunkley, who is not here . . . and I do not like to talk about folks when they are not here, Mr. Speaker. But he seems to make it a habit. He makes his statement, and then he takes off. But maybe he is at home listening, and he will speak about it next time at motion to adjourn.

[Inaudible interjections]

Hon. Zane. J. S. De Silva: Oh, yes, that is right. He is on . . . That is right. The milkman, you called him, Twitter fingers.

But, Mr. Speaker, the Honourable Member said about our consultants, *What are we paying them? Fifty thousand dollars? One hundred ninety-nine thousand dollars? Two hundred ninety-nine thousand dollars?* (He was talking about Inter-Island Communications.) *What are we paying them?*, he asked. *Fifty thousand dollars? One hundred ninety-nine thousand dollars? Two hundred ninety-nine thousand dollars? What's the charge?*

Well, that Honourable Member, who was Premier at the time, did not talk about what Burland, Conyers and Marirea were getting paid up at the Cross Island, Mr. Speaker.

[Inaudible interjections]

Hon. Zane. J. S. De Silva: And, you know, the Honourable former Member, Grant Gibbons, stood right here—right here—and he told us, *Listen, I didn't put it out to tender. I didn't put it out to bid, because I had confidence in him.* And not \$125,000! Millions of dollars, Mr. Speaker. Millions! But we have a pastor in this country that lives, eats, sleeps and breathes the young men in this country when they are in trouble.

[Inaudible interjection]

Hon. Zane. J. S. De Silva: Well, you see? Therein lies the problem.

One of the former Premiers on that side, Mr. Cannonier, said he does not really think it is a white-and-black thing. Well, I tell you what. I tell you what, Mr. Speaker. One of the *Royal Gazette's* headlines last week had, bold on the front page, "Bean's salary tops \$125,000." A hundred-and-twenty-five thousand! Why?

But \$125,000 . . . we all know in this House . . . we all know that \$125,000 does not deserve a headline in big, black, bold writing. But maybe it is

because it was a big, black giant of a man! I have never seen Kevin Dallas's wage in the paper, Mr. Speaker. And I have to tell you, it is closer to \$400,000 than it is to \$385,000. I never heard of Bill Hanbury's, as much controversy as it was, I never saw that in big headlines.

[Inaudible interjections]

Hon. Zane. J. S. De Silva: And Ross Webber is another one!

You know, I mean, we can go on and on and on. But it seems like when we had someone whom we may know and they may be a friend . . . I remember when it was announced that Julian Hall had \$100,000 contract. I said at the time, you know, to the Honourable Member Derrick Burgess at the time, I said, *You know what? You did him an injustice. He should have [been awarded] six or seven times that much.* You cannot help but sometimes think, Mr. Speaker, that it boils down to one thing.

And let me remind everybody, Mr. Speaker, not only did Alan Burland and BCM [McAlpine] receive millions of dollars up there at Cross Island—on one of the most expensive pieces of real estate in our history—he received an OBE!

Some Hon. Members: Yes. Yes.

An Hon. Member: Decorated!

Hon. Zane. J. S. De Silva: And it was not tendered for.

And the Honourable Member Grant Gibbons stood here and said, *You know what? Well, he gave us a couple of hundred hours of free work to help us estimate the cost analysis of the America's Cup!*

Well, I tell you what. If you would have told me that I had a shot at \$10 million, \$15 million, I would give you 200 hours, too! Gee. And they have got the nerve to talk about us, Mr. Speaker. The nerve.

And then, your Honourable Member Dunkley says, *We tax and spend, and hire consultants under the cloak of darkness.* Did he really say that? The same fellow, talking about cloak of darkness, just reminds me of one early morning when they were all stuck up in this House! Talk about cloak of darkness. And transparency. Mr. Speaker, we never changed numbers on GP cars so we could try to hide the fact that our Ministers were driving in them, under the guise that a Minister received a death threat. I do not ever remember a report, or seeing anything come out in the newspaper, or otherwise, about, *Well, somebody threatened a Minister.*

And let us not forget, Mr. Speaker, because, you know, I will get to it in a moment. But they talk about transparency and money and, you know, all these things are going to come back into it. Do you remember, Mr. Speaker, when we were told, *It is go-*

ing to be so many people in this country during the America's Cup that we are going to have a couple of ships out there anchored off in the harbour? We are not going to have enough space. We are not going to have enough hotel beds. And guess what, Mr. Speaker? In the middle of July, what did the Hamilton Princess do? Laid off staff!

[Inaudible interjections]

Hon. Zane. J. S. De Silva: Now, Mr. Speaker, are you going to talk about friends and family, you might recall when the Cabinet Office closed and Cabinet moved somewhere, did they not? Where did they go? Where did they move? They went up the street. I wonder whose building that was, Mr. Speaker?

An Hon. Member: Friends and family!

Hon. Zane. J. S. De Silva: But that is okay, is it not? That is all right. Mind you, you know why they moved? Because of the mould.

The schools? We do not have money for them, but we are going to fix it down there at the Premier's office with all of his friends. In fact, there were many times you looked down at that office, it looked like it might have been OBA Headquarters there were so many OBA people in there, Mr. Speaker.

Imagine, Mr. Speaker. Imagine if the PLP were to form a company like the OBA did, ACBDA [America's Cup Bermuda], form a company and give them \$100 million and say, *Look. I want you to go ahead and organise an event.* And then you give all your friends and family business. These guys talk about a consultancy for \$125,000 or \$136,000? Mr. Speaker, unbelievable.

But, look, Mr. Speaker, there are many, many different consultants hired by the OBA. And I think a few of them were named tonight. But I think it is important maybe to mention them and a few more. Because, you know what? The narrative is starting to show from the OBA that they are going to start. They are going to start. It is going to be consultants. And then, after consultants, it is going to be corruption. Then, it is going to be debt. We already heard Members opposite tonight talk about, you know, *The civil service is growing. Time to cut the civil service. Put people out of work.* All right.

[Inaudible interjections]

Hon. Zane. J. S. De Silva: Yes. And, of course, the Honourable Member Richards talked about losing hope. You will hear all of these things—*debt, corruption, loss of confidence, growth of the beast, yes, friends and family, losing hope. I am in a funk.* I think the Honourable Member is in a funk, all right. Looking at the pictures I saw last week, I am not surprised. He

had a good time at carnival, while we were here working . . .

[Inaudible interjections and laughter]

Hon. Zane. J. S. De Silva: Post carnival depression! That is a good meaning for the word "funk."

[Inaudible interjections and laughter]

Hon. Zane. J. S. De Silva: But, Mr. Speaker, you know, when I hear Members opposite starting to talk about friends and family, we know what they are indicating when they say that. We know what they are indicating. But it is okay for people like Dunch, Fahy, Ambrosio, Dodwell, Alan Burland, Cosmic Ltd. Remember them?

[Inaudible interjections]

Hon. Zane. J. S. De Silva: Let us not forget about Cosmic? Right? Let us not forget about that.

How about Henagulph? Does that ring a bell with anybody?

[Inaudible interjections]

Hon. Zane. J. S. De Silva: Okay? You forgot all about him, did you not? Right?

But you know what? Black people in this country are not allowed to make money.

See, Mr. Speaker, I have been around a little while. And I cannot help . . . I cannot help, and I disagree with the MP Cannonier. I disagree with him when he says he does not think it is a black-and-white thing. I cannot help it. Oh, solely a black-and-white [thing]. So, you know, there is some black-and-white stuff going on, Honourable Member. Okay. All right. Now, I am going to give you compliments in a minute because I think you have done well tonight, for the most part, if I get time.

But, you know, it is interesting. When I hear the Honourable Member, MP Dunkley, talk about the number of consultants that we have, and when he was Premier of the country, under his leadership, all those names I just called, he touched every one of them, just about, no doubt, Mr. Speaker. But, Mr. Speaker, when the Honourable Member Richards talked about losing hope and he is worried about Bermuda, are we starting to see the shoots of the bogeyman? Are the skies falling in? It is doomsday.

What about, Mr. Speaker, St. Regis hotel? I was down there today, Mr. Speaker. Steel is being erected in a big way. Slabs are being poured. People are working. Azura is finished. They are looking at expanding. Morgan's Point, if we can assist them and get through that challenge that they have, they will be back in full flow. Ariel Sands, Mr. Speaker, I spoke about that earlier. We have people interested now and

getting success. We are bringing banks to the country. We have had how many, Minister?

An Hon. Member: Fifty-five.

Hon. Zane. J. S. De Silva: Fifty-five registered FinTech companies—fifty-five! But the Honourable Member Richards needs to spend more time in the country. He needs to spend more time in the country. He is missing out on all the information.

So, Mr. Speaker—

[Inaudible interjections]

Hon. Zane. J. S. De Silva: Well, well, well, well.

But, Mr. Speaker, let me just say this, right. I am going to implore, I want to implore the Opposition to not fall back into the old UBP/OBA ways. Let us turn over a new leaf. I heard the Honourable Opposition Member Cannonier tonight talk about his invitation from the Minister of Finance and the Premier of the country to talk about the challenges that we are going to face, possibly, after tomorrow. The only thing I was disappointed about tonight is, knowing that, when the Honourable Member Trevor Moniz got up behind him and started running on his, you know, I can only consider it as trash, his Premier . . .

[Inaudible interjection]

Hon. Zane. J. S. De Silva: Well, it was trash.

The Speaker: Speak to the Chair. Do not get caught up in the side there. Speak to the Chair.

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

But, no. What I am saying, Mr. Speaker, is, you see, what the Opposition Leader Cannonier should have done was turn around and give him a little smack and say, *Look. You know not what you speak of!*

[Inaudible interjections and laughter]

Hon. Zane. J. S. De Silva: Well, oh, no. We know what we speak of. So, all I am saying, Mr. Speaker, is this, that the Progressive Labour Party have shown already that we are willing to work with the Opposition. We are willing. The Premier has shown it. Our MP, Honourable Member Dunkley, was on one of your committees. He did not speak a word while he was on the committee, but goes home and tweets. You see, this is what we do, Mr. Speaker. We are trying to include them.

I know when I formed the Financial Assistance Reform Group, what did we do? We said, *Let's bring in MP Susan Jackson.* We are trying to be inclusive, trying to be bipartisan. That is what we are trying to do. And we will keep trying. But it is when you get

your former leader, your former Premier, Michael Dunkley, who gets up week after week, if he is not chastising one of our consultants like he did tonight, he is chastising one of the companies we want to bring to Bermuda and create jobs for Bermudians!

Some say he is still the leader. Well, you do not want to mention that word, "wannabe." You remember they said that our Premier, *Oh, he's just a wannabe. He's a wannabe Premier.* Well, it did not take long, did it?

And, Mr. Speaker, let me finish on this note. Notwithstanding what some may say on the Opposition benches, and we heard some things today, that it was just like, you know, *déjà vu*, Groundhog Day. But let me say this, Mr. Speaker. My hope . . . my hope is that I know there are several Members on that side, several Members on that side who do really want the best for Bermuda. There are some Members on that side from whom I do not get that warm and fuzzy feeling. You just need to listen to them when they talk, Mr. Speaker. Listen to them when they talk. My hope is that the Opposition Leader can find it within his will to do what . . . Who was it? What was his name?

[Inaudible interjection]

Hon. Zane. J. S. De Silva: No, one of their former Members said—or was it your former Chairman?—*You have got to get rid of the UBP!*

Right?

Who was it?

[Inaudible interjections]

Hon. Zane. J. S. De Silva: Was it Mr. Kempe?

[Inaudible interjections]

An Hon. Member: He was chairman for about five minutes.

[Inaudible interjections]

Hon. Zane. J. S. De Silva: That is right. Yes.

The Speaker: Member, just speak this way. Do not get distracted.

Hon. Zane. J. S. De Silva: The former Chairman of the OBA, yes. I think he was chairman for about five minutes. The Honourable Member Jeanne Atherden cut him shortly, quickly.

But, no, Mr. Speaker. I do believe my thing is that you all have to remember one thing, and I will finish on this note. That is that they are the past and we are the future. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Member . . .

We recognise the Honourable Member from constituency 32.

Honourable Member, you have the floor.

PROFESSIONAL SERVICES/CONSULTANTS AND ADVISORS

Mr. Scott Simmons: Good evening, Mr. Speaker, and thank you.

Mr. Speaker, tonight we are discussing what I humbly believe is a serious subject. It is a subject that I reluctantly get involved in or even want to speak on tonight. But I think that, Mr. Speaker, it has to be said.

The Speaker: You do not have to force yourself tonight, you know, on my behalf.

[Laughter]

Mr. Scott Simmons: Mr. Speaker, we will tarry just a little bit longer.

But, Mr. Speaker, I have listened carefully to, I often say Members opposite. And we have listened carefully to what they say.

The Speaker: Members opposite you?

[Laughter]

Mr. Scott Simmons: No, no. Members opposite.

[Inaudible interjections and laughter]

Mr. Scott Simmons: I am going to take your advice, Mr. Speaker, and ignore the comments from the Gallery.

Mr. Speaker, the Members and certainly yourself, when I say "Members opposite," I am referring to the Members of the OBA.

Mr. Speaker, the Honourable Member already spoke on the fact that there are those in this Chamber who are former consultants. There are those who are former parts of administrations, whether they be consultants, whether they be appointees to positions. And I say I reluctantly speak on this subject primarily because I recognise that we live in a country that is very tough. It is hard on its own. And they do not need any encouragement from those Members opposite and certain communities throughout our country for our community to become concerned when we hear that there are individuals among their ranks who are getting salaries and who are getting employment while others are not working.

Mr. Speaker, I reluctantly entered this area because I realise that when someone making \$250,000 . . . there are individuals in this country who barely make \$25,000. That poverty line hits us all. Mr. Speaker, there is no *but*. We have to fix it. And the one thing that hits me hardest is when I hear that

there are those in our community, our business community, our government community, who make enormous salaries, and it is supported by the public purse. In this Honourable House, we do not enjoy a surplus of salary so that we are able to sustain ourselves sufficiently. As a matter of fact, if we are to calculate where the poverty line is, I suspect that Members of this Honourable House, with all due respect to everyone, sit very near to that line.

I believe that we in this community that we live in must recognise that there are certain things that are required in a government. I believe that the former Premier, Sir John Swan, had consultants. There were so many others. And what I do not want to do, Mr. Speaker, is focus in on that, because I recognise that a lot in our community are struggling with that.

But the one thing I want to say, Mr. Speaker, I will declare my interest, having been a former aide to Premier, a former attaché, former press secretary, a former senior aide for Media Relations and Communications, and to join so many in this House, Honourable Members who were able to cut our first cloths and were given an opportunity to work in government, being taught how to work in government, to understand government so that we were able at every level of this government to be able to contribute at every level.

And we bring this contribution with a recognition and understanding that it was the party that allowed us to work for them and to gain the knowledge that we have. And look what we have done with it! We left out the Honourable Rolfe Commissioning. We can mention name after name after name of individuals who continue to serve, and the Honourable former Opposition Leader Marc Bean, these individuals. I want to be clear on this because I think in the public, sometimes, we do not see it for the merit that it is. Because I often felt that when I first joined and was asked to serve under a former Premier as his press secretary, and I counted it a privilege, having served a number of years at the PRO, took my licks and then went over and took more licks in Government.

But I will say this, that I thank the then-Premier and I thank the then-party for enabling, and for those who cut a trail for us, like the Honourable Minister of Public Works, who was the Chief of Staff. And so, we were able to become a part of a Government and learn about a system, want to be a part of a system. And then we were able to contribute in a very, very, very valuable way.

Mr. Speaker, it is easy to erase that contribution simply by putting a dollar value on it. As we look at our Ministers, as we look at Opposition Leaders, as we look at Finance Ministers, as we look at those in government and what they are compensated for, I am the first to say that, as it relates to high salaries, they are not among them. They are not among them. The salaries in this country are extremely high, over and above what I think . . . I will be honest with you, as it relates to some salaries in our authorities and the rest,

things that are supported by government. And I have made that point on numerous occasions. And I do not appreciate it. I think that we pay too much.

I know we need the talent. But sometimes, I think that we need . . . And I am not going to boost anybody. But I believe there was an information commissioner at one time, who said that she could not accept her salary. And so, she asked that her salary be cut. I do believe a former . . . I think a present member of the Bermuda Monetary Authority, on receiving his salary, asked that his salary be cut from the previous one who sat before him.

Mr. Speaker, all I am saying, and this is part of what I wish to say tonight for my contribution to the motion to adjourn, as a former consultant. No one asks you how hard you work. No one asked the former Chief of Staff, Premier, the former Chief of Staff, National Security, the former Press Secretary, Minister without Portfolio—no one asks. Nobody asks [about] the 24/7 commitment you had to give, the hard work that you did, the time that you put in in those positions. And we did it for years; worked hard for the party system, worked hard for government. No one ever thinks about that. No one wants to talk about that. All we heard tonight is that it is a *friend and family*.

As a matter of fact, I will tell you what. I have to say this. If it is family, then I am telling you right now, I am taking my licks! And that is the most incredible part about all of this.

But I will say this. As we develop this independent system, as we begin the process of making sure that we create governments that work, we must have individuals of a supplementary basis who you can move with and trust, not just a permanent structure. But you also have to bring along with you those who have the same vision and those who are willing to execute that vision and assist you in getting that job done. And that is in the form of consultants, and that is in the form of aides and all the rest who come with this Government. And they work together.

We should not be in the position of hitting at bat. I am not saying that we need to have a consultant for every single position around here. I am not saying that we should have consultants, consultants, consultants, consultants, consultants. But I do believe that if we are to continue an administration system, a bureaucracy and an effective bureaucracy, then we have to have these layers that give us an opportunity for the leaders who lead to execute their policy with the strength and the support in those offices of government that they require. It is important!

This Honourable House has to work day in and day out with very minimal staff. The Clerk to the Legislature, the Honourable Speaker, Mr. Speaker—

The Speaker: Understaffed.

Mr. Scott Simmons: —you have to form committees with a mere small budget, in executing the business of

Bermuda, which is why I do have a difficulty with the high salaries that are way up there, and then the rest of us are down here. All I am saying is that we have to understand it for the value that we have. It is important that we make sure that we understand that.

And, Mr. Speaker, the thing that I think is really the crux of it all is that we have to grow as a society. We have to recognise that we have a responsibility to embrace a system.

The Speaker: Yes.

Mr. Scott Simmons: If we say that we are an independent-thinking country—a dependent, independent-thinking country—then we have a responsibility to create the structure that pushes that democracy along, that creates the intelligentsia, that creates in politics, and that creates in our administration, as it creates in government, individuals who know. Because when it comes to government, those who are connected to that government day in and day out are best equipped to get it done. And believe it or not, they merge right into the positions of government, the political positions of government, effectively and efficiently, as has been demonstrated by the group that was mentioned before. Every single one of them assimilated into that from the consultancy and from the aide system.

Mr. Speaker, I believe that we can move forward as a country. I think we can get past this. It is not a fancy subject. But the one other thing that I wanted to stress, and I have listened to Members here (you are almost making me say, but I am not going to say *Members opposite*) as it relates to going forward. And I heard the saying, *Membership has its privileges*.

Mr. Speaker, none of us in the Progressive Labour Party believe that membership in the Bermuda Progressive Labour Party, for some strange reason, gives you an inherent inheritance, that you are moving quickly in the country, that you are going to be rich, that you are going to get everything that you want, because the direct opposite [is true]. So, [it is] absolutely the direct opposite. While others on the opposite side who are part of that do very well, the rest of us . . . and I have done it over and over and over again, and struggled as the result. So, membership on our side does not necessarily have its privileges. It takes a lot of toil; you take a lot of licks for the country that we love that holds the majority.

And that majority is very humble. It is willing to accept when we must change and do things and do for the right reason. They are a community, a God-fearing community that recognises when they hear what they heard, like tonight, from an Opposition who had every opportunity—every opportunity. And what did they do with it?

They must, as an Opposition, sell the message that they have. But after five years, two years, maybe 18 months have passed, it is still fresh in our

public's memory, in our community's memory, and we recognise the kind of Government that governed during that time. It is going to be difficult for you to erase that.

But I will say this. I will give you full marks for, at the very minimum, beginning that process of saying, *Okay; all right*. But what I heard today did not speak to the community that I speak to, that I understand. It did not speak to that. And you just cannot gloss it over and change it at a moment's notice. You have to be bigger than that.

So, Mr. Speaker, I wanted to make it clear, on this motion to adjourn, on two fronts. I will finish on this note because I think it is important.

PASTOR LEROY BEAN'S SALARY

Mr. Scott Simmons: Mr. Speaker, earlier this evening, I heard and I read in the newspaper the \$125,000. I saw the headline. And just like I mentioned to the former Minister of Telecommunications, when his article was in the paper and when others are disparaged and when others are brought down and are created in the newspaper, the *Royal Gazette* and in other publications, and it brings them down, Mr. Speaker, I was saddened. Because I felt it unnecessary to completely disparage Pastor Leroy Bean. I took exception, just like I take exception because I have been in the paper, as have so many in this House have been in this paper. And they have torn us. And they do it as if it is an easy thing to do.

Mr. Speaker, let me be clear. A particular hotel . . . and I will finish on this, and I will try to be as brief as I can. I know I have only a few minutes left. A particular well-established hotel in this country had gone about hiring labour to get a number of construction projects done. So, they hired a number of subcontractors. Those subcontractors, in order to make the bottom line, because hotels do not have a whole lot of money, set their budgets and they created subcontractors. These subcontractors work, and they hire. They get the labour, they hire. Now, we know this challenge exists. In trying to get labour, in trying to get the kind of labour that is good labour, but sometimes is at the lowest of levels, you end up having to choose from a pool that is not the normal pool, or that is a pool of our community that has challenges.

And so, those individuals worked on the job site. And as a result of that, they were out of bounds. And so, unknowingly, the hotel created an environment where the gang-related issues became centre stage. So, the property began to get damaged. It began. All of a sudden, the gang symbols showed up. Rooms started getting broken into. Everyone could not figure out what was going on.

Mr. Speaker, my phone rang. PLB—Pastor Leroy Bean—was on the opposite end of the phone. He said, *I know what your problem is. I'm going to*

speak to my Minister and we're going to have a look at it. I know what your problem is.

How does he know what my problem is? He said, *I've got it*. Came on the property, the same 125 you hate. Figured it out.

[Inaudible interjection]

Mr. Scott Simmons: But I am telling you it was a serious problem. They sprayed the buildings, broke into the apartments. Everybody could not figure out what was going on. He said, *You have guys out of bounds. You have to get it. You have to negotiate your . . .* It is incredible! I would not have thought of that. Those who know, the expertise that we criticise from a community of knowledge, came and said, *I know your problem. I don't want a penny from you because I am covered with the 125*. He came on that property. It took six months. But there are no break-ins. It was sorted. And we do not have to get into the full details of it. But it took a lot of negotiations, and it took a lot of work! And that situation was fixed from that one person, who was given permission by a Minister.

And so, as a result of that, today that property is purged! It was absolute mayhem. Gangs. It was golf carts going missing. Guests came out and walked up the pathway and, all of a sudden, it was two of them, then it was four, members up at the other property knocking on their doors. Opened the door, and there was a guy there doing gang signs, saying this is the guy here works down there. Scared to death. They had everybody hiding under their beds! Motorcycles, livery cycles stolen! Because, as we criticised the 125, the 125 had the answers. We brought him down, beat him to death. But when we need him, he is there.

And last week, the Minister told us the wall. Sometimes, we have to be careful. Sometimes, we have to really be careful. The contributions that are made by individuals around you, it goes unsung. He has never stepped outside and said, *Let's publicise all of that. How come you don't mention stuff like . . .* never! Not once! And he called back to say, *Look. I checked into this. I checked into that. Look. This guy . . . I get all of that*. I get it constantly. It is that kind of coverage. And yet, we disparage. We bring down because we do not know. We do not know the contribution.

[Timer beeps]

The Speaker: Oh, Mr. Simmons. Thank you.

Mr. Scott Simmons: Thank you, Mr. Speaker.

The Speaker: The Honourable Member from constituency 36.

PROFESSIONAL SERVICES/CONSULTANTS AND ADVISORS

Hon. Michael J. Scott: Thank you, Mr. Speaker, for recognising me.

So, Mr. Speaker, I am very grateful for the last speaker, and to my colleague, the Minister of Communications, my friend Mr. Simmons, for their bringing some rationale to the attempt by the opening speakers on the motion to adjourn to just create a false narrative.

You know, at the beginning of the Budget Debate, when the Minister of Finance stated that the dogmas of the quiet past are inadequate to the stormy present, this I use as my lodestone and will use as the lodestone throughout this session. So when, however, the Opposition, thinking that there is red meat in the water and there is blood to be gone for, as Mr. Richards, the Honourable Member, sought to say when he said, oh, he is in *a funk*, or Mr. Dunkley to say that we are in *a spend mode*, and as has been now eloquently defended both by the supervisor of Pastor Bean, but now elegantly and effectively defended by Mr. Scott Simmons, the Honourable Member, I think we have established sanity again in the House and in this debate.

Member Richards has no lock on the hurt that is being experienced in this country, Mr. Speaker. He has no monopoly on it. That is why I could commend him to ask, the Minister of Finance or the Premier or any Member on this side of the House. Ask yourself, Mr. Speaker, about what we hear and what we understand is going on in our community. It is precisely the reason why the Minister of Finance pitched his budget with the level of taxation and the restraint of policy-making and fiscal policymaking that he did.

I say with great respect, Mr. Opposition Leader, your party, from any kind of evident critique, you were stuck with an unassailable, un-appealable (as we often say as lawyers) statement. I watched it. It was very clear. The content of the budget was generally and expressly unassailable. The evidence of it was at the breakfast of the Chamber of Commerce. But the evidence that I watch as a politician, Mr. Speaker, watching the body movements or the capacity in this House, to assail this statement, was clear, I watched it. And that is history. It is done. And I commend the Minister for his seriousness, for integrity, for his excellent budget, for creating a document that was both serious, intelligent and wise fiscally. So that is where we really are.

So that, when Mr. Dunkley gets up and starts the old tropes of a former Member of this House who, as Minister Simmons reminded us, it was the Pied Piper of that narrative before in this House, Dr. Gibbons. And they had to assign this role to somebody. And, you know, it is odd. I mean, Mr. Dunkley has risen to the top of the ranks that you can rise to in this country, and in this House as Premier. Yet, he returns

to this House and joins the Backbench. And I have to often ask myself, *Well, what is he, in his aspirations, going for all over again?* Ghost of Christmas past? What is it? What is he going for all over again? Why this vigour that he engages in from the Backbench, not acting in a statesmanlike fashion, not making statesmanlike contributions to the House?

And I commend both the Premier and the Finance Minister communicating with the Opposition Leader. And I commend, in particular, however, the Opposition Leader for his kind assent to meeting on matters of national public interest and economic interest. This is the behaviour of a statesman and of a former Premier, and now an Opposition Leader, the person who holds the role-in-waiting. But it is in stark contrast to what Mr. Dunkley does.

Mr. Speaker, Bermuda is a resilient country. And I did not hear Mr. Richards, as he lamented his list of what he encounters in the streets about, and the narratives that he obviously hears on his job about, you know, growing the civil service. And on Front Street or the streets that he walks, he gave a list of the things that he was seeing. But at no time . . . or there was a classic omission of his addressing the fact that the many people who are working in our country are on work permits. And if we get that arrangement better organised, then the Bermudians who are out of work would find placement. But he continues to just believe and make . . . well, it was a glaring omission in his analysis of what he sees. But he does not want to see these factors.

So, Mr. Speaker, we are a resilient country. And we have the ability to withstand these storms of the present. And Mr. Simmons, again, was right about the opportunities created to serve this country from a former role as consultants and the narrative that is adopted that attacks with knee-jerk fashion any opportunity or any featuring of appointing advisors.

Mr. Speaker, the storms of the current time are with us. They are external. They are domestic. And I know what the Minister of Finance has done. He is deploying . . . It requires force and muscle. And go for it, for heaven's sake! And to the Bermudians who were invited by the National Budget Statement to engage in some shared pain and bearing of taxes for modest increase in land taxes, things that were described as "gouging" by the Honourable Patricia Gordon-Pamplin earlier today, are the invitation to share the sacrifice of keeping the country stable as a resilient nation anyhow until right is ready, the deployment not of more civil servants, but of consultants. You have capital in the budget to deploy consultants to respond to these external impacts on us.

Surely, the people of Bermuda will be persuaded that we are not expected, as a Progressive Labour Party, managers of the current Bermuda, to just roll over and raise our hands and say, *We cannot fix this*. Actions of deploying these advisors are a part of meeting these external and domestic challenges.

But to have them mischaracterised in this House in the way that we have heard this evening is just, as has been plainly developed in speeches today, to sow division. But really, they have a very specific, strategic purpose. And, frankly, I am sure we wish we had the fiscal muscle to deploy greater assistance. I mean, because after what we have heard today from the EU and the envoys, I mean, we really are going to be fully engaged all of this year, certainly in the next 24 hours and in the ensuing months in needing help!

So, do not mischaracterise and bastardise the narrative to try and scorch the earth in the name of awful, racist tropes and political tropes in this country, and expect, from a former person who is meant to be a statesman and has held the role as the top statesman in the country—for him to descend to this role with knee-jerk fashion is beyond belief! And it is unacceptable. But it should not be adopted by black and white Bermudians in this country. I commend reading and rereading the level-headed budget, national budget, of this Government. Read it! And understand it. And when in doubt, read it again and look at the policy underpinnings that are there.

And know that a day in politics is not made by simply reading a budget. Governments must govern. Governments must meet challenges daily. Ministers must meet challenges daily. And to gainsay the deployment of a number of advisors as a strategy that avoids growing civil service posts is disingenuous at best, and misleading and divisive at worst.

And so, I know that we will carry on. I know that we are poised, as we always have been in this country because of our resilience, to meet these storms. And meet them we must, meet them in all possible ways that we must, and can. And so, I rise to both acknowledge and thank Members who have re-established the balance to the conversation this evening in this House. But for Bermudians to recognise that any attempt at headlining that we are off on a frolic of our own, we are off on increasing the civil service, we are off on a tax-and-spend, any of these tropes, please do not buy that narrative tomorrow or the next day or the next day.

But bear in mind we were called by the Minister of Finance to lock arms and be a force of brothers and sisters in arms, in stabilising this ship until right is ready, until the ship is brought to the side of the dock, until we cease seeing Dexter Smith of the *Royal Gazette* causing . . . actual benefit, inward investment, remaining here as opposed to his causing it to flee, as we see FinTech development begin to take hold, as we see the continuation of cruise liners arriving at the King's Wharf, where the platforms are going on slowly, but successfully there in Dockyard, where the season will commence again and we will see tourists, and taxi drivers will begin. But to believe that the Chicken Little nonsense, that this House tends . . . tends, no, worse than tends, *tries* to purvey, is sick. It is negative. It is counterproductive. But most of all, it is seen-

through. And I invite all people of this country to see through it.

Because I am not proposing that we do not see the hurt. I am not proposing that it is all a clear road for us. But we acknowledged it in the budget. We have acknowledged it in the Throne Speech—Two Bermudas, the resistance. We need to get on with joining forces, unifying a little around a common cause.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

I recognise the Honourable Member from constituency 23.

Honourable Member, you have the floor.

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

Mr. Speaker, I believe I can be brief tonight.

The Speaker: Well, you have had a long day on your feet. So, we understand that.

Hon. Patricia J. Gordon-Pamplin: I have had a long day.

The Speaker: Yes.

PROFESSIONAL SERVICES/CONSULTANTS AND ADVISORS

Hon. Patricia J. Gordon-Pamplin: But, you know, Mr. Speaker, I have been in this Honourable House for 20 years. And in 20 years of my being on both sides of the aisle I have taken and I have given as good as I have received in terms of criticism, observations, points of interest, things that I believed to be for the better good of Bermuda.

In that period of time, Mr. Speaker, I have not seen one Member of this Honourable House, on either side of the House, whose contribution was nobler than any other person's. We are all elected here for a specific purpose. We ask questions, as Opposition; we fielded questions, as Government. Some of the questions that we got when we were the Government we may not have liked. But we were obliged to answer them. Some of the questions that we have put as Opposition may seem testy, but they are necessary.

Mr. Speaker, if something comes up, we cannot make the assumption that because the Government has done it, then it is well done. Because of our role as an Opposition, we would be remiss in that role if we failed to hold the Government to account. That is the responsibility that we have as an Opposition.

Mr. Speaker, we heard earlier somebody indicate and comment that membership has its privileges. And I fully agree with the Honourable Member from constituency 31 (or 32, or wherever he is from), that membership does not have its privileges, because

there is no privilege to be here. But membership here has its responsibilities. And each and every one of us—each and every one of us—has a responsibility to honour the election that the people have given to us to sit in this Honourable House, irrespective of which side of the aisle on which we sit. We have that responsibility.

Yes, perhaps in a way it is a privilege to have been elected. And I do not wish to overstate that, and I do not wish to overlook that. But by the same token, we have a greater responsibility to ensure that we satisfy the desires of the electorate in our community.

Mr. Speaker, we hear a lot about the *what-about-ism*. *What about this? And, You criticised us for this. But what about that? You did that, and what about that?* You know, the reason why *what-about-ism* is of no consequence and of no value is simply because when the electorate believed that *what-about* is not satisfying to them, they exercised that objection through the ballot box. And that was what happened, in great measure, in the last election.

So, to hear Members from the Government talking about *What about this that you did? And what about that?* We sit here because of the *what-about*. But if the Government believes that they have the privilege of doing whatever they want to do without question, and that nobody should ask them anything, then there is going to come a day when the *what-about* starts being pointed back at the other side. What does that serve us?

Mr. Speaker, I can tell you that as we listened to Members criticising some of the things that had been said in terms of the consultants earlier, and things that were being said about, you know, *This is a dog whistle*, Mr. Speaker, there are many Members here who were not here during the last House sitting. But anybody who was, or anybody who listened, would know the number of times—check the Hansards—would be fully cognisant of the number of times that we heard the exact same criticism, *friends and family*.

I heard it, Mr. Speaker, for four and a half years, as we were the Government. Every decision that was taken was clearly predicated upon our desire to do what was best for Bermuda. But it was shut down and criticised by the then-Opposition, who failed to acknowledge at that point that they had effectively lost the Government.

So, we understand the cut and thrust of politics. But to say how offensive it is to hear the comment *friends and family* when for four and a half years the Honourable Member—especially the one who sits almost directly opposite me—that was his pet . . . and he is now sitting right opposite me, and I have to look at him and love him. But that was his pet phrase! “Friends and family,” Mr. Speaker, that was his pet phrase. And so, Mr. Speaker, it was not a dog whistle for us; so, why is it a dog whistle for them? It is a question of being honest about what we do here, and

acknowledging the fact that there are times that we have differences of opinion.

There is nothing wrong with a difference in opinion! But in so doing, Mr. Speaker, let us recognise that our political positions, albeit they may differ, there is one thing that we all have in common. I would defy anybody to say that we do not want the best for Bermuda. Does that mean that we ought not to ask questions, that we ought not to criticise? Because if by asking questions or by criticising we are able to elicit information that can cause the Government to consider, if they so wish . . . I made mention earlier that, you know, nothing that we say makes any difference. And I believe that the Chairman of the Committee had exception to that because he said, *Everybody wants to listen*. But there are times when we know that our limitations, both in terms of the numeric deficiencies that we have here, as well as the fact that we are not the Government, that people do not wish to listen to us. And I am okay with that, Mr. Speaker.

But the fact that one may not wish to listen will not preclude me from standing on my feet, making the necessary observations and offering anything that we deem to be done for the better interests of Bermuda.

We heard Members speak earlier. We heard my honourable colleague speak earlier concerning the feeling, you know, *the debt, the corruption, feeling in a funk*, all of which was ridiculed—my honourable colleague’s feeling. I said that those were the comments . . . I am sorry, no. Those were the comments that your Honourable Member responded to the comment that my Honourable Member made. So, I am sorry. I wrote it down as he said it, *debt, corruption, friends and family, losing hope, in a funk*. Those were comments that came back in response from your Member in response to the comment that my Member made. We could check the Hansard.

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: Check the Hansard.

Mr. Speaker, my honourable colleague—

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: My honourable colleague was not the author of the 136 comments that existed on *Royal Gazette* in response to the story concerning consultants. Was it wrong that we asked the question? We elicited—

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: And it is quite possible, because sometimes you turn on these things and, Mr. Speaker, for the most part, I do not even read the comments. Because they have no value and they become toxic after a while. So, you can very

easily . . . you look at a page. You can look at the top. You can see how many comments there are. You can see how many comments there are. So, you know that there have been at least 130 contributions.

So, when those contributions come, you do not necessarily have to read through each and every one of them, Mr. Speaker. But it would be foolhardy if we made the assumption that everybody who contributed, that their opinion did not have any value or worth. That is the man in the street who we represent. And I am not going to apologise for representing constituents. I am not going to apologise for asking questions. And I am not going to apologise for holding the Government to account, because that is our job.

So, Mr. Speaker, I did not wish to be long with this. But I think it is just so important to say that we all want success for this country. The Premier and the Finance Minister and all of those who are working shoulder to shoulder, and pulling the Opposition Leader and everybody else together to be able to understand and to articulate the challenges that we will be facing, this is what we are required to do. As an Opposition, as a Member of Parliament, irrespective of where we sit, if we cannot acknowledge that there are problems that beset this country that we will have to face, and stare down the eye of the tiger, Mr. Speaker, if we cannot work together on that front, then we have a serious problem. We have to start then to question, what is our value in being here?

So, there are times when we will hold hands. And there are times when we will be able to contribute and embrace and speak in one accord with Members of the Government, Mr. Speaker, because if Bermuda is being threatened, each and every one of us is being threatened. If we are talking about the possibility of being put on a blacklist, knowing that throughout the process we have jumped through hoops to pass legislation that should have given us primacy of place in terms of the decision-making by the EU that would then come back and say, *I don't care what you did. You did everything we told you to do. But notwithstanding, we still don't want to give you a clean bill of health*, that is not a comfortable situation for any of us to be in, Mr. Speaker.

And especially knowing that some of the very challenges that are being meted out to us are ones that have been overlooked by other territories that are closer to home and more friendly, I would imagine, to the European Union.

So, Mr. Speaker, if we do not pull together in this front, then we will have failed in our duty to the people of Bermuda. But, Mr. Speaker, in so doing, we also have to recognise that we have a responsibility to multitask. And in multitasking, we have on the one hand to fulfil our position as Opposition Members, and we also have, on the other hand, first and foremost, to look out for the best, good interests of Bermuda. We are going to do that, Mr. Speaker. We are going to reach across the aisle. We are going to embrace the

outreach of the Premier and the Finance Minister as he chats with our Leader in our party. We are going to do that, Mr. Speaker, because we are big enough to do it.

But what we will not continue to do is to consistently and persistently and incessantly sit and listen to nonsense coming from Members opposite who would suggest that we should just kowtow, genuflect and do whatever they say, and have no criticism thereof, because that is not going to happen.

So, as much as we will work together, as much as we want the best for this country, we also know that within the responsibility that has been laid upon us, Mr. Speaker, we have to ensure that we do what is necessary for the country. This is about the country first. It is about the country first.

I stand on my feet, Mr. Speaker, and I hear Members, Ministers of the Government saying things like, *Oh, here she is. Here she gets up*. Yes, here she is, here she gets up. Why does she get up? She gets up because she believes that she had something to say.

[Inaudible interjections]

An Hon. Member: The Honourable Member.

[Laughter]

Hon. Patricia J. Gordon-Pamplin: She, the Honourable Member.

I believe, Mr. Speaker, that I have something to say. And as a result, I will stand up. And I will not stand and hear criticism because I choose to stand on my feet, because I choose to share in a decision-making process that is going to enure to the better benefit of the entire country. I will do that. I will do it irrespective of the opinions by Members opposite and Members who sit down the aisle from me who would say things like, *Oh (you know), here she comes. And she's getting up*.

Yes, she will. And she will continue to do so, Mr. Speaker, because, as I said, for 20 years I have heard Honourable Members indicate that their prior experiences gave them training and enabled them to learn the system to allow them to be here. They have no more rights than I do to be here. I have paid the dues and learned the system, [I have] taken the abuse up one side and down the other, been criticised and done all of that, Mr. Speaker. And I still stand here, for one purpose only. And that is because the Bermuda to which I belong is more important to me than the criticism that emanates from the mouths of Members opposite.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Premier, would you like to respond and bring us to a close?

**PROFESSIONAL SERVICES/CONSULTANTS
AND ADVISORS**

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

Mr. Speaker, I had not intended being here this long. But I do have a few things that I want to speak about because I think that a lot has been said in this motion to adjourn, and a lot of things have gone on today.

And I just want to start, because it seems as though if we have this Jekyll-and-Hyde Opposition. It is like they are not on the same page. We have the Leader of the party standing up—

Lt. Col. Hon. David A. Burch: Which one?

[Inaudible interjections and laughter]

Hon. E. David Burt: This is a question. Which leader?

The Speaker: Members, Members.

Hon. E. David Burt: I will get there, Colonel. I am getting there, Colonel.

The Speaker: Members. Continue on.

Hon. E. David Burt: We have the Leader of the Opposition getting up, signing *Kumbaya*, and urging me to get on a plane. We have Sylvan Richards, who is wishing us to succeed. Then we have the former Premier in the corner grandstanding about consultants running up and down. And then we have the Shadow Minister of Finance, who sits in another place, re-igniting the One Bermuda Alliance's trust deficit. Complaining about the travel budget at the same point in time that the Opposition Leader says, *You need to get on a plane and see more people.*

[Inaudible interjection]

Hon. E. David Burt: Here we go! Do not worry. I will get through it, because I have got plenty. Do not worry, Opposition Leader. I will get to the facts.

So, we started, Mr. Speaker, with the former Premier talking about secrecy. There is no secrecy in public spending! We have a Budget Debate where the other side was allotted all sorts of time and cannot even fill the time to ask the questions. They were asking questions about consultants the other day and all the rest. What happened when the Cabinet Office was up for debate? They could have asked them. But they decided not to do so. We have 56 hours, Mr. Speaker, where questions can be asked. And yet, they give up half of the time, and yet they are talking about our being secretive. No! Do your job a little bit better.

But here we go. Because the one thing I will say is—

[Inaudible interjections and laughter]

Hon. E. David Burt: The one thing I will say is the former Premier is a little bit tricky, and is tricky. And the Minister of National Security nailed it right on the head. He is tricky. Because he will come in here, ask a half-question, have someone else to do a follow-up and then go right to his Twitter fingers and start tweeting. That is what he does. So, the Honourable Member did not ask how much consultants were remunerated. He just wanted to know which consultants there were so he can go and make up some stuff online. And I think his tweet today was, *Oh, we have all these consultants in government. And they're making a minimum of \$116,000 a year, blah-blah-blah-blah-blah-blah-blah-blah.*

[Inaudible interjection]

Hon. E. David Burt: Well, you read his tweet better than I did.

Now, Mr. Speaker . . . no, I will tell you what I said, Honourable Member. I said, for those persons who are working full-time, they are remunerated at a salary equivalent to PS-36. And that is across the board for political consultants.

Now, Mr. Speaker, there are some things that are going on here. And I just want to read for the record precisely how much individuals are being paid, because I think that it is important.

[Inaudible interjections]

Hon. E. David Burt: Ms. Trina Bean is paid \$63.57 an hour. Ms. Alexa Lightbourne is paid \$58.68 an hour. Ms. Davida Morris is paid \$63.57 an hour. All of these persons are full-time. Mr. Speaker, in each case, the advisor is required to work a minimum 35-hour workweek. And in every case, the workweek exceeds this minimum 35-hour requirement. I can confirm that there is no overtime. There is no double time. There is no extra time. It is flat.

Now, persons who are hired as ministerial advisors, and I just want to make that clear, Mr. Speaker—persons who are hired as ministerial advisors, who are not hired under the public service, must meet their full health insurance, payroll tax and social insurance as self-employed persons. Key point, Mr. Speaker.

Now, I want to repeat that again, because it is important to recognise.

Now, Mr. Speaker, there are two consultants who are working part-time. Those persons are Mr. Corey Butterfield, who is paid \$58.68 an hour, and Ms. Sherri Simmons, who is paid \$57.48 an hour. Those persons are paid hourly for work that is requested and completed, just like other vendors may be, Mr. Speaker.

Now, Mr. Speaker, these are the facts.

Now, the Honourable former Premier could have asked the question. But he decided to be tricky and just come with a part-question. He knew what he was doing. But it is fine. Because he then decided to talk about the SAGE Commission report and say how, all of a sudden, we came with a Statement. Do you know the reason why, Mr. Speaker, I came with a Statement? Do you know the reason why things were delayed until? Because we are busy checking, making sure that we got the answers right. And if you have not heard, the Office of the Premier is actually engaged in some important matters with the European Union.

And so, we asked for leave of the House to defer the questions so we could make sure to come with a full Statement and context. Clearly, I did not have enough time to give a full Statement and context because, despite the context, there was still the normal noise of which was made.

But, Mr. Speaker, we heard about, *Oh. All of a sudden, the Government is quoting the SAGE Commission report.* Well, Mr. Speaker, I have a computer in front of me. And, Mr. Speaker, we spoke in the 2016 Budget Reply about the recommendations from the SAGE Commission report, the 2016 Throne Speech Reply about the recommendation of the SAGE report, the 2017 Budget Reply about the recommendation about the SAGE report and, Mr. Speaker, in the 2017 platform of which we were elected, talking about putting in place the matters of efficiency.

Now, Mr. Speaker, here is why it is important. You have heard me say before that we can be transactional or we can be transformational. A Minister cannot be transformational if a Minister is spending all day replying to emails. This is a fact, Mr. Speaker. That is a fact. A Minister cannot be transformational if they are worrying about the day-to-day transactional activities. I recognise that. The SAGE Commission recognises that. The Civil Service Review recognises that. Why can't the former Premier? He seems to go on with pride about the fact that he had part-time Ministers. How did that work out for the people of this country, Mr. Speaker?

[Inaudible interjections]

Hon. E. David Burt: Come on, Mr. Speaker! We cannot solve today's challenges with yesterday's structure and ask why we are getting yesterday's results. It is very, very simple, Mr. Speaker.

So. So. So . . .

No. And we heard the gentleman over there talk about, *Let's see tomorrow's results.* Okay. All right. It is ready.

Hon. Zane. J. S. De Silva: So, what are you hoping for tomorrow, sir?

[Inaudible interjections]

Hon. E. David Burt: Okay. Let us be clear. Let us be clear. All right. Do not worry. We will get to the Honourable Member, Mr. Scott Pearman, in a little bit. We will get to him. Yes. We will get to him.

Because, Mr. Speaker, here is what is important. And I spoke about this whole issue of a trust deficit. If you are going to get up and lecture, make sure the people who you are trying to bring along, like the Shadow Minister of Finance, who sits in another place, get the facts right. Because today, the entire country was treated to more of the same misleading from the Opposition, who developed a trust deficit while in office and are still doing the same thing. And I am just going to run over four points, Mr. Speaker.

The first, which we heard in the Budget Reply, where he said that the OBA handed over a Government spending only \$908 million, when the last OBA Budget was \$923 million in spending. Lie number one.

Number two: The OBA . . . here he goes. He said that we have hired 380 new government workers. That was his next statement, Mr. Speaker. And in fact, the last OBA budget budgeted for 5,017. This PLP budget budgeted for 5,082 government workers—a difference of 65 and not 318. Can the Honourable Member, who is the Shadow Minister of Finance, not do math? Or is he just purposely misleading the country? And let me very clear, Mr. Speaker, on these particular issues, right? Because you can save money by spending money.

Let me give you an example. When we hired nurses to open up the top floor of the Sylvia Richardson Health Care facility, as opposed to having our persons in the hospital, it saved the government money, Mr. Speaker. When we are talking about hiring additional people who are short-staffed in our security services to reduce the overtime bill, it saved the government money, Mr. Speaker. But it seems to be something that they do not get. They were focused—focused—on some radical top line without realising the damage that this was doing.

Now, Mr. Speaker, they then said that salaries, wages and employee overhead and other costs have increased by \$36.7 million since the election. Lies, Mr. Speaker, pure lies. Because the facts are that the OBA budgeted for \$475 million of salaries in their last budget, Mr. Speaker. Guess what the budget was this year? [It was] \$478 million, Mr. Speaker, a \$3 million increase, despite giving our workers a pay increase. It is called efficiency and working.

Then, Mr. Speaker, this is very interesting. They said that they handed over a yearly consultancy budget spend of \$12.7 million. And this year, the PLP is budgeting for \$15.9 million, an increase of \$3.2 million in two years. Back to that word again, *consultants*. Now, here are the facts, Mr. Speaker. The last One Bermuda Alliance budget had a total of \$17 million budgeted for consultants. And this year, it is \$15 million, a decrease of \$2 million. Those are the facts, Mr. Speaker.

But I remember when I was Chairman of the Progressive Labour Party and I tried to send in an op-ed to the *Royal Gazette*. And they checked my facts like anything. They checked them. But the Shadow Minister of Finance, writing from the Royal Bermuda Yacht Club, can just send in his thing and nobody checks his facts.

[Inaudible interjections]

PASTOR LEROY BEAN'S SALARY

Hon. E. David Burt: Let him write his stuff, and nobody says a word! Falsehoods! But that is okay, because it fits into that narrative. That is right. Someone says a *combined opposition*. It fits right into that narrative, Mr. Speaker, right into that narrative. And the Honourable Minister of National Security was talking about before that it does not matter about the qualifications. It does not matter about anything. You can read headlines about Leroy Bean, but you will not read a headline about Kevin Dallas—not a one, Mr. Speaker.

Now, let us be clear. I am not standing up here to defend. I am up here to say something very simple. Pastor Leroy Bean works incredibly hard. I have never, ever seen such a dedicated person for this particular mission, Mr. Speaker. He is up late in the night. He is up in morning. He is doing his stuff. And here is what we will say, Mr. Speaker. He will be judged on the results.

As you would have heard in the National Security debates, we gave additional funding to tackle the root causes of violence in our community, which is important, and we are making the investment where it counts, Mr. Speaker. Because it is important. And that \$600,000 which was given to the Ministry of National Security is to focus on those particular programmes, because we cannot arrest our way out of this problem. Those are the priorities of this Government, Mr. Speaker, dealing with the challenges which we have.

It is the exact same reason that the Minister of Education reminded persons opposite earlier of the money that we found for education. We directed it from other places to make sure that our persons can become educated. We are investing in the future, Mr. Speaker. And that is important.

EU BLACKLISTING OF BERMUDA

Hon. E. David Burt: Now, Mr. Speaker, let me move on to the other topic. That was the issue of the European Union. Now, earlier, the former Attorney General, in one of his rare appearances in this Honourable Chamber, decided that he was going to say, *Oh, we haven't heard anything from the Government*. And I thought it was rather strange because I know that a release was sent out today at 3:36 pm.

But I am going to read it for Honourable Members. And there are only three Honourable Members from the Opposition still here. I am happy that the Opposition Leader is still here. I appreciate that. We were in a meeting earlier today, as he previously indicated.

And I am just going to read the press release. It said, and I quote, if I may, Mr. Speaker: "Premier David Burt today indicated that the Government is aware of reports from Brussels suggesting that Bermuda is to be added to the European Union's list on non-cooperative tax jurisdictions.

"The Premier said: 'We have been monitoring events closely for several days and have continued to engage at the highest levels of the various groups within the EU that play a role in the decision-making process.

"Our message has been a clear and simple one: Bermuda is compliant and met the required standard before any recommendations were considered.

"We have had some support in making that case and we have spared no efforts in doing so. Tomorrow's meeting is an important one and we are preparing for any outcome.

"Bermuda remains a jurisdiction of choice and our reputation of sound regulation and adherence to the highest standards has been validated across many assessments over several years.

"We are confident that whatever the outcome of tomorrow's meeting in Brussels, the reputation will be maintained and an economic substance regime, compliant with the EU's requirements, will continue to be implemented."

Now, Mr. Speaker, I am just going to say that this has been an incredibly difficult process. And it has been an incredibly difficult process because, at many points in time, persons have felt that Bermuda has been unfairly treated. And the Opposition Leader was in a meeting earlier where there were persons who were perplexed and surprised that the Bermuda Government, whose economic substance regulations are judged by industry as being far more stringent than other jurisdictions, are facing the risk of being put on a list. (And you will not hear me say the "B-list" word, because that is a whole other story that I can go to. So, I do not know why bad things have to be black.) I am saying "non-co-operative" jurisdictions.

But here is the thing, Mr. Speaker.

An Hon. Member: Wow.

Hon. E. David Burt: It is a fact.

The Speaker: Yes.

Hon. E. David Burt: But here is the thing, Mr. Speaker. Whereas other countries, who may not have such stringent regulations, who may actually have things

included inside of their legislation that we were expressly told that we could not include in ours, seem to be getting a pass.

Mr. Speaker, let me be clear. We do not know what may happen tomorrow because we have been working in diplomatic channels. But if for some reason Bermuda is included on the European Union's list, it will not be the end of Bermuda. Because we have been on the European Union's list before. We will work through this particular issue. And we remain confident in the ratings of the persons who have fair assessments, such as the OECD, that what we have in Bermuda is fair and transparent, and meets the standards.

But what we will do, Mr. Speaker, and what was clear in the meeting that was assembled today with representatives from the Bermuda Monetary Authority, with representatives from the Association of Bermuda Insurers and Reinsurers, with representatives from the various law firms and accountancy firms here, with representation from our various insurance sectors and our investment managers, and representation from the BDA, in addition to the Opposition Leader, what we made clear—and everyone in that room was united—was that should Bermuda appear on a list that we do not want to be on, we will work together to make sure that whatever is necessary to be resolved will be resolved in the quickest form and fashion.

Because, for a jurisdiction that has led in tax transparency, for a jurisdiction that has been at the forefront of making sure that we implement the latest regulations, and for a jurisdiction that has been recognised at the highest levels for its transparency and compliance, it would seem to fly in the face of those particular efforts, Mr. Speaker. However, nothing is for certain. What I will say, Mr. Speaker, is that I welcome the words of the Opposition Leader. And I welcome his support on this particular issue. And I look forward to this support continuing, because there is one thing that is clear. Whereas others want Bermuda to fail, I would suspect that every single person, not only inside of this House, but every single person inside of this country wants Bermuda to succeed.

The only way that we can work together as a country united is if we can have honest discourse, if we can come with a clean hand and a pure heart, and if we can say, *I am willing to come to the table to work together.*

Mr. Speaker, it is not with sneaky questions that you just go and tweet. It is not by op-eds that willingly manipulate numbers to serve some type of local end, as opposed to the facts, Mr. Speaker. If we really want to work together, Mr. Speaker, then I am going to ask that Members opposite criticise when they want, but please do it in a spirit of truth and in a spirit of construction, because if we are going to do it to tear down, if we are going to do it to sow discord, then it is not going to work. And the people in this country, who

want us to work together, will only be more and more turned off.

Tomorrow will be a big day, Mr. Speaker. And whatever the result, I am expecting that all of us will rise to the occasion to defend the Bermuda that we so love from those who are so desperate to see our country fail.

Thank you, Mr. Speaker.

[Desk thumping]

The Speaker: Members, with that—

[Timer beeps]

The Speaker: Premier, you just beat the clock.

With that, good night. We will see you on Wednesday morning at nine o'clock am.

[At 11:03 pm, the House stood adjourned until 9:00 am, Wednesday, 13 March 2019.]

**BERMUDA HOUSE OF ASSEMBLY
2018/19 SESSION**

**OFFICIAL HANSARD REPORT
INDEX**

MARCH 2019

In Two Volumes

Volume 1 contains pages 597–1048; Volume 2 contains pages 1049–1474

*This Index is arranged alphabetically with “Order of Business” headings and MPs’ names in **bold**. “Bills” are arranged both alphabetically and procedurally (i.e., First Reading, Second Reading, Committee, Report, Third Reading). [Dates of Sittings](#)*

A

Adjournment, motions thereon

Bermudian workforce, empowering of

Famous, Mr. Christopher, 1285–1288

Brown-Darrell Clinic, patients’ medical records

Burgess, Hon. Derrick V., Sr., 1472–1473

EU Blacklisting of Bermuda

Burt, Hon. E. David, 1047–1048

Cannonier, Hon. L. Craig, 1030

Commissioning, Mr. Rolfe, 1032–1033

Moniz, Hon. Trevor G., 1025

Fatality on Bermuda's Roads

Burt, Hon. E. David, 727

Heritage Wharf Lawsuit

Burch, Lt. Col. Hon. David A., 869–870

OBA's Divisive Politics

Caines, Hon. Wayne, 1026–1030

Pastor Leroy Bean's Salary

Burt, Hon. E. David, 1047

Simmons, Mr. Scott, 1040

Professional Services/Consultants and Advisors

Burt, Hon. E. David, 1044–1047

Cannonier, Hon. L. Craig, 1030–1032

DeSilva, Hon. Zane J. S., 1034–1037

Dunkley, Hon. Michael H., 1019–1023

Gordon-Pamplin, Hon. Patricia J., 1042–1044

Richards, Mr. Sylvan D., Jr., 1033–1034

Scott, Hon. Michael J., 1041–1042

Simmons, Hon. Jamahl S., 1023–1025

Simmons, Mr. Scott, 1038–1040

Racism in Bermuda

Burgess, Hon. Derrick V., Sr., 1473–1474

Airport terminal construction, Bermudians working on (See Premier's Question Time)

Announcements by Speaker or Member presiding

Commonwealth Day Message, "The Connected Commonwealth," 929
December 2nd 2016, Joint Select Committee to investigate, report and make
recommendations, extension of, 597

House of Assembly renovations, 1369

House visitors

Barritt, Mr. John, former MP, 1049

Bermuda High School students (IB1 Class), 1377

Campbell, Sen. Vance, 1056

Currin, Ms., Youth Parliament Page, 1049

Hayward, Sen. Jason, 738

Hodgson, Mr. Arthur, former Minister of Environment, 1203

Lister, Hon. Walter, former Deputy Speaker, 1069

Northlands P4 students, 933

Parks Department staff, 607

Rabain, Mrs., 679

Simmons, Sen. the Hon. Kathy Lynn, 832

T. N. Tatem Middle School students (M1, M2, M3), 1400

Talbot, Dr., 679

Talbot, Mrs., 679

O'Meally, Ms. (thanks to), 1474

Parliamentary Questions—following through on undertakings, 1289

Parliamentary Seminar, 1369

Appropriation Act 2019 (*See also* Bills)

Message to Senate, 1352

Atherden, Hon. Jeanne J.

Budget Statement and Reply 2019/20, Debate thereon, 681–685

Congratulatory and/or Obituary Speeches, 621, 793, 1392

Customs Tariff Amendment (No. 2) Act 2019, 1432–1433

Customs Tariff Amendment Act 2019, 1417–1420

Dental Practitioners Amendment Act 2019, 1354

Estimates of Revenue and Expenditure for 2019/20

Cabinet and Government Reform

Head 13-Post Office, 857–858, 859–860

Head 26-Department of Human Resources, 862, 864

Head 61-Department of Employee Organisational Development, 863

Head 80-Office of Project Management and Procurement, 865–866

Ministry of Education

Head 16-Headquarters, 784–785, 788–789

Ministry of Health

Head 21-Headquarters, 973–975

Head 22-Department of Health, 975–976, 986, 992

Head 24-Hospitals, 976–978, 981–982, 986, 987

Head 91-Health Insurance, 978

Ministry of Home Affairs

Head 32-Department of Planning, 1197–1198, 1201

Head 79-Department of Environment and Natural Resources, 1206

Head 89-Department of Energy, 898

Ministry of National Security

Head 83-Headquarters, 799

Atherden, Hon. Jeanne J. (continued)

Estimates of Revenue and Expenditure for 2019/20 (continued)

Ministry of Public Works

Head 36-Headquarters, 1238, 1252

Head 53-Bermuda Housing Corporation, 1236–1238

Ministry of Tourism and Transport

Head 48-Headquarters, 744–745, 747, 751, 754

Non-Ministries

Head 63-Parliamentary Registrar, 1329, 1330, 1331–1332

Financial Services Tax Amendment Act 2019, 998

Question Period

Bus Service, update, 1385

Disaster Risk Reduction and Mitigation Team update, 613, 614

Plan 2020-Strategic Plan for Public School Education, update, 1381, 1382

Stamp Duties Amendment Act 2019, 1270

B

BELCO

Government's policy directions regarding sale of (See Statements by Ministers and/or Junior Ministers)

Customs Duty (BELCO North Power Station) Remission Order 2019 (See Papers and Other Communications to House)

Bermuda and the European Union-Bermuda Meets the Required Standard (See Statements by Ministers and/or Junior Ministers)

Bermuda Casino Gaming Commission, update (See Statements by Ministers and/or Junior Ministers)

Bermuda College Students, Financial Support 2018/19 (See Statements by Ministers and/or Junior Ministers)

Bermuda Drug Information Network (BerDin) 2018 Annual Report (See Papers and Other Communications to House)

Bermuda Educators Council (Exemption) (2018 to 2019 School Year) Amendment Order 2019 (See Papers and Other Communications to House)

Bermuda Housing Trust Audited Financial Statements 2017/18 (See Statements by Ministers and/or Junior Ministers)

Bermuda Housing Trust Financial Statements year ending 31 March 2018 (See Papers and Other Communications to House)

Bermuda Immigration and Protection (Land-Holding Charges) Amendment Regulations 2019 (See Papers and Other Communications to House; Regulations)

Bermuda Police Service 2019 Recruitment (See Statements by Ministers and/or Junior Ministers)

Bermuda Police Service Recruit Foundation Course 79, passing out parade (See Statements by Ministers and/or Junior Ministers)

Bermuda Tourism Authority Amendment Act 2019 (See Bills)

Bermudian workforce, empowering of (See Adjournment, Motions Thereon)

Bills

Appropriation Act 2019

First Reading, 1351

Second Reading, 1352

Burt, Hon. E. David, 1352

Third Reading, 1352

Bermuda Tourism Authority Amendment Act 2019

First Reading, 795

Second Reading

Bills (continued)

Bermuda Tourism Authority Amendment Act 2019 (continued)

DeSilva, Hon. Zane J. S., 1259–1260, 1261–1262

Gordon-Pamplin, Hon. Patricia J., 1260

Simons, Mr. N. H. Cole, 1260–1261

Committee, 1262–1264

Report, 1264

Third Reading, 1285

Customs Tariff Amendment Act 2019

First Reading, 934

Second Reading

Atherden, Hon. Jeanne J., 1417–1420

Burgess, Hon. Derrick V., Sr., 1415–1416

Cannonier, Hon. L. Craig, 1422–1423

DeSilva, Hon. Zane J. S., 1423–1425

Dunkley, Hon. Michael H., 1412–1415

Furbert, Hon. Wayne L., 1420–1422

Gordon-Pamplin, Hon. Patricia J., 1411–1412

Wilson, Hon. Kim N., 1409–1411, 1425–1426

Committee, 1426–1429

Clause 2 amended, 1427

Report, 1429

Third Reading, 1472

Customs Tariff Amendment (No. 2) Act 2019

First Reading, 1057

Second Reading

Atherden, Hon. Jeanne J., 1432–1433

Furbert, Hon. Wayne L., 1429–1430, 1433–1434

Gordon-Pamplin, Hon. Patricia J., 1430–1431

Rabain, Hon. Diallo V. S., 1431–1432

Committee, 1434–1439

Clause 2 amended, 1435

Clause 3 amended, 1437

Report, 1439

Third Reading, 1472

Dental Practitioners Amendment Act 2019

First Reading, 1057

Second Reading

Atherden, Hon. Jeanne J., 1354

Gordon-Pamplin, Hon. Patricia J., 1353–1354

Wilson, Hon. Kim N., 1353, 1354

Committee, 1354–1356

Report, 1356

Third Reading, 1367

Exempted Partnerships Amendment Act 2019

First Reading, 934

Second Reading

Furbert, Hon. Wayne L., 1276

Pearman, Mr. Scott, 1276

Committee, 1277

Report, 1277

Bills (continued)

Exempted Partnerships Amendment Act 2019 (continued)

Third Reading, 1285

Financial Services Tax Amendment Act 2019

First Reading, 625

Second Reading

Atherden, Hon. Jeanne J., 998

DeSilva, Hon. Zane J. S., 996–998

Furbert, Hon. Wayne L., 993–994, 999–1000

Gordon-Pamplin, Hon. Patricia J., 995–996

Pearman, Mr. Scott, 994

Scott, Hon. Michael J., 998–999

Committee, 1000–1001

Report, 1001

Third Reading, 1018

Foreign Currency Purchase Tax Amendment Act 2019

First Reading, 625

Second Reading

Burgess, Hon. Derrick V., Sr., 1005

Furbert, Hon. Wayne L., 1001–1002, 1010–1013

Gordon-Pamplin, Hon. Patricia J., 1002–1005

Jackson, Ms. Susan E., 1005–1006

Pearman, Mr. Scott, 1005

Rabain, Hon. Diallo V. S., 1007–1008

Swan, Mr. Hubert (Kim) E., 1008–1010

Committee, 1013–1014

Report, 1014

Third Reading, 1018

Hotels (Temporary Customs Duty Relief) Amendment Act 2019

First Reading, 625

Second Reading

Furbert, Hon. Wayne L., 1015, 1016

Gordon-Pamplin, Hon. Patricia J., 1015

Committee, 1016

Report, 1017

Third Reading, 1019

Land Tax Amendment Act 2019

First Reading, 625

Second Reading

Furbert, Hon. Wayne L., 1356–1358, 1361–1362

Gordon-Pamplin, Hon. Patricia J., 1359–1360

Pearman, Mr. Scott, 1360–1361

Committee, 1362–1366

Report, 1367

Third Reading, 1367

Liquor Licence Amendment Act 2019

First Reading, 1057

Second Reading

Burt, Hon. E. David, 1402

Cannonier, Hon. L. Craig, 1400–1401

Commissioning, Mr. Rolfe, 1397

Bills (continued)

Liquor Licence Amendment Act 2019 (continued)

Second Reading (continued)

Famous, Mr. Christopher, 1399–1400
Gordon-Pamplin, Hon. Patricia J., 1403
Pearman, Mr. Scott, 1395–1396
Scott, Hon. Michael J., 1398–1399
Simmons, Hon. Jamahl S., 1396–1397
Wilson, Hon. Kim N., 1393–1395, 1403–1404

Committee, 1404–1409

Report, 1409

Third Reading, 1471

Miscellaneous Taxes Amendment Act 2019

First Reading, 795

Second Reading

Furbert, Hon. Wayne L., 1255–1256, 1257–1258
Gordon-Pamplin, Hon. Patricia J., 1256–1257
Swan, Mr. Hubert (Kim) E., 1257

Committee, 1258–1259

Report, 1259

Third Reading, 1284

Municipalities Reform Act 2019

First Reading, 626

Second Reading

Burch, Lt. Col. Hon. David A., 1169–1172
Burt, Hon. E. David, 1178–1179
Cannonier, Hon. L. Craig, 1172–1178
DeSilva, Hon. Zane J. S., 1153–1162
Gordon-Pamplin, Hon. Patricia J., 1149–1153
Jackson, Ms. Susan E., 1162–1164
Ming, Mrs. Renee, 1137–1141
Pearman, Mr. Scott, 1168
Richards, Mr. Sylvan D., Jr., 1135–1137
Roban, Hon. Walter H., 1132–1135, 1179–1180
Scott, Hon. Michael J., 1164–1168
Simons, Mr. N. H. Cole, 1141–1145
Swan, Mr. Hubert (Kim) E., 1145–1149

Committee, 1180–1184; Division (on Report), 1183

Report, 1184

Third Reading, 1184

Payroll Tax Amendment Act 2019

First Reading, 886

Second Reading

Furbert, Hon. Wayne L., 1265, 1266
Gordon-Pamplin, Hon. Patricia J., 1266

Committee, 1266–1267

Report, 1267

Third Reading, 1284

- Proceeds of Crime Amendment Act 2019
 - Second Reading
 - Pearman, Mr. Scott, 925
 - Wilson, Hon. Kim N., 924, 925
 - Committee, 925–926
 - Report, 926
 - Third Reading, 926
- Restaurants (Temporary Customs Duty Relief) Amendment Act 2019
 - First Reading, 625
 - Second Reading
 - Furbert, Hon. Wayne L., 1017
 - Gordon-Pamplin, Hon. Patricia J., 1017
 - Committee, 1017–1018
 - Report, 1018
 - Third Reading, 1019
- Stamp Duties Amendment Act 2019
 - First Reading, 886
 - Second Reading
 - Atherden, Hon. Jeanne J., 1270
 - Famous, Mr. Christopher, 1270
 - Furbert, Hon. Wayne L., 1267–1269, 1272–1273
 - Gordon-Pamplin, Hon. Patricia J., 1269–1270
 - Jackson, Ms. Susan E., 1270
 - Pearman, Mr. Scott, 1269
 - Simons, Mr. N. H. Cole, 1270–1272
 - Committee, 1273–1276
 - Report, 1276
 - Third Reading, 1285
- Supplementary Estimates (No. 3) 2017/18
 - Furbert, Hon. Wayne L., 1439–1440, 1441
 - Gordon-Pamplin, Hon. Patricia J., 1440
 - Rabain, Hon. Diallo V. S., 1440
 - Committee
 - Head 17-Current Account, substitute teachers, 1441–1443
 - Head 82-Public Works, 1443–1444
 - Report, 1445
- Brown-Darrell Clinic, patients medical records (See Adjournment, Motions Thereon)
- Brown, Hon. Walton**
 - Budget Statement and Reply 2019/20, Debate thereon, 679–681
 - Estimates of Revenue and Expenditure for 2019/20
 - Cabinet and Government Reform
 - Head 13-Post Office, 843–846, 856–859, 860, 867, 868
 - Head 14-Department of Statistics, 846–847
 - Head 26-Department of Human Resources, 847–848, 862, 863, 864
 - Head 61-Department of Employee Organizational Development, 848–850, 865
 - Head 80-Office of Project Management and Procurement, 850–851, 865, 866, 867
 - Non-Ministries
 - Head 63-Parliamentary Registrar, 1320–1322, 1328, 1330, 1331, 1332, 1333
 - Head 98-Information Commissioner's Office, 1320
 - Good Governance (Protected Disclosures) Order 2019, 921

Brown, Hon. Walton (continued)

UK's attempted intervention into Bermuda's domestic affairs and report/recommendations
with respect to OTs, rejection of, 1452–1454

Budget Reply 2019/20

Gordon-Pamplin, Hon. Patricia J., 627–638

Budget Statement and Reply 2019/20, Debate thereon

Atherden, Hon. Jeanne J., 681–685

Brown, Hon. Walton, 679–681

Burch, Lt. Col. Hon. David A., 710–713

Burgess, Hon. Derrick V., Sr., 708–710

Burt, Hon. E. David, 720–724

Caines, Hon. Wayne, 685–689

Cannonier, Hon. L. Craig, 705–708

Commissioning, Mr. Rolfe, 692–697

DeSilva, Hon. Zane J. S., 716–720

Dickinson, Hon. Curtis L., 724–726

Dunkley, Hon. Michael H., 655–661

Foggo, Hon. Lovitta F., 702–705

Furbert, Hon. Wayne L., 638–645

Furbert, Mrs. Tinee, 713–716

Moniz, Hon. Trevor G., 645–651

Pearman, Mr. Scott, 697–702

Rabain, Hon. Diallo V. S., 676–679

Scott, Hon. Leah K., 674–676

Simmons, Hon. Jamahl S., 661–665

Simons, Mr. N. H. Cole, 665–671

Smith, Mr. Ben, 689–692

Swan, Mr. Hubert (Kim) E., 651–655

Wilson, Hon. Kim N., 671–674

Burch, Lt. Col., Hon. David A.

Adjournment, Motions Thereon

Heritage Wharf Lawsuit, 869–870

Bermuda Housing Trust Audited Financial Statements 2017/18, 1053

Bermuda Housing Trust Financial Statements year ending 31 March 2018, 1049

Budget Statement and Reply 2019/20, Debate thereon, 710–713

Congratulatory and/or Obituary Speeches, 625, 792–793, 884

Estimates of Revenue and Expenditure for 2019/20

Ministry of Public Works

Head 36-Headquarters, 1213–1217, 1245–1251, 1252–1253

Head 53-Bermuda Housing Corporation, 1217–1221, 1239–1245

Municipalities Reform Act 2019, 1169–1172

Burgess, Hon. Derrick V., Sr.

Adjournment, Motions Thereon

Brown-Darrell Clinic, patients medical records, 1472–1473

Racism in Bermuda, 1473–1474

Budget Statement and Reply 2019/20, Debate thereon, 708–710

Congratulatory and/or Obituary Speeches, 622, 1389

Customs Tariff Amendment Act 2019, 1415–1416

Foreign Currency Purchase Tax Amendment Act 2019, 1005

Premier's Question Time

Airport terminal construction, Bermudians working on, 878

Burt, Hon. E. David

- Adjournment, Motions Thereon
 - EU Blacklisting of Bermuda, 1047–1048
 - Fatality on Bermuda's Roads, 727
 - Pastor Leroy Bean's Salary, 1047
 - Professional Services/Consultants and Advisors, 1044–1047
- Appropriation Act 2019, 1351, 1352
- Budget Statement and Reply 2019/20, Debate thereon, 720–724
- Congratulatory and/or Obituary Speeches, 622–623, 730–731, 794, 885, 931–932
- Estimates of Revenue and Expenditure for 2019/20
 - Cabinet and Government Reform
 - Head 43-Department of Information and Digital Technologies, 1333–1337, 1348–1349
 - Head 67-Department of ICT Policy and Innovation, 1337–1340, 1349–1351
- European Union and Bermuda-Bermuda Meets the Required Standard, 1050
- Government Reform Strategic Plan, 598
- Liquor Licence Amendment Act 2019, 1402
- Ministers and Members of the Legislature
 - (Salaries and Pensions) Act 1975, 1292
 - (Salaries and Pensions) Act 1975 Be Revoked, 1445
 - Salaries Review Board, update, 1290
- Municipalities Reform Act 2019, 1178–1179
- Professional Services/Consultants and Advisors-Revised Construct, 929–930
- UK's attempted intervention into Bermuda's domestic affairs and report/recommendations with respect to OTs, rejection of, 732, 1445–1449, 1470–1471
- Bus Service update (See Statements by Ministers and/or Junior Ministers)

C**Caines, Hon. Wayne**

- Adjournment, Motions Thereon
 - OBA's Divisive Politics, 1026–1030
- Bermuda Immigration and Protection (Land-Holding Charges) Amendment Regulations 2019, 597, 1254
- Bermuda Police Service
 - 2019 Recruitment, 1052
 - Recruit Foundation Course 79, passing out parade, 1372–1373
- Budget Statement and Reply 2019/20, Debate thereon, 685–689
- Congratulatory and/or Obituary Speeches, 623, 730, 1390–1391
- Disaster Risk Reduction and Mitigation Team update, 605–606
- Drones, No-fly Zone, 1373–1374
- Estimates of Revenue and Expenditure for 2019/20
 - Ministry of National Security
 - Head 06-Defence, 799–802, 833–843
 - Head 07-Bermuda Police Service, 802–805, 833–843
 - Head 12-Customs, 805–807, 833–843
 - Head 25-Department of Corrections, 807–813, 833–843
 - Head 27-Department of Immigration, 1293–1295, 1298–1302, 1304–1305, 1306–1310, 1311–1313, 1314–1315, 1316–1320
 - Head 45-Bermuda Fire and Rescue Service, 813–814, 833–843
 - Head 83-Headquarters, 796–799, 833–843
- Gang Prevention in Primary Schools, 791–792
- Government Fees Amendment Regulations 2019, 1282–1284

Cannonier, Hon. L. Craig

Adjournment, Motions Thereon

EU Blacklisting of Bermuda, 1030

Professional Services/Consultants and Advisors, 1030–1032

Budget Statement and Reply 2019/20, Debate thereon, 705–708

Congratulatory and/or Obituary Speeches, 883, 1185–1186

Customs Tariff Amendment Act 2019, 1422–1423

Estimates of Revenue and Expenditure for 2019/20

Cabinet and Government Reform

Head 13-Post Office, 856–857, 858–859

Head 26-Department of Human Resources, 863

Head 43-Department of Information and Digital Technologies, 1340–1343

Head 61-Department of Employee Organisational Development, 864

Head 67-Department of ICT Policy and Innovation, 1343–1346, 1347–1348

Head 80-Office of Project Management and Procurement, 866–867

Ministry of Education

Head 17-Department of Education, 783

Ministry of Health

Head 55-Financial Assistance, 988

Ministry of Home Affairs

Head 79-Department of Environment and Natural Resources, 1198, 1210–1211

Head 89-Department of Energy, 891–892, 898

Ministry of Legal Affairs

Head 23-Department of Child and Family Services, 1094–1095

Ministry of National Security

Head 27-Department of Immigration, 1303–1304, 1308, 1313–1314, 1315–1316

Ministry of Public Works

Head 36-Headquarters, 1221–1233

Head 53-Bermuda Housing Corporation, 1233–1236, 1239

Ministry of Tourism and Transport

Head 34-Transport Control Department, 913–914

Head 48-Headquarters, 746–747

Non-Ministries

Head 63-Parliamentary Registrar, 1323–1327, 1331

Liquor Licence Amendment Act 2019, 1400–1401

Municipalities Reform Act 2019, 1172–1178

Premier's Question Time

Department of Child and Family Services Abuse, children not interviewed, 875, 876

Municipal Reform (Municipalities Reform Act 2019), 873, 874

Sex offenders, longer jail terms for, 875

Question Period

Bus Service, update, 1383

Consultants/Advisors paid for by Government, 931

Drones, No-fly Zone, 1378, 1379

European Union and Bermuda-Bermuda Meets the Required Standard, 1054

European Union Tax Listing, 1055

Municipalities Reform Act 2019, 609, 610

UK's attempted intervention into Bermuda's domestic affairs and report/recommendations
with respect to OTs, rejection of, 1449–1451

Child Care Oversight and Regulation (See Statements by Ministers and/or Junior Ministers)

Civil Service salary increase (See Premier's Question Time)

Commissiong, Mr. Rolfe

Adjournment, Motions Thereon

EU Blacklisting of Bermuda, 1032–1033

Budget Statement and Reply 2019/20, Debate thereon, 692–697

Congratulatory and/or Obituary Speeches, 618, 792, 883, 1187, 1390

Liquor Licence Amendment Act 2019, 1397

UK's attempted intervention into Bermuda's domestic affairs and report/recommendations with respect to OTs, rejection of, 1457–1460

Commonwealth Day Message, "The Connected Commonwealth," 929

Community and Cultural Affairs Programmes, update (See Statements by Ministers and/or Junior Ministers)

Confirmation of Minutes

22 February 2019, 597

06 March 2019, 871

08 March 2019, 1185

11 March 2019, 1289

13, 15 March 2019, 1369

Congratulatory and/or Obituary Speeches

Atherden, Hon. Jeanne J., 621, 793, 1392

Burch, Lt. Col. Hon. David A., 625, 792–793, 884

Burgess, Hon. Derrick V., Sr., 622, 1389

Burt, Hon. E. David, 622–623, 730–731, 794, 885, 931–932

Caines, Hon. Wayne, 623, 730, 1390–1391

Cannonier, Hon. L. Craig, 883, 1185–1186

Commissiong, Mr. Rolfe, 618, 792, 883, 1187, 1390

DeSilva, Hon. Zane J. S., 617, 730, 1056–1057, 1291

Dunkley, Hon. Michael H., 624, 884, 932

Famous, Mr. Christopher, 794, 885, 1187, 1291, 1392–1393

Foggo, Hon. Lovitta F., 884–885, 1387–1388

Furbert, Mrs. Tinee, 621, 731, 933

Gordon-Pamplin, Hon. Patricia J., 616–617, 1389–1390

Lister, Mr. Dennis III, 618

Ming, Mrs. Renee, 624, 792, 883, 932

Moniz, Hon. Trevor G., 623

Pearman, Mr. Scott, 1186, 1388

Rabain, Hon. Diallo V. S., 619–620, 882

Roban, Hon. Walter H., 621, 1186, 1387

Scott, Hon. Leah K., 730

Scott, Hon. Michael J., 623–624, 731

Scott, Mr. W. Lawrence, 882, 1186–1187

Simmons, Hon. Jamahl S., 620–621

Simmons, Mr. Scott, 620

Simons, Mr. N. H. Cole, 619, 1291

Smith, Mr. Ben, 620

Swan, Mr. Hubert (Kim) E., 617–618, 730, 793, 933, 1187

Tyrrell, Mr. Neville S., 793–794, 883–884, 932, 1291, 1391–1392

Weeks, Mr. Michael A., 618–619, 1388–1389

Consultants

- Consultants/Advisors paid for by Government (See Question Period)
- FinTech consultants (See Question Period)
- Professional Services/Consultants and Advisors-Revised Construct (See Adjournment, Motions Thereon; Statements by Ministers and/or Junior Ministers)

Customs Duty

- (BELCO North Power Station) Remission Order 2019 (See Papers and Other Communications to House)
 - (Bermuda Tourism Authority) Remission Order 2018 (See Papers and Other Communications to House)
 - (FryDays Bermuda Limited) Remission Order 2018 (See Papers and Other Communications to House)
- Customs Tariff Amendment (No. 2) Act 2019 (See Bills)
- Customs Tariff Amendment Act 2019 (See Bills)
- Customs Tariff Standing Authorisation (Temporary Importation of Vessels, Aircraft and Transport Containers) Amendment Notice 2019 (See Papers and Other Communications to House)

D

December 2nd 2016, Joint Select Committee to investigate, report and make recommendations, extension of (See Announcements by Speaker or Member presiding)

Dental Practitioners Amendment Act 2019 (See Bills)

Department of Child and Family Services Abuse

- Children not interviewed (See Premier's Question Time)
- Investigation report (See Premier's Question Time)

DeSilva, Hon. Zane J. S.

Adjournment, Motions Thereon

Professional Services/Consultants and Advisors, 1034–1037

Bermuda Tourism Authority Amendment Act 2019, 1259–1260, 1261–1262

Budget Statement and Reply 2019/20, Debate thereon, 716–720

Bus Service update, 1377–1378

Congratulatory and/or Obituary Speeches, 617, 730, 1056–1057, 1291

Customs Tariff Amendment Act 2019, 1423–1425

Estimates of Revenue and Expenditure for 2019/20

Ministry of Tourism and Transport

Head 30-Marine and Ports Services, 902–904, 915–918

Head 34-Transport Control Department, 904–906, 915–918, 919, 920

Head 35-Department of Public Transportation, 906–908, 915–918

Head 48-Headquarters, 732–738, 745–746, 748, 752–753, 754, 755

Financial Services Tax Amendment Act 2019, 996–998

Municipalities Reform Act 2019, 1153–1162

UK's attempted intervention into Bermuda's domestic affairs and report/recommendations with respect to OTs, rejection of, 1451–1452

Dickinson, Hon. Curtis L.

Bermuda Casino Gaming Commission, update, 598–601

Budget Statement and Reply 2019/20, Debate thereon, 724–726

Estimates of Revenue and Expenditure for 2019/20, approval of, 626

European Union Tax Listing, 1051–1052

Government Fees Amendment Regulations 2019, 929

Government Loans (Suspension of Annual Contribution to Sinking Fund) Order 2019, 1049

Supplementary Estimates (No. 3) for Financial Year 2017/18, 1289, 1290

Disaster Risk Reduction and Mitigation Team update (See Statements by Ministers and/or Junior Ministers)

Division

Municipalities Reform Act 2019 (Report), 1183

Drones, No-fly Zone (See Statements by Ministers and/or Junior Ministers)

Dunkley, Hon. Michael H.

Adjournment, Motions Thereon

Professional Services/Consultants and Advisors, 1019–1023

Budget Statement and Reply 2019/20, Debate thereon, 655–661

Congratulatory and/or Obituary Speeches, 624, 884, 932

Customs Tariff Amendment Act 2019, 1412–1415

Estimates of Revenue and Expenditure for 2019/20

Cabinet and Government Reform

Head 51-Department of Communications, 860, 861

Ministry of Home Affairs

Head 89-Department of Energy, 892–893

Ministry of National Security

Head 06-Defence, 825–827

Head 07-Bermuda Police Service, 827–830

Head 12-Customs, 830

Head 25-Department of Corrections, 830–832

Head 45-Bermuda Fire and Rescue Service, 832

Head 83-Headquarters, 822–825

Ministry of Tourism and Transport

Head 48-Headquarters, 743–744, 746, 748, 749, 750

Premier's Question Time

FinTech Memorandums of Understanding update, 876, 877

Question Period

Bermuda Casino Gaming Commission, update, 608, 609

Consultants/Advisors paid for by Government, 930, 931

Disaster Risk Reduction and Mitigation Team update, 611, 612, 613

FinTech consultants, 729

E

Employment (Protected Disclosures) Order 2019 (See Orders)

Estimates of Revenue and Expenditure for 2019/20—Committee of Supply

Approval of (See Motions)

Cabinet and Government Reform

Head 13-Post Office

Atherden, Hon. Jeanne J., 857–858, 859–860

Brown, Hon. Walton, 843–846, 856–859, 860, 867, 868

Cannonier, Hon. L. Craig, 856–857, 858–859

Jackson, Ms. Susan E., 855–856, 858, 859, 867, 868

Head 14-Department of Statistics

Brown, Hon. Walton, 846–847

Head 26-Department of Human Resources

Atherden, Hon. Jeanne J., 862, 864

Brown, Hon. Walton, 847–848, 862, 863, 864

Cannonier, Hon. L. Craig, 863

Jackson, Ms. Susan E., 861, 864

Estimates of Revenue and Expenditure for 2019/20—Committee of Supply (continued)

Cabinet and Government Reform (continued)

Head 43-Department of Information and Digital Technologies

Burt, Hon. E. David, 1333–1337, 1348–1349

Cannonier, Hon. L. Craig, 1340–1343

Gordon-Pamplin, Hon. Patricia J., 1346–1347

Head 51-Department of Communications

Dunkley, Hon. Michael H., 860, 861

Jackson, Ms. Susan E., 852–854, 855

Simmons, Hon. Jamahl S., 851–852, 854–85, 860, 861

Head 61-Department of Employee Organisational Development

Atherden, Hon. Jeanne J., 863

Brown, Hon. Walton, 848–850, 865

Cannonier, Hon. L. Craig, 864

Jackson, Ms. Susan E., 864–865

Head 67-Department of ICT Policy and Innovation

Burt, Hon. E. David, 1337–1340, 1349–1351

Cannonier, Hon. L. Craig, 1343–1346, 1347–1348

Head 80-Office of Project Management and Procurement

Atherden, Hon. Jeanne J., 865–866

Brown, Hon. Walton, 850–851, 865, 866, 867

Cannonier, Hon. L. Craig, 866–867

Jackson, Ms. Susan E., 865

Ministry of Education

Head 16-Headquarters

Atherden, Hon. Jeanne J., 784–785, 788–789

Rabain, Hon. Diallo V. S., 756–757, 768, 784–788, 789

Simons, Mr. N. H. Cole, 767–769

Head 17-Department of Education

Cannonier, Hon. L. Craig, 783

Rabain, Hon. Diallo V. S., 757–763, 784–788

Simons, Mr. N. H. Cole, 770–781

Head 18-Department of Libraries and Archives

Rabain, Hon. Diallo V. S., 763–764, 784–788

Simons, Mr. N. H. Cole, 782–783

Head 41-Bermuda College

Rabain, Hon. Diallo V. S., 764–767, 784–788

Simons, Mr. N. H. Cole, 781–782

Ministry of Health

Head 21-Headquarters

Atherden, Hon. Jeanne J., 973–975

Gordon-Pamplin, Hon. Patricia J., 953–955, 956–963

Wilson, Hon. Kim N., 934–941, 955, 982–986

Head 22-Department of Health

Atherden, Hon. Jeanne J., 975–976, 986, 992

Gordon-Pamplin, Hon. Patricia J., 963–966, 978–981, 988, 991

Wilson, Hon. Kim N., 941–946, 991, 992

Head 24-Hospitals

Atherden, Hon. Jeanne J., 976–978, 981–982, 986, 987

Gordon-Pamplin, Hon. Patricia J., 966–967, 978, 983, 988, 990, 992

Wilson, Hon. Kim N., 946–949, 986, 987–988, 992

Estimates of Revenue and Expenditure for 2019/20—Committee of Supply (continued)

Ministry of Health (continued)

Head 55-Financial Assistance

Cannonier, Hon. L. Craig, 988
Gordon-Pamplin, Hon. Patricia J., 967–970
Jackson, Ms. Susan E., 990–991, 992
Wilson, Hon. Kim N., 949–951, 988–990, 991

Head 91-Health Insurance

Atherden, Hon. Jeanne J., 978
Gordon-Pamplin, Hon. Patricia J., 970–973
Wilson, Hon. Kim N., 951–953

Ministry of Home Affairs

Head 32-Department of Planning

Atherden, Hon. Jeanne J., 1197–1198, 1201
Gordon-Pamplin, Hon. Patricia J., 1201, 1203
Richards, Mr. Sylvan D., Jr., 1196–1197
Roban, Hon. Walter H., 1188–1190, 1198–1200, 1202–1203

Head 79-Department of Environment and Natural Resources

Atherden, Hon. Jeanne J., 1206
Cannonier, Hon. L. Craig, 1198, 1210–1211
Gordon-Pamplin, Hon. Patricia J., 1209
Richards, Mr. Sylvan D., Jr., 1203, 1205–1206, 1207–1208
Roban, Hon. Walter H., 1190–1196, 1203–1204, 1208–1210, 1211–1213
Swan, Mr. Hubert (Kim) E., 1208, 1211

Head 89-Department of Energy

Atherden, Hon. Jeanne J., 898
Cannonier, Hon. L. Craig, 891–892, 898
Dunkley, Hon. Michael H., 892–893
Roban, Hon. Walter H., 886–890, 893, 894–896, 896–898, 899–901
Scott, Hon. Leah K., 890–891, 893, 896, 901

Ministry of Labour, Community Affairs and Sport

Head 20-Department of Youth, Sport and Recreation

Foggo, Hon. Lovitta F., 1098–1103, 1122–1124, 1125, 1126, 1131
Gordon-Pamplin, Hon. Patricia J., 1121–1122, 1124–1125, 1126, 1131
Smith, Mr. Ben, 1117–1121, 1124, 1125, 1126, 1131

Head 52-Department of Community and Cultural Affairs

Foggo, Hon. Lovitta F., 1103–1109, 1128, 1129
Gordon-Pamplin, Hon. Patricia J., 1127–1128
Smith, Mr. Ben, 1128–1129

Head 60-Department of Workforce Development

Foggo, Hon. Lovitta F., 1109–1117, 1130
Gordon-Pamplin, Hon. Patricia J., 1129–1130

Ministry of Legal Affairs

Head 23-Department of Child and Family Services

Cannonier, Hon. L. Craig, 1094–1095
Gordon-Pamplin, Hon. Patricia J., 1095
Pearman, Mr. Scott, 1093–1094, 1095–1096
Wilson, Hon. Kim N., 1072–1082, 1094, 1096, 1097

Head 03-Judiciary

Pearman, Mr. Scott, 1086–1090
Wilson, Hon. Kim N., 1064–1069, 1090–1091

Estimates of Revenue and Expenditure for 2019/20—Committee of Supply (continued)

Ministry of Legal Affairs (continued)

Head 04-Attorney General's Chambers

Gordon-Pamplin, Hon. Patricia J., 1093

Pearman, Mr. Scott, 1091–1092

Wilson, Hon. Kim N., 1069–1072, 1092–1093

Head 87-Headquarters

Pearman, Mr. Scott, 1082–1085, 1091

Wilson, Hon. Kim N., 1058–1064, 1085–1086

Ministry of National Security

Head 06-Defence

Caines, Hon. Wayne, 799–802, 833–843

Dunkley, Hon. Michael H., 825–827

Smith, Mr. Ben, 815–818

Head 07-Bermuda Police Service

Caines, Hon. Wayne, 802–805, 833–843

Dunkley, Hon. Michael H., 827–830

Smith, Mr. Ben, 818–820

Head 12-Customs

Caines, Hon. Wayne, 805–807, 833–843

Dunkley, Hon. Michael H., 830

Smith, Mr. Ben, 820–821

Head 25-Department of Corrections

Caines, Hon. Wayne, 807–813, 833–843

Dunkley, Hon. Michael H., 830–832

Head 27-Department of Immigration

Caines, Hon. Wayne, 1293–1295, 1298–1302, 1304–1305, 1306–1310, 1311–1313, 1314–1315, 1316–1320

Cannonier, Hon. L. Craig, 1303–1304, 1308, 1313–1314, 1315–1316

Famous, Mr. Christopher, 1308

Gordon-Pamplin, Hon. Patricia J., 1297–1298, 1300, 1305–1306, 1308, 1309, 1311, 1317, 1320

Richards, Mr. Sylvan D., Jr., 1295–1297, 1299, 1305–1306, 1310, 1311

Smith, Mr. Ben, 1301, 1302, 1310

Head 45-Bermuda Fire and Rescue Service

Caines, Hon. Wayne, 813–814, 833–843

Dunkley, Hon. Michael H., 832

Smith, Mr. Ben, 821–822

Head 83-Headquarters

Atherden, Hon. Jeanne J., 799

Caines, Hon. Wayne, 796–799, 833–843

Dunkley, Hon. Michael H., 822–825

Smith, Mr. Ben, 814–815

Ministry of Public Works

Head 36-Headquarters

Atherden, Hon. Jeanne J., 1238, 1252

Burch, Lt. Col. Hon. David A., 1213–1217, 1245–1251, 1252–1253

Cannonier, Hon. L. Craig, 1221–1233

Gordon-Pamplin, Hon. Patricia J., 1251–1252

Estimates of Revenue and Expenditure for 2019/20—Committee of Supply (continued)

Ministry of Public Works (continued)

Head 53-Bermuda Housing Corporation

Atherden, Hon. Jeanne J., 1236–1238

Burch, Lt. Col. Hon. David A., 1217–1221, 1239–1245

Cannonier, Hon. L. Craig, 1233–1236, 1239

Gordon-Pamplin, Hon. Patricia J., 1236, 1238–1239

Ministry of Tourism and Transport

Head 30-Marine and Ports Services

DeSilva, Hon. Zane J. S., 902–904, 915–918

Scott, Hon. Leah K., 908–910, 914–915

Head 34-Transport Control Department

Cannonier, Hon. L. Craig, 913–914

DeSilva, Hon. Zane J. S., 904–906, 915–918, 919, 920

Scott, Hon. Leah K., 910–912, 918, 919, 920

Head 35-Department of Public Transportation

DeSilva, Hon. Zane J. S., 906–908, 915–918

Scott, Hon. Leah K., 912–913

Head 48-Headquarters

Atherden, Hon. Jeanne J., 744–745, 747, 751, 754

Cannonier, Hon. L. Craig, 746–747

DeSilva, Hon. Zane J. S., 732–738, 745–746, 748, 752–753, 754, 755

Dunkley, Hon. Michael H., 743–744, 746, 748, 749, 750

Furbert, Hon. Wayne L., 751

Jackson, Ms. Susan E., 754, 755

Scott, Hon. Leah K., 738–743, 748, 751, 754, 755

Scott, Mr. W. Lawrence, 753–754

Non-Ministries

Head 63-Parliamentary Registrar

Atherden, Hon. Jeanne J., 1329, 1330, 1331–1332

Brown, Hon. Walton, 1320–1322, 1328, 1330, 1331, 1332, 1333

Cannonier, Hon. L. Craig, 1323–1327, 1331

Famous, Mr. Christopher, 1332–1333

Furbert, Hon. Wayne L., 1329, 1332

Gordon-Pamplin, Hon. Patricia J., 1328

Pearman, Mr. Scott, 1327–1328, 1329–1330, 1332

Head 98-Information Commissioner's Office

Brown, Hon. Walton, 1320

Report, 790, 868, 920, 993, 1132, 1254, 1351

European Union (EU)

Blacklisting of Bermuda by (See Adjournment, Motions Thereon)

European Union and Bermuda—Bermuda Meets the Required Standard (See Statements by Ministers and/or Junior Ministers)

Tax Listing (See Statements by Ministers and/or Junior Ministers)

Exchange Control Amendment Regulations 2018 (See Papers and Other Communications to House)

Exempted Partnerships Amendment Act 2019 (See Bills)

F

Famous, Mr. Christopher

Adjournment, Motions Thereon

Bermudian workforce, empowering of, 1285–1288

Congratulatory and/or Obituary Speeches, 794, 885, 1187, 1291, 1392–1393

Estimates of Revenue and Expenditure for 2019/20

Ministry of National Security

Head 27-Department of Immigration, 1308

Non-Ministries

Head 63-Parliamentary Registrar, 1332–1333

Liquor Licence Amendment Act 2019, 1399–1400

Premier's Question Time

King's Wharf, progress of engineers working at, 879

Stamp Duties Amendment Act 2019, 1270

UK's attempted intervention into Bermuda's domestic affairs and report/recommendations with respect to OTs, rejection of, 1460–1463

Financial Services Tax Amendment Act 2019 (See Bills)

FinTech Memorandums of Understanding update (See Premier's Question Time)

Foggo, Hon. Lovitta F.

Budget Statement and Reply 2019/20, Debate thereon, 702–705

Community and Cultural Affairs Programmes, update, 602–605

Congratulatory and/or Obituary Speeches, 884–885, 1387–1388

Employment (Protected Disclosures) Order 2019, 922, 923

Estimates of Revenue and Expenditure for 2019/20

Ministry of Labour, Community Affairs and Sport

Head 20-Department of Youth, Sport and Recreation, 1098–1103, 1122–1124, 1125, 1126, 1131

Head 52-Department of Community and Cultural Affairs, 1103–1109, 1128, 1129

Head 60-Department of Workforce Development, 1109–1117, 1130

Foreign Currency Purchase Tax Amendment Act 2019 (See Bills)

Furbert, Hon. Wayne L.

Budget Statement and Reply 2019/20, Debate thereon, 638–645

Customs Duty

(BELCO North Power Station) Remission Order 2019, 1370

(Bermuda Tourism Authority) Remission Order 2018, 1370

(FryDays Bermuda Limited) Remission Order 2018, 1370

Customs Tariff

Amendment Act 2019, 1420–1422

Amendment (No. 2) Act 2019, 1429–1430, 1433–1434

Standing Authorisation (Temporary Importation of Vessels, Aircraft and Transport Containers) Amendment Notice 2019, 1370

Estimates of Revenue and Expenditure for 2019/20

Ministry of Tourism and Transport

Head 48-Headquarters, 751

Non-Ministries

Head 63-Parliamentary Registrar, 1329, 1332

Exchange Control Amendment Regulations 2018, 1370

Exempted Partnerships Amendment Act 2019, 1276

Financial Services Tax Amendment Act 2019, 993–994, 999–1000

Foreign Currency Purchase Tax Amendment Act 2019, 1001–1002, 1010–1013

Government Fees Amendment Regulations 2019, 1277–1278

Furbert, Hon. Wayne L. (continued)

Hotels (Temporary Customs Duty Relief) Amendment Act 2019, 1015, 1016
Land Tax Amendment Act 2019, 1356–1358, 1361–1362
Miscellaneous Taxes Amendment Act 2019, 1255–1256, 1257–1258
Payroll Tax Amendment Act 2019, 1265, 1266
Restaurants (Temporary Customs Duty Relief) Amendment Act 2019, 1017
Revenue (Customs Traveller Declaration) Amendment Notice 2018, 1370
Revenue (Simplified Entry Inwards) Humanitarian Aid Amendment Notice 2019, 1370
Stamp Duties Amendment Act 2019, 1267–1269, 1272–1273
Supplementary Estimates (No. 3) 2017/18, 1439–1440, 1441

Furbert, Mrs. Tinee

Budget Statement and Reply 2019/20, Debate thereon, 713–716
Congratulatory and/or Obituary Speeches, 621, 731, 933

G**Gaming**

Bermuda Casino Gaming Commission, update (See Statements by Ministers and/or Junior Ministers)

Gang Prevention in Primary Schools (See Statements by Ministers and/or Junior Ministers)

Good Governance (Protected Disclosures) Order 2019 (See Orders)

Gordon-Pamplin, Hon. Patricia J.

Adjournment, Motions Thereon

Professional Services/Consultants and Advisors, 1042–1044

Bermuda Tourism Authority Amendment Act 2019, 1260

Budget Reply 2019/20, 627–638

Congratulatory and/or Obituary Speeches, 616–617, 1389–1390

Customs Tariff

Amendment Act 2019, 1411–1412

Amendment (No. 2) Act 2019, 1430–1431

Dental Practitioners Amendment Act 2019, 1353–1354

Estimates of Revenue and Expenditure for 2019/20

Cabinet and Government Reform

Head 43-Department of Information and Digital Technologies, 1346–1347

Ministry of Health

Head 21-Headquarters, 953–955, 956–963

Head 22-Department of Health, 963–966, 978–981, 988, 991

Head 24-Hospitals, 966–967, 978, 983, 988, 990, 992

Head 55-Financial Assistance, 967–970

Head 91-Health Insurance, 970–973

Ministry of Home Affairs

Head 32-Department of Planning, 1201, 1203

Head 79-Department of Environment and Natural Resources, 1209

Ministry of Labour, Community Affairs and Sport

Head 20-Department of Youth, Sport and Recreation, 1121–1122, 1124–1125, 1126, 1131

Head 52-Department of Community and Cultural Affairs, 1127–1128

Head 60-Department of Workforce Development, 1129–1130

Ministry of Legal Affairs

Head 04-Attorney General's Chambers, 1093

Head 23-Department of Child and Family Services, 1095

Gordon-Pamplin, Hon. Patricia J. (continued)

Ministry of National Security

Head 27-Department of Immigration, 1297–1298, 1300, 1305–1306, 1308, 1309, 1311, 1317, 1320

Ministry of Public Works

Head 36-Headquarters, 1251–1252

Head 53-Bermuda Housing Corporation, 1236, 1238–1239

Non-Ministries

Head 63-Parliamentary Registrar, 1328

Financial Services Tax Amendment Act 2019, 995–996

Foreign Currency Purchase Tax Amendment Act 2019, 1002–1005

Government Fees Amendment Regulations 2019, 1278–1281

Hotels (Temporary Customs Duty Relief) Amendment Act 2019, 1015

Land Tax Amendment Act 2019, 1359–1360

Liquor Licence Amendment Act 2019, 1403

Miscellaneous Taxes Amendment Act 2019, 1256–1257

Municipalities Reform Act 2019, 1149–1153

Payroll Tax Amendment Act 2019, 1266

Question Period

Bermuda College Students, Financial Support 2018/19, 615, 616

Bus Service update, 1382, 1384, 1386

Disaster Risk Reduction and Mitigation Team update, 611, 612, 613

Drones, No-fly Zone, 1379, 1380

European Union and Bermuda-Bermuda Meets the Required Standard, 1054, 1055

European Union Tax Listing, 1056

Plan 2020-Strategic Plan for Public School Education, update, 1382

Restaurants (Temporary Customs Duty Relief) Amendment Act 2019, 1017

Stamp Duties Amendment Act 2019, 1269–1270

Supplementary Estimates (No. 3) 2017/18, 1440

Government Fees Amendment Regulations 2019 (See Papers and Other Communications to House)

Government Loans (Suspension of Annual Contribution to Sinking Fund) Order 2019 (See Papers and Other Communications to House)

Government Reform Strategic Plan (See Statements by Ministers and/or Junior Ministers)

H

Hotels (Temporary Customs Duty Relief) Amendment Act 2019 (See Bills)

I

Information Commissioner's Office

2018 Annual Report (See Papers and Other Communications to House)

Financial Statements 2016 and 2017 (See Papers and Other Communications to House)

Inter-Island Communications Contract (See Premier's Question Time)

J

Jackson, Ms. Susan E.

Employment (Protected Disclosures) Order 2019, 923

Estimates of Revenue and Expenditure for 2019/20

Cabinet and Government Reform

Head 13-Post Office, 855–856, 858, 859, 867, 868

Head 26-Department of Human Resources, 861, 864

Head 51-Department of Communications, 852–854, 855

Head 61-Department of Employee Organisational Development, 864–865

Head 80-Office of Project Management and Procurement, 865

Jackson, Ms. Susan E. (continued)

Ministry of Health

Head 55-Financial Assistance, 990–991, 992

Ministry of Tourism and Transport

Head 48-Headquarters, 754, 755

Foreign Currency Purchase Tax Amendment Act 2019, 1005–1006

Municipalities Reform Act 2019, 1162–1164

Premier's Question Time

Inter-Island Communications Contract, 880

Stamp Duties Amendment Act 2019, 1270

K

King's Wharf, progress of engineers working at (See Premier's Question Time)

L

Land Tax Amendment Act 2019 (See Bills)

Liquor Licence Amendment Act 2019 (See Bills)

Lister, Mr. Dennis III, Congratulatory and/or Obituary Speeches, 618

M**Message to Senate**

Appropriation Act 2019, 1352

Ming, Mrs. Renee

Congratulatory and/or Obituary Speeches, 624, 792, 883, 932

Municipalities Reform Act 2019, 1137–1141

Ministers and Members of the Legislature

(Salaries and Pensions) Act 1975 (See Motions)

Salaries Review Board, update (See Statements by Ministers and/or Junior Ministers)

Miscellaneous Taxes Amendment Act 2019 (See Bills)

Moniz, Hon. Trevor G.

Adjournment, Motions Thereon

EU Blacklisting of Bermuda, 1025

Budget Statement and Reply 2019/20, Debate thereon, 645–651

Congratulatory and/or Obituary Speeches, 623

Motions

Estimates of Revenue and Expenditure for 2019/20, approval of

Dickinson, Hon. Curtis L., 626

Ministers and Members of the Legislature (Salaries and Pensions) Act 1975

Burt, Hon. E. David, 1292

Ministers and Members of the Legislature (Salaries and Pensions) Act 1975 Be Revoked

Burt, Hon. E. David, 1445

UK's attempted intervention into Bermuda's domestic affairs and report/recommendations
with respect to OTs, rejection of

Brown, Hon. Walton, 1452–1454

Burt, Hon. E. David, 732, 1445–1449, 1470–1471

Cannonier, Hon. L. Craig, 1449–1451

Commissioning, Mr. Rolfe, 1457–1460

DeSilva, Hon. Zane J. S., 1451–1452

Famous, Mr. Christopher, 1460–1463

Scott, Hon. Michael J., 1454–1457

Simmons, Hon. Jamahl S., 1469

Simmons, Mr. Scott, 1467–1469

Swan, Mr. Hubert (Kim) E., 1463–1467

Tyrrell, Mr. Neville, 1469–1470

Municipalities Reform

Act 2019 (See Bills; See Statements by Ministers and/or Junior Ministers)

Municipal Reform (Municipalities Reform Act 2019) (See Premier's Question Time)

O

OBA's Divisive Politics (See Adjournment, Motions Thereon)

Orders

Employment (Protected Disclosures) Order 2019

Foggo, Hon. Lovitta F., 922, 923

Jackson, Ms. Susan E., 923

Pearman, Mr. Scott, 922–923

Simmons, Mr. Scott, 923

Good Governance (Protected Disclosures) Order 2019

Brown, Hon. Walton, 921

P

Papers and Other Communications to House

Bermuda Drug Information Network (BerDin) 2018 Annual Report, 1289

Bermuda Educators Council (Exemption) (2018 to 2019 School Year) Amendment Order 2019, 871

Bermuda Housing Trust Financial Statements year ending 31 March 2018, 1049

Bermuda Immigration and Protection (Land-Holding Charges) Amendment Regulations 2019, 597

Customs Duty

(BELCO North Power Station) Remission Order 2019, 1370

(Bermuda Tourism Authority) Remission Order 2018, 1370

(FryDays Bermuda Limited) Remission Order 2018, 1370

Customs Tariff Standing Authorisation (Temporary Importation of Vessels, Aircraft and Transport Containers) Amendment Notice 2019, 1370

Exchange Control Amendment Regulations 2018, 1370

Government Fees Amendment Regulations 2019, 929

Government Loans (Suspension of Annual Contribution to Sinking Fund) Order 2019, 1049

Information Commissioner's Office

2018 Annual Report, 1369

Financial Statements 2016 and 2017, 1370

Revenue

(Customs Traveller Declaration) Amendment Notice 2018, 1370

(Simplified Entry Inwards) Humanitarian Aid Amendment Notice 2019, 1370

Supplementary Estimates (No. 3) for Financial Year 2017/18, 1289

Pastor Leroy Bean's Salary (See Adjournment, Motions Thereon)

Pearman, Mr. Scott

Budget Statement and Reply 2019/20, Debate thereon, 697–702

Congratulatory and/or Obituary Speeches, 1186, 1388

Employment (Protected Disclosures) Order 2019, 922–923

Estimates of Revenue and Expenditure for 2019/20

Ministry of Legal Affairs

Head 03-Judiciary, 1086–1090

Head 04-Attorney General's Chambers, 1091–1092

Head 23-Department of Child and Family Services, 1093–1094, 1095–1096

Head 87-Headquarters, 1082–1085, 1091

Non-Ministries

Head 63-Parliamentary Registrar, 1327–1328, 1329–1330, 1332

Pearman, Mr. Scott (continued)

- Exempted Partnerships Amendment Act 2019, 1276
- Financial Services Tax Amendment Act 2019, 994
- Foreign Currency Purchase Tax Amendment Act 2019, 1005
- Land Tax Amendment Act 2019, 1360–1361
- Liquor Licence Amendment Act 2019, 1395–1396
- Municipalities Reform Act 2019, 1168
- Premier's Question Time
 - Department of Child and Family Services Abuse, investigation report, 879
- Proceeds of Crime Amendment Act 2019, 925
- Stamp Duties Amendment Act 2019, 1269
- Plan 2020-Strategic Plan for Public School Education, update (See Statements by Ministers and/or Junior Ministers)

Premier's Question Time

- Airport terminal construction, Bermudians working on
 - Burgess, Hon. Derrick V., Sr., 878
- Civil Service salary increase
 - Simons, Mr. N. H. Cole, 880
- Department of Child and Family Services Abuse, children not interviewed
 - Cannonier, Hon. L. Craig, 875, 876
- Department of Child and Family Services Abuse, investigation report
 - Pearman, Mr. Scott, 879
- FinTech Memorandums of Understanding update
 - Dunkley, Hon. Michael H., 876, 877
- Inter-Island Communications Contract
 - Jackson, Ms. Susan E., 880
- King's Wharf, progress of engineers working at
 - Famous, Mr. Christopher, 879
- Municipal Reform (Municipalities Reform Act 2019)
 - Cannonier, Hon. L. Craig, 873, 874
- Sex offenders, longer jail terms for
 - Cannonier, Hon. L. Craig, 875

Q**Question Period**

- Bermuda Casino Gaming Commission, update
 - Dunkley, Hon. Michael H., 608, 609
 - Simons, Mr. N. H. Cole, 607, 608
- Bermuda College Students, Financial Support 2018/19
 - Gordon-Pamplin, Hon. Patricia J., 615, 616
 - Simons, Mr. N. H. Cole, 615
- Bus Service, update
 - Atherden, Hon. Jeanne J., 1385
 - Cannonier, Hon. L. Craig, 1383
 - Gordon-Pamplin, Hon. Patricia J., 1382, 1384, 1386
 - Swan, Mr. Hubert (Kim) E., 1386
- Child Care Oversight and Regulation
 - Simons, Mr. N. H. Cole, 881
- Consultants/Advisors paid for by Government
 - Cannonier, Hon. L. Craig, 931
 - Dunkley, Hon. Michael H., 930, 931

Question Period (continued)

Disaster Risk Reduction and Mitigation Team update

Atherden, Hon. Jeanne J., 613, 614

Dunkley, Hon. Michael H., 611, 612, 613

Disaster Risk Reduction and Mitigation Team update (continued)

Gordon-Pamplin, Hon. Patricia J., 611, 612, 613

Simons, Mr. N. H. Cole, 614, 615

Smith, Mr. Ben, 610, 611

Drones, No-fly Zone

Cannonier, Hon. L. Craig, 1378, 1379

Gordon-Pamplin, Hon. Patricia J., 1379, 1380

Smith, Mr. Ben, 1379

European Union and Bermuda- Bermuda Meets the Required Standard

Cannonier, Hon. L. Craig, 1054

Gordon-Pamplin, Hon. Patricia J., 1054, 1055

European Union Tax Listing

Cannonier, Hon. L. Craig, 1055

Gordon-Pamplin, Hon. Patricia J., 1056

FinTech consultants

Dunkley, Hon. Michael H., 729

Municipalities Reform Act 2019

Cannonier, Hon. L. Craig, 609, 610

Plan 2020-Strategic Plan for Public School Education, update

Atherden, Hon. Jeanne J., 1381, 1382

Gordon-Pamplin, Hon. Patricia J., 1382

Simons, Mr. N. H. Cole, 1381

R

Rabain, Hon. Diallo V. S.

Bermuda College Students, Financial Support 2018/19, 606–607

Bermuda Educators Council (Exemption) (2018 to 2019 School Year) Amendment Order 2019, 871

Budget Statement and Reply 2019/20, Debate thereon, 676–679

Congratulatory and/or Obituary Speeches, 619–620, 882

Customs Tariff Amendment (No. 2) Act 2019, 1431–1432

Estimates of Revenue and Expenditure for 2019/20

Ministry of Education

Head 16-Headquarters, 756–757, 768, 784–788, 789

Head 17-Department of Education, 757–763, 784–788

Head 18-Department of Libraries and Archives, 763–764, 784–788

Head 41-Bermuda College, 764–767, 784–788

Foreign Currency Purchase Tax Amendment Act 2019, 1007–1008

Plan 2020-Strategic Plan for Public School Education, update, 1374–1377

Supplementary Estimates (No. 3) 2017/18, 1440

Racism in Bermuda (See Adjournment, Motions Thereon)

Regulations

Bermuda Immigration and Protection (Land-Holding Charges) Amendment Regulations 2019

Caines, Hon. Wayne, 1254

Richards, Mr. Sylvan D., Jr., 1254

Regulations (continued)

Government Fees Amendment Regulations 2019

Caines, Hon. Wayne, 1282–1284

Furbert, Hon. Wayne L., 1277–1278

Gordon-Pamplin, Hon. Patricia J., 1278–1281

Roban, Hon. Walter H., 1282

Scott, Mr. W. Lawrence, 1281

Restaurants (Temporary Customs Duty Relief) Amendment Act 2019 (See Bills)

Revenue

(Customs Traveller Declaration) Amendment Notice 2018 (See Papers and Other Communications to House)

(Simplified Entry Inwards) Humanitarian Aid Amendment Notice 2019 (See Papers and Other Communications to House)

Richards, Mr. Sylvan D., Jr.

Adjournment, Motions Thereon

Professional Services/Consultants and Advisors, 1033–1034

Bermuda Immigration and Protection (Land-Holding Charges) Amendment Regulations 2019, 1254

Estimates of Revenue and Expenditure for 2019/20

Ministry of Home Affairs

Head 32-Department of Planning, 1196–1197

Head 79-Department of Environment and Natural Resources, 1203, 1205–1206, 1207–1208

Ministry of National Security

Head 27-Department of Immigration, 1295–1297, 1299, 1305–1306, 1310, 1311

Municipalities Reform Act 2019, 1135–1137

Roban, Hon. Walter H.

BELCO, Government's policy directions regarding sale of, 1370–1372

Congratulatory and/or Obituary Speeches, 621, 1186, 1387

Estimates of Revenue and Expenditure for 2019/20

Ministry of Home Affairs

Head 32-Department of Planning, 1188–1190, 1198–1200, 1202–1203

Head 79-Department of Environment and Natural Resources, 1190–1196, 1203–1204, 1208–1210, 1211–1213

Head 89-Department of Energy, 886–890, 893, 894–896, 896–898, 899–901

Government Fees Amendment Regulations 2019, 1282

Information Commissioner's Office 2018 Annual Report, 1369

Information Commissioner's Office Financial Statements 2016 and 2017, 1370

Municipalities Reform Act 2019, 601–602, 1132–1135, 1179–1180

S

Scott, Hon. Leah K.

Budget Statement and Reply 2019/20, Debate thereon, 674–676

Congratulatory and/or Obituary Speeches, 730

Estimates of Revenue and Expenditure for 2019/20

Ministry of Home Affairs

Head 89-Department of Energy, 890–891, 893, 896, 901

Ministry of Tourism and Transport

Head 30-Marine and Ports Services, 908–910, 914–915

Head 34-Transport Control Department, 910–912, 918, 919, 920

Head 35-Department of Public Transportation, 912–913

Head 48-Headquarters, 738–743, 748, 751, 754, 755

Scott, Hon. Michael J.

Adjournment, Motions Thereon

Professional Services/Consultants and Advisors, 1041–1042

Congratulatory and/or Obituary Speeches, 623–624, 731

Financial Services Tax Amendment Act 2019, 998–999

Liquor Licence Amendment Act 2019, 1398–1399

Municipalities Reform Act 2019, 1164–1168

UK's attempted intervention into Bermuda's domestic affairs and report/recommendations
with respect to OTs, rejection of, 1454–1457

Scott, Mr. W. Lawrence

Congratulatory and/or Obituary Speeches, 882, 1186–1187

Estimates of Revenue and Expenditure for 2019/20

Ministry of Tourism and Transport

Head 48-Headquarters, 753–754

Government Fees Amendment Regulations 2019, 1281

Sex offenders, longer jail terms for (See Premier's Question Time)

Simmons, Hon. Jamahl S.

Adjournment, Motions Thereon

Professional Services/Consultants and Advisors, 1023–1025

Budget Statement and Reply 2019/20, Debate thereon, 661–665

Congratulatory and/or Obituary Speeches, 620–621

Estimates of Revenue and Expenditure for 2019/20

Cabinet and Government Reform

Head 51-Department of Communications, 851–852, 854–85, 860, 861

Liquor Licence Amendment Act 2019, 1396–1397

UK's attempted intervention into Bermuda's domestic affairs and report/recommendations
with respect to OTs, rejection of, 1469

Simmons, Mr. Scott

Adjournment, Motions Thereon

Pastor Leroy Bean's Salary, 1040

Professional Services/Consultants and Advisors, 1038–1040

Congratulatory and/or Obituary Speeches, 620

Employment (Protected Disclosures) Order 2019, 923

UK's attempted intervention into Bermuda's domestic affairs and report/recommendations
with respect to OTs, rejection of, 1467–1469

Simons, Mr. N. H. Cole

Bermuda Tourism Authority Amendment Act 2019, 1260–1261

Budget Statement and Reply 2019/20, Debate thereon, 665–671

Congratulatory and/or Obituary Speeches, 619, 1291

Estimates of Revenue and Expenditure for 2019/20

Ministry of Education

Head 16-Headquarters, 767–769

Head 17-Department of Education, 770–781

Head 18-Department of Libraries and Archives, 782–783

Head 41-Bermuda College, 781–782

Municipalities Reform Act 2019, 1141–1145

Premier's Question Time

Civil Service salary increase, 880

Question Period

Bermuda Casino Gaming Commission, update, 607, 608

Bermuda College Students, Financial Support 2018/19, 615

Simons, Mr. N. H. Cole (continued)

Question Period (continued)

Child Care Oversight and Regulation, 881

Disaster Risk Reduction and Mitigation Team update, 614, 615

Plan 2020-Strategic Plan for Public School Education, update, 1381

Stamp Duties Amendment Act 2019, 1270–1272

Smith, Mr. Ben

Budget Statement and Reply 2019/20, Debate thereon, 689–692

Congratulatory and/or Obituary Speeches, 620

Estimates of Revenue and Expenditure for 2019/20

Ministry of Labour, Community Affairs and Sport

Head 20-Department of Youth, Sport and Recreation, 1117–1121, 1124, 1125, 1126, 1131

Head 52-Department of Community and Cultural Affairs, 1128–1129

Ministry of National Security

Head 06-Defence, 815–818

Head 07-Bermuda Police Service, 818–820

Head 12-Customs, 820–821

Head 27-Department of Immigration, 1301, 1302, 1310

Head 45-Bermuda Fire and Rescue Service, 821–822

Head 83-Headquarters, 814–815

Question Period

Disaster Risk Reduction and Mitigation Team update, 610, 611

Drones, No-fly Zone, 1379

Statements by Ministers and/or Junior Ministers

BELCO, Government's policy directions regarding sale of, 1370–1372

Bermuda Casino Gaming Commission, update, 598–601 (*See also* Question Period)

Bermuda College Students, Financial Support 2018/19, 606–607 (*See also* Question Period)

Bermuda Housing Trust Audited Financial Statements 2017/18, 1053

Bermuda Police Service 2019 Recruitment, 1052

Bermuda Police Service Recruit Foundation Course 79, passing out parade, 1372–1373

Bus Service update, 1377–1378 (*See also* Question Period)

Child Care Oversight and Regulation, 871–873 (*See also* Question Period)

Community and Cultural Affairs Programmes, update, 602–605

Disaster Risk Reduction and Mitigation Team update, 605–606 (*See also* Question Period)

Drones, No-fly Zone, 1373–1374 (*See also* Question Period)

European Union and Bermuda—Bermuda Meets the Required Standard, 1050 (*See also* Question Period)

European Union Tax Listing, 1051–1052 (*See also* Question Period)

Gang Prevention in Primary Schools, 791–792

Government Reform Strategic Plan, 598

Ministers and Members of the Legislature Salaries Review Board, update, 1290

Municipalities Reform Act 2019, 601–602 (*See also* Question Period)

Plan 2020-Strategic Plan for Public School Education, update, 1374–1377 (*See also* Question Period)

Professional Services/Consultants and Advisors-Revised Construct, 929–930 (*See also* Question Period)

Supplementary Estimates (No. 3) for Financial Year 2017/18, 1290

Supplementary Estimates (No. 3) for Financial Year 2017/18 (See Papers and Other Communications to House; Statements by Ministers and/or Junior Ministers)

Swan, Mr. Hubert (Kim) E.

Budget Statement and Reply 2019/20, Debate thereon, 651–655

Congratulatory and/or Obituary Speeches, 617–618, 730, 793, 933, 1187

Estimates of Revenue and Expenditure for 2019/20

Ministry of Home Affairs

Head 79-Department of Environment and Natural Resources, 1208, 1211

Foreign Currency Purchase Tax Amendment Act 2019, 1008–1010

Miscellaneous Taxes Amendment Act 2019, 1257

Municipalities Reform Act 2019, 1145–1149

Question Period

Bus Service, update, 1386

UK's attempted intervention into Bermuda's domestic affairs and report/recommendations with respect to OTs, rejection of, 1463–1467

T

Tyrrell, Mr. Neville S.

Congratulatory and/or Obituary Speeches, 793–794, 883–884, 932, 1291, 1391–1392

UK's attempted intervention into Bermuda's domestic affairs and report/recommendations with respect to OTs, rejection of, 1469–1470

W

Weeks, Mr. Michael A., Congratulatory and/or Obituary Speeches, 618–619, 1388–1389

Wilson, Hon. Kim N.

Bermuda Drug Information Network (BerDin) 2018 Annual Report, 1289

Budget Statement and Reply 2019/20, Debate thereon, 671–674

Child Care Oversight and Regulation, 871–873

Customs Tariff Amendment Act 2019, 1409–1411, 1425–1426

Dental Practitioners Amendment Act 2019, 1353, 1354

Estimates of Revenue and Expenditure for 2019/20

Ministry of Health

Head 21-Headquarters, 934–941, 955, 982–986

Head 22-Department of Health, 941–946, 991, 992

Head 24-Hospitals, 946–949, 986, 987–988, 992

Head 55-Financial Assistance, 949–951, 988–990, 991

Head 91-Health Insurance, 951–953

Ministry of Legal Affairs

Head 03-Judiciary, 1064–1069, 1090–1091

Head 04-Attorney General's Chambers, 1069–1072, 1092–1093

Head 23-Department of Child and Family Services, 1072–1082, 1094, 1096, 1097

Head 87-Headquarters, 1058–1064, 1085–1086

Liquor Licence Amendment Act 2019, 1393–1395, 1403–1404

Proceeds of Crime Amendment Act 2019, 924, 925

Dates of Sittings:

01 March 2019

Pages in Hansard:

597–728 (Vol 1.)

04 March 2019

729–790 (Vol. 1)

06 March 2019

791–870 (Vol. 1)

08 March 2019

871–928 (Vol. 1)

11 March 2019

929–1048 (Vol. 1)

13 March 2019	1049–1184 (Vol. 2)
15 March 2019	1185–1288 (Vol. 2)
18 March 2019	1289–1368 (Vol. 2)
22 March 2019	1369–1474 (Vol 2)