



Statement

by

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Junior Minister for Health and Cabinet

UPDATE ON GAMING

22ND JULY 2020

Madame President, as I undertook at the last day of meeting, I am pleased to provide the Senate with an update on gaming and the work of the Bermuda Casino Gaming Commission (“the Commission”).

Madame President, Senators will have noted from the Order Paper that I will today introduce a Bill to make the Commission responsible for all forms of gaming in Bermuda. A cursory review of that Bill will show how many different pieces of legislation and departments of government have something to do with different forms of gaming. All of this will now be under one roof and will promote greater efficiency and certainty in how gaming is regulated in Bermuda. It will also change the name of the Bermuda Casino Gaming Commission to the Bermuda Gaming Commission, in recognition of its new broader remit for all forms of gaming.

I would like to take this opportunity to provide a brief overview for the Senate of the high priority areas when it comes to the development of gaming in Bermuda.

Correspondent Banking

Madame President, The Senate was made aware earlier this year regarding significant progress made with two major stakeholders who have agreed to support cashless casino gaming. Both of these stakeholders have completed their necessary steps and a potential operator is engaged in final conversations with an on island financial institution. We are hopeful that this will be able to progress to completion and I want to thank the Minister of Finance for his work to move this matter close to completion. The reason why the Minister of Finance held the gaming portfolio was due to the fact that the number one issue delaying a gaming industry in Bermuda was the ability to bank the proceeds of gaming.

Chief Executive Recruitment

Madame President, a priority for the Commission has been the recruitment of a Chief Executive. The Senate may recall that the Commission engaged the services of Price Waterhouse Coopers executive search in January of this year.

A shortlist of twelve (12) international candidates was compiled. I can confirm that a preferred candidate has been identified and terms are being reviewed. I am advised and expect that the post will be filled later this year.

Protection of the Vulnerable

Madame President, one of the questions posed in the House of Assembly on July 3rd was the request for an update on the current state of social responsibility initiatives. Such initiatives are critical and should be embedded across all gaming

sectors. The Problem Gaming Council have been active with providing oversight of initiatives to ensure the protection of the vulnerable and have been engaged in developing the following initiatives:

- 1) A Prevalence study - establishing a baseline of empirical data and research regarding current gaming habits of Bermudian residents.
- 2) Exclusion Program - the review of social responsibility codes, particularly those on family and self-exclusion.
- 3) Public Awareness Campaign - the Council will be commencing a public awareness messaging campaign that emphasizes responsible gambling. The campaign will see the Council broaden its outreach through various social, print and broadcast media.

Training Opportunities for Bermudians

Madame President, the casino gaming sector will provide job opportunities for Bermudians in a variety of roles ranging from dealers to directors, surveillance to senior cashiers or as diverse as pit bosses to primary game technology officers.

Training will be made available for Bermudians at all levels of the industry. This is a critical component of any development of casino gaming in Bermuda.

The importance of training and potential employment opportunities is further echoed by the mandate from the Bermuda Casino Gaming Commission to potential operators who must, as part of their Request for Proposal information, state their intent regarding potential roles which can be filled by Bermudians. More specifically, potential operators are required to address how this can be achieved and over what time frame.

In order to develop an effective training regime for Bermudians in the industry, the Commission in collaboration with the Bermuda College and potential operators has previously engaged on a training framework which will accompany the opening of a Casino.

Madame President, Senators will recall the suggestions of some adverse impact on the operations of the Commission in the areas of training and problem gaming, made in the course of the Senate's consideration of those Regulations which allowed for the Minister to make changes to the existing fee structure.

Madame President, I can confirm that this change will not have a material effect for three reasons: -

- 1) Firstly, potential operators are readily willing to collaborate with on island training stakeholders to ensure Bermudians are provided bespoke gaming skills in this area; and
- 2) The ongoing training of local counsellors and faith-based leaders has continued to ensure that a cohort of professionals achieve their International Certified Gambling Counsellor (ICGC 1) accreditation. The final phase of training to prepare professionals for international certification will commence in August for an eight-week period. Upon successful completion, participants will be internationally certified and be able to practice under the umbrella of the Allied Health Council and the Bermuda Addiction Certification Board.
- 3) The costs of training Bermudian clinicians to deal with current problem gaming has already been absorbed by the Bermuda Casino Gaming Commission.

So, **Madame President**, for those who believe that the change made at the last sitting will jeopardize training and the necessary social protections, I'm pleased to advise the Senate that those matters will not be affected.

Fiscal management

Madame President, Senators will recall that as part of the 2020 - 2021 Budget grant funding was not provided to the Commission. I can advise the Senate that draft audited financials for the fiscal year ended 31 March, 2019 resulted in expenditure of around \$2.1m - against a budget of \$3.3m. This result means the Commission spent \$1.2m less than what was originally intended. I publically wish to thank the Commission's team for their continued fiscal management.

Next Steps

Madame President, as I indicated previously, in addition to a change of responsibility for the betting sector from the Betting Licensing Authority, the remit of the Commission is now proposed to include other areas of gaming such as Cruise Ship Casinos, Raffles, Lotteries and Crown & Anchor that require regulatory oversight.

The Commission will continue to consult with local stakeholders and work through matters related to the operational transfer of these areas over the summer.

Madame President, the principal Act and Regulations in this area provide the framework for the development of casino gaming and will now afford others in the gaming sector the ease of having one regulator. But as the remit expands so must the potential for positive impact on the community.

Therefore **Madame President**, the Premier has indicated to Cabinet that he will shortly invite their consideration of a proposal that formed part of the initial debate on gaming for Bermuda from the 2010 Green Paper. That proposal was to commit a portion of the fees and other revenue raised, now by the Commission, to support things like sports development, the arts, healthcare initiatives and education. There are successful models in other countries and he is confident that we can devise the same for Bermuda.

Madame President, in closing, As we work to rebuild our economy from the ravages of a once in a century pandemic, a well-regulated local gaming industry will be one more avenue to assist in creating jobs, spurring economic activity and providing resources to support vital community activities. The bill will assist this country in fulfilling those important objectives.

Thank you **Madame President**.