



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

**2 October 2019**

*Sitting number 22 of the 2018/19 Session  
(pages 655–674)*

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

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**BERMUDA SENATE****OFFICIAL HANSARD REPORT****2 OCTOBER 2019****10:04 AM***Sitting Number 22 of the 2018/19 Session*

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

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

**PRAYERS**

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

**CONFIRMATION OF MINUTES***[Deferred]*

**The President:** The Minutes of the 30<sup>th</sup> of September, 2019.

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

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

**Sen. James S. Jardine:** Madam President, I move that the Minutes of the meeting of Monday, the 30<sup>th</sup> of September 2019, be deferred.

**The President:** Is there any objection to that motion?  
No objection.  
The Minutes of the 30<sup>th</sup> of September 2019 are deferred.  
Thank you, Senator Jardine.

**MESSAGES**

**The Clerk:** No messages, Madam President.

**The President:** Thank you, Mr. Somner.

**REPORTS OF COMMITTEES**

**The President:** There are none.

**ANNOUNCEMENTS**

**The President:** There are none.

**NOTICES OF MOTION**

**The President:** There are none.

**PETITIONS**

**The President:** There are none.

**STATEMENTS**

**The President:** There are none.

**INTRODUCTION OF BILLS**

**The President:** There are none.

**FIRST READING OF PUBLIC BILLS**

**The President:** There are none.

**FIRST READING OF PRIVATE BILLS**

**The President:** There are none.

**QUESTION PERIOD**

**The President:** There are none.

**ORDERS OF THE DAY**

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

This Bill, Senator Richardson, please.

*[Inaudible interjection]*

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

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

Good morning to you and to those in the listening audience.

**The President:** Good morning.

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

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

No objection.

## ANNOUNCEMENT BY THE PRESIDENT

### SENATE VISITORS

**The President:** Senator Hayward [*sic*], just before you do, I would just like to acknowledge the presence of members of the Bermuda Monetary Authority.

Welcome to you both.

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

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

## BILL

### SECOND READING

#### ECONOMIC DEVELOPMENT AMENDMENT ACT 2019

**Sen. Anthony Richardson:** Madam President, the purpose of the [\[Economic Development Act 2019\]](#) is to make amendments to the following three Acts:

1. The Economic Development Act 1968, [the principal Act], to permit the Minister responsible for Economic Development to approve approved schemes under the Act subject to the negative resolution procedure and to provide the criteria to which the Minister responsible for Economic Development should have regard in designating a development of an approved scheme under that Act.
2. The second one, Madam President, is the Bermuda Immigration and Protection Act 1956, and regulations made under that Act to permit a restricted person, as defined in that Act, to purchase one or more residential valuation units in an approved residential scheme.
3. The third is the Companies Act 1981 to permit local and exempt companies with a physical presence in Bermuda to acquire and hold residential valuation units in Bermuda.

EEZs [economic empowerment zones] would include North East Hamilton, Somerset and St. George's, by widening the scope of potential investment in the approved schemes.

Madam President, EEZs are designated geographical areas where special programmes are implemented in order to relieve hardship or economic disadvantage, or to assist disadvantaged persons to achieve equal opportunity. An EEZ is achieved through developing and implementing a system of

policies to close the gaps of inequity that exist in certain designated geographical areas in comparison to other areas in Bermuda. The work that takes place in an EEZ is focused on striking a balance between the economic environment, which is economic equality; the social environment, which is access to services; the physical environment, which is high-quality design; and the community environment, which is referred to as good quality of life.

Madam President, the BEDC [Bermuda Economic Development Corporation] was tasked with partnering with others in order to establish and regenerate EEZs across Bermuda. This includes working with key stakeholders to address local community issues, providing economic tools to help local businesses thrive and engaging external partners to invest in these zones.

BEDC, Madam President, over the years has developed various incentives and policy tools aimed at assisting businesses to grow and become more sustainable. However, it is recognised that developing an EEZ is not just focused on business development; it also requires a holistic approach. And that is where the amendments to the Economic Development Act, the Companies Act and the Bermuda Immigration and Protection Act play key roles.

The tabled amendments will accomplish the objectives as set out by the BEDC when the EEZs were created.

Madam President, these amendments are in line with the Government's commitments contained in the 2017 platform, the 2017/18 Throne Speeches and the 2018/19 Budget statement. This includes the objectives of addressing economic inequality, stimulating economic growth and empowering entrepreneurs.

Madam President, let us turn first to the Economic Development Act 1968. Pursuant to existing provisions of the Economic Development Act 1968, a scheme for the economic development of any part of Bermuda may be approved in principle by both Houses of the Legislature. Alternatively, the Minister responsible for the Bermuda Economic Development Corporation would approve in writing a scheme for economic development in an EEZ where a business or property was situated in an EEZ, or where any of the concessions specified in the Act may be granted to that business, or owner of such property, where an approved scheme existed in respect of the EEZ and the owner of the business or property had agreed to implement or was implementing the approved scheme.

Madam President, the proposed amendments to streamline the process will repeal and replace section 2 of the Act so that the Minister responsible for Economic Development may approve any scheme for the economic development of any part of Bermuda, including the EEZs, subject to the negative resolution procedure. This will now require gazetting in the Offi-

cial Gazette, which will bring further transparency and certainty to the process.

Madam President, to summarise, the proposed amendments to the Act permit the Minister responsible for Economic Development to approve any approved schemes across the Island under the Act. Madam President, the Act is currently silent on the criteria to which the Minister responsible should have regard in designating a development of an improved scheme under the Act. Therefore, amendments set out the said criteria, which shall be included in all applications to the Minister. The criteria address whether or not the proposed developer or owner has had historic economic ties to or derived benefits from the subject property or proposed approved scheme. There will also be policy guidelines to reflect the objectives of this criteria and to ensure that there is compliance and fairness in the process.

Madam President, the amendments will clarify section 6 of the [principal] Act in relation to the holding or acquisition of land. Both local and exempted companies will be able to hold and acquire approved [residential] valuation units with the consent of the Minister of Finance in a similar way to the holding of tourism units.

Madam President, now I would like to focus on provisions in the Companies Act 1981. In its current form, section 120 of the Companies Act 1981, which is the acquisition of land by local companies, specifies methods in which local companies can presently hold land. It is now proposed that the Companies Act 1981 be amended to permit local companies with a physical presence in Bermuda, and with the consent of the Minister of Finance, to take land in Bermuda that forms part of an approved residential scheme by way of lease or letting agreement for a term not exceeding 131 years. This would be consistent with provisions that currently exist in the Companies Act applying to tourism units.

Madam President, section 129 of the Companies Act 1981, which is restriction on acquisition of property, similarly sets out the manner in which exempted companies may acquire or hold land in Bermuda. It is now proposed to amend this section of the Companies Act to permit exempted companies with a physical presence in Bermuda, and with the consent of the Minister of Finance, to also acquire or hold land in Bermuda that forms part of an approved residential scheme for a term not exceeding 131 years, by way of lease or tenancy agreement. This further solidifies consistency with the current provisions that exist in the Companies Act 1981 applying to tourism units.

Madam President, essentially, [clause 6 (1)(b) of the Bill, inserts section 120 (5A) which] amends the Companies Act 1981 to permit local companies and exempted companies to acquire or hold land forming part of an approved residential scheme. In the Government's efforts to further stimulate the economy, the amendments to the Companies Act increase potential

participants in the approved residential scheme, and in doing so further diversify the scope of potential demand for residential units in an approved scheme.

Madam President, lastly, I would like to turn to provisions within the Bermuda Immigration and Protection Act 1956. Proposed amendments will be made to the Immigration and Protection Act to remove the restrictions on purchasing residential units within any economic empowerment zone. The amendments permit a restricted person, as defined by that Act, to purchase any unit forming part of an approved scheme without restriction.

The restrictions as currently prescribed by the Immigration [and Protection] Act on the purchase of freehold property, condominiums and tourist accommodations, and on the rental of property, would now not apply with this amendment.

Madam President, the current restrictions on the sale and purchase of land have contributed to the real estate market's resistance to market forces, creating artificial price points at various ARV [annual rental value] levels. Additionally, in the absence of greater access to capital, more equitable banking practices and with increased emigration, the restrictions on the ability of restricted persons to purchase residential units in Bermuda has had no discernible benefit to either the market or the purported aim of protecting land for Bermudians.

Madam President, in the 2018/19 Budget statement it was stated, "It is essential that we have more people living and working in Bermuda. . . . It is prudent to incentivise additional development within the City of Hamilton, which will reduce future traffic congestion and strain on our road infrastructure."

The Economic Development Act will now dis-apply Part VI such that, for the purposes of ensuring good title, approval of an approved residential scheme shall not be withdrawn so that title to any unit purchased will not be restricted or otherwise affected by the immigration status of the purchaser who may be a restricted person.

Madam President, the Bill also provides for certain developments which existed before the commencement of this [amendment] Act to be included in any changes made to the Act. Madam President, a development consisting wholly or part of residential valuation units in an economic empowerment zone which, before the commencement of this Act, was either approved as an approved scheme or was implementing an approved scheme in the economic empowerment zone shall be deemed to be an approved residential scheme so that the amendments made by this Bill to the principal Acts, the Bermuda Immigration and Protection Act 1956 and the Companies Act 1981 shall apply accordingly.

In closing, Madam President, North East Hamilton from the early 1900s became the hub of the black experience, where professionals prospered and began to build legacies. St. George's, as our founding

capital settled in 1612, laid the foundation for our Island's continual development and growth. Somerset also has a long and rich history, and its families have played a vital role in Bermuda's development since 1840. Since that time these areas, like many others, have simply been unable to keep pace with the economic and social changes of the country. Yet, these areas have maintained a strong sense of identity and have a rich blend of cultures, commerce and industry. This Government believes that, with the right blend of legislation and policies, the EEZs can enjoy economic growth and success, which will also inject the Island of Bermuda with the same.

Thank you, Madam President.

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

## ANNOUNCEMENT BY THE PRESIDENT

### SENATE VISITORS

**The President:** And before I open the floor to Senators, I would just like to acknowledge the presence of the Minister of Tourism and Transport, Minister Zane De Silva, who is in the Gallery; and Mrs. Lorraine Welch, who is the Deputy Chief Parliamentary Counsel, who just stepped out for a minute.

*[Economic Development Amendment Act 2019, second reading debate, continuing]*

**The President:** Would any Senator care to speak on this Bill?

Senator Kempe, you have the floor.

**Sen. Nicholas Kempe:** Thank you, Madam President. And thank you, Senator Richardson.

I am a little uncertain as to what the purpose of this Bill is, Madam President. On the one hand, the Government is talking about the strong sense of identity of the economic empowerment zones and talking about the need to drive economic growth and needing more people in Bermuda. But all this Bill seems to do is shift the shells around. This does not drive people to come to Bermuda. It may drive people to come to the EEZs. And at least when I was chairing the Bermuda Economic Development Corporation, the goal was always to uplift the existing residents of the EEZs by driving business development into those areas—the strong sense of culture and, as Senator Richardson put it, North East Hamilton being an area noted for the black experience in the City of Hamilton.

But what this Bill seems to do is gentrify the economic empowerment zones. And for those who are not familiar with the definition of “gentrification,” it is the process of renovating and improving a house or district so that it conforms to middle-class taste. The exemptions in this Bill are towards landholding by permit companies and international business. It lowers

the threshold for purchase by guest workers. So, we have got on the one hand, and this is a little bit where the irony is, a Government that is stalling the most basic of immigration reform; but on the other hand saying, *But your money is good enough.*

It would seem that the Bermuda Housing Corporation's scheme to develop low-income housing has been abandoned, and instead, those guest workers who are here are being encouraged to displace families who live in the economic empowerment zones through purchase of housing or through companies who have guest workers to be able to build developments where they can house their guest workers. Again, it would be an erosion of the strong sense of identity that the economic empowerment zones have.

And as I said, it feels to be a bit more of a shell game. The EEZs, as the name suggests, should be about empowerment, not displacement, as a way to drive up the average income, average business activity levels of these neighbourhoods.

So, we have got on top of that . . . there are all sorts of tax relief already in the economic empowerment zones, such as we have got deferral of customs duty for these capital developments. So, it is going to be even easier for people who have access to this capital to have a financial advantage to renovate or to purchase these properties over people who have a long-standing connection to these neighbourhoods.

So, whilst I commend the idea to allow guest workers to further cement their connection to Bermuda financially, it seems at odds with the absolute stagnation on the comprehensive immigration reform front, and it also seems somewhat at odds with the spirit and the philosophy of the economic empowerment zones when they were set up.

Thank you, Madam President.

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

Would any other Senator care to speak?  
Senator Jardine, you have the floor.

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

Well, I certainly have a contrary view to my colleague on the left. The whole purpose of these zones was to give the owners of property in those areas an opportunity to participate in what is the Bermuda dream, or was the Bermuda dream, in terms of being able to get a fair return for the property which many of them have held on to for many, many years. So, I see this as an opportunity, perhaps, to see some development in that part of Hamilton, for example, and the other parts of Bermuda that have been mentioned.

It is somewhat at odds with the current immigration policy. But I am ever hopeful that the current Government will look at the current immigration policy, which they have said they will do. And we will see some changes there so that we can encourage more development in Bermuda, more people coming to

Bermuda, bringing business with them and jobs with them in particular. So, I see this as a step forward as opposed to a step back.

So, I am in favour of this legislation; I just want to make that clear.

I had one question, maybe it is just a point of clarification in some respects, with clause 4, [proposed] section 2AB. It says there, "(1) Notwithstanding the provision of Part VI of the Bermuda Immigration and Protection Act 1956 (protecting land in Bermuda for Bermudians), and regulations made under that Act, a restricted person may hold and acquire one or more residential valuation units . . ." I guess the point of clarification I am looking for is, will those individuals need to apply for alien licences as non-Bermudians do of property which they are able to buy at the moment?

And the reason I say that is because, certainly during my time when we were on the Efficiency Committee looking at the process of alien licences being granted, there were huge time delays. And I heard as recently as the day before yesterday of another case that has been sitting for months and months and months. And so, I think if this is going to have any momentum, the process of granting permissions and licences needs to be addressed and, should we say, speed up the process. Otherwise, people will lose interest and not really want to be part of that. So, that is a question I have of that.

Thank you very much, Madam President.

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

Would any other Senator care to speak on this Bill?

Senator Jones, you have the floor.

**Sen. Marcus Jones:** Good morning, Madam President.

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

**Sen. Marcus Jones:** Good morning to my fellow colleagues. And good morning to the listening audience.

As I took a look at this particular amendment, there were a number of questions that came to mind, some things that I believe that need to be considered. I also realise that, with Bermuda's economy the way it is right now and the Premier and his Cabinet are, by and large, being, shall we say, pressured to do something to stimulate the economy, I can understand why the Government has put forth this particular legislation.

But in going over this Bill, I thought it would be very helpful if I went right back to the original intent of the economic empowerment zone because we have been made aware of a particular statement that is pretty common: *For everything there is a purpose*. When a purpose is not known, abuse, malfunction or dysfunction is inevitable. And if we stray away from

the original mandate for anything, then there are certain possible unintended consequences that can materialise.

If I may, Madam President, if I could just read a line from the Bermuda Economic Development Corporation website—

**The President:** You may.

**Sen. Marcus Jones:** —in regard to the economic empowerment zones?

**The President:** You may, Senator Jones.

**Sen. Marcus Jones:** "The Bermuda Economic Development Corporation aims to create opportunities for area residents, as well as property and business owners so they can better access resources that will rejuvenate and regenerate these areas, while not displacing the current area population." That last particular phrase, I believe, is pertinent as we approach this amendment.

Now, we see on the amendment, [clause 4, proposed] section 2AB where it states that "a restricted person may hold and acquire one or more residential valuation units in an improved residential scheme without any other restrictions that would otherwise be imposed by or under that Act."

Now, I was curious. This particular phrase is sort of new to me. And that phrase is "restricted person." So, to our listening audience, who may be like me when you first encountered this particular phrase, *What do they mean by a restricted person?* Well, in this case, in the event of an individual, a restricted person is anyone who does not possess a Bermudian status. In the case of a corporation, it is an exempt company, as defined in the Companies Act 1981, and in the case of partnerships, a group of persons who do not have Bermudian status. I think it is important to understand that.

But getting back to the original line, "while not displacing the current area population," I believe that was one of the strong building blocks for the mandate for the EEZs. And we know that, historically, persons within these particular zones had been disadvantaged economically. And this was the Government's attempt to open up the economic opportunities for those who have been historically disadvantaged.

Now, my concern when we have now rolled out the welcome mat for those restricted persons is that these area residents—and I would say most of them are small businesses—will now be competing with deep pockets, companies with sophisticated expertise. My concern is that we do not want to displace or push out those who have been there all this time. We know that by definition these exempt companies are high-net-worth entities. And if the intent of the original mandate of the economic empowerment zone was to help those who had been disadvantaged, one

would find it very difficult to be able to categorise the companies that dot along the City of Hamilton, some of which are Fortune 500 companies . . . you would be hard-pressed to call them “disadvantaged.”

Again, straying away from the original mandate of anything organisation, corporation, can cause unintended consequences. We know and we have seen examples of places, jurisdictions away from Bermuda that have . . . as my colleague, Senator Kempe, stated, you were able to see gentrification in different jurisdictions, where good intentions were laid out to give a hand-up to those who had been, or areas that had been previously hard-done-by. We find that things come up that were never intended that actually displaced those who were originally set to benefit from it.

Now, another quote from off the website of the Bermuda Economic Development Corporation, Madam President, if I may, says that “the BEDC offers a variety of programmes to encourage development of small businesses in Bermuda.” Now, the operative words there are “small businesses.” Again, that was part of the building plank and foundation of the EEZ. I would submit to you, Madam President, that there is going to be a number of large companies that are going to be coming and throwing their hat into the ring. One could even anticipate a situation where the sharks will be entering into the goldfish pool, where our fellow Bermudians who have been trying to get a leg up on the economic pie may feel, to some degree, overmatched by others who are coming into their particular area.

One thing of note is that any company that comes and wants to be a part of this will have the opportunity to enjoy some of the products that the Bermuda Economic Development Corporation offers to those small businesses, to those persons who have been disadvantaged. We think about the payroll concessions Bill—they will be able to take advantage of that. They will be able to get customs duty deferment. They will be able to take advantage of preferential rates. So, we are looking at deep-pocket companies being able to get all the benefits of the small man on the street who is trying to make inroads on that economic pie. I think, once again, it veers away from the original mandate of the economic empowerment zone.

Now, I am sure many of you here in this Senate Chamber and those of you in the listening audience are familiar with the transformation of Harlem in New York. I remember as a teenager I would go to New York to see my father. Now, we are talking about the 1970s, so this is a little while back. And my father would take us right through Harlem. And I was able to experience first-hand an area that was depressed, an area that had gone through some hard times. The buildings and the layout of that particular area in New York, you would not say was of the best condition. But what made it so attractive was its culture, was the environment that had been cultivated by certain people

from distant lands, from all over America, who had made that area, Harlem, their home.

Now, a little bit of data just to bring this example to bear here, Harlem was originally populated by the Germans, the Italians, and the Jews in the 1800s. Then we find, by the 1920s, the West Indians came into Harlem. The Puerto Ricans came in 1950. And then by 1980, we saw the West Africans immigrate into that little borough there in New York. Then the powers that be had the idea that they would ramp up and improve the architecture, the streets, the buildings and all those things that would make Harlem a far more pleasant place to live and to work. We found that in 1990, there were 672 whites who actually lived and were resident right there in Harlem—in 1990. By the year 2000, there were 2,200 whites who now had moved, living in Harlem. By 2008, there were 13,800 whites who had now moved into that area called Harlem.

You may ask, *What is the significance of those statistics?* Well, those statistics show very clearly that with the improvement of the area, with the influx of capital, what was found was that the culture and the life of the former residents of that particular area were moved out. French restaurants, German beer gardens replaced barbershops. And all those types of commercial entities that are part and parcel to the black community all of a sudden vanished. Prices of rental properties, the price of purchasing these properties went up. What in fact happened was that the original residents who lived there were forced out—not by a gun, not by legislation, but pricing, by the market. It forced them out, and they were actually displaced.

If you went down to Harlem now, you would love it. It is beautiful. It is a wonderful place to stay. But you will not see the original residents who had made their homes there [living] there right now.

What does that mean to us in Bermuda? It means that we need to tread very carefully. Although this particular amendment did not provide us with additional guidelines that the Minister will use in deciding which of these entities will be able to enter into these investment schemes for residential units, it is something that we as a Government, or the Government in place now, will have to pay very close attention to. As much as we do need economic stimulus, as much as that area, those areas, both in North East, North Hamilton, and Somerset and in St. George’s could do well with an injection of capital improvement, we do not want to see those areas go the way like Harlem is today. We want to make sure that our people who are there have every opportunity to either thrive, to be able to invest in their neighbourhood.

You know, sometimes, as legislators we make decisions. We craft legislation that solves an immediate problem, but does not look long-range down the road. We know that economies endure recessions. We experience booming times. My question would be,

if we see an influx of this additional sector within our community that spends money and takes over to a large degree swathes of property in the economic empowerment zones, and then our economy turns around, and then our people have sufficient funds to be able to invest in their neighbourhoods, they will look around and they will not see any opportunity.

So, yes, we fully understand the need for economic stimulus. But we need to tread very lightly and keep our hands on the reins very tightly to make sure that, as we look to improve these economic empowerment zones, understanding that it is not just the geographical physical zones that we are talking about, but we are talking about the people who actually live there, the people who work there, the people who have spent several generations building up their families, building up their commercial enterprises . . . we want to make sure that their culture, their way of life is not displaced amidst the injection of capital funding and investments in that area.

Thank you, Madam President.

## ANNOUNCEMENT BY THE PRESIDENT

### SENATE VISITOR

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

And before I open to any other Senator, I would just like to acknowledge the presence of Ms. Erica Smith from the Bermuda Economic Empowerment Zones, who is now in the Chamber.

Welcome to you, ma'am.

*[Economic Development Amendment Act 2019, second reading debate, continuing]*

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

Senator Campbell has raised his hand first.  
You have the floor, Senator Campbell.

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

Madam President, in reviewing this Bill, it took me back to days of some may say old, some may say better times, when we are talking about the economic empowerment zones. And I am going to focus primarily on North East Hamilton because I have greater knowledge about that area as opposed to St. George's and Somerset.

Many will remember the days when Hubie's was rammed to capacity, people enjoying themselves. Going to the Fish Hut for a nice lunch. A&J's Variety, [PHONETIC] the Co-Op. Madam President, you may have even bought a pair of bell-bottoms from the Freedom Suite; I do not know. But these are businesses that found it impossible to keep their doors open.

You have other businesses, Swinging Doors, Place's Place, Spinning Wheel, Universal Barber

Shop. I used to get a haircut there a long time ago. Fish N Tings, Jamaican Grill, Soul Food, DeGraff's—these are all businesses that have managed to hold on. And I say "hold on," Madam President, because North East Hamilton does not benefit from the foot traffic that the stores on Front Street and Reid Street benefit from. You have relatively newer establishments. Newer, I say, [because] they are an establishment that has long been rooted in North East Hamilton.

And I will declare my interest; I am the President of this organisation, Young Men's Social Club, ventured out a couple of years ago. They saw the need for something new in the area and renovated their club and formed the Blue Diamond Lounge. The challenge we have is attracting people. We do not get the tourists directed to North East Hamilton as we did in the past. So, I am saying that to set the stage for my comments here today.

Madam President, what we have here today are legislative amendments, along with proposed policy that will facilitate diversity and inclusion, as opposed to gentrification. The vast majority of properties within the EEZs are owned by Bermudians. The issue that they have, Madam President, is gaining access to financing and investment to improve the conditions of their property and, hence, the conditions within the EEZ that they own property within.

Madam President, it is anticipated that the investment and developer agreements that the Minister will sign as part of these approved schemes, will ensure a diversity of residential units at various price points. Affordability will be factored into the schemes.

Madam President, it is also known and well documented that communities thrive when they have a diversity of businesses. Homogeneous areas do not experience the same level of economic development and vitality as areas that are more diverse physically, socially and economically. Madam President, the intent is to facilitate property owners' access to investment and capital to improve and expand what they have. The intent is to create new opportunities and not take away from what exists. New businesses, new residences, new residents, new activities, more visitors, greater opportunities—and that cycle can continue, Madam President, indefinitely with all benefiting.

Senator Jones mentioned his Harlem experience. I too, in my travels, have seen how old Colonial cities that were crime-ridden, rundown, places you would not want to be in the daytime, let alone at night, received outside investment. And as a result of that outside investment, they experienced rejuvenation. They are now safe not only in the daytime, [but] any time at night. They have thriving businesses and communities. Agreed, they do become the much-sought-after areas. There is nightlife, restaurants. Maybe here in Bermuda we can see the return of a Hubie's and a time when the streets of North East Hamilton are full during the evening hours, as well as

the day, with people shopping, looking for something to do, somewhere to eat.

The tabled amendments, Madam President, will potentially—I would say *will*—provide a stimulus and incentives to do the same for the economic empowerment zones as has happened in these old Colonial cities that I have seen. Along with that will come more people, more businesses, and upgrades to the infrastructure. And this, Madam President, can only be good for the property owners, the residents and those who work and operate businesses in those areas.

Thank you, Madam President.

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

And, Senator Richardson . . . Senator Hayward, I am sorry. You have the floor.

**Sen. Jason Hayward:** Madam President.

**The President:** Good morning.

**Sen. Jason Hayward:** I concur fully with the statements made by Senator Campbell. I could not disagree more with the statements made by the representatives of the One Bermuda Alliance this morning. This word, “gentrification,” and then we heard a definition that said, *an aim or attempt to make an area look as though it is middle-class or has middle-class features*. As opposed to what, Madam President?

As opposed to what? A poor black area?

What we are talking about is an area or areas which black businesses have historically had their residences, areas whose heyday has now come and gone. Now we are talking about opportunity and investment for those areas. And we are spending time, the Opposition is spending time scaremongering in terms of the displacement of residents in the area instead of the positive benefits of having more traffic in those areas, greater investment in those areas.

If you look at North Hamilton, Back o’ Town in particular, there are a number of properties for sale. These properties are probably some of the lowest-valued properties on the market. And they cannot sell. Madam President, some of these properties have been for sale for years at well below market rates. And they cannot sell. I ask us, *What are we protecting?* It is clear the area is in need of investment. It is clear what this Bill aims to do, which is to provide opportunity and investment for the area.

I fully support this piece of legislation. And I am sure that the businesses that will have increased residential traffic in the area will also support this legislation. Madam President, if we look at the modernisation of cities worldwide, a key component of that modernisation is having residential sectors and hubs. We complain about the property value across the country. We complain about Bermudians not being able to find houses which are affordable to rent. But if we create housing hubs in the city, those housing

hubs go up. They do not take up large amounts of land. They take up what I call *sky space*, something we are not averse to selling.

And if we have larger concentration of workers working in the City of Hamilton, it has huge economic benefits for the rest of the country. When we talk about traffic getting into the city, when we are talking about the opportunity it will create for excess housing throughout the rest of the Island if more and more of our guest workers live directly in the city.

But I cannot, and we cannot, underscore [too much] the value that it will bring to the community to have increased traffic, a level of diversification, a level of inclusion. What is happening in our EEZs currently is simply not good enough. And so, I am pleased to support this legislation presented by the Progressive Labour Party Government.

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

Would any other Senator care to speak on this Bill?

Senator Robinson, you have the floor.

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

I believe that diversity and economic stimulus are, by all means, something that everyone here wants to see. However, the issue is it is not scaremongering for the One Bermuda Alliance to want to make sure that that success and economic stimulus reflects our people. It is a lot of times where in the EEZs . . . what is to protect these businesses from being undercut by larger corporations? What is to protect the cultural and community ties of these communities? I believe if you have an open gate where you allow more foreign investment in, it would be nice to also hear on the other side more investment into the culture and community aspect of those particular zones.

So, to not repeat the hesitation of my colleagues, I will end it there. Thank you, Madam President.

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

Would any other Senator care to speak on this Bill?

Senator Caesar, you have the floor. I beg your pardon. (I have difficulty with the high chairs.)

Senator Richardson, then, it is over to you. You have a couple of questions.

**Sen. Anthony Richardson:** Madam President, unless I am mistaken, there was actually only one question from all the comments, which came from Senator Jardine. And his question related to, Will the potential purchasers require an alien licence? And the answer, I understand, is no.

And if I may, Madam President, I want to preface the rest of my comments around the fact that

sometimes I get hungry. And on a Friday night and Saturday sometimes, it is late, and what do I do? I stay down in Smith's. I drive to Court Street to get some jerk chicken, sometimes at 12:00–1:00 in the morning. And people might say, *Why do you even . . .* Because that is where I get, in my mind, the best jerk chicken in Bermuda, price-wise, taste-wise, and the whole nine yards. So, having said that, this is part of the culture that even this amendment or this Act seeks to maintain.

But also, what I want to say is that we seem to, in Bermuda, for various reasons, dance around what is reality. And the reality is that this amendment really seeks to correct the past inefficiencies or prejudices or whatever you want to call it around availability of finance for black people. And so, in the majority of the EEZs, you will find that the properties are in fact owned by black individuals. And sometimes, in many cases actually, if you trace the ownership, it goes back several generations.

And what I want to emphasise is that in the current amendment, right, I did speak already in the brief in terms of there will be policy guidelines that are given out to assist persons who are making application in these areas. And what is intended is that the proposed policy supporting legislative amendments counteracts the forces in terms of what we are talking about now. You see, it is not about gentrification or anything like that. Instead, when the Minister considers applications, he will give regard to things such as the following: Is the developer or the proposed developer and/or owner . . . have they had any historic interest in the property within the City of Hamilton or the EEZ?

So, it is not going to be a matter of a brand-new person, for example, being able to come in and get these benefits without the Finance Minister's concurrence. So, it is not this freewheeling willy-nilly sort of thing. It is going to be a controlled or a properly evaluated opportunity before the decision is made in terms of who can and who cannot engage in these developments.

The other one would be whether the proposed developer and/or the owner had benefited from the grant of any tax or duty relief from the Government of Bermuda pursuant to an exemption provided to any sector. So, there will be considerations in terms of the history of the person or the actual developer. And the other one is whether the proposed developer and/or owner, being a person who has held historic interest or benefited as set out in (1) and (2) above, has partnered in the proposed development with an individual who has not had the benefit set out above and demonstrates an absence of historic wealth or business benefit.

So, in summary, it is not as if the goal is to simply, say, have new persons, new entities, come in and buy up everything, and then the benefit comes with development. The idea actually is to ensure or to

encourage a partnership. And so, in the instance whereby, let us say if Anthony has a property in the EEZ, I do not have access necessarily to the capital that is required to build a substantial unit. And so, you may come in as a foreign entity, whether it be an individual or a company, and partner with Anthony to make this happen. And so, in doing so, what should happen is the existing owner should benefit from this process. And I think that is a necessary clarity so that we do not think of it as the whole Back o' Town EEZ area is going to be transformed by persons entirely absent from the existing owners. This is actually critical.

In addition to that, what we may have missed is that the Minister, in having the ability to grant the approval, could easily look for mixed-use development. And so, it is not as though you come in and suddenly build, like, a new apartment block, for example, with all high-end units. The Minister, in his discretion, can mandate that the lower levels, for example, could be commercial—i.e., for businesses. And then within the residential units, he could mandate that there be mixed values, if you will, so that you get a mixed clientele.

And as persons have said before, it is to everyone's advantage in terms of . . . you cannot have a non-diverse development and expect for there to be an advantage under what is intended by this Act. And so, I want to make sure that we understand that. And, too, for anyone to try to characterise this as being misdirected or otherwise, clearly there is a lack of understanding.

And I did take, Madam President, the opportunity to listen to the debate that took place in the other place. And it is interesting that there was a general level of support for what is being proposed in the other place. Yes, there were some comments in terms of being mindful of the potential for persons who are there now to be displaced; I mean, that is a reality, that there will be some movement. But, as Senator Hayward said, we have to also recognise that right now in Bermuda there is a significant challenge in finding reasonably priced accommodations for rent in the studio, one- and two-bedroom sector. And so, market forces, if this works the way it is intended, should allow where some of the persons who currently occupy residences that are not in the EEZ will move there. And therefore, there will be less demand for the places that are outside the EEZ. And therefore, there should be a drop in rents, speaking to standard market forces.

Clearly, what is proposed is not a science. And so, no one can speak and say, *This will definitely happen or not happen*. But we have to understand that this is what is being proposed now to allow for these things to take place and ultimately to benefit what the Government wants to do, which is to allow for the EEZ areas to be developed, but to the benefit of those who currently own.

And by way of, I guess, comment for those in the listening audience, there would be the . . . there might be the eagerness, for example, to simply sell everything. But there has to also be the understanding that there is a greater benefit in actually partnering with rather than selling. And we may all be familiar with an example that happened probably in the past 10 years or so in that there was a development taking place in the EEZ, in Hamilton. And the developer wanted to, essentially, buy up the block. And one family which I am aware of decided not to do that because they wanted to retain the ownership themselves of their unit as opposed to selling. And so, the developer had to then design a building around that household. And the household is still there, actually. And because they understood that, there would have been a better benefit of partnering with the developer as opposed to selling to the developer because the developer did not want to partner. So, therefore, they had to make that adjustment.

And so, I think this is an opportunity for Bermudians and especially those who own property in the EEZs to really maximise the value of their properties, going forward, by partnering with whoever might come in and seek to do some development.

Again, as I said earlier, and others indicated also, a lot of times when new ideas are presented, the first thing people do is go to the negative as opposed to looking at the positive and being constructive. And so, yes, you may indicate certain things to be aware of, but do not emphasise those. In this instance, I am speaking of the idea of *gentrification* in that it is a word that is just sometimes being tossed around without the appropriate context. And I know that, you know, given the ease of information now . . . we just google everything. We say, *Okay, fine*. We google and find the answers. *Okay, well, fine. This is what it is*—not, again, understanding the entire context.

And so, Madam President, I would just like to emphasise one more time the fact that this is actually an excellent idea. It is an out-of-the-box idea, to be honest. And it is now up to us to ensure that the intended benefits are actually realised by those whom we expect to benefit from this process. Thank you.

**The President:** Thank you, Senator Richardson. You may now move your second reading.

**Sen. Anthony Richardson:** Yes. Sure.

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

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

No objection.

Carry on, Senator.

## SUSPENSION OF STANDING ORDER 26

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

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

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

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

## BILL

### THIRD READING

#### ECONOMIC DEVELOPMENT AMENDMENT ACT 2019

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

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

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

No objection.

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

I move that the Bill do now pass.

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

Is there any objection to that motion?

No objection. The Bill is passed.

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

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

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

**The President:** We will now move on to the [Order] No. 2 on the Orders of the Day. And that is the Digital Asset Business Amendment Act 2019.

Senator Campbell, it is your Bill. You have the floor.

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

Madam President, I move that the Bill entitled the Digital Asset Business Amendment Act 2019 be now read a second time.

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

No objection. Carry on, Senator Campbell.

**BILL****SECOND READING****DIGITAL ASSET BUSINESS  
AMENDMENT ACT 2019**

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

Madam President, I am pleased to present to the Senate the Bill entitled the [Digital Asset Business Amendment Act 2019](#).

The purpose of the Bill is to amend the Digital Asset Business Act 2018 (the Act) to provide for new categories of digital asset businesses together with other prudential matters. Madam President, the Act sets down a supervisory framework for the oversight of digital asset business providers. Key components of the framework provide for matters related to corporate governance, customer protection, cybersecurity, as well as supervision and enforcement.

Madam President, Senators are advised that while the framework has only been operational with effect from September 2018, the rapidly evolving nature of the digital asset industry requires that there is constant monitoring and adjustments to the legislative framework, in order for it to continue to be fit for purpose.

Madam President, the substantive amendments proposed today include expanding the scope of coverage to include other forms of digital asset exchanges. Senators are advised that the Act has been interpreted to exclude digital asset derivative exchanges. As such, it is proposed to amend the Act accordingly to remove this gap.

Additionally, Madam President, section 10 of the Act will be amended to capture persons who are carrying on business in Bermuda as a digital asset trust service provider. The purpose of this amendment is to ensure that trust companies that act as a fiduciary, or trustee, of digital assets must have the requisite specialist skills. Accordingly, such persons will be required to obtain a licence or they will be required to engage a qualified custodian recognised by the Bermuda Monetary Authority.

Madam President, the other amendments to the Act are not deemed as substantial. These include, for example, the additional amendment to certain definitions which are intended to provide greater clarity and enhance the operation of the Act.

With those introductory remarks, Madam President, I now welcome comments from my fellow Senators. Thank you, Madam President.

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

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

**Sen. Nicholas Kempe:** We understand that this is simply filling in some of the gaps that have been cre-

ated with use cases. And we have no issue with this Bill.

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

Would any other Senator care to speak on this Bill?

No?

Then, Senator Campbell, it is over to you.

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

I would like to thank my fellow Senators for their support of this Bill.

Madam President, I move that the Bill entitled the Digital Asset Business Amendment Act 2019 be now read a second time.

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

No objection. Carry on, Senator Campbell.

**SUSPENSION OF STANDING ORDER 26**

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

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

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

No objection.

*[Motion carried: Suspension of Standing Order 26]*

**BILL****THIRD READING****DIGITAL ASSET BUSINESS  
AMENDMENT ACT 2019**

**Sen. Vance Campbell:** Madam President, I move that the Bill entitled the Digital Asset Business Amendment Act 2019 be now read a third time.

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

No objection.

Carry on, Senator Campbell.

**Sen. Vance Campbell:** Madam President, I move that the Bill do now pass.

**The President:** It has been moved that the Bill entitled the Digital Asset Business Amendment Act do now pass.

Is there any objection to that motion?

No objection. The Bill is passed.

*[Motion carried: The Digital Asset Business Amendment Act was given a third reading and passed.]*

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

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

**The President:** We now move on to the third item on the Orders of the Day. And that is the Employment (Maternity Leave Extension and Paternity Leave) Amendment Act 2019.

Senator Hayward, it is your Bill. You have the floor.

**Sen. Jason Hayward:** Madam President, I move that the Bill entitled the Employment (Maternity Leave Extension and Paternity Leave) Amendment Act 2019 be now read a second time.

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

## BILL

### SECOND READING

#### EMPLOYMENT (MATERNITY LEAVE EXTENSION AND PATERNITY LEAVE) AMENDMENT ACT 2019

**Sen. Jason Hayward:** Madam President, I am pleased to introduce the Bill entitled the [Employment \[\(Maternity Leave Extension and Paternity Leave\) Amendment Act 2019\]](#).

Madam President, as my Senate colleagues will be aware, the project to modernise Bermuda's labour laws has been ongoing for some time. The provisions of the Employment [(Maternity Leave Extension and Paternity Leave)] Amendment Act are the first of a number of proposed changes to the legislation and fulfil the Government's platform and Throne Speech promise to increase maternity leave and provide for paternity leave for the first time in the legislation. The amendments also provide for flexibility in the use of vacation leave.

Madam President, the provision of maternity and paternity leave is a key element in enabling parents to forge bonds with their babies, and while maternity leave has become standard in most countries around the world, and indeed here in Bermuda, the provision of paternity leave globally has been neglected. Paternity leave helps foster better father/child relationships, and fathers need the chance to adjust to their new addition just as much as mothers.

Madam President, studies have demonstrated increased benefits for children whose mothers have longer periods of maternity leave. Those benefits include better cognitive and academic development, as well as greater health benefits through longer breastfeeding periods. Additionally, maternal health is enhanced, with psychological distress significantly less likely, for mothers who have more paid maternity leave.

Madam President, the Bill seeks to extend maternity leave to 13 paid weeks for employees who have worked for one continuous year. The current allowance for maternity leave is eight weeks paid leave and four weeks unpaid leave. Employees who have not worked for one continuous year will be entitled to 13 weeks of unpaid leave.

Madam President, the Bill also seeks to provide five [paid] days paternity leave for employees who are becoming fathers and who have worked for one continuous year by the expected date of birth. Employees applying for paternity leave must provide a medical certificate certifying the pregnancy and the estimated date of birth.

Madam President, paternity leave may only be taken once in a 12-month period beginning on the date which the child is born and may be used at any point within 14 weeks from that date. This will provide fathers with the flexibility to use their leave when it is most needed, whether that is in the first few days following the birth or in the first week of the mother's return to work.

Madam President, employees who have not worked for one continuous year will be entitled to five days unpaid leave.

Madam President, the [Employment Act \[2000\]](#) currently provides an employee with two weeks' annual paid vacation leave after he or she has completed one year of continuous employment.

Madam President, this Bill seeks to provide a measure of flexibility in the use of the vacation leave, as employees will now be entitled to one week's holiday after the first six months of employment. Madam President, vacations are important for a number of reasons including health and relieving stress, and the entitlement to a week's vacation within an earlier time frame may prevent burnout and optimise a healthy work environment. To be clear, Madam President, the Bill does not provide additional vacation time.

Madam President, the extension of maternity leave and the provision of paternity leave are positive changes for mothers, fathers and babies, and the ability to use a portion of vacation earlier than previously approved may allow for a better work/life balance.

Madam President, as I said earlier, these changes are the first of many, and I look forward to presenting the full gamut of [amendments] to the existing labour laws later in the fall.

Thank you, Madam President.

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

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

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

First of all, I would like to say that we on this side do agree with this legislation. I do have one reservation. As far as in its current state, it could possibly

create a slight barrier for a female to get employed with such a larger percentage of maternity leave compared to that of the father.

So, I did do a little research, and I looked to Scandinavia. And, you know, you have Finland and Iceland, Norway and Sweden, who have a shared parental leave. And I thought, being that we are moving in such a progressive direction, that may be even more progressive as far as allowing each individual couple to divvy up the maternity and paternity leave between them so that it is a bit more catered to different types of households, where you have one with a mother who may be the breadwinner who may have to return to work a little sooner, and the father who may not be a breadwinner who may want to stay home longer. So, I do believe that this would push for a more gender-equal legislation. And I know that, obviously, that is going to take some time.

So, as the Bill stands, it is a good step in the right direction. But I thought I would recommend this particular system. Because of the struggling economic climate, I am worried that certain unscrupulous employers may seek to just opt-out of hiring a certain percentage of women for being liable to this now-increased wage or increased time off. And in Sweden, as far as the parental leave goes, two-thirds is covered by the employer and one-third is covered by government. So, it might be something to consider in that area, as well, being as it is one thing to legislate an increase in time [off] . . . you know, we are not [paying] the bill for it.

So, with those comments, I would like to end it there, Madam President.

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

Would any other Senator care to speak on this Bill?

Senator Jardine, you have the floor.

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

Madam President, I wholeheartedly support this Bill. It is certainly long overdue, I think particularly with respect to paternity leave.

It has been many years since I recall my own children being born. But I was reminded most recently by my daughter, who has just had a child, how important it is for the mother and the father, if they can, to spend time with the child in their early years. I have watched this very closely over the last number of months with my daughter. And it does make an incredible difference, I think, when the mother is able to bond closely with the child for at least a three-month period, if not longer if they can afford to do it. It sets the child, I think, on the right road in terms of its demeanour, its interaction with other people. And I think having the father involved even for a brief period of five days, particularly when the mother just returns

from hospital, is a great step in the right direction. So, I fully support this Bill.

Thank you very much, Madam President.

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

Would any other Senator care to speak on this Bill?

Senator Michelle Simmons, you have the floor.

**Sen. Michelle Simmons:** Thank you, Madam President.

Some folks view maternity leave or paternity leave as detrimental to business. But I really think that if businesses are concerned about the welfare of their employees, they will see maternity and paternity leave in a completely different light, because these leaves enable parents to care for, nurture their children so that when they are at work they can focus on the business at hand.

Senator Hayward has already mentioned some of the advantages of maternity and paternity leave. And I think it is worth stressing the importance of especially the maternity leave, because there are emotional, physical and psychological issues for any mother who has recently given birth to address during the course of the time that she is also trying to care for her newborn, her infant, the child whom she wants to see grow into a healthy, happy young person and, later, an adult. So, women need time to recover.

Also, they do not need the stress of, *Now, how do I pay for . . . How do I keep the household going? How do I do this in terms of finances?* So, paid maternity leave takes that issue away.

I think maternity leave enables businesses to actually retain more female employees because it is natural for women to have children. And therefore, consideration must be given in the workplace to the fact that employers want to retain their employees who have already been exposed to specific on-the-job training, who bring skills to the workplace that the employer needs. And half of those employees will be women. So, this is a way of building loyalty. It is a way of retaining those employees who have already shown their worth to the business.

Of course, there is the most important aspect of maternity leave—the bonding between mother and child; and in the case of bringing the father on board with paternity leave, the bonding of the father with his child. So, obviously, I am in total support of this Bill. I do see it as a first step because I do think it would be advantageous to even go further by way of increasing the length of paternity leave.

I do not know if everyone is aware, but some of our collective bargaining agreements in Bermuda already allow for paternity leave. And there is one that I used to be very familiar with. And I have seen people who have taken advantage of paternity leave come back to work feeling very enthusiastic. They are excit-

ed about the fact that they have had that time, that their employer has given them that time to spend with their newborn. So, paternity leave, definitely, I support it. And I would urge the Government to consider in the future going even further and increasing the amount of time given.

With those comments, I will end. Thank you.

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

## ANNOUNCEMENT BY THE PRESIDENT

### SENATE VISITOR

**The President:** And before I open again to other Senators, I would like to acknowledge the presence of Dr. Anthony Richardson, the Parliamentary Counsel, in the Gallery.

Welcome to you, sir.

*[Employment (Maternity Leave Extension and Paternity Leave) Amendment Act 2019, second reading debate, continuing]*

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

Senator Richardson, you have the floor.

**Sen. Anthony Richardson:** Madam President, I just want to add a few comments, I guess, around the whole idea of maternity and paternity [leave]. And to be honest, speaking from experience, many years ago now—not many, but several years ago now—the ability to actually use paternity leave, we had at that stage five days. And what I was able to do is use, rather than five full days, do five half-days. And so, I just want to add comments to everyone else in terms of the benefit. It was very, very significant because for my wife at that stage, it allowed her to be able to . . . I could be there when she needed me to be there, effectively. And so, she was able to not necessarily have to deal directly with my daughter at that stage, but to be able to have (quote—unquote) some time to herself.

And so, I just want to one more time emphasise the fact that the ability to be with wife or spouse or partner and child at the early stage is tremendous. And I know . . . rather, I also still recall that it assisted me to better understand the value of a child crying as opposed to the irritation of a child crying. As it was explained to me, yes, it may sometimes cause some issues, right? But it allowed the child to develop their lung capacity effectively. So, whether that is technically correct did not matter. It at least gave me a better sense as to how to manage the child crying at that stage. And so, to this day, I still recall those times where it was me and my daughter only, and then developing a bond from that perspective.

And so, clearly, there is the significant benefit to mother and/or father to have as much time as possible to spend with the child at that very, very early stage because it does set the stage for life. Thank you, Madam President.

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

Would any other Senator care to speak on this Bill?

Senator Campbell, you have the floor.

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

Madam President, there is no denying the evidence provided by studies which demonstrate the increased benefits for children whose mothers . . . the longer periods of maternity leave to facilitate that bonding process. There is also no denying the benefits to the mothers themselves who enjoy longer periods of maternity leave.

But for a brief moment, Madam President, I want to change hats. I want to put on my professional hat. But before I do so, I want to state that I am in full agreement and I support increased maternity leave and the establishment of paternity leave benefits under the Act. However, wearing that professional hat, Madam President, what I would have liked to have seen is, particularly when it comes to small businesses when you have a two- or three- or four-man or four-person operation, you are talking a significant percentage of that workforce not being available for 13 weeks now, as opposed to 8. What I would have liked to have seen is for that to be phased in, particularly when I read the first half-a-sentence in the Employment Act, which states (if I can have your indulgence, Madam President to read?)—

**The President:** Certainly you may, Senator Campbell.

**Sen. Vance Campbell:** “Whereas it is expedient to promote the fair treatment of employers and employees by providing minimum standards of employment. . . .” So, what I would encourage for any future amendments is to keep in mind that the Employment Act is designed to provide a minimum standard, not the median or the norm, necessarily. In my understanding, they are not necessarily the same thing.

But more importantly, the legislation that we are discussing today, I would have liked, from the perspective of a small business, to have seen a phasing-in from the eight weeks to the thirteen weeks. But as I said previously (putting back on my Senator hat), I do support the increased maternity leave and the establishment of the paternity leave under the Employment Act. Thank you, Madam President.

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

Would any other Senator care to speak on this Bill?

Senator Kempe, you have the floor.

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

And I will echo my colleague, Senator Robinson's, comments that the OBA wholeheartedly supports the increase in maternity and paternity leave. However, as stated, we would like to see more of a paternal, or, rather, a parental, leave as opposed to a forced maternal-biased type of cover.

One of the questions I have relates to the upcoming basic health insurance expansion of benefits, because as Senator Campbell said, if you are a small business with three or four employees and someone goes out for a third of the year, how does that burden affect your business, both operationally and financially? And it is a little bit easier to provide that cover and to spread it out within a much larger organisation. But the fear is that small business owners will become gun-shy about hiring women who are in the childbearing years.

So, the question is, if this is something that is deemed as a national interest to promote childbirth or the quality of childbirth, given our population numbers, is this not something that, in part or in whole, should be borne through some form of government subsidy, as Senator Robinson [mentioned], is the case in many of the parental leave schemes in Canada and some of our Nordic countries? So, again, the question is, is this feature to be part of the basic health insurance to spread the financial pain, per se, across all businesses as opposed to just those who happen to hire more women in childbearing years? Thank you.

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

Would any other Senator care to speak on this Bill?

No? Then I just have a couple of comments, myself.

I am a midwife of many years in a past life. And I can tell you that, you know, carrying a child for nine months, people just take it for granted today. But you have nine months. And sometimes, the women have a normal delivery. And sometimes, they have a Caesarean section. And sometimes, they will have, maybe in their last trimester of their pregnancy, they may have some issues—high blood pressure or whatever. So, I am saying that when the child is born, the woman needs a lot of time, time for herself and also time for the child.

We are so very concerned about family. And my own view is that this Bill is long coming. And I am glad to see it here. I am also very pleased to see that there is paternity leave, because I think during that period following childbirth, the mother needs a lot of attention, a lot of help. Sleeplessness . . . can you imagine the child, the baby crying at night and she has already given birth? She is exhausted physically. And then she has to deal with the child. So, having that additional help of the father of the child with her is absolutely critical.

So, I am overjoyed to support this legislation, to support the legislation [regarding] the fathers being involved. And I, too, would like to see some extension in that regard.

I do understand the concern that has been expressed about small businesses. But we are a society who should be very concerned about our population, our low birth rate. And I think that businesses cannot be excluded from this issue, as well. So, I would hope that they take it under consideration and realise that they have not just a responsibility to have a business, but to have employees who are happy and satisfied and know that they are supported in the workplace.

So, I appreciate all of the comments that have been made. And I just wanted to add my own as someone who has worked very closely with mothers, expectant mothers, throughout their pregnancy and delivery. So, I thank you all for your comments.

And I will hand over now to Senator Hayward for his final comments.

**Sen. Jason Hayward:** Madam President, I thank you for your comments and your support. And I thank the Senators for their support for the increase in maternity leave, the instalment of paternity leave and the flexibility around utilisation of vacation.

*[Inaudible interjections]*

**Sen. Jason Hayward:** We cannot deny that the realities of life have dictated to us that women are the main source of income for a number of households. Many households are not two-parent households. Most of the responsibility for a number of households is borne solely by women. And women and mothers should not have to choose whether or not they bring a child into this world versus the economic hardship they will find themselves in from not having the benefit of maternity leave.

Paid maternity leave is a standard worldwide. The ILO [International Labour Organization] has a recommendation of at least 14 weeks of leave. And they have absolute minimum of 12 weeks that they support. Yes, in the European countries, the vast majority of the European countries, their leave exceeds the 13 weeks that we have just put in place. Some have 28 weeks. Some have 24 weeks. Some have five months. And it varies. But the way in which those leave entitlements are funded is through Social Security.

Bermuda is a society that is averse to taxation. And so, I have no problem paying 40 per cent of my income to provide a better quality of life for other Bermudians. But we do not all share that same opinion. And as a result, if we are going to provide these benefits, there are only two ways of doing it: The employer pays a greater portion, or society as a whole pays a greater portion. Until we begin to change the

minds of our fellow Bermudians that we are all in this together and that this is a collective, unfortunately these additional benefits have to be borne by the employer.

Madam President, Bermuda was one of 31 countries worldwide that had maternity leave of less than 12 weeks. So, that is legislated maternity leave of less than 12 weeks. We were not in good company. But it speaks to what we actually value. And see, sometimes we place economic emphasis on things rather than quality-of-life emphasis or sustainability of the economic viability of our country. You mentioned rightly that we have low birth rates. But then, when we look at some of the factors, some of it is the costs associated with childbirth and the lack of support we give after childbirth.

I am pleased to see the addition of paternity leave. That is important. I am a father of twin boys. And if the sole burden after birth was placed solely on the mother, my boys would not have received the necessary care that they required in the early stages of life. I actually took additional vacation leave on top of my paternity leave so I could support their mother in their first stages or their first days here on earth. And it was absolutely required. And so, the father's contribution is often overlooked. And I am glad that we are inserting now into our legislation provisions for paternity leave.

Madam President, it is also important that we not overlook the fact that now we will introduce some flexibility regarding vacation leave. We are now moving to where somebody does not have to take one continuous year of work without having an opportunity to take a vacation. Especially in a country where we do have a large guest worker population, could you imagine mothers who move to Bermuda who cannot spend Christmas with their loved ones because they cannot go home because they do not get vacation leave in the first year of work?

So, these are some of the things that we have to consider when we look at making improvements to the Employment Act, which is actually a flaw, because, as Senator Simmons rightly said, in unionised environments, we have been negotiating these provisions above and beyond what was in the Employment Act. And paternity leave is a standard feature of collective agreements in unionised environments.

And I will say most good employers have employee handbooks, which are not collective agreements. However, they do provide for provision for paternity leave. And so, what we are trying to do is just making it a national standard where paternity leave is now granted.

With those comments, Madam President, I will close. And I move that the Bill entitled the Employment (Maternity Leave Extension and Paternity Leave) Amendment Act 2019 be now read a second time.

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

### SUSPENSION OF STANDING ORDER 26

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

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

*[Motion carried: Standing Order 26 suspended]*

**Sen. Jason Hayward:** Madam President, I move that the Bill entitled the Employment (Maternity Leave Extension and Paternity Leave) Amendment Act 2019 be now read a third time.

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

## BILL

### THIRD READING

#### EMPLOYMENT (MATERNITY LEAVE EXTENSION AND PATERNITY LEAVE) AMENDMENT ACT 2019

**Sen. Jason Hayward:** Madam President, I move that the Bill do now pass.

**The President:** It has been moved that the Bill do now pass.

Is there any objection to that motion?

The Employment (Maternity Leave Extension and Paternity Leave) Amendment Act 2019 is passed.

*[Motion carried: The Employment (Maternity Leave Extension and Paternity Leave) Amendment Act 2019 was given a third reading and passed.]*

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

We now move on to the third item on our Orders of the Day—

*[Inaudible interjection]*

**The President:** Sorry. It is the fourth, the Merchant Shipping Amendment Act 2019.

Senator Caesar, it is your Bill. You have the floor.

**Sen. Crystal Caesar:** Thank you, thank you, and good morning, Madam President.

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

**BILL****SECOND READING****MERCHANT SHIPPING AMENDMENT ACT 2019**

**Sen. Crystal Caesar:** Madam President, I move that the Bill entitled the [Merchant Shipping Amendment Act 2019](#) be now read a second time.

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

**Sen. Crystal Caesar:** Thank you.

Madam President, the purpose of the amendment Bill before this Honourable House is to address a concern related to the application of certain UK regulations under the Bermuda Merchant Shipping Act 1979. The issue is whether the saving provisions in the Merchant Shipping Act 2002 preserved the application of these UK laws.

Madam President, the chapters of the Safety of Life at Sea, or SOLAS, Convention, which are not provided for under local law, were included or covered by section 22A and the Fifth Schedule of the Merchant Shipping 1979 Act, which gave effect to the UK regulations, rules and orders that implemented SOLAS. However, the Merchant Shipping Act 1979 was repealed by the Merchant Shipping Act 2002.

During a recent review of their legislation, the Bermuda Shipping and Maritime Authority (or the BSMA) had cause to look at the saving provisions in the Merchant Shipping Act 2002 and queried whether they in fact carried forward the application of those Fifth Schedule UK regulations.

Madam President, it appears that section 22A and the Fifth Schedule were repealed in 2002, and the application of the Fifth Schedule UK regulations may have ceased at that point. Therefore, if the UK regulations are no longer applied, there appears to be the danger that several of the most important chapters of SOLAS are not presently implemented in Bermuda. That obviously is a concern, as it represents a risk over enforceability of the applied laws. Therefore, for ease of reference and removal of doubt, it is deemed necessary to insert the Fifth Schedule of the Merchant Shipping Act 1979 as Schedule 12 to the Merchant Shipping Act 2002. Schedule 12 will include 42 regulations, rules and orders.

Madam President, this amendment Bill also includes provisions that validate actions or decisions taken in pursuance of legislation listed in the Fifth Schedule to the Merchant Shipping Act 1979 from the day of the coming into force of the principal Act, the Merchant Shipping Act 2002.

I would also like to inform Members of the Senate that, going forward, it is planned to draft and enact national regulations to replace and remove the reliance on the UK regulations.

With those brief comments, Madam President, I open the floor for colleagues' questions.

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

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

We recognise that this Bill is keeping us in line with gaps in legislation that have become apparent.

**The President:** Thank you, Senator Kempe.  
Would any other Senator care to speak on this Bill?  
No?  
Then, Senator Caesar, it is over to you.

**Sen. Crystal Caesar:** Thank you, Madam President.  
Madam President, I move that the Bill entitled the Merchant Shipping Amendment Act 2019 be now read a second time.

**The President:** Is there any objection to the second reading?  
No objection.

**SUSPENSION OF STANDING ORDER 26**

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

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

*[Motion carried: Standing Order 26 suspended]*

**Sen. Crystal Caesar:** Thank you, Madam President.  
I move that the Bill entitled the Merchant Shipping Amendment Act 2019 be now read a third time.

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

**BILL****THIRD READING****MERCHANT SHIPPING AMENDMENT ACT 2019**

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

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

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

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

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

We now move on to the fifth item on the Orders of the Day. And that is the second reading of the Tourism Investment Amendment Act 2019.

**Sen. Crystal Caesar:** That is me as well.

**The President:** Senator Caesar.

**Sen. Crystal Caesar:** Yes.

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

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

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

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

No objection.  
 Carry on.

## BILL

### SECOND READING

#### TOURISM INVESTMENT AMENDMENT ACT 2019

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

Madam President, the purpose the [Tourism Investment Amendment Act 2019](#) before the Senate is to enable certain recent hotel developments and redevelopments, which currently receive tax relief pursuant to the Hotels Concession Act 2000, to take advantage of the tax relief available under the Tourism Investment Act 2017.

Madam President, [Senators] will recall that the Tourism Investment Act 2017 (or the Act) became operative in November 2017. The primary objective of the Act is to make Bermuda more attractive to foreign investors and to incentivise and assist local tourism-related business owners who reinvest in their product.

The precursor of this Act, the Hotels Concession Act 2000, was very cumbersome for the Government to administer and very costly for developers to use. Developers were required to make detailed annual submissions for each amount spent on the hiring of Bermudian entertainers, the training of Bermudian employees and the marketing of the hotel for each year of their approved Hotels Concession Order.

Concession Orders provided tax relief for a maximum period of five years.

By contrast, Madam President, the Tourism Investment Act provides a scale of tax relief for five new types of tourism product, including (1) a new hotel; (2) a refurbished hotel; (3) a new restaurant; (4) an existing restaurant; and (5) an attraction. The relief available under the Act ranges from one year to a maximum of ten years, depending on the level of investment made in the tourism products.

With a new hotel, for example, the Act allows for full relief from custom duty, full exemption from hotel occupancy tax, full exemption from employer's share of the payroll tax (subject to annual verification of a management training programme for Bermudians), full exemption from land tax starting six years after a hotel's opening date (subject to verification that the hotel in years six through ten employs 70 per cent Bermudian staff) and deferral of landholding charges payable under the Bermuda Immigration and Protection Act 1956.

Madam President, at the time the Act was being considered and drafted, a number of developers came forward with investment plans for properties in Bermuda, namely, The Loren at Pink Beach, Rosewood Bermuda and Azura Bermuda. Each of these developments would be a new hotel if the Tourism Investment Act had been ready at that time. As the Act was not available, each developer applied for—and this Legislature approved—a Hotels Concession Order for their developments.

Madam President, the Government is of the opinion that it is not unreasonable for these developments to qualify for tax relief under the Tourism Investment Act 2017, given that the projects would have been eligible but for timing. As such, the Government proposes to amend the Act so that the developers of those three properties—namely, The Loren, the Rosewood Bermuda and Azura Bermuda—can apply for a Tourism Investment Order.

The Act is not retroactive in its application, which is why it needs to be amended to extend and apply to these hotel developments which predate commencement of the Act. The current concession orders for those developments will be repealed as new investment orders are approved by the Legislature.

Madam President, there are two updates being addressed at this time as part of this Bill. First, the Tourism Investment Division, formerly a part of the Bermuda Tourism Authority (or the BTA), is now with the Bermuda Business Development Agency [BDA]. Therefore, the two references to the BTA in the Act are being changed to the BDA. Second, the Act revoked 14 concession orders which were either spent or unused. This Bill proposes to revoke an additional, unused order for Elbow Beach. This provision of the Act is available should the owners of the hotel seek to undertake those renovations or redevelopment.

Madam President, the Government continues to work to establish an investment environment in Bermuda which is welcoming and supportive. As a part of that, we will monitor and assess the impact and implementation of the Tourism Investment Act so as to bring about success for our Island and its tourism stakeholders and partners.

With that, Madam President, I end my remarks and open the floor for my colleagues' comments.

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

**Sen. Marcus Jones:** Thank you, Madam President.  
We on this side of the aisle are wholeheartedly in agreement with this amendment. Anything that the Government can do to make and generate investment dollars into this industry to make it easier for our hoteliers to do business here on the Island, we are 100 per cent behind it.

Thank you, Madam President.

**The President:** Thank you, Senator Jones.  
Would any other Senator care to speak on this Bill?  
Then, Senator Caesar, it is back to you.

**Sen. Crystal Caesar:** Thank you, Madam President. I am actually—

*[Crosstalk]*

**The President:** Full support.

**Sen. Crystal Caesar:** Yes. I am quite happy to see that this type of amendment is being supported. And as one would want . . . we want to see our hotels do well. We want to see tourism continue to thrive in Bermuda. And therefore, we are making the way particularly for those three properties that would otherwise have fallen under this particular part of the legislation to be able to take advantage of some of those concessions.

So, with that, Madam President, I would like to move that the Bill entitled the Tourism Investment Amendment Act 2019 be now be read a second time.

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

#### SUSPENSION OF STANDING ORDER 26

**Sen. Crystal Caesar:** Thank you, Madam President.  
I move that Standing Order 26 be suspended in respect of this Bill.

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

*[Motion carried: Standing Order 26 suspended]*

**Sen. Crystal Caesar:** Thank you, Madam President.  
I move that the Bill entitled the Tourism Investment Amendment Act 2019 be now read a third time.

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

## BILL

### THIRD READING

#### TOURISM INVESTMENT AMENDMENT ACT 2019

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

**The President:** It has been moved that the Bill do now pass.  
Is there any objection to that motion?  
No objection.  
The Bill is passed.

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

**The President:** Thank you, Senator Caesar, and all Senators for their support of the Bill.

## MOTIONS

**The President:** There are none.

### CONGRATULATORY AND/OR OBITUARY SPEECHES

**The President:** Would any Senator care to speak on this?  
Senator Jones, you have the floor.

**Sen. Marcus Jones:** Thank you, Madam President.  
I would like for these Chambers to extend condolences to the family of the late Wilfred Leroy Furbert. He leaves behind his wife of 55 years, Dorothy, four sons, two daughters. A quiet man of few words, continuing in the legacy under the leadership of his father, the late Wilfred "Bill" Furbert, he spent many years playing in the Bermuda Regiment Band. An active member of his church, Mr. Furbert was a welcoming face on Sunday mornings, a respected husband and father.

And secondly, I would like these Chambers to extend condolences to the family of the late Kay R. Dutton, a mother and grandmother. Kay Dutton grew up in the Roberts Avenue neighbourhood, where her work experience included Fairmont Southampton, Magistrate's Court and retiring as the Accountant/Office Manager at A. F. Smith after 26 years, where she received numerous awards for outstanding achievement. But what made her stand out in her community was her tireless work providing food and compassion to the homeless every Friday morning before going to work. In addition, she gave back to her childhood school, Prospect Primary, by mentoring for their Double Portions programme. She will be a miss.

Thank you, Madam President.

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

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

Oh, Senator Michelle Simmons. You have the floor.

**Sen. Michelle Simmons:** Thank you, Madam President.

I would like to congratulate the Bermuda Tourism Authority for a new slate of cultural tourism events, which will be starting this week. I am referring especially to the new Black Heritage Tour and three theatrical performance highlights which will bring alive the story of Bermudian slave, Sally Bassett. As we all know, Sally Bassett was a symbol of resistance, who was burned at the stake here in Bermuda in 1730. And 10 years ago, the Government of the day erected a statue to commemorate what Sally Bassett had stood for, down on the lawns of the Cabinet Building.

These tours, which have been a collaborative effort between the Department of Community and Cultural Affairs, the Cabinet Office and the BTA, are being launched this week. And, Madam President, if I may read from a press release from the BTA?

**The President:** You certainly may, Senator Simmons.

**Sen. Michelle Simmons:** I will just share that. It says, "Launching this week, a four-night commemoration of Bassett's story will take place on the lawn in front of her monument, a finale for a series of BTA-curated bus tours." (That is the end of the quote.) Apparently, there will be an hour-long guided bus ride, which is a paid experience. But at the end of the bus ride, there will be a gathering on the lawn of the Cabinet Office. And then, there will be a half-hour dramatisation of, I assume, the life of Sally Bassett. And that is free of charge.

So, I would just like to encourage members of the community to come out and support this. And I thank the Bermuda Tourism Authority and congratulate them for this collaboration with the Cabinet Office

and with the Department of Community and Cultural Affairs. Thank you.

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

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

No. Then we will move to adjournment.

## ADJOURNMENT

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

I move that the Senate do now adjourn to Wednesday, October 9<sup>th</sup>.

**The President:** Would any Senator care to speak on the matter of adjournment?

Nobody wants to speak on the motion to adjourn. Therefore, I move that the Senate do now adjourn until . . .

*[Crosstalk]*

**The President:** October the 9<sup>th</sup>, yes. The Senate stands adjourned. Thank you, Senators.

*[The Senate adjourned at noon until 10:00 am, Wednesday, \*9 October 2019.]*

*[\*The Senate did not resume on 9 October 2019.]*