



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

**3 July 2019**

*Sitting number 17 of the 2018/19 Session  
(pages 539–568)*

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

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**BERMUDA SENATE****OFFICIAL HANSARD REPORT****3 JULY 2019****10:00 AM***Sitting Number 17 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**

*[Minutes of 26<sup>th</sup> of June 2019]*

**The President:** The Minutes of the 26<sup>th</sup> of June 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 Wednesday, the 26<sup>th</sup> of June 2019, be taken as read.

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

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

**The President:** Senator Jardine, carry on.

**Sen. James S. Jardine:** Madam President, I move that the [Minutes of Wednesday, the 26<sup>th</sup> of June 2019](#), be confirmed as the correct record of that meeting.

**The President:** Is there any objection to that motion?  
No objection. The Minutes of the 26<sup>th</sup> of June 2019 are confirmed.  
Thank you, Senator Jardine.

*[Minutes of 26 June 2019 confirmed]*

**ANNOUNCEMENT BY THE PRESIDENT****SENATE VISITORS**

**The President:** Before I go on to messages, can I just acknowledge the Young Worker Activists from the BPSU Summer School Programme, in the Gallery?  
Welcome to each and every one of you.

**MESSAGES****PREMIER, MINISTERS AND OPPOSITION LEADER  
PERSONAL STAFFS ACT 2019**

**The President:** There is a message from the Honourable House of Assembly.  
Clerk.

**The Clerk:** Yes, Madam President. We have a message from the House of Assembly. The message is number 10, and the message reads as follows:

“To the Honourable the President and Members of the Senate: The House of Assembly returns herewith to your Honourable House the accompanying public Bill, entitled the Premier, Ministers and Opposition Leader Personal Staffs Act 2019, and informs your Honourable House that the House of Assembly has disagreed with the proposed amendments on the said Bill as suggested by your Honourable House in the following areas: that clause 9 of the Bill be amended as follows:

- “1. By deleting the word ‘March’ and substituting the word ‘May’ in the first paragraph;
- “2. By deleting the words ‘appointed to a’ and substituting the words ‘who have served or are currently serving on any’ in the first paragraph;
- “3. By deleting the word ‘calendar’ and substituting the word ‘fiscal’ in the first paragraph;
- “4. By inserting the word ‘gross’ immediately after the word ‘their’ in subsection 9(b); and
- “5. By inserting the words ‘for the entire fiscal year’ immediately after the word ‘remuneration’ in subsection 9(b).”

As such, clause 9 would remain as part of the original Bill as tabled in our Honourable House on the

31<sup>st</sup> of May 2019, which would read as follows (and this would be to clause 9):

“Annual report” (is the title of the clause)

“9. On or before 31 March, the Premier shall lay in each House of the Legislature a report listing the names of all persons appointed to a personal staff during the previous calendar year, indicating—

“(a) their functions;

“(b) their remuneration; and

“(c) in the case of the personal staff of a Minister, whether each person was appointed as an expert in a specified field or as a political adviser.”

So, that would be the original clause 9.

**The President:** Yes.

**The Clerk:** The message is signed by the Honourable Dennis P. Lister, JP, MP, Speaker, and it is dated 21<sup>st</sup> of June 2019.

**The President:** Thank you, Clerk.

## 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:** And we have two.

Senator Kathy Lynn Simmons, Attorney General and Government Leader, you have the floor.

### SEX OFFENDER MANAGEMENT UPDATE

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

Madam President, I am pleased to share an update on the [management of sex offenders](#) during community-based supervision. We have been focused on ensuring that offenders in this client profile are rigorously monitored through the framework and protocols established under the revised regime. Therefore, members of the public are more protected from

reoffending by sex offenders through this established and evolving framework.

Foremost, Madam President, we acknowledge from the outset that this is a very serious and often emotive issue in our community. We have made it abundantly clear that the revised regime applies to offences committed after the operational date of the Criminal Code (Sex Offender Management) Amendment Act 2018, which was enacted on February 7, 2019. Hence, our approach has been robust and balanced in order to support the related mandate and responsibilities within the Ministry of Legal Affairs.

Madam President, the new framework for the management of sex offenders has resulted in several public notifications of sex offenders deemed to be at high risk of reoffending. The prerequisite for public notification on the disclosure of information on sex offenders, Madam President, is the current psychological assessment from the Department of Corrections on the risks posed by the offenders. The report must indicate significant risk of reoffending before this disclosure is made. Given this, as the reports are presented to me, as the Minister responsible, great care is taken to effectively release this information in the interest of all concerned parties, and to effect greater community protection.

The risk assessment reports are to be presented to the Minister at least two months prior to the earliest release date of the offender. I am pleased to share that, despite initial teething pains, this is now being done more in accordance with its established and agreed timeline.

Madam President, in keeping with the requirements set out in the Criminal Code (Sex Offender Management) Amendment Act 2018, sex offenders who do not complete the required programmes during incarceration are not released at their earliest release date, nor released on parole. We are pleased to note that this occurred in the case of at least one serious sex offender, who was scheduled to be released from incarceration two months ago; hence, his release has been deferred until he completes the required programme. This is evidence that our operational framework is being adhered to.

Madam President, the Ministry of Legal Affairs continues its practice to notify all victims where sex offenders are being released from the Department of Corrections. In addition, in instances where there will be public notification on the sex offender, we have also embraced a policy to specifically notify the Ministry of Education in support of child safeguarding practices and purposes, even where the offence was not committed against a child. The most recent notification supported this policy directive.

Madam President, a policy implemented in the Department of Court Services is that all moderate or high-risk offenders who sexually offend against children will be fitted with an electronic monitoring device during the period of community supervision. The de-

vices include inclusion and exclusion zones and have been proven to restrict the offender's movements and also allows for their whereabouts to be determined 24/7 for as long as the device is affixed to the offender. This will remain in place and form part of internal operations within this department.

Madam President, in monitoring these sex offenders, the Department of Court Services conducts random curfew checks on the offenders, visits their homes and employment sites, makes contact with the offenders' significant others to corroborate information and enrolls the sex offenders in our community-based programmes, inclusive of treatment and referrals for additional services available as deemed necessary. Breaches or infractions are dealt with in a timely manner and may result in additional conditions being imposed on their orders. The conditions include increased reporting requirements, earlier curfews being imposed, urinalysis screenings, restrictions from persons or places, sanctions, additional programmes or treatment requirements, and remands into custody, to name a few. Breaches or infractions may also result in alternative sentencing by the court or recall to incarceration at the Department of Corrections by the Parole Board.

Line officers are overseen by line supervisors, then managers. A battery of risk assessment tools is used to gauge risk and work with sex offenders, and designated personnel are trained to use and interpret these instruments on a regular basis.

Madam President, Senators are informed that the relationship established in this new framework has been effective and will continue to grow from strength to strength. With this in mind, training for members of the high-risk management team is scheduled to occur this summer, and training for those who work directly with victims will also occur by the fall. Undoubtedly, this Government invests in the well-being and ongoing development of its personnel, who are responsible for the safety and protection of our community.

Madam President, it is important that practices and procedures do not lead to the identity of victims of sex offences, as this causes further trauma and can potentially re-victimise them. It is also prudent to mitigate the risk of serious sex offenders going underground, as that creates more risk to the public. Despite strong sentiments and opinions, we cannot let our emotions cause us to be irresponsible in our responses to, and our effective management and treatment of, sex offenders. Additionally, it must be understood that we must protect the identity of children who are the victims in these cases or otherwise related to the offences, at all times.

This does not mitigate holding offenders to account, as group work in treatment modalities often makes them relate to the impact that their offences have had on the victims, especially children.

It is important to highlight, Madam President, that, as the Minister, I must make decisions based on

the merits of each particular case, and I am guided by established principles, protocols and guidelines, which are based on evidence-based practices. Therefore, if the psychological report does not indicate that an offender poses significant risk of harm, disclosure is not usually made.

However, in exceptional cases, this can be overridden, and there are always precautions taken to ensure that the identity of the victim is not compromised, especially in incest cases. Therefore, our approach must be balanced so the victim is not at risk of further harm and the public is protected.

Madam President, the Sex Offender Register has been established and is operational. The register contains the details of individuals convicted of a sexual offence against children or adults. At present, current cases that fit the revised framework are inputted into the electronic system. The period of registration shall be for 10 years or more, as may be determined, and the period of registration is suspended during times that an offender is in prison. These measures are all in keeping with the revised legislative framework.

Further, the Bermuda Police Service maintains its relationships with overseas jurisdictions to obtain and share information on sex offenders, as per their protocols and mandates.

At present, Madam President, the Department of Court Services continues to offer supervision and treatment of those convicted of sex offences, in line with best practice risk protocols. We remain supportive of our partners and will sustain continuity of intervention.

Madam President, in recent days, there was heightened publicity with the release of a high-risk sex offender. I would like to stress that systems are in place to monitor the offender under the current framework, taking into consideration the offender's risk issues and overall treatment needs. At present, the Department of Court Services continues to offer supervision and treatment of persons convicted of sex offences and will utilise all resources and systems available to help mitigate risk, inclusive of intensive supervision, increased urinalysis testing and curfew checks, as mentioned previously.

Madam President, the extension of our partnership with international crime agencies serves to hold us to greater account as we monitor, review and revise our policies, procedures and protocols to strengthen our operations and responses to sex offenders. We will maintain partnerships, build on successes and improve in areas in need of further developments. Our efforts will be sustained in the interest of the community. As the Minister responsible, I am committed to keeping the Senate and the public informed about this regime and will continue to provide a further update in the ensuing months.

Thank you, Madam President.

**The President:** Thank you, Senator Simmons, Attorney General and Government Leader in the Senate.

I believe you have a second Statement?

**Sen. the Hon. Kathy Lynn Simmons:** Mm-hmm.

**The President:** You can continue.

### **LIQUOR LICENCE AMENDMENT ACT 2019 (REFORM IMPLEMENTATION)**

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

Senators will recall the recent passage of the [Liquor Licence Amendment Act 2019](#), which became operative on May 13, 2019. The Act ushered in the most comprehensive reform of Bermuda's liquor licensing regime, which was established approximately 45 years ago. Among the many changes was the reconstitution of the Liquor Licensing Authority [the Authority] to create a more streamlined, efficient body. Members will also recall that there were two new licences and one new permit added to the Act, namely, an itinerant restaurant licence, a special event licence and a catering permit.

Madam President, the work to enhance the services and efficiency of the Authority is well underway, and I am pleased to report that there has been a relatively seamless administrative transition. Cumulatively, Authority members have dedicated over 50 hours under the new regime. In particular, on 16<sup>th</sup> of May 2019, the new chairman, who is attorney Marc Daniels, met with administrative and other personnel to discuss the initial logistics of the Authority. A key topic was the upcoming objection hearing filed under the former regime.

Madam President, other matters addressed included outstanding occasional liquor licences needing to be signed in advance of the Bermuda Day holiday, scheduling and general administration of the new Authority, together with the upcoming schedule of objection hearings and required site visits. I am told nine applications and objections were dispensed with over the first two weeks of the Authority being in operation, spanning May 21<sup>st</sup> to June 12<sup>th</sup>, inclusive. During the same period, there were three onsite visits, with another to be conducted on a date to be determined.

Madam President, I can report that, since the new Authority came into operation, it has received no less than 66 applications from members of the public, businesses and charities for occasional liquor licences only. All of these applications pertain to events that are scheduled between May and August. Seventeen of those applications were submitted for events that were scheduled to be held in May.

I am pleased to report, Madam President, that all of those applications were processed and approved in a timely manner. In fact, approval was granted well in advance of each event—[which] was

somewhat challenging before—with the exception of one application that was withdrawn by the applicant.

Thirty two of the 66 applications were submitted to the Authority for activities to be held during the month of June. Of those applications, 29 were approved and three remain pending as at the date of reporting. Ten applications were submitted for the month of July, all of which remain pending. Seven applications submitted for events in August also remain pending.

Madam President, the Authority members are reviewing further applications for various classes of licences, including the occasional liquor licence, the new special event licence, and the tourism event licence. To date, there have been a total of five applications for the new special event licence. Of these, one has been issued, with the remaining four pending. Further, no applications have been received at this stage for the new catering permit or the new itinerant restaurant licence. It is estimated that the low application numbers for these new licences is due to their novelty. Accordingly, demand for them is anticipated to increase as the public becomes more aware of their availability.

Madam President, Authority members have already started to contemplate further recommendations to amend the Act to assist licence holders. Accordingly, the Authority wishes to host meetings to obtain further feedback from various industry stakeholders. It also intends to discuss the current scope of the 2019 amendment and hopes to host the meetings over the next few months.

It is also intended to have meetings with the holders of specific licences, promoters and special event coordinators to discuss the new amendment. These meetings will also provide an opportunity for the Authority to obtain feedback and recommendations with respect to making further improvements to the Act.

Efforts are also underway to work with the Government Project Management Officer and a team of developers to digitise all liquor licensing processes. And that is a major advancement, Madam President. Modernisations will not only make it easier to apply for licensing, but also to collect and collate data to improve efficiencies. Enhanced information management will inherently assist with sound policy formulation.

Madam President, the transitional phase of any endeavour is always challenging. In this instance, this phase also coincides with the onset of the summer tourist season, when the work of the Authority is the most demanding.

However, it is clear that reform measures are proving effective and that the new [Liquor] Licensing Authority has successfully risen to the challenge. It is anticipated that this trend will continue and that our new licensing regime will go from strength to strength.

So, with that, I conclude and thank you, Madam President.

**The President:** Thank you, Senator Kathy Lynn Simmons, Attorney General and Government Leader in the Senate.

Moving on with our agenda.

## 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:** I believe there are written answers to Parliamentary Questions to be tabled.  
Senator Campbell.

**Sen. Vance Campbell:** Thank you, Madam President.  
Yes, we did receive written questions from Senator Robinson, and written responses have been provided to those questions.

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

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

**The President:** Would any Senator care to ask any questions on the Ministerial Statements that have been given by Senator the Honourable Kathy Lynn Simmons, Attorney General and Minister of Legal Affairs? The first Ministerial Statement is the Sex Offender Management Update.

Senator Michelle Simmons, you have the floor.

**Sen. Michelle Simmons:** Good morning, everyone.

**The President:** Good morning.

### QUESTION 1: SEX OFFENDER MANAGEMENT UPDATE

**Sen. Michelle Simmons:** First, I would like to start by thanking the Attorney General for providing the update on sex offender management. The public is, obviously, very concerned about this. And in view of a high-profile situation that has been in the media of late, I thank her sincerely for this update.

The question I have is about the psychological assessments from the Department of Corrections, which are provided prior to the release of any offender from the Department of Corrections. In the Statement, the Attorney General mentions that it has to be a current psychological assessment.

And I just wondered how current it is. [Does this mean] a psychological assessment which has been completed within a six-month period? [I am] just curious about the length of time that is attached to that requirement. Can—

**Sen. the Hon. Kathy Lynn Simmons:** Mm-hmm. I cannot—

I'm sorry. Is that it? Yes?

I cannot recall the dates of the ones that I have received, but they are always within . . . I am just trying to give a general . . . I do not recall seeing any that are six months out.

Now, what I will say is that the programmes and the interviews of the offenders are over a certain period. So, a programme may have been taken, say, a year before the assessment was done. And in some cases, it is quite difficult to get offenders to submit to all of the assessments. But, yes, we do get them, and they are quite current.

**The President:** Would any other Senator care to ask a question?

Senator Jones, you have the floor.

### QUESTION 1: SEX OFFENDER MANAGEMENT UPDATE

**Sen. Marcus Jones:** Thank you, Madam President.

I too would like to thank the Attorney General, the Leader of the Government Senate, [and her] team for this update. I found it very comprehensive and helpful.

I would just have two questions. I do not know if she may have the answers. But my question would be, How many counsellors are actually in the system who can cater to and help to rehabilitate those who are in this category of sex offenders within the prison system? And what qualifications are necessary for persons of this expertise to be able to do the job, to do the most out of what they have, to rehabilitate these offenders? Thank you.

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

**Sen. the Hon. Kathy Lynn Simmons:** Just to be clear, there are counsellors in the Department of Court Services and in Corrections. I do not have their particular number or the qualifications, and I am happy to bring that back to you.

**Sen. Marcus Jones:** Thank you.

**The President:** Thank you.

Senator Kempe, you have the floor. You have questions?

### QUESTION 1: SEX OFFENDER MANAGEMENT UPDATE

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

My question relates to, and I guess for those following along in here, it is on page 4 of the Statement. It says that “a policy implemented in the Department of Court Services is that all moderate or high-risk offenders who sexually offend against children will be fitted with an electronic monitoring device . . . .” And my question is, Why is that limited in scope to only those who offend against children? If they are of high risk, would it not make sense to also fit with an EMD [electronic monitoring device] those offenders . . . because you can monitor if they are near the home or the workplace of the person who is an adult who was offended against?

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

**Sen. the Hon. Kathy Lynn Simmons:** The most vulnerable population that we have is the children. So, that is a mandated protocol that we follow. In relation to other sex offenders who do not fall into that category, the risk that they pose is always the primary assessment. When they are released, there are conditions attached to their release. And their case plan will indicate the level of supervision and whether a monitor will be applied.

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

Would any other Senator care to ask any questions?

### ANNOUNCEMENT BY THE PRESIDENT

#### SENATE VISITOR

**The President:** May I just acknowledge the Director of Court Services, Ms. Gina Hurst-Maybury, in the Gallery.

Welcome to you.

*[Question Period, continuing]*

**The President:** Would any other Senator care to ask a question on this [Statement]?

If not, we will move on to the second Statement, which is the Liquor Licence Amendment Act 2019. Would any Senator care to speak on this Statement or to ask questions on this Statement?

No? Then, thank you. We will now move on with our agenda here.

### ORDERS OF THE DAY

**The President:** The first Order of the Day is the third reading of the Premier, Ministers and Opposition Leader Personal Staffs Act 2019.

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

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

Madam President, in light of the message received today from the Honourable House of Assembly, conveying their disagreement with amendments to the Bill entitled the Premier, Ministers and Opposition Leader Personal Staffs Act 2019 as proposed by the Senate, I move that Senate do now resolve back into Committee of the whole for further consideration of the amendments approved by the Senate at the last day of meeting.

**The President:** Thank you, Senator Campbell. I will ask Senator Jardine to take the Chair.

But before he does, I would just like to inform Senators that when we are in Committee on this Bill, you would be allowed to speak briefly on the Bill, on the amendments.

**The Clerk:** And only on clause 9.

**The President:** And only on clause 9, because we passed all of the other clauses the last time we met.

So, with that, Senator Jardine, you will take the Chair for the Committee.

#### Senate in Committee at 10:28 am

*[Sen. James S. Jardine, Chairman]*

### COMMITTEE ON BILL

#### PREMIER, MINISTERS AND OPPOSITION LEADER PERSONAL STAFFS ACT 2019

**The Chairman:** Senators, the Senate is now in Committee of the whole for further consideration of the Bill entitled Premier, Ministers and Opposition Leader Personal Staffs Act 2019.

Senator Campbell, you have the floor.

**Sen. Vance Campbell:** Thank you, Mr. Chairman.

Mr. Chairman, I move that Senate do now rescind each of the amendments to clause 9 of the Bill, which were approved by the Senate in Committee at the last day of meeting, such that the Bill may be restored to its original text—that is, to rescind the agreed motion that clause 9 of the Bill be amended as follows:

1. By deleting the word “March” and substituting the word “May” in the first paragraph;

2. By deleting the words “appointed to a” and substituting the words “who have served or are currently serving on any” in the first paragraph;
3. By deleting the word “calendar” and substituting the word “fiscal” in the first paragraph;
4. By inserting the word “gross” immediately after the word “their” in subsection 9(b); and
5. By inserting the words “for the entire fiscal year” immediately after the word “remuneration” in subsection 9(b).

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

Would any Senator wish to speak to this motion?

Senator Kempe, you have the floor.

**Sen. Nicholas Kempe:** Thank you, Mr. Chairman.

I guess the commentary that I would like to provide on this is that the whole point of our system, Mr. Chairman, is to have some checks and balances to the legislative process between the House and the Senate. There were deficiencies in the wording identified in another place that did not allow the spirit or the intention of the reporting transparent, good governance function, to be wholly codified in law. And those deficiencies were instead going to be filled by personal commitments and this kind of thing. And the Senate considered a Bill that, in my opinion, very non-controversially corrected some of these errata. It was not a political Bill, it was not a massive departure from the spirit or intention of clause 9 that we were originally considering.

And instead of considering the content of the amendment that was passed in this Chamber, what we saw was a deplorable display—

**The Chairman:** Senator Kempe, if you could please keep your comments to clause 9 and not stray into areas which are not relevant to this particular clause.

**Sen. Nicholas Kempe:** Thank you, Mr. Chairman.

The point of the amendment was about getting it right, Mr. Chairman. And we did not get any counter debate in the Committee from the Government side, just voting against [it]. If the Government side felt it was ambushed, as was suggested in another place, they could have risen and reported. So, this whole thing is about process, Mr. Chairman. And we have gone back and forth. And I would just like to say that I think it was a chance for the Government to accept bipartisan constructive criticism, and instead it chose to engage in *ad hominem* attacks against the integrity of Senators—

[Crosstalk]

**The Chairman:** Senator Kempe, please keep your comments to the clause.

**Sen. Nicholas Kempe:** That is all I have to say, Mr. Chairman. Thank you.

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

Would any other Senator wish to speak to this amendment?

No?

Then I would like to make a statement, if I may; at least make comments.

On May the 31<sup>st</sup>, Members in another place unanimously passed the Premier, Ministers and Opposition Leader Personal Staffs Act 2019 in its original, unamended form. Let me stress the word “unanimously” again. This Honourable Chamber subsequently passed an amendment to clause 9 of the Bill and returned it to the House. It was clear from the outset that the concepts of openness and transparency were shared by all in the Legislature, both here and in another place.

The amendments that were put forward by the Senate at its meeting two weeks ago seemed to me to be reasonable. The amendments suggested by the Senate did not mean that clause 9 was rejected in its entirety—far from it. However, those amendments have been rejected by a majority of Members in another place, and so we are left to consider the motion before us today.

Now, I could dig my heels in, as they say, and vote to reject this motion, and indeed the Bill, in its original form. But, frankly, that would seem to me to be totally counterproductive, since by rejecting the original Bill, we would effectively delay for a further year the ultimate passage of that Bill and the importance of clause 9. In other words, the Government could simply wait one year, put the Bill forward for royal assent and move on. But we would have delayed for a further year the requirement for a report to be prepared as required in clause 9.

That is to say it would not be possible until, say, March 2021 before we would see any report details at all. Is that what we want? I do not really think so. If we did that, we would, as the saying goes, be throwing the baby out with the bathwater, i.e., rejecting the whole Bill because we are not happy with the entirety of one particular clause—clause 9.

It seems to me that calm heads and a sensible approach are what are called for here. There is simply nothing to be gained by ping-ponging clause 9 backwards and forwards between the two Houses, or indeed by eventually defeating the Bill and having it sit for another year. And it would further delay the openness and transparency that everybody in the Legislature seems to want.

Those are my comments on that.

Senator Campbell, if you would like to move your motion, please.

**Sen. Vance Campbell:** Thank you, Mr. Chairman.

Mr. Chairman, I move that clause 9, as printed in the original version of the Bill, be now approved and stand as part of the Bill.

**The Chairman:** Yes. Is there any objection to that motion?

**The Clerk:** Where is the motion to rescind?

**The Chairman:** Rescind the motion first.

**The Clerk:** We have got to move the rescind motion, again.

**The Chairman:** Yes. Again. Okay.

*[Inaudible interjections]*

**Sen. Vance Campbell:** Right. I got you.

Mr. Chairman, I move that the Senate do now rescind each of the amendments to clause 9 of the Bill which were approved by the Senate in Committee at the last day of meeting.

**The Chairman:** Is there any objection to that motion?  
No objection.  
So moved.

*[Motion carried: Amendments to clause 9 rescinded.]*

**The Chairman:** Please continue, Senator Campbell.

**Sen. Vance Campbell:** Thank you, Mr. Chairman.

Mr. Chairman, I move that clause 9, as printed in the original version of the Bill, be now approved and stand as part of the Bill.

**The Chairman:** It has been moved that clause 9, as printed in the original version of the Bill, be now approved and stand as part of the Bill.

Are there any objections to that motion?  
Senator Kempe, you have the floor.

**Sen. Nicholas Kempe:** Mr. Chairman, our objections to the deficiencies were duly noted, but we will not be voting against the passage of the Bill.

**The Chairman:** Thank you, Senator Kempe.  
No other objections?  
That Bill is now passed—

*[Inaudible interjections]*

**The Chairman:** That clause is now passed and approved.

**The Clerk:** Approved as printed.

*[Motion carried: Clause 9 passed without amendment.]*

*[Motion carried: The Premier, Ministers and Opposition Leader Personal Staffs Act 2019 was considered by a Committee of the whole and passed without amendment.]*

**The Clerk:** Now we come out of Committee.

**The Chairman:** Madam President, if you would like to resume the Chair.

**Senate resumed at 10:37 am**

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

## REPORT OF COMMITTEE

### PREMIER, MINISTERS AND OPPOSITION LEADER PERSONAL STAFFS ACT 2019

**The President:** Thank you, Senator Jardine, for chairing the Committee. And thanks, Senators, those who made comments.

Senator Campbell, you will now do the third reading of the Bill.

**Sen. Vance Campbell:** Madam President, I move that the Bill entitled the Premier, Ministers and Opposition Leader Personal Staffs Act 2019 be now read a third time.

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

## BILL

### THIRD READING

### PREMIER, MINISTERS AND OPPOSITION LEADER PERSONAL STAFFS ACT 2019

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

**The President:** It has been moved that the Bill entitled the Premier, Ministers and Opposition Leader Personal Staffs Act 2019 do now pass.

Is there any objection?  
No objection.  
The Bill is passed.

*[Motion carried: The Premier, Ministers and Opposition Leader Personal Staffs Act 2019 was given a third reading and passed.]*

**The President:** Thank you, Senators.

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

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

We move on to the second Order of the Day, and that is the second reading of the Government Loans Amendment Act 2019 (Governor's recommendation signified). Senator Campbell, is that your Bill?

**Sen. Vance Campbell:** That is mine, Madam.

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

**Sen. Vance Campbell:** Madam President, I move that the Bill entitled the Government Loans 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

#### GOVERNMENT LOANS AMENDMENT ACT 2019

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

Madam President, the Government wishes the Senate to now give consideration to the Bill entitled the [Government Loans Amendment Act 2019](#).

The Bill seeks to amend the Act to provide the Minister of Finance with discretion with respect to making the Sinking Fund contribution. Madam President, effective the 31<sup>st</sup> of March 1993, the Government Borrowing Sinking Fund (the GBSF) was established as a separate legal entity for the repayment of government borrowing under the provisions of the Government Loans Act 1978.

During each financial year, the Consolidated Fund of the government is required to pay to the GBSF 2.5 per cent of the gross public debt outstanding in the Consolidated Fund at the end of the preceding fiscal year. Madam President, Senators may recall that, due to the prolonged economic conditions prevailing from the 2008 recession, the Government amended the Government Loans Act 1978 in 2009 to provide the Minister of Finance with additional capacity to respond to economic conditions that could impair the government's tax yield. One of the changes made enabled the Minister of Finance to postpone the annual contribution into the Sinking Fund, while another amendment provided for the Minister to determine that the interest expense on long-term public debt be paid from the Sinking Fund, if necessary.

The assets of the Sinking Fund are invested in accordance with the Public Funds Act 1954 and are shown as a reduction of debt issued on the Consoli-

dated Fund's Statement of Financial Position. The assets are currently invested in US Government and Agency securities, investment-grade corporate securities and money market funds. Madam President, the primary objective of the investment strategy of the assets in the Sinking Fund is principal protection. The one-year return on the fund, as at the 31<sup>st</sup> of March 2019, was 2.63 per cent. As at the 31<sup>st</sup> of March 2019, the Sinking Fund balance was \$219.2 million.

During this fiscal year, fiscal 2019/20, a [full] \$180 million of the monies in the fund will be used to repay two tranches of maturing private placement notes. These repayments will reduce our annual interest costs by \$12.1 million and lower our weighted average cost of borrowing from 4.591 per cent to 4.437 per cent, or a reduction of 15.4 basis points.

Madam President, I am pleased to advise the Senate that, on the 21<sup>st</sup> of May 2019, Government repaid \$100 million of private placement notes that had matured. This action reduced our gross debt by \$100 million. But the net debt remains unchanged, as the balance in the Sinking Fund was used to fund the repayment of the notes.

Madam President, in uncertain times, fiscal rules must accommodate volatility and the funds available for future budgets. Sluggish international growth may continue to limit Bermuda's ability to increase GDP, generate or sustain employment opportunities and increase government revenues to support the provision of services. On occasions, there is a financing gap between the stimulatory policies that we would like to see in place to protect jobs and the policies that we can finance from revenues. Madam President, governments must either borrow funds to bridge this financing gap, or they must cut spending to accommodate actual revenues. Spending reductions ultimately result in public sector downsizing, which could create weakness in the private sector.

Madam President, over the last decade and a half, Bermuda has experienced recurring budget deficits and a growing national debt, coupled with periods of negative economic growth. Significant attention has been focused on our approximately \$2.5 billion of debt, with calls to reduce expenditures, deficits and, consequently, the debt. The Government is mindful of the effects of the debt burden on the country's fiscal posture and is taking the necessary steps to prudently manage our debt through strategic refinancing designed to lower interest costs, extend maturities, and with the ultimate goal of reducing debt while providing the Government with the space to execute on its economic growth strategy.

Madam President, for the record, successive governments have been committed to the Sinking Fund. And from March 2011 to March 2018, Government has contributed \$407.3 million into the fund. Given that during these periods the Government was running deficits, we have had to borrow monies to make the statutory contributions to the fund and also

pay the required interest on this debt. Or, this can otherwise be described as “borrowed savings.” Furthermore, during this period, the average rate of interest on these borrowed funds was higher than the rate being earned on the Sinking Fund investments.

Madam President, as announced in the 2019/20 Budget Statement, due to the uncertainty facing the Bermuda economy, mainly in relation to unknown impacts of the implementation of Bermuda’s Economic Substance regime, the Ministry of Finance reconsidered the Government’s fiscal strategy for the 2019/20 budget as laid out in the pre-budget report. Accordingly, as announced, the Government decided to suspend the mandatory annual contribution to the Sinking Fund rather than borrow additional monies to make this annual contribution. Madam President, this decision was made in light of the following factors:

1. Apart from the private placement notes referenced above, the next maturity of government debt will occur in 2022.

2. Interest expense associated with borrowing to fund the mandatory Sinking Fund contributions will be greater than the investment return generated on those funds, a concept known as “negative carry.”

3. And lastly, Government has forecasted operating surpluses in fiscal 2019/20 and fiscal 2020/21 as set out in the most recent Budget Statement, and it intends to contribute to the Sinking Fund or use [funds from the surpluses] to make open market purchases of its existing indebtedness.

Madam President, the Government Borrowing Sinking Fund is still an important part of the Government’s debt management strategy, as its primary purpose is to repay public debt.

Madam President, the purpose of this amendment is to modernise the Act and provide a level of flexibility in the process to allow Government to make the appropriate responses during times of uncertainty.

Madam President, to provide some context, when the Act was drafted in 1993, government was running surpluses and government’s debt was minimal. Therefore, the Sinking Fund contributions would have been immaterial as a percentage of the government’s spend. In fiscal 2018/19, the \$64.2 million contribution represented 5.7 per cent of Government Current Account spend, including debt service. Additionally, the Government has been borrowing to fund its mandatory contributions to the Sinking Fund. Surely, the policy intent when the Act was drafted was not to borrow funds to place in the Sinking Fund.

This legislation effects the policy objectives mentioned above and provides for the following: It gives the Minister of Finance the flexibility with regard to making a contribution into the Sinking Fund, the provisions for making contributions to the Sinking Fund for excess funds borrowed, and the sale of land remains the same, as these are fiscally responsible.

It changes the provision of a government having to make Sinking Fund contributions before the 30<sup>th</sup> of June of each fiscal year. The contribution will now need to be made within the relevant fiscal year. It removes the provision for government having to pay interest to the Sinking Fund for late payments. It makes little sense, Madam President, for the government to be paying interest to itself. It allows the Sinking Fund to be used to purchase the government’s public debt. This would allow the government to then cancel any of the notes that it purchases without paying the make-whole provisions.

It repeals the power of the Minister to suspend contributions to the Sinking Fund, as this provision is no longer needed. And lastly, it provides that this amendment applies to the current fiscal year, meaning that no contribution is to be made to the Sinking Fund.

Madam President, we have discussed the suspension of the Sinking Fund with the credit rating agencies, and while they recognise that the Sinking Fund is a positive feature of Bermuda’s credit profile, as it reduces liquidity risks, they have noted that, from a credit standpoint, its effectiveness is limited because government transfers to the fund were financed by the incurrence of new debt.

Furthermore, on account of liability management operations conducted by the Government in recent years, which have extended our debt maturities, the immediate need of the Sinking Fund is reduced. Madam President, one agency noted the following: “The Sinking Fund continues to provide overall credit support to Bermuda, as it helps the Government to meet its debt obligations. Nonetheless, should the government continue to post fiscal deficits, pushing debt stocks higher, contributions to the fund will also rise and continue to be mainly financed through additional debt, thus decreasing the fund’s effectiveness as a savings mechanism.”

Madam President, I trust that I have provided sufficient evidence to support this transformational policy change. And in closing, I wish to assure the public that the Government and the Minister of Finance are sensitive to the challenges which arise when debt is unsustainably high, and to reiterate that the Government has a plan of action to reduce public debt and to guide the country to a sustainable fiscal path.

With those remarks, Madam President, I now welcome the participation of other Senators. Thank you, Madam President.

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

## **ANNOUNCEMENT BY THE PRESIDENT**

### **SENATE VISITORS**

**The President:** And before I open the floor to other Senators, I would just like to acknowledge the pres-

ence of the Financial Secretary, Mr. Anthony Manders, in the Senate. Welcome, sir.

And Mr. Kevin Grant, the Labour Relations Advisor, is in the Gallery, as well as the Parliamentary Counsel, Brian Eaton. Welcome to all of you.

*[Government Loans Amendment Act 2019, second reading debate, continuing]*

**The President:** Now, would any Senator care to speak on this Bill?

Senator Jardine, you have the floor.

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

Madam President, I listened with interest to the comments from the Senator who just read the statement. And there were some interesting additional amounts in there, additional comments with respect to the application of surpluses to reducing debt going forward, which I wholeheartedly endorse. In fact, in reading the Bill before us, obviously there are some interesting changes. And I understand why, and I support the Minister of Finance in his comments about not borrowing money where the interest we are paying exceeds the interest we earn on our Sinking Fund. I think that makes eminent sense, and I said that during our Budget Debate in March.

Obviously, the key changes in here, compared to the previous Act, are with respect to [clause 2, amending] section 12(2), where the words “may be paid” have been now substituted for the words which said “shall be paid.” So, there is some flexibility there for the Minister in terms of payments that he makes. [Clause 2, amending] section 12(2A)(a) and (b) are essentially the same as the original Act. So, those are just carried forward, and I appreciate that.

I think the only comment I make and would have liked to have seen in here, and maybe it is something the Minister can take under consideration at some point, is an additional clause which requires, by way of this Act, a percentage of the surplus in any one year, cash flows permitting, to be applied to the Sinking Fund or reducing debt. I think that is the one area that is not specified here, that if we are going to have surpluses . . . and I appreciate the comments from the Senator that say that they will look at surpluses and use them to apply to our debt. It would be nice to have something in legislation which actually sets that out, because I would hate to see us use our surplus cash positions for anything other than reducing our debt, going forward.

Those are my comments. Thank you, Madam President.

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

Would any other Senator care to speak?

Senator Kempe, you have the floor.

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

And we talked about this a bit during the Budget Debate. So, I will try not to go on for too long here. But, essentially, after we retire the notes this year, the Sinking Fund is going to be essentially tapped out. And with there being little progress over the next few years, contribution-wise, there are no firm commitments of contribution to the Sinking Fund or to retire notes. There is an “up to a certain” percentage of surplus. I do not know what the intentions are with that additional surplus, even if the “up to” number is maxed out.

Senator Campbell spoke to how it was important not to borrow to save, and I understand that, the logic and cost-effectiveness of avoiding the negative carry. But he mentioned that this was so that Government could provide stimulatory policies and that without them there could be weakness in the private sector.

Now, I would like to get some more information on what these stimulatory policies are, because, certainly, the private sector is failing, or is not feeling that love of these stimulatory policies. It seems to be that removing the discipline of the Sinking Fund, or the goal-setting of contributions to retire debt, is, in large part, because the Government has reversed the trend of control of government spending. Government spending went up from the actuals in 2017/18—and we are talking about the Current Account of spending here—from 2017/18 to 2018/19 fiscal years by \$39 million. And that is on the actuals to the revised estimate in the Budget Book, for those who want to reference it.

So, it is all good and well to say that, you know, we do not want to borrow to save. But it is Government’s own actions that are forcing us into these positions. If we remove the contribution to the Sinking Fund in 2017/18, there was a mere \$8 million, after interest on debt, after capital expenditure, a mere \$8 million gap to a balanced budget. And from 2017/18 to 2018/19, that gap, instead of being close to zero, which was a very manageable number of \$8 million, got expanded to \$38 million.

So, to say that we are doing this in the name of fiscal prudence I think needs to be taken with a little bit of a grain of salt, because all we have seen is a growth in government expenditure and a rise in taxes to feed that animal. The private sector is feeling it. The business confidence dropped the first year this Government has been in power. And it has fallen off an absolute cliff this year. Business confidence is at 63 per cent. And some might attest that this has something to do with who runs businesses. But IB [international business] which is generally political apolitical, has the lowest numbers, at 55 per cent, on the index.

So, I think the sugar-coating around why this is being done is somewhat misleading. Government

needs to focus more on controlling its spending, because there is only so much in taxes that the private sector can bear. And we must keep our surpluses there so that there is something to put towards the Sinking Fund or retiring debt. I am not really wed to one instrument or the other. It depends on the type of note that we are trying to retire.

So, I would prefer that Government controlled its spending to the point where we have some surpluses, and we set some more firm language in this Act where "it shall be retired as debt," as opposed to a very ephemeral "may." Thank you, Madam President.

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

Would any other Senator care to speak on this Bill?

Senator Hayward, you have the floor.

**Sen. Jason Hayward:** Madam President, I support the amendments that the Minister of Finance is putting forth because they make logical sense.

Negative carry is real. It makes absolutely no sense where the cost of funds that we are borrowing exceeds the income generated from the funds that we borrow. To put it in layman's terms, it is like taking your credit card, walking to the ATM and getting a cash advance on your credit card, at 19 per cent interest, and then putting that money in a savings account at your bank and receiving lower interest. But the money in your savings account then has to go to paying your bills, including your credit card bill that you just borrowed at 19 per cent.

It makes no sense. The Government has recognised it makes no sense. And so, this is logical. There is no need to create a new narrative around this particular story. The design of the fund was, when we have surpluses we put money aside for a rainy day. But we are not running surpluses. So, what we are doing is utilising debt to pay off debt. It makes no sense.

And so, I appreciate where the Senator was trying to go regarding fiscal prudence of the Government. But we have to realise that our community demands services. In order for those services to be effectively provided to our community, we need the resources to do so. It makes no sense when we have government departments that are understaffed, under-resourced, to try to get them to provide the level of services that the public actually demands.

And so, this is sensible, Madam President. There is no need to change the narrative. It just makes logical sense. Thank you.

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

Would any other Senator care to speak on this Bill?

No? Then, Senator Campbell, do you have a response?

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

I think Senator Hayward summarised things quite well. So, there is no real need to say anything else.

And with that, Madam President, I move that the Bill entitled the Government Loans Amendment Act 2019 be now read a second time.

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

No objection.

Carry on, Senator Campbell.

### SUSPENSION OF STANDING ORDER 26

**Sen. Vance Campbell:** 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 objections.

Carry on, Senator Campbell.

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

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

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

No objection.

Carry on, Senator.

## BILL

### THIRD READING

#### GOVERNMENT LOANS AMENDMENT ACT 2019

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

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

Is there any objection to that motion?

No objection.

The Bill is passed.

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

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

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

**The President:** We are moving now to the third item on the Orders of the Day, and that is the second read-

ing of the Electricity Amendment Act 2019. Whose Bill [is it]? Sorry.

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

**Sen. Anthony Richardson:** Good morning, Madam President.

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

**Sen. Anthony Richardson:** Fellow Senators, viewers in the Gallery, which are numerous, and those in the listening audience.

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

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

No objection.

Carry on, Senator Richardson.

## BILL

### SECOND READING

#### ELECTRICITY AMENDMENT ACT 2019

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

Madam President, before I start, I want to give what I believe is the appropriate context for what is being done today. And that is that electricity supply in Bermuda is controlled by a single entity, and their actions have a significant impact on those individuals and corporate entities. Accordingly, appropriate oversight is paramount. They are effectively a monopoly granted by the Legislature. The amendment today provides more detail for the existing role of the Regulatory Authority [RA].

Now my formal comments, Madam President. I am introducing the Bill entitled the [Electricity Amendment Act 2019](#) to be read for a second time. This Bill seeks to amend the Electricity Act 2016 (the Act) to expand the requirements for granting consent to the transfer or assignment of licences.

Madam President, in a Ministerial Statement on the 7<sup>th</sup> of June 2019, the Minister of Home Affairs, the Honourable Walter Roban, indicated that he was tabling this Bill to assure the proper regulation of the electricity sector, particularly after the announcement was made that the Ascendant Group was for sale, the parent company for BELCO.

Madam President, I must state that we have every confidence that the Regulatory Authority will perform the due diligence required prior to making a decision on whether to approve the transfer of any licence, under the leadership of the Chief Executive, Mr. Denton Williams. In this regard, you will note that a number of long-outstanding issues have either been

completed or are currently out for public consultation. These include the Integrated Resource Plan [IRP]; the granting of new Integrated Communications Operating Licences [ICOLs]; and Consumer Protection Standards and Open Internet Regulations.

However, Madam President, you will be aware that certain issues were previously delayed at the RA. It follows then that in any organisation there should always be adequate checks and balances. Madam President, it is important to remind Honourable Senators that section 6 of the Electricity Act 2016 defines the purposes of the Electricity Act 2016, namely, “to seek—

“(a) to ensure the adequacy, safety, sustainability and reliability of electricity supply in Bermuda so that Bermuda continues to be well positioned to compete in the international business and global tourism markets;

“(b) to encourage electricity conservation and the efficient use of electricity;” (And those would be such things as how we use our water heaters and incandescent light-bulbs.)

“(c) to promote the use of cleaner energy sources and technologies, including alternative energy sources and renewable energy sources;

“(d) to provide sectoral participants and end-users with non-discriminatory interconnection to transmission and distribution systems;

“(e)” (which adds extra emphasis,) “to protect the interests of end-users with respect to prices and affordability, and the adequacy, reliability and quality of electricity services;” (i.e., to make sure that the prices are as reasonable as possible)

“(f) to promote economic efficiency and sustainability in the generation, transmission, distribution and sale of electricity.”

Madam President, these are admirable purposes that also underscore the commitments made to the people of Bermuda by this Government in the 2018 Speech to the Throne, including addressing high energy costs and increasing the uptake of renewables.

Madam President, I must also remind Honourable Senators that section 8(1) of the Act provides the Minister with the authority to “issue Ministerial directions to the Authority regarding any matter within his authority respecting the electricity sector.” And again, I emphasise the fact that it talks about electricity, because BELCO [is] the primary provider.

Section 8(2) states that “Ministerial directions shall be designed with due regard to the purposes of this Act.”

Madam President, the Minister of Home Affairs, the Honourable Walter Roban, issued a Ministe-

rial direction to the RA on the 19<sup>th</sup> of March 2019, after being informed by the Board of Ascendant Group Ltd. that they intended to sell the company. With your permission, Madam President, I would like to highlight the following excerpts, which are important to this debate:

“Pursuant to section 15 of the Act, in discharging your functions, including the consideration of any change in ownership of any licensee under the Act or of any proposed concentration under section 87 of the Regulatory Authority Act 2011, you must act in a manner consistent with the purposes of the Act as set out in section 6” (which I just read a few minutes ago.) “As we have discussed, and as you would know from statements made by the Government, the Government is concerned with ensuring that the above purposes are met and that, in particular, where possible, section 6(e) which speaks to the purposes of protecting ‘the interests of end-users with respect to the prices and affordability and the adequacy, reliability and quality of electricity service’ is given the highest priority, provided there is no detriment to section 6(a) which speaks to ‘adequacy, safety, sustainability and reliability of electricity supply in Bermuda.’” (And that generally speaks to the idea that we want to make sure costs are as low as possible but do not compromise the quality and sustainability of the electricity supply.)

“I expect that while the Authority considers whether to grant its consent to any transfer of ownership, as delineated in section 30 of the Act, deliberations consistent with this direction will provide additional layers of diligence, which we have discussed, and will better safeguard the interests of the ratepayers and further strengthen the application of the Act.

“Please note that this direction in no way obviates any of the other regulatory processes established around the transfer of ownership of any licensee, but rather adds to the process.” Madam President, the Bill at hand amends section 30 of the Act. The amendment provides that:

1. An Integrated Resource Plan (IRP) must be approved under section 44(2) and published under section 45 of the Act and that due regard is had to the IRP when the Authority makes its decision whether or not to give consent.

I would like to highlight section 44(2), which states, “The Authority may approve the Integrated Resource Plan if, acting in accordance with the regulatory principles and any administrative determinations, it considers that the final draft Integrated Resource Plan is the best approach to meeting the purposes of the Act and complying with Ministerial directions.”

2. The Amendment also requires the Authority to consult the Minister and obtain his approval before it consents to the transfer or assignment of the Transmission Distribution and Retail [TD&R] Licence or a Bulk Generation Licence.

3. The Minister may refuse his approval, but only—and I emphasise that, *but only*—if he is satisfied that the Authority’s intended consent to the transfer or assignment is not in accordance with Ministerial directions.

Madam President, it was argued in another place that the independence of the Regulatory Authority would be compromised by this legislation, which is not correct.

There is a limit to the Minister’s authority in this Amendment, as a refusal of his approval pertains only to whether the transfer or assignment is in accordance with Ministerial directions. To explain, section 8(4) of the principal Act states, “The Minister shall not direct the Authority regarding—(a) the application of general policies to specific matters before the Authority; or (b) the specific rights or obligations of any individual licensee or licensees in the electricity sector.” And, Madam President, what that speaks to is that the Minister does not have the authority to direct what happens with the operations of the entity more so from a policy direction.

Madam President, there is already a precedent for Ministerial consent for a licence to be transferred by the Regulatory Authority, because the Authority itself is responsible for telecoms and electricity. Section 18(6) of the Electronic Communications Act 2011 states that “An ICOL shall not be transferred or assigned, and may be terminated by the Authority in the event of any such transfer or assignment or if there is a change of control over the licensed entity unless the transfer, assignment or change of control is authorised in advance, in writing, by the Authority acting with the written consent of the Minister.” So, this is not new.

Madam President, after the Ministerial Statement on the 7<sup>th</sup> of June, concerns were raised that the sale of Ascendant Group Ltd. does not require a transferee licence because it is Ascendant Group Ltd. being sold and not BELCO.

However, I would like to draw Senators’ attention to section 30(2), which states, “Transfer includes change in control of the licensee, where ‘control’ refers to—(a) the power, whether held directly or indirectly, to exercise decisive influence over a licence holder, including by directing its management and policies, whether through ownership of shares, stocks, or other securities or voting rights, or through an agreement or arrangement of any type, or otherwise; or (b) the ownership of 25 percent or more of the shares, stocks, or other securities or voting rights, including through an agreement or arrangement of any type.”

And so, clearly, the sale, the proposed sale, of the parent company does have an impact on BELCO as a subsidiary evidencing a change in control as intended by the Act.

The proposed sale of the Ascendant Group Ltd. does reflect a change in the control of the licensee as described in section 30(2).

Madam President, I repeat my opening comments regarding the context of the amendment. It has been repeatedly highlighted in previous statements regarding this matter that the BELCO plant is a strategic asset, which is used by all residents in Bermuda. It is therefore critical to our social and economic well-being. Therefore, it is the duty of this Government to ensure that any proposed sale will promote economic efficiency and sustainability in order to reduce our reliance on fossil fuels, increase the use of renewables and make electricity more affordable for all residents.

Madam President, I will now complete my comments.

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

## ANNOUNCEMENT BY THE PRESIDENT

### SENATE VISITOR

**The President:** And before I open the floor, I would just like to acknowledge the presence of Ms. Rozy Azhar, the Permanent Secretary for Home Affairs.

Welcome to you, Madam.

*[Electricity Amendment Act 2019, second reading debate, continuing]*

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

Senator Robinson, you have the floor.

**Sen. Dwayne Robinson:** Thank you, Madam President. Good morning to my colleagues, and to yourself, and to the listening audience.

In the most part, I believe that this is proper due diligence, as we all agree that BELCO is a crucial asset to the country and is definitely a monopoly in the sense of an energy provider. I am especially happy to see due diligence provided for the Integrated Resource Plan, as well, because I believe that this is something that should have been in legislation beforehand.

And I also appreciate the brief by Senator Richardson addressing the scepticism that we have on this side regarding [clause 2, subsection] (6) of section 30. And we will reserve our scepticism because we have seen these sorts of clauses injected into Bills, where the independence of an Authority is indeed jeopardised. However, since those points were addressed in the brief, we can acknowledge that the Government has at least heard our scepticism and has attempted to answer that.

So, to be honest, this Bill seems to be tabled in the interest of protecting Bermudians and cost efficiency, as far as energy goes. So, well done. Thank you.

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

Would any other Senator care to speak on this Bill?

No?

Then, Senator Richardson, back to you.

**Sen. Anthony Richardson:** Madam President, I want to thank Senator Robinson for his comments. And I will just add, briefly, in terms of there is an ongoing process for there to be a published IRP for this integrated resource planning. The idea is for Bermuda to better understand how electricity is going to be provided to us, going forward. And that is now part of this process. And so, prior to any approval of the sale of Ascendant, you would have to know, it would have to be published now what that plan is. Because it has been ongoing for quite a while. And Members may be aware that there have been several extensions to the previous deadlines throughout the past year.

And so, I concur with you, Senator Robinson, that in terms of having this as a prerequisite to any agreed sale, this will serve Bermuda well. We will better understand what is happening and therefore there should be more sustainability around the future of electricity supply in Bermuda.

Also, before I conclude Madam President, I just want to emphasise again the fact that the Minister can give directions and also would give final approval does not, in and of itself, compromise the independence of the Regulatory Authority, who do have the technical expertise. And the Act already provides for limitations to the degree that the Minister can do certain things. And so, I would offer that the independence is still there, and they would give good, sound advice. And the Minister would have to almost justify why he would not accept their advice in that circumstance.

And so, with that, Madam President, I move that the Bill entitled the Electricity Amendment Act 2019 be read a second time.

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

No objections.

Carry on, Senator Richardson.

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

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

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

*[Inaudible interjection]*

**The President:** Standing Order 25 *[sic]*. . . Sorry.

**The Clerk:** Standing Order 26.

**The President:** Twenty-six.

**Sen. Anthony Richardson:** Oh, sorry.

**The President:** Yes. You have it there?

**Sen. Anthony Richardson:** Yes. I request that—

**The President:** Yes. Sorry.

### SUSPENSION OF STANDING ORDER 26

**Sen. Anthony Richardson:** I request that Standing Order 26 be suspended.

**The President:** Is there any objection to the suspension of Standing Order 26?

No?

Carry on, Senator.

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

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

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

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

No objection.

## BILL

### THIRD READING

#### ELECTRICITY AMENDMENT ACT 2019

**Sen. Anthony Richardson:** Madam President, I move that the Bill do now pass.

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

Is there any objection to that motion?

No objection.

The Bill is passed.

*[Motion carried: The Electricity 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 fourth Order of the Day, and that is the second reading of the Bermuda Economic Development Corporation Amendment Act 2019.

This is your Bill, as well, Senator Richardson.

**Sen. Anthony Richardson:** Yes, Madam President.

**The President:** You have the floor. Carry on.

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

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

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

No objection. Carry on, Senator.

## BILL

### SECOND READING

#### BERMUDA ECONOMIC DEVELOPMENT CORPORATION AMENDMENT ACT 2019

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

Before I even start, I want to commend Ms. Erica Smith, who is in charge of [BEDC]; Ms. Miriam Rogers, from the Attorney General's Chambers; and the Cabinet Secretary, Marc Telemaque, who assisted tremendously in making sure that I was prepared for this debate.

Madam President, the [Bermuda Economic Development Corporation Amendment Act 2019](#), before the Senate today, seeks to amend the Bermuda Economic Development [Corporation] Act 1980 to permit the BEDC [the Corporation] to form subsidiary companies, or join in the incorporation of any company to further any public/private partnership in keeping with the functions of the Corporation.

The Bermuda Economic Development Corporation [BEDC] is a provider of business management advice and financial assistance to the local small and medium-sized business sectors in Bermuda.

The BEDC is currently responsible for overseeing the operations of the Economic Empowerment Zones (the EEZs), for providing financial support and technical advice to small and medium-sized businesses, for managing the operations of outside vendor markets, and for managing vendors in issuing vending licences.

Since the establishment of the 1980 Act, and a partnership between the Bermuda Government and the local banks, the BEDC has been, and continues to be, Bermuda's premier source of free confidential advice for entrepreneurs and business owners. BEDC's mission is to inspire, inform, support and grow new and existing Bermuda businesses through education, guidance, data provision, advocacy, networking and financing.

The Corporation has a focal vision of helping to create an expanded pool of inspired entrepreneurs running successful businesses that fuel Bermuda's economy.

The BEDC's remit has expanded significantly over its lifespan. Originally conceived in 1980 as the Bermuda Small Business Development Corporation to only have responsibility for the Island's small businesses, in 2011 its responsibility grew to embrace the

Island's medium-sized business sectors, the three Economic Empowerment Zones, and to establish market vendor sites. Then, in 2015, its remit was expanded again to have legislative oversight of all of the Island's local pedlars and vendors.

Madam President, today we are here to mark the continued evolution and expansion of BEDC with this new amendment to its legislation. The amendment will allow the BEDC to enter into formal corporate arrangements in association with other persons for the purpose of aiding those persons in the development of a new business, or a new undertaking.

The Corporation's key objective remains to assist the Government in encouraging economic growth for Bermuda's local small and medium-sized businesses. However, increasing numbers of entrepreneurs are seeking more than just investment capital or loan guarantees in support of their endeavours. As such, the BEDC is committed to developing a range of creative business support services and products to meet the needs of 21<sup>st</sup> century businesses.

To take advantage of the protections afforded to incorporated entities, entrepreneurs often seek the added assistance of the BEDC as more than a lender or guarantor. Madam President, the BEDC currently has, through section 5(2) of this Act, the power to borrow money, to lend money, to make grants or guarantee loans, and to acquire, hold and dispose of personal and real property. The BEDC can also do anything incidental to any of its powers.

Whilst the broad power currently contained in section 5 of the BEDC's Act may already lend itself to create subsidiaries, it was recommended that out of an abundance of caution the specific powers to create subsidiaries be included in the Act. The proposed amendments would also allow the BEDC the specific power to engage in the incorporation of entities in support of public/private partnerships. In addition, as part of the incorporated entity, the BEDC would have the opportunity to exercise greater oversight in support of the businesses supported through its existing powers. The amendments will only focus on local companies, or LLCs, this with the goal of specifically assisting in the development of new businesses or ventures.

Ministerial approval will be required for the formation and divestment of any company through this provision, and the BEDC will divest itself of its shares in a local company, or resign its membership in a local LLC, as soon as it has fulfilled its purpose.

Madam President, with this legislative amendment, the Government desires to continue to create an environment where entrepreneurs can benefit from economies of scale through the creation of shared assets. This also includes shared infrastructure. The ability for the BEDC to create subsidiary companies based on a public/private partnership model will progress this concept of shared assets for entrepreneurs. We currently see the beginnings of this

concept with the BEDC's incubators, shared spaces, shared resources and shared supports.

The BEDC has the resources and structures to partner with entrepreneurs to more easily bring their ideas to market, stay in partnership beyond those critical start-up years of the first three to five years, and then exit the company once it is solidified. These partnerships are even more critical if the company operates in an industry that the Government is desirous of growing. It is anticipated that the implementation of this new legislation can be managed from within the BEDC's existing resources and funded from within the BEDC's existing budgets.

In closing, Madam President, a key national objective continues to be entrepreneurship. Bermuda's local small and medium-sized businesses are the lifeblood of our Island's economy. As such, the Government of Bermuda intends, through this legislative amendment, to broaden its reach to foster local economic development activity. Without question, the Government is serious about encouraging a viable and reputable local entrepreneurial environment with the BEDC providing tangible support and advice. To this end, this Government will continue to ensure that local economic development is a priority by putting businesses and entrepreneurs first and creating sound, progressive policies for their success.

In a word, Madam President, this amendment allows the BEDC to have more tools in its toolbox to assist local entrepreneurs. And, Madam President, with these remarks, I now invite fellow Senators to participate. Thank you.

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

## **ANNOUNCEMENT BY THE PRESIDENT**

### **SENATE VISITORS**

**The President:** And before I do that, I would just like to acknowledge in the Gallery the presence of Ms. Erica Smith, Director of the BEDC, as well as the Parliamentary Counsel, Miriam Rogers.

Welcome to you both, ladies.

*[Bermuda Economic Development Corporation 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.

I am glad the Bill was amended before it came to us, because there was a section which said that the CEO "shall" be appointed. That had caused me some concern when I saw the Bill as originally tabled. What

I would like to speak to, now that it is [changed to] “may,” and I understand the importance of being able to appoint a director when you are a significant investor in the company, but I have some questions that I am hoping Senator Richardson can answer for me as to, Will these directors be appointed from within members of the board, within members of BEDC staff? Will they be third-party nonexecutive directors?

How are we going to rate their expertise? Will they be compensated? How much time will be spent on these various boards? And how will their potential liability as directors be protected? Obviously, if you are a director of BEDC directly, there are protections within the 1980 Act. But there is nothing in this amendment which speaks to potential liabilities as the director of a third-party start-up that the BEDC is investing in.

I note that clause 5 of the amendment seeks to insert or somehow . . . I guess because it is not a subservient section, it is like a whole new block that is just inserted in complete independence from the rest of it just because it is under the powers of the Corporation to grant. So, I would like to refer to section 13 of the original Act to give some context to my comments.

In section 13 of the original Act, there are a considerable number of restrictions as it relates to the powers to lend and grant money. There are caps on the total amount that can be lent or granted. And no one business shall be benefited with more than \$200,000, or cap that at 15 per cent of the capital of the Corporation, whichever is greater. There appear to be no such restrictions on share equity the Corporation takes with this new amendment that is before us.

There are restrictions that money lent or granted must be for businesses that are created for profit—i.e., we are trying to actually create businesses as opposed to a donation to charity or some other vehicle which would be more appropriate through a different vehicle other than the Bermuda Economic Development Corporation.

Section 13(7)(a) of the original Act speaks to, money shall not be given to a person by way of grant or loan “to a person not resident in Bermuda.” [Clause 5 of the Bill, which inserts section] 13A that is being debated today has no such restriction. So, we could be buying minority shares, or majority shares even, where the other 40 per cent is not even a Bermudian.

Then there is also the restriction “as to assist a business not being carried on within Bermuda . . .,” when granting or loaning. There appears to be no such restriction in the [clause 5 of the Bill, which inserts section] 13A insertion that we are debating today.

Part V of the original Act talks about “Examination as to application of money lent or grants made.” And there are all sorts of powers that the Board has to review and see that the grants and loans have been done in an appropriate fashion. There appears to be no language in the amendment we are

debating today that extends those powers of examination to the Board for purchases of share equity.

Section 16 of the original Act speaks to “Misapplication of grants and loans.” And again, there is no such language in this new amendment to provide such powers to the Board when the Corporation enters into share purchasing vehicles.

And when we speak to . . . and again, this is what I alluded to earlier, Madam President. Section 25 of the original Act speaks to the “Protection of directors” of the BEDC. And it says, “[1] No action or suit, prosecution or other proceeding shall be instituted against any director personally in respect of any act or omission bona fide done or made by him in execution or intended execution of any function of the Corporation under this Act.”

Obviously, if you are sitting on a board of these third-party subsidiaries or investment vehicles, the protections of the 1980 Act will not be extended, and there is no language in this amendment to extend those protections.

So, I am a little confused as to the exact purpose of this. I understand the need to find other vehicles to fund and start-up small businesses in Bermuda. I understand that there are some serious challenges in the banking sector to get this debt equity, essentially, for . . . or loans for start-up businesses that do not have a proven revenue stream, or have very limited collateral. And I understand that small businesses provide a much more stringent or disadvantaged risk profile for the bank’s balance sheet.

One of the things that I know the BEDC has struggled with historically with small businesses is the understanding of the difference between equity and a loan. Certainly, there will need to be a bit of an education process so that people are less fearful, or more understanding of what it means to have an equity position taken in your start-up, that you are going to do all the work and, obviously, if the company grows tenfold and it is purchased back, that buy-back will be perhaps tenfold more than what was put in. Whereas, obviously, if the company fails, as many risk-takers unfortunately do in the first three years of start-up, that money will not come back to the BEDC. So I can see how there is a way, somewhat like venture capital, to spread the risk and hopefully you pick a few big winners and get back that contribution.

But it is also not clear, under this Act, when you look at . . . (My apologies, where is that section?) Anyhow, when the shares are repurchased, there is . . . and I understand so as to not be fully bound. But where the . . . sorry. In [clause] 5 of the amendment, which will insert [section] 13A(4), it speaks to divestiture of the shares. And this is where I believe there is really going to be a need of a sense of education with a lot of first-time business owners’ start-ups, about what it means to have an equity position taken in your business that you are creating. Because, again, like I said, if you are successful—and the hope of these

sorts of tools is that the company [will be] be successful—that growth will, I'm assuming, be purchased back at the new market rate which would far exceed what interest would be if that type of lending was available.

So, I guess the bulk of my concerns come down to, this seems to be a . . . it is a new way of offering financing to small business, but it seems shoe-horned into the Act and completely avoids itself of many of the good governance restrictions that relate to loans and grants that run throughout the rest of the original Act. Thank you, Madam President.

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

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 appreciate the comments from the Junior Minister. They did answer a number of questions that I had. I just wanted to follow up on a few points. The first was, will the BEDC have an annual, sort of, budget limit for this type of investment? In other words, will they say, *We are only going to allow "X" number of thousands of dollars to be used for (let's say) the purchase of shares for an equity interest, or the number of start-ups?* I just wondered if there was any thought of a limit.

The other question, the Junior Minister did answer in part, and I was more concerned about . . . because of the change, it appeared in allowing equity investments, would the BEDC not require more experienced personnel on board in order to . . . if they did act as directors, or they were giving advice on an equity loan basis, would they not need more . . . or should I say, different experience available to carry out and monitor these types of business?

I recognise that the Junior Minister said that they should be able to manage with the staff levels they have. But my concern is we are moving into, perhaps, a somewhat different realm here where the BEDC is taking . . . or could take an equity interest in the business. And I am just wondering if they may require different experienced staff in order to carry out their responsibilities there.

And the final point was, again, the Junior Minister indicated that they should be able to manage with their existing budget. And I believe, and I had to look at the Blue Book, the Consolidated Fund pays out some \$2.6 million every year to the BEDC. And I just was, again, concerned about whether they are going to be able to manage for the rest of this fiscal year, or what is left of it, until March 31<sup>st</sup> of next year, with the existing budget. Or, will they need additional funds in order to be used for the expansion in terms of what they are going to be offering entrepreneurs.

Those are my questions and comments. Thank you, Madam President.

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

Would any other Senator care to speak on this Bill?

Senator Hayward, you have the floor.

**Sen. Jason Hayward:** Madam President, I am actually excited about the changes that will take place at BEDC once this Bill is approved.

I recognise that persons have questions and concerns regarding the business structure and how the functionality of this new initiative will become effective. But I do not think we should take our eye off the prize.

As you travel the world, most local governments have some sort of business development agency. These business development agencies engage in a number of services similar to what we are proposing today. No, they are not focused on, you know, service providing and retail establishments and things of that nature. But there is a suite of businesses that they get involved in—innovation hubs, incubators and accelerators—that actually service their local communities. And that is what we are actually focusing on. How do we create sustainable economic development and economic growth? And this is what this Bill aims to do: create new ventures that strategically help with attaining sustainable economic growth and development model.

We recognise that it is very difficult for start-up companies to be successful in Bermuda. There are a number of barriers to entry. But what we are actually trying to do today simply aims at improving the performance of small and medium enterprises, nurturing talent and entrepreneur skills, and the entrepreneurial whole spirit, to make sure that we support those individuals with the resources they need to thrive in our community.

The model that we have been utilising all this time is not working. [It] can be enhanced, and that is what we are seeking to do—enhance the model. When I hear about the possibility of BEDC creating a business incubator, when I was touring the US on a Workforce Development tour, a critical component of Workforce Development was the creation of entrepreneurs. A critical component of successful entrepreneurship was the individuals, the ones in local communities that were successful, many of them emanated from some sort of incubator, where they were able to leverage the resources they need as a collective to be successful in their infancy stages.

And so it is important that we recognise that there is great opportunity that can come from ventures that the BEDC can partner with entrepreneurs in the community. What it is ultimately doing is giving BEDC greater leverage to cultivate the entrepreneurial ecosystem, a valid entrepreneurial ecosystem. Because

right now the BEDC provides service and advice, but now it kind of gives them the opportunity to provide a greater amount of resources to small business owners.

The amendment, the Bill, what we see in front of us today is nothing new. It is new to Bermuda, but it is not new worldwide. This is what economic development agencies do across the globe. This is the model that they are moving to. We cannot simply say we want more small businesses; we want more entrepreneurs without providing them the necessary support. The BEDC will leverage its resources to create partnerships that ultimately benefit this community. If we have more successful small businesses, we have more jobs. More successful small businesses then lead to more medium-sized businesses and greater employment opportunities, a greater spread or variety of goods and services in our country.

We have a number of persons who provide awesome services, but they are limited to being vendors because they do not have the capacity which is required. I know for a number of years I only bought my ties from a vendor who put out on a social media site that they have ties and that they would come to your house and you get to pick the ties out of a bag. But this person had enough demand for ties where if they had the proper support system, they would have been able to start their own retail business providing men's accessories.

And I would have liked to have seen that person's business flourish into some type of retail establishment that I could have walked into and patronise. But it is about time, and know-how, and resources. And now there is an opportunity where if that person was at my doorstep now I could say, *Hey, go talk to BEDC and see if there is some partnership or see if there are other small businesses that you can leverage your resources and you can all share a facility.*

We are talking about innovation in our community. Technology hubs are going to be the thing of the future. We have our kids at Bermuda College developing apps. We have a government app that was developed by Bermuda College kids. Upon graduating Bermuda College, wouldn't it nice if they can begin their own app or technology business that is supported by BEDC? And this now gives BEDC the opportunity to have those critical conversations that we need to progress the interest of those who want to add value to our community. And so what I ultimately see is this creating value for our community. This will ultimately . . . hopefully it is a catalyst to greater economic growth and development and job creation, and hopefully the resources provided to individuals so that persons can have sustainable business models.

And so, Madam President, I recognise that . . . I guess the word "scepticism" was used earlier regarding BEDC's involvement into business. But I would just say that BEDC is evolving into what many

other economic development agencies are already doing around the world. Thank you, Madam President.

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

Would any other Senator care to speak on this Bill?

Senator Jones, you have the floor.

**Sen. Marcus Jones:** Thank you, Madam President.

I would like to weigh in on this particular debate. First and foremost, having worked myself within the Economic Empowerment Zone [EEZ] and having the pleasure of seeing many small businesses rise from being fledgling vendors in certain areas around the Island, to actually becoming established businesses, I was always cognisant of the fact that the Bermuda Economic Development Corporation, the small business agency at the time, was limited in its toolbox of tools that could assist and support these small businesses, and now they have also brought under their umbrella the mid-sized businesses as well. So, I do appreciate this particular legislation. In fact, I am very happy about this legislation as well because any way that this Government can provide support to these businesses, and we know the world over that especially in times of downturns in the economy, it is the small businesses that appear to be the engine that keeps the economy going because many of the big-sized companies, they look more to cutting with more deeper cuts than do the smaller businesses.

So, let me just reiterate and underscore the Opposition's side's support of the direction and the spirit of this Bill. But I believe that the questions that were emanating from my colleague, Senator Kempe, his concerns, which are shared by myself, are that we need to ensure that there are measures in place to beef up and provide checks and balances so that this initiative can be successful. We want the proper frameworks, the proper checks and balances in place so that this initiative will have every advantage of being successful.

We also recognise that one of the number-one challenges for businesses, both small and large, is capital. Bermuda does not have a central banking system whereby the supply of money within an economy can be controlled, can be made available. And so, the Bermuda Economic Development Corporation has to be creative in finding ways to get added capital to these companies.

So with that in mind, I really do not want our fellow colleagues, or the listening audience, to think in any way that we are negative or discouraging this initiative, because we are thoroughly behind it. But we do want to reiterate the need that we do all we can to firm up this initiative. The spirit in which this legislation has been rolled out is positive. I think it is encouraging. But we also note that there is a certain amount of speculative-ness that is a part of this initiative, so we just [want to] make sure that everything is in place to

make sure it is successful. Thank you, Madam President.

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

Would any other Senator care to speak on this Bill?

Senator Caesar, you have the floor.

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

I, obviously, support this Bill and find it to be very timely and also in keeping with the Government's mandate to support local entrepreneurship in Bermuda.

Having been the former Junior Senator of that particular area, I can definitely say that the staff and employees in the Bermuda Economic Development Corporation are very eager, also very inspiring, and also looking constantly for innovative ways to assist our entrepreneurs. And I think that if people watch that space, they can understand and see that they do a lot for our entrepreneurs and try to assist those with that entrepreneurial spirit in Bermuda.

If I could, Madam President, I would like to quote from the National Business Incubation Association [NBIA].

**The President:** You certainly may.

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

Just on how they support entrepreneurship. They state that, "The business incubator programmes that are used are useful in ensuring that entrepreneurs have the ability to translate their ideas into sustainable and highly successful and functioning business investments by guiding them through the start-up period and throughout the growing and development stages."

I think that is key. Oftentimes we hear there is some sort of assistance to start your business, to come up with a business plan, et cetera, and then certain places will send you off and that is it. But oftentimes entrepreneurs, once they have begun, need consistent guidance so that they can be sustainable and profitable. I am sure we all know people who have started businesses in the past, they did a great job, and then, for whatever reason, we do not see them any longer.

So I feel that this Bill is only going to enhance and assist entrepreneurs, which, again, this Government has agreed to . . . not agreed to, sorry, I cannot think of the word right now. But this Government has indicated that they want to support entrepreneurial businesses, so this Bill I think is very timely and I am happy to support it.

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

Would any other Senator care to speak?

Senator Campbell, you have the floor.

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

Madam President, too often we sit here and we talk about antiquated legislation. Here, today, we are talking about an entity . . . from the Senator's brief, he advised us that the BEDC has continued to evolve from its conception in 1980 right through until today. And today we find ourselves here discussing a Bill to continue that evolution and expansion of the BEDC. So it is refreshing that we are not talking about something that was put in place in law, you know, in 1953—just picking a date out of the hat.

*[Laughter and inaudible interjections]*

**Sen. Vance Campbell:** Yours, maybe.

*[Laughter]*

**Sen. Vance Campbell:** It is also no secret that this Government looks to support entrepreneurs.

And when we look around the world, Madam President, the old model of the retail giants, you know, where they have that corner store with multiple levels, occupying tens of thousands of square feet, that perhaps is a thing that is going the route of the dinosaurs. So what you have is . . . and we have heard from a number of Senators here today, talking about the local small businesses and the medium-sized businesses being the lifeblood of the Island's economy. But they are also more nimble. They have the ability to be more nimble and able to react to changes in the market [more so] than those retail giants that I just spoke about. So, that is the advantage of us supporting them as well. They are more in tune, at times, you can say, with their market and the changing demands from that market.

But I support this as we continue the evolution of the BEDC and support them in their commitment to being creative and meeting the 21<sup>st</sup> century needs. And this has the potential to turn the unemployed into the self-employed. It has the potential to turn the employee into the employer. It has the potential to change the economic trajectory of individuals in families, Madam President. And if we do that, we also reduce the reliance on the government's support services, such as Financial Assistance. So, with those comments, Madam President, I support this.

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

Would any other Senator care to speak?

No?

Senator Richardson, it is over to you.

**Sen. Anthony Richardson:** Thank you, Madam President, and all Senators who have spoken.

Madam President, I guess in my own way I am excited. I have heard all the comments around the table. And when I was first given the brief I also had some concerns in terms of, okay, what does this

mean? That is why I said I give tremendous accolades to Ms. Smith and the rest who assisted in preparing the brief because I had to ask questions and I have come to the reality that this is a good thing.

And I would, if you would permit, I would characterise Senator Kempe's comments in terms of being concerned about governance, How would the governance be wrapped around this? And for Senator Jardine, I guess a little bit more practical in terms of how will this actually work its way through? And if you will allow me, Madam President, I would give a few more comments.

**The President:** Absolutely, Senator Richardson.

**Sen. Anthony Richardson:** And [these comments] are in answering the questions that have been [asked].

But in terms of what is a small business versus a medium-sized business? It actually incorporates businesses that have gross sales of [less than] \$1 million or a payroll of less than \$500,000; that would be a small business. And then for the medium size, you have gross revenue between \$1 million and \$5 million. And so that is, in my mind, kind of big for a Bermuda-based business. And so it speaks to the mandate of the BEDC to assist many businesses in Bermuda.

And then to move on in terms of there was a general comment about (and I am paraphrasing), Does the BEDC have sufficient staff with the appropriate technical and management ability, plus Board members, to do this?

And I would say that the answer is yes.

Senator Caesar says she was a former Junior Minister for this. Senator Kempe, I believe, formerly served on the BEDC Board. I served on the BEDC Board. And [from] the meetings and [from my] interaction [with] the staff, yes, [I would say] the staff is able to carry out these functions. And I want to underscore the fact that they are not going to perform these tasks in a vacuum. They perform the tasks under [the] normal governance model, in terms of reporting to the Board. And the Board would obviously have a pretty good oversight in this whole process.

In terms of detail, I am not going to suddenly say, *Okay, fine. It is not open to everybody.* Based upon being practical, the BEDC will determine how they are going to start to implement this to ensure that we do not have this significant and sudden change in what they have to do. So, Senator Jardine, yes, they should be able to manage it within their existing . . .

*[Inaudible interjections]*

**Sen. Anthony Richardson:** Sorry, Madam President. Sorry.

Madam President, they will be able to identify which staff are able to participate and then which Board members.

And to answer Senator Kempe's comments about, Will there be third-party presence involved? That will be a different conversation because clearly you cannot . . . the BEDC will not be able to be able to just call up somebody from "the street" (quote/unquote) to come and do this process. They will have to be within the framework of the BEDC. That should be fine.

Beyond from a governance point of view, remember, there is even Ministerial involvement in terms of the formal process of the BEDC either forming a company on its own or in partnership with others. And so, from a governance point of view, you have, obviously, the staff. You have the general director, the Director, Ms. Smith, herself. You have the Board. You have the Minister, and all those things in between. So I do not think there will be any significant issues from that perspective.

[It was asked] a few minutes ago, generally speaking, How will the BEDC roll this out? There will an initial focus in terms of EEZ innovation hubs, virtual markets, small scale vertical farms, incubator accelerators, and the rest of it, to build it up so that it can be sustained, as I said a few minutes ago.

There was a comment also in terms of, I guess a general comment now, in terms of, Will these businesses understand the idea of debt versus equity as they get going? I would suggest that that would be dependent on which BEDC staff member or Board member is involved, because that is part of the process.

And so, Madam President, if you come and say, *I want to start a small business.* There is a significant process that you would go through to ensure, from the BEDC perspective, that you understand what it is. If you do find yourself in the position where you start a small business that then thrives, and the BEDC wants to then divest itself, there are two options. One would be that you then can buy out the BEDC position, or it can be offered otherwise. And so there would not be an unnecessary burden on you as the company to have to pay for the divestment. So the BEDC, I think, and the company itself would work that through. So it should not be a concern in that sense.

There was also a comment in terms of potentially the BEDC getting involved in a . . . either a non-Bermudian entity or a majority non-Bermudian owned entity. And, again, I would defer to the idea that it was based upon governance, and the Board would ultimately give direction as to whether or not any individual proposed activity would be approved or not, and then by doing so we defer to the expertise that is on the actual Board, and then we can move forward.

And so, in summary, Madam President, I would like to offer the fact that—

**Sen. Nicholas Kempe:** Point of clarification, Madam President.

**The President:** Will you accept a point of clarification?

**Sen. Anthony Richardson:** Sure.

#### POINT OF CLARIFICATION

**Sen. Nicholas Kempe:** Thank you, Senator Richardson.

I guess I just had two questions that I had asked that I do not believe you answered in your summary. I was hopeful I could get some clarity.

**Sen. Anthony Richardson:** Mm-hmm.

**Sen. Nicholas Kempe:** One was as it relates to the liability of BEDC Board members or staff serving as directors on these new companies. They have protections under the 1980 Act, but I do not believe you described any mechanisms by which they would be protected under this new venture. Is it Directors and Officers Insurance, who is paying for that, and that kind of thing?

And the other thing comes down to the divestiture of the BEDC's monies. You mentioned that it could be a share buy-back by the entrepreneur or offered on the open market, but there is no value for money stipulation in the amendment we are debating. So, in theory, someone could be given \$500,000 in start-up capital, and then divested for a dollar. So there are no parameters around how that taxpayer value for money will be protected.

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

I think the comments in terms of liability issues for those who would serve on those entities and divestiture, it does go back, in my mind, to governance in terms of the Board would be in place to oversee whatever is taking place. So, Ms. Smith, for example, as the Executive Director, would be the first line, and then the Board. So, the idea of liability issues would be addressed before this is rolled out, and then divestiture issues would again be a similar idea, because, clearly, Ms. Smith would not want to be seen to do these things that are not appropriate, and neither would the Board.

And I would emphasise again that some of us around the table have served on the BEDC Board and we see how it actually operates and so I believe those things will be taken care of.

And so I thank all Senators for their comments. And I think I said it just now, but I will say it again, I believe that what is taking place is the BEDC is taking a lead in what other financial institutions should have done, or could have done otherwise,

even including the banks, for example, to provide this sense of opportunity whereby if the banks, for example, make (I don't know) say, 10 investments, they would win some and lose some, but overall, win some. And certainly we all know that the small businesses and the medium size businesses do actually add extra energy and drive to the economy.

We could imagine what will happen now if there are numerous small businesses which are able to thrive based upon this additional tool in the toolbox of the BEDC. And I emphasise the fact that this is not just a one-off, in isolation, there are many other opportunities provided by the BEDC to ensure that persons have the appropriate expertise and exposure to training to allow them to manage these things effectively.

And so with that, Madam President, I will conclude my comments.

**The President:** Do you want to do your second reading now?

**Sen. Anthony Richardson:** Sure.

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

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

No objection.

Carry on, Senator Richardson.

*[Motion carried: The Bermuda Economic Development Corporation Amendment Act 2019 was given a second reading.]*

#### SUSPENSION OF STANDING ORDER 26

**Sen. Anthony Richardson:** 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.]*

### BILL

#### THIRD READING

#### BERMUDA ECONOMIC DEVELOPMENT CORPORATION AMENDMENT ACT 2019

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

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

No objection.

**Sen. Anthony Richardson:** Madam President, I move that the Bill do now pass.

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

Is there any objection to that motion?

No objection.

The Bill has passed.

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

**The President:** Thank you, Senator Richardson, and all the Senators who have participated in this debate.

We will move now to item number 14.

## MOTIONS

**The President:** There are none.

## CONGRATULATORY AND/OR OBITUARY SPEECHES

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

Senator Michelle Simmons, you have the floor.

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

I would like to go back to a congratulatory speech which was made last week when . . . I have forgotten which Senator began it, but we all joined in the congratulations to Bermuda National Football Team.

**The President:** Mm-hmm.

**Sen. Michelle Simmons:** I promised that I would bring the names of each of the members of that very successful football team to the Senate today. And I would just like to say once again how proud we are of every single member of the team, and the coaches, and, indeed, the Bermuda Football Association which has been building over the years so that we could see this huge success.

So the names of the members of team—the history-making team—included, if I may read them all, Madam President?

**The President:** Absolutely, you can.

**Sen. Michelle Simmons:** Nahki Wells, Dante Leverock, Jonté Smith, Reggie Lambe, Dale Eve, Oliver Jalen Harvey, Calon Minors, Roger Lee, Kacy Milan Butterfield, Jaylon Bather, Lejuan Simmons, Donte Brangman, Chikosi Basden, Zeiko Lewis, Willie Clemons, Jahquill Hill, Osagi Bascome, Cecoy Robinson, Justin Donawa, Wendell Tre Ming, Liam Evans, Marco Warren, and Quinaceo Hunt.

I apologise if I have mispronounced any names, but those are the young men of whom we should all be extremely proud.

*[Desk thumping]*

**The President:** And we all are, and you hear [that] from the other Senators.

Carry on.

**Sen. Michelle Simmons:** I just want to go to our public high school graduates and the graduation ceremonies that both took place last week: The Berkeley Institute on Thursday and CedarBridge Academy on Friday.

I am going to start with CedarBridge Academy's graduation. First of all, congratulations to their Acting Principal, Mr. Kenneth Caesar, who spoke of how delighted he was to participate in the ceremony when 94 graduates were honoured. And I dare say the graduating class was extremely diverse in terms of the aspirations of the students. Mr. Caesar said that 23 of his graduates would be immediately going to colleges and universities overseas. He also noted that 41 were going on to Bermuda College. So altogether, that is 64 students from that graduating class who will be pursuing tertiary level education, either overseas or right here in Bermuda, taking advantage of, hopefully, scholarship opportunities, both overseas and here, because there are many, many . . . and I would just encourage students to go after those scholarships and awards.

I would like to single out one of the CedarBridge graduates, well, three of them. First of all, Mr. Kace Wales. [He is] 15 years old. Yes, you heard correctly. He is only 15. And he completed his education at CedarBridge in three years, instead of the usual four. He also earned a scholarship, a very prized scholarship, to United World College in India. I am not sure how many scholarships were given out this year by the United World College Committee, but normally there are only one or two. So, Kace is a very special young man and I am sure all of us would like to congratulate him and wish him well in his studies.

And finally, with regard to the CedarBridge graduation, there were two valedictorians. I do not know how often that happens, but I suspect that the staff of the school had a hard time deciding on just one. So congratulations are in order to Ethan Fubler and Shani Darrell who spoke of their years at the school and were very encouraging to their classmates

and, hopefully, all of them will go on and enjoy huge success. So congratulations to all the graduates of CedarBridge Academy.

And then there is the Berkeley Institute. I would like to congratulate Principal Keisha Douglas who announced that the graduating class was made up of 135, and she calls them “outstanding students.” There were 38 students from the class who will be attending colleges and universities in the UK and the US and Canada, as well as 57 graduates who will be studying at Bermuda College in the fall. So, altogether, that is 95 graduates from Berkeley who will be going on to tertiary level education immediately.

Then we have the great privilege today of congratulating Jordyn Richardson, who is the daughter of two people who are in this room today. Our own Senator Richardson, and in the Gallery . . . oh, in the Gallery a minute ago we had Mrs. Richardson. So this is an unexpected pleasure. We were going to congratulate Jordyn anyway, who was the valedictorian, but now we can actually say congratulations to her parents because we know without them she would not be where she is today, about to go off and study overseas. And I know her goal is to become a psychiatrist in due course. She is a graduate of Bermuda College already, and also of the Berkeley Institute, since she was in the dual enrolment programme.

**The President:** Mm-hmm.

**Sen. Michelle Simmons:** And, finally, from that graduation ceremony I just have to congratulate the speaker, Gherdai Hassell. I heard her speech and I thought it was first-class. It was excellent. She talked about her own educational journey. And remembering her from my time at Berkeley, she has just pursued her dream, her real dream, not without taking some detours. But it is so wonderful to see how accomplished she is as an artist, and also to note that the government has included some of her artwork in . . . I am not sure which building, but in at least one government building.

So on that note, I will stop, except I would like to encourage our young people who have had these successes to go on. Be hungry for more. And if it means having to spend time filling out application forms, applying for scholarships, applying for bursaries, applying for loans, do whatever it takes to get to where you want to be in the end. Keep the end in view.

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

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

**Sen. Marcus Jones:** Thank you, Madam President.

I would surely want to associate myself with the comments made by my colleague, Senator Sim-

mons. We are always excited and proud of our young people when they reach for the stars and they [make] their best efforts and they get the results which rewards them for those efforts.

I am going to continue on the sporting vein, as we did last week, and extend congratulations to our national swim team that participated in the Central American and Caribbean Championships in Bridgetown, Barbados. I was happy to hear that they were able to attain 29 medals: 6 gold; 16 silver; and 7 bronze. They are to be applauded along with the National Coach, being Ben Smith, a colleague of ours in another place, as a Member of Parliament. They have done really well. They have done us proud and we wish them all the best in their future endeavours. Thank you, Madam President.

**The President:** Thank you, Senator Jones. I am sure we all agree with your sentiments that have been expressed by both of you today.

Would any other Senator care to speak?

Senator Caesar, it is over to you, since the other . . .

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

I also wanted to extend congratulations as I recently was online and saw something very special which I think we oftentimes forget to send congratulations to people while they are with us and acknowledge their contributions.

A former PLP MP and former Speaker of the House, the Honourable Randy Horton, has been recently featured in a book that was published in North America entitled *Black Pioneers of the North American Soccer League [1968–84]*. I think that is quite an accomplishment—

**The President:** Mm-hmm.

**Sen. Crystal Caesar:** —and needs recognition and congratulations to him.

And if I could just quote from the article and the book, which states: “Pele and Eusebio couldn’t have done it by themselves; there were the other black pioneers, some of whom predated Pele, who played major roles in making the NASL a great league.” And our Honourable Randy Horton is named, specifically. “Who played for the New York Cosmos and led the team to its first NASL title.”

In addition, the book also features him on the cover, which I think is great as well, not just inside, but on the cover. And the book also mentions his fellow Bermudian football legend, Mr. Clyde Best. So I wanted to say congratulations to both gentlemen for being mentioned, and for their accomplishments, during those years. So I am sure everyone wants to be associated with that.

**The President:** We certainly do, yes.

**Sen. Crystal Caesar:** So, I just want to say congratulations.

**The President:** And we certainly . . . the entire Senate body joins you in those comments. And thanks for relaying it to us.

Would any other Senator care . . . ?  
Senator Robinson, you have the floor.

**Sen. Dwayne Robinson:** Thank you.

I was recently online and I came across a really nice video of goalkeeper, Dale Eve, signing the gloves of a young lady who is an aspiring goalkeeper as well. I just wanted to extend my congratulations to him because a lot of times we find our young people aspiring to be “outside.” Or looking up to, you know, folks who are doing things overseas. And it is really nice for me to see that we now are embracing local and homegrown heroes, and for him to be taking time out of his success to pass it on to somebody who may be coming after him, for me, was really touching.

I have a little brother who looks up to Stephen Curry and stuff, you know, and I can now say, *Why don't you go and . . . why don't you go and look at Mr. Dale Eve, or anyone of these amazing footballers, and swimmers, and basketball players that we have coming up in Bermuda?* So I would like to congratulate Mr. Dale Eve on that. And those are all my comments. Thank you.

**The President:** Thank you, Senator Robinson.  
Would any other Senator care to speak?  
Senator Richardson, you have the floor.

**Sen. Anthony Richardson:** Madam President, I am smiling because these are wonderful times. It is nice to hear all these wonderful comments around the table this morning.

Without going too far back, I too attended both the CedarBridge Academy graduation and the Berkeley [graduation] and I was touched because during each ceremony there were many (I want to say many) wet eyes. I say that because at each ceremony there was at least one student who spoke about how their teacher, or principal, or some adult person helped them to achieve what they were achieving that day.

And certainly, I recall, in particular, there was a lengthy description or credit or tribute to Mr. Paynter, who is the S4 principal at Berkeley, whereby a student had many, many issues (as far as I can recall), to the extent whereby they were going to be expelled, they were going to leave out and whatever. And Mr. Paynter, through his caring, his dedication and his personal attention caused the person to actually turn themselves around and ultimately graduate last week Thursday. So I want to commend Deputy Principal, Quincy Paynter, in that regard.

I said it before and I want to say it one more time—for Berkeley, it is difficult, obviously, to com-

ment on one and not the rest—but the head girl, Ty-lasha DeSilva, she has been absolutely tremendous in her journey. What I did not know, what I found out at the graduation was that she almost failed her S1. When she first went to Berkeley, she almost failed out. And then she ended up being a top student. And she was the one I referred to last week whereby, based upon her achievements at Berkeley, she has received a \$30,000 scholarship plus some others and will now be traveling with upward people.

And so, again, I just want to commend her for what she is doing. And for all young people, and in general, also, especially . . . well, for both of them, to see how students of various abilities were also recognised as opposed to just the (quote/unquote) “top” student, because everyone will play a part, going forward, in our future.

If I may, Madam President, I want to give congratulations in particular to Ms. Katina Woodley, which is a nod to the arts.

**The President:** Mm-hmm.

**Sen. Anthony Richardson:** And with your permission, I would like to read what was read at a dance recital on Saturday, or Sunday . . . Sunday. And it was penned by Ms. Coral Waddell, who is responsible for the overall school.

If I may?

**The President:** You certainly can.

**Sen. Anthony Richardson:** Her comments are that: “Mrs. Katina Woodley has decided that it is time for her to hang up her ballet shoes. She has taught at the School of Russian Ballet for over 40 years and she loved teaching. She could not think of wanting to do anything else and we are going to miss her, but we are going to try to continue on in her absence. She has been a great inspiration to me through the years and I will miss her. I know the children will miss her as well. She has taught thousands.” (And then, for her to) “enjoy her retirement and don't be surprised if she gets a phone call or two.”

I will also add that . . . and I am sure Senator Caesar will know more than I do, in terms of the benefits of dance and ballet and jazz and all the rest of it on a young person, because it gives them a sense of confidence in how they carry themselves, and also creates discipline which lasts them throughout their lifetime. Thank you, Madam President.

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

No other Senator wants to speak?

I think most people have.

We will move on to item number 16, adjournment.

[Laughter]

## ADJOURNMENT

**The President:** Senator Kathy Lynn Simmons, Attorney General and Government Leader, over to you.

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

I move that the Senate do now adjourn until Wednesday, July 10<sup>th</sup>.

**The President:** Thank you.

Would any Senator care to speak on the motion to adjourn?

Senator Caesar has reached first. You have the floor.

## SCHOLARSHIPS

**Sen. Crystal Caesar:** Yes, thank you, Madam President. I promise to not be too long, but in keeping with the theme today of graduations and scholarships, I thought I would speak on something that I am very passionate about which pertains to the number of scholarships which are left on the table.

Unfortunately, I was made aware of quite a few scholarships that had not been applied for in tens of thousands of dollars. So my appeal today is to students. First of all, there is a great resource named: [bermudascholarships.com](http://bermudascholarships.com) which I think many of us are aware of. But for those who do not know, there is a resource.

Oftentimes students, for whatever reason, feel that a scholarship is not for them, or they won't get it. But the Bermuda Scholarships website [[bermudascholarships.com](http://bermudascholarships.com)] actually has frequently asked questions [FAQs], and within those frequently asked questions, one of them is: *It's not worth the trouble as I know no one has ever gotten a scholarship.* And the response to that on the Bermuda Scholarships website is: *You would probably be surprised how many people you know have received a scholarship or financial help to continue their education. They just may not talk about it. Do not be defeated before you even start.*

And I repeat: *Do not be defeated before you even start.*

There are hundreds of scholarships awarded every year to Bermudians, and they do not and cannot go to all students who are (quote/unquote) "the top of the class."

So that leads me into my next part of what I wanted to speak about. In that, oftentimes, we hear the accolades given to the top students, academically. And oftentimes I feel bad; I am always for the underdog. But I often feel bad for those students who have strived, they might not necessarily be at the top of the class, and do not necessarily get that recognition. So I, today, would like to congratulate the students who have strived and may not necessarily have gotten sin-

gled out within that classroom, but nonetheless, continue to strive.

I would like to appeal to them and say that if you do a bit of research you will find worldwide that oftentimes the most successful people are not those who are necessarily at the top of the class. And I say that because those are people who have, throughout their lifetimes, had to overcome. And as they become adults and go through life, they know how to deal with adversity. And I admire people like that. I was . . . a little brief story about myself.

I was a top student; always at the top of the class and what have you. I knew how to get an A. I knew how to study and all the rest of it. And then when I got to university and I did not get an A, I was quite taken aback. I did not know how to handle it. So I admire those of my colleagues and schoolmates that actually persevered because they did not fall apart like I did at first, thinking the whole world had come to an end.

So I think we oftentimes overlook those (quote/unquote) "students in the middle," for a lack of a better term. I appeal to them to research, find out what scholarships are out there because there are plenty which are not actually asking for top students. They are just asking for students who want to persevere and pursue their higher education. And it may not necessarily be academically. So, again, I would like to just make an additional appeal to the scholarships boards and donors, as well, to cast your net, consider casting your net a bit wider, as I do think that we sometimes do our students a disservice in that we do say, *Oh, your GPA has to be a particular point average.*

I serve on a scholarship board, an arts one, in which we actually . . . yes, we do look at student's academic record. But that is not the be-all and end-all of those who apply to us. I actually find it very heartening when students actually come in and meet with us. We try and make it as undaunting as possible. But we find that these are typically students who, for whatever reason, have not been at the top of the class but they come in and they represent themselves in a passion which, ultimately, they are the ones who get the scholarships.

So I just want to appeal to students, parents, also school counsellors, to encourage students to apply sooner. As a parent, I know that, yes, it can be very daunting to get all the different paperwork that is required, and all the requests, and what have you. But it is worth it in the end, particularly in these times when higher education is becoming more and more and more expensive every year.

So, again, in keeping with the theme of scholarships, students doing well, and graduation, I just wanted to make that appeal and let people know that there are those of us who do recognise and realise that there are a lot our students that aren't necessarily

the top students. Again, they are the ones who are the future of Bermuda. So thank you, Madam President.

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

Would any other Senator care to speak on the motion to adjourn?

No? Well, with . . . oh, Senator Campbell.

[Laughter]

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

### BERMUDA NATIONAL FOOTBALL TEAM

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

I may be requesting a change of seats, but I think Senator Simmons—

[Laughter]

**Sen. Vance Campbell:** —was over here reading my mind, checking my notes. No, I, too, wanted to mention the names of the 23 players. I will not repeat them since Senator Simmons has already—

[Laughter]

**The President:** That is already done.

**Sen. Vance Campbell:** —done so. But with your permission, I would like to mention the names of the support staff and their roles.

**The President:** Absolutely.

**Sen. Vance Campbell:** Because—

[Laughter]

**Sen. Vance Campbell:** —I am using this to make a point later on, Madam President.

[Inaudible interjections]

**The President:** Carry on, Senator Campbell.

**Sen. Vance Campbell:** Mr. Kyle Lightbourne, Head Coach; Scott Morton, Assistant Coach; Mr. Ray Jones, Assistant Coach; Maurice Lowe, Technical Development Director; John Moreira, Goalkeeper Coach; Craig Brown, Physio Therapist; Dominique Nanette, Strength and Conditioning Coach; Andrew McDowell, Video Analyst; Antoine Augustus, Media Manager; Crenstant Williams, Head of Delegation; Brendalee White, Team Manager; Gary Adams, Martin Wolffe—I say there are 13, there are . . . I read out those names . . . I would have read out the team names, as well, because the players come from vari-

ous teams. Locally, they are competing against each other. Some play together; but they are competing against each other. We have the support staff who, like the players, they come from varied backgrounds and bring different skills to the table.

When they got together to form the entire Bermuda contingent, they put on that Bermuda jersey. They adopted one single collective goal, Bermuda's goal, for the Gold Cup. The individual goals remain, I am sure the players had some individual goals in that shop window; they wanted to perform. The coaches would have had individual goals. But those individual goals were subjugated for the team goal.

Individual personalities—I know some of the personalities, strong personalities—were blended into a mix that resulted in a strong team personality. And that was important to what you saw on the field. As a result, the Bermuda team amazed commentators, they amazed spectators with how they worked together, for each other. You could see as they were running up and down and they were training and they were sacrificing for each other, there was also an enjoyment in being around each other. There was a positive impact on our football. There was a positive impact on our nation. But not only our nation, there was a positive impact on CONCACAF, the CONCACAF region.

As a result of adopting that one collective goal, when they put on that Bermuda jersey, we were able to compete against some of the power houses in the region. And not just compete, we were holding on. You know, you could argue, we should have won that group if we were taking our chances. So, Bermuda was able to punch well above its weight, as they say.

Madam President, you might say, *Why am I raising this?* And I am raising it because we in this Senate, and those who sit in another place, can learn from those 36 individuals who came together as a team—different backgrounds, different teams. No matter what team you represent, whether it is PLP, OBA, or the Independents, when we enter this Chamber, and we put on that “Bermuda shirt” we should have a single purpose—a single purpose. And that purpose should be through teamwork, working together keeping Bermuda's needs in mind at all times.

We should be looking to pass effective and necessary legislation on a timely basis, thereby allowing Bermuda, a speck on the map, as a tourist destination, as a business jurisdiction, to continue to punch well above its weight.

Madam President, I will close with the question: Will we do so? Or, will we simply say that the Westminster system, by its nature, does not promote cooperation and teamwork? Thank you, Madam President.

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

Would any other Senator care to speak?

We will take your comments on board, Senator Campbell.

The Senate will stand adjourned until the 10<sup>th</sup> of July.

*[Inaudible interjections]*

**The President:** Thank you.

*[At 12:32 pm, the Senate stood adjourned until 10:00 am, Wednesday, 10 July 2019.]*

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