



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

15 March 2019

*Sitting number 16 of the 2018/19 Session
(pages 1185–1288)*

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

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BERMUDA HOUSE OF ASSEMBLY**OFFICIAL HANSARD REPORT****15 MARCH 2019****10:02 AM***Sitting Number 16 of the 2018/19 Session**[Hon. Dennis P. Lister, Jr., Speaker, in the Chair]***PRAYERS***[Prayers read by Mr. Clark Somner, Deputy Clerk]***The Speaker:** Good morning, Members.*[Gavel]***CONFIRMATION OF MINUTES***[Minutes of 8 March 2019]***The Speaker:** Members, the Minutes of the 8th of March have been circulated.

Are there any omissions or amendments?

There are none. They will be confirmed as printed.

*[Minutes of 8 March 2019 confirmed]***The Speaker:** The Minutes from the 11th and the 13th of March have been deferred.**MESSAGES FROM THE GOVERNOR****The Speaker:** There are none.**ANNOUNCEMENTS BY THE SPEAKER
OR MEMBER PRESIDING****APOLOGY****The Speaker:** The only announcement this morning is that we have received notification from the Deputy Opposition Leader that she will be absent today.**MESSAGES FROM THE SENATE****The Speaker:** There are none.**PAPERS AND OTHER
COMMUNICATIONS TO THE HOUSE****The Speaker:** There are none.**PETITIONS****The Speaker:** [There are] none.**STATEMENTS BY MINISTERS
AND JUNIOR MINISTERS****The Speaker:** There are none.**REPORTS OF COMMITTEES****The Speaker:** There are none.**QUESTION PERIOD****The Speaker:** There are none.**CONGRATULATORY AND/OR
OBITUARY SPEECHES****The Speaker:** Does any Member wish to speak to that? There are none.*[Inaudible interjection]***The Speaker:** Yes, congrats. Okay. We recognise the Leader of the Opposition. Honourable Member, you have the floor.**Hon. L. Craig Cannonier:** Yes, thank you, Mr. Speaker.

This has more to do with a worldwide issue that is going on, condolences. And I know that the House, we may not be, but I will speak to the Premier about this here. I heard in the wee hours of the morning, around four o'clock actually, that in New Zealand they suffered from a massive . . .

The Speaker: Yes. Yes.**Hon. L. Craig Cannonier:** Forty people were killed in church.**Hon. Patricia J. Gordon-Pamplin:** Forty-nine.**Hon. L. Craig Cannonier:** Forty-nine now?**The Speaker:** Yes, yes.

[Inaudible interjections]

Hon. L. Craig Cannonier: And people worshipping at a mosque, yes. And it seems that around the world, religion, churches are being unceremoniously attacked. I watched one of the clips where one of the gentlemen who was involved was videoing himself with the particular—maybe Minister Caines knows what type of gun it is. I do not know. They were machine guns; that is for sure. And he had writing all over his guns and actually filmed himself walking into this mosque and just offloading on innocent, innocent people.

And so, as we look across the seas, I just would like to take note that this House remember the families, remember New Zealand, because they have taken a strong stance against this. They have, many of them are people who immigrated into New Zealand. And the leader there was very vociferous about the fact that these were *our people*. And so, let us bear them in mind as we think about this. The last I saw there were 40 people, and now I am hearing 49. So, the last time they had something even close to that was way back in the 1990s, and they changed their gun laws back then.

So, let us keep them in our prayers, Mr. Speaker.

The Speaker: Thank you. Thank you.

Unfortunately, religious freedoms are being challenged all the time.

Deputy Premier.

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

And I am sure all Members of the House would like to be associated with the condolences that will ultimately go to the people of New Zealand around that. And thank you for the opportunity to be bringing that to the attention of the House.

I would like to ask that the House note condolences for the Bean family, Allan Leroy Bean, who was interred just Wednesday, the father of the former leader of the—

The Speaker: I thought that had been done, right?

[Inaudible interjections]

The Speaker: Yes. They were done already, you know.

Hon. Walter H. Roban: They were done already?

The Speaker: Yes. They were done already.

Hon. Walter H. Roban: Okay. I was informed that we had not done it.

The Speaker: Yes. We did them. We did them. Yes, yes, we did them.

Hon. Walter H. Roban: Very well, Mr. Speaker.

The Speaker: No problem. Associate yourself.

Hon. Walter H. Roban: I associate everyone in the House with that, of course.

The Speaker: Yes, okay.

Hon. Walter H. Roban: Thank you very much.

The Speaker: Thank you.

Does any other Member wish to speak?

I recognise the Honourable Member Pearman. Honourable Member, you have the floor.

Mr. Scott Pearman: Thank you, Mr. Speaker.

I am actually sure that the whole House wishes to be associated with the remarks of both the Leader of the Opposition and with the Deputy Premier in respect of New Zealand.

The Speaker: Mm-hmm.

Mr. Scott Pearman: And I would certainly wish to be associated, as well.

On a much lighter note and far closer to home, on a positive note, if I may just commend AIG [American International Group, Inc.] on its 100th birthday. AIG is a global player that chooses to call Bermuda its home. And we should be extremely grateful for that fact.

At the helm, we have our very own Bermudian, Cathy Duffy. Many of us here in this House had the privilege of listening to her speak at International Women's Day a few days ago. And she is an example of how our tiny, tiny Island can have international, global superstars. So, thanks to Ms. Duffy for her leadership. Congratulations to AIG for its [100th] birthday. Obviously, there is also another Bermudian there, Mr. Brian Duperreault, who will be known to all in this House. I think it is not hyperbole for me to say that AIG puts not only the "B" into international business, IB, but it also puts the "I," as well. It is a global player, and we are grateful for them. Happy birthday, AIG!

The Speaker: Thank you.

Does any other Member wish to speak?

No other?

We recognise the Honourable Government Whip. Honourable Member.

Mr. W. Lawrence Scott: Good morning, Mr. Speaker, and thanks.

I just actually want to rise on a positive note on a couple of things, and go back to my aviation roots, and have this House send a letter of congratulations to Delta Airlines, as they celebrate their 50th an-

niversary for flying to the Island this month. That would make them actually probably the third . . . they are currently the longest-serving air service. And they were actually the second air service to start flying to Bermuda on a regular basis.

I would now like to also go on, and I was hoping to save this until the end of the actual football season. But PHC [Pembroke Hamilton Club] just did it again so early and took the Premier League Championship up there. It actually happened this past weekend. And I think that you would also like to be associated, yourself, with the Somerset Eagles, which were promoted, Mr. Speaker, because it seems—

[Inaudible interjection and laughter]

The Speaker: Bigger news, eh, Mr. Swan?

Mr. W. Lawrence Scott: But, yes. I would like to have congratulations sent to the PHC Zebras, who I make no qualms. And I would like to associate the MP for the area, who is also a Zebras fan, MP Neville Tyrrell. He became a Zebras fan the moment that he was elected to represent constituency 26.

[Laughter]

Mr. W. Lawrence Scott: And so, we welcome him to the family, as well.

But, once again, this makes two years, two consecutive years. And we will be making it a threepeat in the upcoming year to go.

The Speaker: Thank you.

Does any other Honourable Member wish to speak?

I recognise the Honourable Member Commissioning. Honourable Member.

Mr. Rolfe Commissioning: Good morning, Mr. Speaker.

I would ask this House to send condolences to the family of a constituent of mine, Mr. Glenn McClinton Bean. He passed away a couple of weeks ago. You know, he was a pillar in that community there, which borders Middletown and the rest. He was a well-known man in the trades and had his own business. And he is going to be sorely missed.

I heard the reference to AIG. I want to associate myself with that. And with respect to Ms. Duffy, I am very proud of her because she took the opportunity during the International Women's Day, as did some in the PLP Women's Group, to highlight the racial disparity which occurs between—well, the lack of racial inclusion in the highest levels of the Bermudian corporate sector, principally of black Bermudians. And I want to commend her for that, and the ladies of the PLP Women's Group (that may not be the exact name that they go by), because they also point out the racial

disparity between black women and white women in the community, as well. And it made for sober reading.

Thank you, Mr. Speaker.

The Speaker: Thank you.

I recognise the Honourable Member Famous. Honourable Member.

Mr. Christopher Famous: Good morning, Mr. Speaker, and good morning, Bermuda.

Mr. Speaker, I wondered if the House could send congratulations to the new Speaker of Parliament in the Virgin Islands, one of your fellow Speakers. There was a recent change of Government. And he is a member of (how can I say) a prominent fraternity.

[Inaudible interjections]

Mr. Christopher Famous: His name is the Honourable Julian Willock. He is a son of the soil of the Virgin Islands. He is probably in his early 40s. So, we have a lot of time to train him.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

There are none.

Mr. Swan, you moved a little slowly that time. We recognise Mr. Swan from down there in the East End.

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

I certainly would like to be associated with those remarks of congratulations sent to my family team, and the only team I ever played league football for, the Somerset Eagles, on gaining promotion. For anybody from a community, you know how important those milestones are.

And I know my rivals, my real rivals a little bit west of there, are trying to hold on by a thread. But I just want to assure them that they can come down to our area across the bridge and watch a little football in the top league next year, should things not work out for them.

The Speaker: It will not happen. It will not happen.

[Laughter]

Hon. Hubert (Kim) E. Swan: And also, Mr. Speaker, it would be remiss of me . . . I would like to send birthday greetings to my mother, Barbara F. Swan, whom I am sure listens to this broadcast on a regular basis and enjoys what she hears in the House.

Thank you, Mr. Speaker.

The Speaker: Thank you.
Any other Member?
No other Member. We will move on.

MATTERS OF PRIVILEGE

The Speaker: There are none.

PERSONAL EXPLANATIONS

The Speaker: There are none.

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

The Speaker: There are none.

INTRODUCTION OF BILLS

GOVERNMENT BILLS

The Speaker: There are none.

OPPOSITION BILLS

The Speaker: There are none.

PRIVATE MEMBERS' BILLS

The Speaker: There are none.

NOTICES OF MOTIONS

The Speaker: There are none.

ORDERS OF THE DAY

The Speaker: Orders of the Day.

And again, for the listening audience, today we continue on with the annual Budget Debate. And this morning, we will start with the Ministry of Home Affairs. There are some three hours put aside for that.

We call on Minister Wilson. Would you stand in for the Minister of Finance?

Hon. Kim N. Wilson: Yes, Mr. Speaker.

I move that the House do now resume in Committee of Supply to consider the Estimates of Revenue and Expenditure for 2019/20.

The Speaker: Are there any objections to that?

No objections.

Would the Honourable Member who is going to Chair the House for us this morning come forward?

Hon. Hubert (Kim) E. Swan: Yes, sir.

House in Committee at 10:16 am

[Hon. Hubert (Kim) E. Swan, Chairman]

COMMITTEE OF SUPPLY

ESTIMATES OF REVENUE AND EXPENDITURE FOR THE YEAR 2019/20

[Continuation thereof]

The Chairman: Good morning, Members.

We are here in the Committee of Supply to consider the heads which fall under the Ministry of Home Affairs, Heads 32 and 79.

And at this time, we will call on the Minister. Minister, can you move the heads, please?

MINISTRY OF HOME AFFAIRS

Hon. Walter H. Roban: Good morning, Mr. Chairman. Good morning.

I move Head 32, the Department of Planning, and Head 79, the [Department of] Environment and Natural Resources, be now taken under consideration.

The Chairman: Thank you.

It has been moved that Heads 32 and 79 be considered.

Minister, continue.

HEAD 32—DEPARTMENT OF PLANNING

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

It gives me great pleasure to present the budget for Head 32, the Department of Planning, found on pages B-308 through B-312, [and pages] C-15 and C-20 of the Approved Estimates of Revenue and Expenditure.

The mission, Mr. Chairman: *The Department of Planning believes in balancing beauty and progress to create an enduring Island community.* To that end, the department strives to responsibly serve the people of Bermuda to ensure the sustainable management of the natural and built environment. Applying its core values of teamwork, communication, trust, proactivity, integrity and responsibility, the department is accountable for the following:

- the preparation of development and local plans;
- balancing of development demands and environment protections;
- monitoring and enforcement of development regulations;

- management of building activity through a building permit system;
- proper implementation of the relevant building codes to ensure life and safety by way of inspections of projects under construction; and
- timely intervention with respect to compliance issues.

The department seeks to provide its services and carry out its tasks in an efficient manner, with transparency and consistency, and within reasonable time frames.

The Chairman: Thank you, Minister.

I just want to interject that this is a three-hour debate, which will carry on after lunch until 2:45.

Thank you.

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

Expenditure Overview

Hon. Walton Brown: Mr. Chairman, the Planning Department's total budget allocation is estimated to be \$3,376,000 for 2019/20 fiscal year. The estimate represents an increase of \$72,000, or 2 per cent higher than the budget of 2018/19 fiscal year.

This change is due primarily to a negotiated 2 per cent increase in salaries for BPSU [Bermuda Public Service Union] employees, which can be found in line 1 on page B-309 from the Budget Book. However, I will highlight some of the more important decreases in the budget.

Training can be found on line 3 of page B-309, having been reduced by \$12,000, or 67 per cent, which represents specific one-off scaffolding training and is not expected this upcoming fiscal year.

Advertising and Promotion, found on line 6, has been decreased by \$18,000, which is 86 per cent. This decrease is due to the implementation of the new Government's *e-Gazette*. The remaining amount will be used for the promotion of the Bermuda Plan.

Professional Services, found on line 7, has been decreased by \$23,000, or 44 per cent. Over the past financial year, consultants were recruited to fulfil certain functions because of the inability to fill those substantial posts.

It is anticipated that next year we will have all posts filled, thereby reducing the need for professional services.

Material and Supplies, found on line 12, has been decreased by \$14,000, or 27 per cent. It is anticipated that once the new system, EnerGov, is fully implemented, there will be a decreased need for supplies associated with paper and printing, such as printing materials, et cetera.

Revenue Summary

Hon. Walter H. Roban: Mr. Chairman, the Planning Department's estimated revenue, found on page B-310, for the 2019/20 fiscal year is estimated to be \$1,360,000. This estimate represents a decrease of \$51,000, or 4 per cent less than the budget of 2018/19. This change is largely attributable to line 1, Planning Application Fees, with a decrease of \$114,000. It is expected that there will be a reduction in major projects this upcoming financial year. We are not aware of any upcoming major projects, and it is these projects that pay substantial application fees, largely based on square footage and the requirement for an environmental impact statement.

Capital Expenditure

Hon. Walter H. Roban: Mr. Chairman, the capital expenditure budget for the Department of Planning can be found on page C-5 of the Budget Book. This capital expenditure is to allow for the development and implementation of the new EnerGov electronic applications submission programme and the purchase of related ArcGIS mapping tools and office equipment to support that programme. EnerGov will then replace the current ageing BEMIS system.

While the EnerGov project was due to be completed in the 2018/19 financial year, the final delivery of the project is subject to agreement upon the successful completion of an internal audit. It is estimated that approximately \$200,000 of the total of \$413,000 capital expenditure budget will be carried over into the 2019/20 budget to complete the project. Completion of the project is expected before September 2019.

Manpower

Hon. Walter H. Roban: The Department of Planning employee numbers are outlined on page B-310 of the Budget Book. There are 33 full-time employees, and five posts are currently vacant. The recruitment process has begun for four of these posts. The vacant posts are PID 320001, Director; PID 320002, Administration Officer; PID 320017, Planner (Forward Planning); PID 320039, Heritage Officer; and PID 320023, Electrical Inspector.

Temporary relief staff have been engaged for the PID 320017 (Planner) and PID 320039 (Heritage Officer) posts. As the need arises, PID 320023 (Electrical Inspector) is filled on a contractual on-call basis. The director's post is currently being performed on an acting appointment basis, while the Administrative Officer's post is being internally advertised.

The total budget for staff salaries is \$3,216,000 and represents 95 per cent of the department's budget.

Output Measures

Hon. Walter H. Roban: Mr. Chairman, the performance measures for the department are presented on pages B-311 through B-312 of the Budget Book. It is the goal of staff to work diligently towards achieving the department's performance targets. This is challenging to achieve in those sections, such as Forward Planning, where there continue to be vacant posts.

The performance measures for each business unit within the department are presented, with an anticipated average increase of 5 per cent in output as a measure of performance, due to the expectation that all vacant posts will be filled in the upcoming fiscal year. A major factor in achieving the increase in output will be the completion of objections to the draft Bermuda Planning Statement 2018, as well as the completion of the draft Local Plan for Northeast Hamilton, both Forward Planning functions.

Major Achievements

Hon. Walter H. Roban: Mr. Chairman, the draft Bermuda Plan 2018 was released for public consultation on the 3rd of December 2018. The document is a statement of sustainable development policies to manage development in Bermuda, going forward. The public consultation process and resolution of objections will continue into the 2019/20 fiscal year.

The Development and Planning Amendment Act 2018 commenced on the 1st of September 2018. The amendments to the Act specifically address the enforcement of planning legislation and, in particular, unauthorised development, and have already had a significant positive impact on compliance matters.

Plans for the Upcoming Year

Hon. Walter H. Roban: Mr. Chairman, the Department of Planning is committed to the following projects:

1. The completion of the public consultation and objections process for the draft Bermuda Plan 2018, in order to present any matters that remain unresolved after negotiation to the tribunal for a determination before presenting the tribunal's resolutions to the Minister;

2. To initiate community engagement for the future development of local community plans, in order to allow the Bermuda Plan to become a living document that can be updated on a continual and ongoing manner, as required;

3. To publish the draft Local Plan for Northeast Hamilton and to release this for public consultation;

4. To publish an updated World Heritage Site management plan for the sustainable, economic, social and environmental protection of Bermuda's World

Heritage Site. I am sure that this is of particular interest to you, Mr. Chairman.

The Chairman: Yes.

Hon. Walter H. Roban: And,

5. To complete the EnerGov electronic applications project with a go-live date anticipated in September 2019.

Conclusion

Hon. Walter H. Roban: In conclusion, Mr. Chairman, on the Department of Planning presentation, I would like to thank the dedicated members of staff in the Department of Planning, including Ms. Victoria Pereira, Acting Director, who is in the House today; Mr. Larry Williams, Assistant Director; Mr. Chris Bulley, Building Control Officer; and their respective teams. It has been a true pleasure working with them since receiving responsibility for Home Affairs in November of last year.

Thank you, Mr. Chairman.

I will now move on to Budget Head 32 [*sic*], which is the Department of the Environment.

Mr. Sylvan D. Richards, Jr.: Excuse me.

The Chairman: Point of clarification?

POINT OF CLARIFICATION

Mr. Sylvan D. Richards, Jr.: Yes, clarification.

Is it not Budget Head 79? Is that what we are doing now?

The Chairman: Yes. We have [done] Head 32, the Minister just dealt with it. We are [now] going to page B-315 for Head 79.

Mr. Sylvan D. Richards, Jr.: Head 79, yes, yes.

The Chairman: Continue on, Minister.

HEAD 79—DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES

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

Mr. Chairman, it gives me great pleasure to present the budget for Head 79, the Department of Environment and Natural Resources, found on pages B-315 through B-323, C-7 and C-20 of the Approved Estimates of Revenue and Expenditure.

Mr. Chairman, the mission of the Department of Environment and Natural Resources is *to protect Bermuda's environment and responsibly manage the sustainable use of its natural resources*.

Mr. Chairman, the total current expenditure for the department is estimated to be \$8,352,000 for

2019/20. This is a 2 per cent increase on the expenditure for budget year 2018/19.

Analysis by Cost Centre

Hon. Walter H. Roban: The department has 14 business units, as shown on page B-316 of the Approved Estimates of Revenue and Expenditure. The cost centres are as follows:

1. cost centre 89000, Administration;
2. cost centre 89010, Marine Resources;
3. cost centre 89020, Marine Conservation;
4. cost centre 89030, Marine Heritage and Health;
5. cost centre 89040, Marine Enforcement;
6. cost centre 89050, Terrestrial Conservation;
7. cost centre 89060, Veterinary Services;
8. cost centre 89070, Animal Control;
9. cost centre 89080, Plant Protection;
10. cost centre 89090, Agronomy;
11. cost centre 89100, Pollution Control;
12. cost centre 89110, BAMZ Administration;
13. cost centre 89120, Aquarium and Zoo; and
14. cost centre 89130, Museum.

Mr. Chairman, I refer to the General Summary of the department on page B-316 of the Approved Estimates of Revenue and Expenditure. The department's budget has increased by \$131,000, to an estimated \$8,352,000 for budget year 2019/20. This increase is mainly due to the 2 per cent salary and wage increases for the 2018/19 and 2019/20 periods. This is the reason for the increase reflected through all of the department's cost centres.

In order to offset this increase, the department reviewed and prioritised its needs and requirements, resulting in the reduction of its communication budget held in General Administration, cost centre 89000. Further consolidated budgets managing fuel, tools and equipment were redistributed from object codes, consolidating such within the Administration cost centre to specific sections for improved budgeting oversight. The result is a reduction of the General Administration budget by \$27,000, or 2 per cent.

Further, the Pollution Control budget (cost centre 89100) was reduced by \$138,000, or 18 per cent, by the elimination of a grant for marine conservation-related projects. The loss of this grant will be offset by filling the two vacant posts in the Marine Conservation Section and focusing efforts on monitoring and surveillance priorities to minimise negative impacts on protected corals and seagrass beds.

Mr. Chairman, on a specific note, I refer to subjective analysis of current account estimates on page B-317. Salaries, found on line 1, have increased from \$5,049,000 in 2018/19 to \$5,328,000 in the 2019/20 estimate. This is an increase of \$238,000, or 5 per cent. This is due to the negotiated BPSU salary increases. Wages, found on line 2, have increased \$130,000, or 11 per cent. This increase was in part

due to the re-allocation of funds into wages for a marine technical support post, and after a review of a number of BIU post job descriptions.

Local Training, line 4, has decreased from \$9,000 to \$5,000, a decrease of 44 per cent. This level of funding will continue to allow the department to meet its mandatory requirements for health and safety. Travel, line 6, has increased from the 2018/19 original budget of \$7,000 to \$17,000 in the 2019/20 estimate. This is an increase of 143 per cent. This is to ensure that technical staff can participate in important compliance meetings for trade, as well as to take advantage of specialist training opportunities and conferences overseas. I hope this is noted, because this extreme increase is to ensure that our staff are properly trained. Those numbers may, Mr. Chairman, be alarming to people. But we are trying to keep our people properly trained for the very delicate world that they play in, keeping our environment protected.

Communications, on line 7, has decreased from \$132,000 in the 2018/19 original budget to \$69,000 in the 2019/20 estimate. This is a decrease of 48 per cent. This is due largely to reduction on phone services, both landline and mobile, as well as data lines.

Professional Services, on line 9, has increased slightly from \$158,000 in the 2018/19 original budget to \$164,000 in the 2019/20 estimate. This is an increase of 4 per cent. The budget will provide further required funding for a wide range of services including international memberships to bodies governing fisheries, building security services, medical services for animals, board and committee fees, and local and international consultants for environmental research and compliance.

Repair and Maintenance, on line 11, has decreased from \$150,000 in the 2018/19 original budget to \$142,000 in the 2019/20 estimate. This is a decrease of 5 per cent. This is largely due to a reduced need for building repairs in the upcoming year. Insurance, on line 12, has decreased, from \$13,000 in the 2018/19 original budget to \$5,000 in the 2019/20 estimate. This is a decrease of \$8,000, or 64 per cent. This is largely due to a reduction in the department's fleet.

Grants and Contributions, on line 18, has decreased from \$403,000 in the 2018/19 original budget to \$253,000 in the 2019/20 estimate. This is a decrease of 37 per cent. This is largely due to the elimination of the marine conservation grant mentioned earlier in my brief.

Revenue

Hon. Walter H. Roban: Mr. Chairman, the department generates revenue from a variety of licences, permits, services and entrance fees, including licensing of dog, lobster and fishing activities, water rights, crop storage fees and visitor admissions to the Ber-

muda Aquarium, Museum and Zoo (BAMZ). As noted on page B-318, the total revenue for 2019/20 is \$1,493,000, which is a decrease of \$145,000 from last year. This is largely attributed to a reduction in the collection of dog licence fees.

Of specific note are the following:

Cost code 8493—Dog Licences, on line 8. Expected revenue from dog licensing has been reduced from \$536,000 to \$263,000 dollars. This reflects the expected level of revenue for dog licence collections, rather than the 100 per cent compliance. I can assure you that every effort will be made by the department to work towards having every dog in Bermuda licensed and the appropriate fees paid.

Cost code 8541—Lost Lobster Traps, on line 20. Expected revenue has been reduced from \$9,000 to \$5,000, as it is anticipated that fewer traps will be lost, due to better management practices being instituted and observation of traps.

Cost code 8549—Pesticide Import Certificate, on line 22. Expected revenue has been reduced from \$12,000 to \$5,000 due largely to reduced requests for new pesticide importation, and thus a reduced level of assessing such applications for health and environmental risks.

Capital Development Expenditure

Hon. Walter H. Roban: Mr. Chairman, as noted on page C-7 of the Budget Book, a capital minor works budget of \$250,000 will provide for the general maintenance and upgrading of the headquarters facility and the plant protection laboratory located in the Botanical Gardens, the Coney Island Facility (for marine resources management and enforcement), the Government Agriculture Marketing Centre in Prospect, the Government Kennels, and improvements in the 200 acres of government-owned nature reserves.

Due to the need for specialised facilities and educational displays, \$100,000 has been allocated to the Bermuda Aquarium, Museum and Zoo to repair several enclosures within numerous exhibits.

Capital Acquisition Expenditure

Hon. Walter H. Roban: Mr. Chairman, the department has no planned capital acquisitions of equipment or vehicles this coming fiscal year. The department has recently taken possession of two replacement vans and is in the process of completing refurbishments to one of its primary enforcement vessels. As such, the department is in good state to fulfil its mandate.

Grants and Contributions

Hon. Walter H. Roban: Mr. Chairman, the department engages several local entities to undertake specialised studies, as noted on page C-20. Professional

local service contractors and consultants include the Bermuda Institute for Ocean Science [BIOS] for the Ambient Air/Water Quality Programme, for \$200,000; and the Bermuda Zoological Society's Amphibian Research Project, for \$43,000. These funds allow for specific studies to be undertaken that enable the department to meet its monitoring requirements mandated by the Clean Air Act 1991. The department also provides the Society for the Prevention of Cruelty to Animals [SPCA] a grant of \$10,000 to assist with the delivery of their programmes.

Manpower

Hon. Walter H. Roban: Mr. Chairman, the department has 79 full-time equivalents posts, as shown on page B-317 of the Approved Estimates of Revenue and Expenditure. This is comparable to the 2018/19 budget. The department has filled several key vacant posts including the Hydrogeologist, an assistant plant technician for the Plant Protection Laboratory, and the foreman for the Terrestrial Conservation maintenance crew. The recruitment of the new Veterinary Officer is being finalised. These posts will provide critical capacity to the department and allow for the effective delivery of badly needed services and programmes.

Output Measures

Hon. Walter H. Roban: Mr. Chairman, a complete tabulation of the output measures for the Department of Environment and Natural Resources can be found on pages B-320 through B-323 of the Approved Estimates of Revenue and Expenditure for 2019/20. I will now briefly describe notable trends in performance measures from this year's work programme.

Mr. Chairman, cost centre 89000—Administration, noted on page B-320. Nineteen protected species licences were issued to local and international researchers within five working days in fiscal year 2017/18. Research topics included a very wide range, including investigating coral gardens, climate change and temperature impacts on corals, effects of grazing and pollution on seagrass, whale fluke identification and videography, sea turtle ecology, feral chickens, skink, lichens and non-native geckos. It is expected that this trend will continue, with some 20 licences and permits being received in 2019/20, with 100 per cent being processed within five working days.

A number of invasive pest species continue to have a tremendous impact on Bermuda's ecology and farming sector. So far this year, the department has received 170 new requests for assistance in culling pest birds from the public, an average of 12 every month, which is a slight increase in comparison to the original forecast for 2018/19. A total of 7,328 pest birds were culled (feral chickens and pigeons). Culling effort was increased on behalf of local farmers, who

were experiencing crop damage from feral chickens. Additionally, effort was increased in targeting the pigeons within the City of Hamilton and those flocks found at local dairy farms.

Cost centre 89010—Marine Resources, noted on page B-320, Mr. Chairman. Sustaining our local fisheries is paramount. This past year saw the development of an action plan to improve data collection from our fisheries in order to facilitate fish stock assessments that will more effectively guide management decisions for our commercial fish species. Research projects on commercially important species such as the red hind, black grouper and bait fishes have been ongoing.

Mr. Chairman, cost centre 89020—Marine Conservation, noted in the Budget Book on page B-320. The Marine Conservation Section reviewed [26] planning applications pertaining to the marine environment and one dredging application, presenting them to the Marine Resources Board within four weeks of receiving the application. This is slightly less than the revised forecast for 2018/19. It is expected that, in 2019/20, the trend will continue, with 25 applications being received and 85 per cent being responded to within 20 working days. The marine habitat assessments undertaken by the section have decreased from 75 to 30 in 2018/19. This reduction reflects a reduction in workforce capacity from three to one, due to resignations.

Mr. Chairman, cost centre 89030—Marine Heritage and Health, noted on pages B-320 and B-321. Marine heritage consultations and information requests were slightly less than the 110 anticipated, but remained stable, with 98 in 2017/18 and 92 in 2018/19. A significant portion of international information requests to this section were around the theme of the Bermuda Triangle (imagine that), which has steadily increased year on year. The percentage of protected dive site moorings in place at the beginning of the season was reduced from 100 per cent to 80 per cent, due to increased activity and prioritisation of repairs required during the spring and summer of 2018 at heavily visited shipwreck sites such as Western Blue Cut. It is anticipated that in 2019/20 that there will be 40 dive site moorings in place, and 100 per cent will be assessed within 60 days and repairs made in readiness for the seasons.

This year, the team secured and tested a new hydraulic underwater drill, to upgrade the reef pins for many of the moorings in highly visited sites. It is fully expected that the readiness of the moorings will be at 100 per cent in the coming season, Mr. Chairman. The department and the Ministry are most grateful to the Stempel Foundation for its support on this important project.

Mr. Chairman, cost centre 89040—Marine Enforcement, noted on page B-321. Approximately 385 vessels have been stopped and checked, with attention to daily bag limits, size and species re-

strictions. So far this year, the wardens investigated 18 complaints from the general public concerning illegal fishing activities by fishermen both licensed and unlicensed.

Cost centre 89050—Terrestrial Conservation, noted on page B-321. An important part of the Terrestrial Conservation Section's mission is to provide environmental and habitat assessment advice for the Department of Planning and members of the public for all matters related to terrestrial conservation zones. By the end of the fiscal year, the section expects to undertake 135 consultations on planning applications, Environmental Impact Assessment Scoping Reports, Conservation Management Plans, and proposed landscape schemes. This remains similar to previous years, as do other measures such as tours, invasive species removal and new plantings.

Cost centre 89060—Veterinary Services, noted on page B-321. Activities of the Veterinary Services were primarily customer focused, with animal imports and re-visiting the conditions of entry for various species occupying much of the section's time. Participation in the Island's plan for more responsible use of antimicrobials, in conjunction with the Department of Health, helped to move this vital initiative forward. Our focus is the use of antimicrobials in veterinary medicine and agriculture. Also impacting Veterinary Services were items related to legislation affecting dog control (the legislative amendments, public and stakeholder education, and officer training) needed to make the new law work. The department also monitored farm production and animal welfare on farms.

Cost centre 89070—Animal Control, noted on pages B-321 and B-330. Over the 12-month period ending in September 2018, Animal Control handled 17 per cent fewer overall complaints and 12 per cent fewer complaints that related directly to public safety, than during the previous 12-month period.

During fiscal year 2018/19, Animal Control saw an amended Dogs Act 2008 finally become implemented. During the lead up to the legislated amendments, Animal Control minimised the collection of dogs (unless the animal acted in a manner so as to label it "dangerous"). We remain in a period of transition, so the full impact of the legislation is yet to be seen. However, there have been significant increases in the numbers of requests for keeping a restricted breed, as well as the number of incidents of biting and injury to people and animals.

Cost centre 89080—Plant Protection, noted on page B-322. The number of items inspected originally forecasted in 2018/19 was to be 1,334,787. It has now been revised down to 1, 281,396, a slight increase from the 1,222,160 imported plant items inspected during the same period in 2017/18. The increase is due to the number of banana shipments inspected during this time which were found to have pest issues. Of these, a total of 167,371 are expected

to be intercepted in 2018/19, compared with 189,592 items intercepted in 2017/18. This decrease may be the result of the suppliers being informed of past pest and disease issues and effectively managing them.

Thank you, Mr. Chairman.
Just a minute there.

The Chairman: Yes.

Hon. Walter H. Roban: Mr. Chairman, in 2018/19, of these incoming items, thus far 11 per cent were found to be infested with a plant pest or disease upon arrival. The interception of these international pests at our borders speaks to the continuing need for vigilance on the front line to ensure Bermuda's protection from pests, which can potentially have dramatic impact on our Island's agriculture and tourism industries.

Mr. Chairman, cost centre 89090—Agronomy, noted in the Budget Book on page B-322. The value of produce, goods and services handled by the Agricultural Service Centre is expected to increase to approximately \$203,000 from the original projected \$195,000. The total number of customers served at the centre is also expected to increase, to 2,100 from the original forecast of 1,600. This increase reflects an increased need for the agricultural products available and the crop storage services provided by the centre. The Agricultural Service Centre expects to serve 2,300 customers in fiscal year 2019/20.

Cost centre 89100—Pollution Control, noted on pages B-322 and B-323. There have been a total of 19 exceedances of the outside air quality, to date for 2018/19, due to particulate matter less than 10 micro-metres in size, i.e., PM10. Sixteen of these exceedances occurred at East Broadway, where vehicle traffic is the main cause, with one exceedance at Prospect (near Tynes Bay), one at Cemetery Lane (near BELCO) and one at BIOS, St. George's (control site). It is important to note that, for the calendar year of 2017 and again for 2018, East Broadway (vehicle emissions in particular) exceeded the annual PM10 limit stipulated in the Clean Air Regulations of 1993.

The four main freshwater lenses, Mr. Chairman, that are monitored by the Pollution Control Section are in the process of having their output measures improved. Currently, all lenses remain at full capacity and continue to be underutilised, with the excess rainwater captured overflowing to the sea. All reported spills of oils and fuel were monitored and cleaned up according to the government guidelines. All stakeholder [applications] to the Department of Planning were [responded to] within the required 10-working-day period. It is expected that, in fiscal year 2019/20, an estimated 50 applications will be reviewed by the Pollution Control Section and 100 per cent of these will be responded to within 10 working days.

Mr. Chairman, cost centre 89110—BAMZ (Bermuda Aquarium, Museum and Zoo) Administra-

tion, noted on page B-323. Total visitors expected to visit the facility was originally forecast at 75,000 in 2018/19. However, this has since been revised down to 72,000 for 2018/19, and it is expected that it will increase to 75,000 in 2019/20. Mr. Chairman, the Bermuda Aquarium, Museum and Zoo underwent its inspection for its external accreditation with the Association of Zoos and Aquariums in December 2018. Following the results of the inspection, the BAMZ fully expects to receive its accreditation again in April of 2019, as per normal. This would mark 25 years of continual accreditation, which is a remarkable achievement. And certainly, we should congratulate the staff for being so consistent with their standard of excellence at the Aquarium for all these years, Mr. Chairman. I am sure that the whole country would agree with that.

Mr. Chairman, the Bermuda Zoological Society, in combination with the Bermuda Aquarium, Museum and Zoo, continues to strongly support schools throughout the Island with conservation and science education classes tied to the Cambridge Curriculum. A new record of over 8,800 student experiences were provided on the facility, on Trunk Island and on the floating classrooms *MV Endurance* and *MV Callista*, engaging students in the natural history of our Island. Demand for classes continues to be strong, Mr. Chairman.

Mr. Chairman, cost centre 89130—Museum, noted on page B-323. The number of specimens added to the natural history collection decreased from 400 in 2018/19 to 300, reflecting the retirement of the Museum Collections Officer. However, use of the museum resources increased from 300 to over 500 persons.

Major Policy Changes

Hon. Walter H. Roban: Mr. Chairman, I will now go on to major policy changes. I would like to highlight policy changes that were made during this fiscal year, including the following:

Improved care of dogs. The Dogs Act 2008, and the Care and Protection of Animals Act 1975 were amended to improve the care and control of dogs, provide enforcement tools to enforcement officers, and to ensure a robust regulatory framework for the management of dogs to both protect the public and protect the well-being of dogs. A change in policy towards illegal dogs, leading up to the change in legislation, resulted in fewer dogs being seized, increased the number of animals made available for adoption and fewer are [euthanised].

The management of migratory pelagic fishes. Mr. Chairman, the management of migratory pelagic fishes such as wahoo, yellowfin tuna and billfishes is conducted on a regional basis. These species are a valuable component of Bermuda's commercial and charter fisheries. The Senior Marine Resources Of-

ficer participated in meetings of the International Commission for the Conservation of Atlantic Tunas (ICCAT) and led negotiations for appropriate quotas and catch limits of these species for Bermuda and the other United Kingdom Overseas Territories, members of ICCAT. Collaboration with the Sargasso Sea Commission in areas of mutual interest continued.

Serving the commercial fishing industry, Mr. Chairman. The Marine Resources Section has worked with the Commercial Fisheries Council to develop a revised policy pertaining to the licensing of commercial fishermen and fishing vessels, to clarify and simplify these processes and improve the transparency of decision-making. The final draft of this policy is currently under consultation and will become active in the 2019/20 fiscal year.

Development of an integrated roadside vegetation management strategy. Mr. Chairman, following its investigation into the use of glyphosate-based herbicides, the department drafted an integrated roadside vegetation management strategy that proposed the most effective vegetation treatment to target specific plant species that pose a risk to road safety, while minimising negative impacts to the environment and the public. This strategy is being provided to the Ministry of Public Works for consideration.

Participating in the development of a national plan to strengthen Bermuda's efforts towards better stewardship of antimicrobials, Mr. Chairman. The growing frequency of resistance by microbes to medicinal treatments that are the "big guns" of medicine is a major global concern identified by the World Health Organization. As a result, nations of the world have been tasked with developing national plans to combat antimicrobial resistance. The Veterinary Services Section has been working closely with colleagues within the Ministry of Health towards a national plan to strengthen Bermuda's efforts towards better stewardship of antimicrobials, with our focus being in the veterinary and agriculture sectors.

Improving the water quality of the Island's inshore water, Mr. Chairman. The Pollution Control Section implemented new regulations under the Water Resources Act 1975 to address sewage discharge from recreational boats and to create no-sewage-discharge zones.

Plans for the Upcoming Year

Hon. Walter H. Roban: Mr. Chairman, this year the department will focus its efforts on increasing local food production and assisting industry in reducing production costs. These efforts will be led by the five-year National Crop Strategy and Action Plan and the Marine Resources Strategy. Notable projects will include plans to improve the Island's cold storage of crops, strategies to assist our declining local bee population, the undertaking of pesticide residual studies of

crops, amendment to legislation to regulate and encourage aquaculture and "backyard farming".

Mr. Chairman, building on the work done in the past year, the Marine Resources Section aims to complete the first in a series of fish stock assessments during 2019/20, focusing on the economically important spiny lobster fishery. Research projects on commercially important species such as the red hind, black grouper and bait fishes will continue. An integrated Marine Resources Enforcement Strategy will be completed, incorporating new ways and means to more effectively minimise abuse of our marine resources and protected habitats.

Mr. Chairman, work will continue in the monitoring and management of local pests, diseases and invasive species which threaten the Island's economic, social and economic security, in addition to the ongoing control of invasive lionfish, pest birds, and noxious weeds. Improvements will be made to the Island's biosecurity in order to prevent the establishment of new invasive species that threaten agriculture, the environment and human health.

Mr. Chairman, the Endangered Plants and Animals Act 1976 will be amended in order to ensure the Island's compliance with the International Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).

Mr. Chairman, a new exhibit focusing on conservation and research on Nonsuch Island will be opened at the Bermuda Aquarium, Museum and Zoo in the winter of 2019. Numerous smaller jobs are also in process to ensure the safety of the animals and enhance the enjoyment of our visitors to the facility.

Mr. Chairman, the Pollution Control Section will implement guidance documents for the installation and decommissioning of underground and above-ground fuel storage tanks, including processes for addressing pollution clean-up. All contractors providing this service will be made aware of, and encouraged to agree to follow, the guidance. The department will also identify pesticides known to contaminate groundwater and will develop new policies to either eliminate or reduce the use of these chemicals.

Mr. Chairman, the Animal Control Section will continue to implement the Dogs Act 2008 with a view to improve the keeping of animals and promote the prevention of bites and injury. Veterinary Services, with the addition of a Veterinary Officer, will move to improve the quantity and quality of local agricultural products, and re-define an agricultural strategy to augment local production and improve food security.

Mr. Chairman, in closing, I would like to thank the hard-working and dedicated members of staff in the Department of Environment and Natural Resources, including Director Andrew Pettit, Dr. Tammy Warren, Dr. Sarah Manuel, Dr. Philippe Rouja, Dr. Jonathan Nisbett, Dr. Ian Walker, Dr. Geoff Smith, Ms. Claire Jessey, Mr. John Edmunds, Mr. Tommy Sinclair, Dr. Mark Outerbridge and Mr. Jeremy Maderios,

Ms. Maria Trott and their valuable and able teams. It has been indeed a pleasure to work with them.

Mr. Chairman, because this is the last part of the budget that I will be presenting, I would like to also thank the persons at the Ministry who have assisted me since November, the PS, Rozy Azhar; our Controller, Ms. Denise Maughn, my assistant, Thresa Robinson; and all those who have aided me in the work that I have been doing for the past year. I could not have come up here and done the work I do without them.

This is not a one-man or one-woman show, as a Minister. We do nothing without the help and support that they give. And I am extremely grateful for all of the people in all of the departments, some of which are not being debated in this House, for the work that they do to make sure that the Ministry of Home Affairs and all of its related departments are serving the country well. So, thank you to all of them, Mr. Chairman.

With this comprehensive overview of the department, which I have just completed, I move that the budget for Head 79 be approved.

Thank you, Mr. Chairman.

The Chairman: Thank you, Minister.

We are considering the Home Affairs, Heads 32 and 79, found on pages B-308 and B-315, respectively. It is a three-hour debate. We have two hours remaining. And the Chair would like to recognise the Shadow Minister, the Honourable Sylvan Richards.

Member, you have the floor.

Mr. Sylvan D. Richards, Jr.: Thank you, Mr. Chairman.

I will start off at Head 32, Department of Planning, found on pages B-308 through B-312, C-15 and C-20.

As a former Minister, I recognise the importance of the Department of Planning. I think that Bermuda aesthetically looks the way it does because, some would say, of the rather stringent planning policies that we have in place that are rigorously enforced. And when I travel to other countries is when I really notice the difference between how those countries look and how Bermuda looks.

Bermuda has a very orderly appearance. You know, you very rarely see residents located next to a shop that changes tyres next to a church or next to a supermarket. So, it is really a testament to the Planning Department, the work that they do and the policies and the laws that we have in place to make Bermuda look aesthetically pleasing, which is a benefit to the country.

In going through the Budget Book, the Minister answered quite a few of my questions. So, that is a compliment to the civil servants who put the Budget Book together.

[Inaudible interjection]

Mr. Sylvan D. Richards, Jr.: And the brief. No, they really did do a good job.

I had noted that the overall expenditures were up 2 per cent in 2019/20, and that is because of the negotiated 2 per cent salary increase. On page B-309, under Training, the budget has decreased 67 per cent, from \$18,000 to \$6,000. One of the questions I had was, why the decrease? And I believe the Minister mentioned in his brief that it was due to one-off scaffolding training, which [has been] completed. So, there is no longer the need to have that same level of funding.

Also, on page B-309, Expenditures by Object Code, under Professional Services, it is showing a 44 per cent decrease, from \$52,000 to \$29,000. The Minister may have mentioned it in his brief, but there is a lot of information coming at you, so I may not have picked it up. So, I am curious as to the reason for that particular decrease in funding expenses, from \$52,000 to \$29,000.

I noted that, on page B-310, under Revenue Summary, programme 8127, the Building Permit Fees are remaining flat. And also, under programme 8128, Condo Registrations, there was nothing anticipated in 2018/19. So, I am curious, why are there no condo registrations anticipated for the upcoming year? And I am curious if it is because of a lot of unsold condos are currently on the market? Then it was mentioned that overall revenues are projected to decrease 4 per cent in 2019/20.

In terms of the employee numbers, found on page B-310, the number of employees is projected to remain flat, at 33. I did note that salaries are projected to increase by \$138,000 in 2019/20. The Minister mentioned in his brief that there are plans to hire, I believe he said a planner and a heritage officer. And the director is still on an acting basis. I would like to hear a bit more about the heritage officer and what his duties are.

On page B-311, I notice under Forward Planning, the Northeast Hamilton Plan. And I believe the Minister mentioned that it is either nearing completion or it is completed. If I could get a little bit more information about that, a little bit more colour around the Northeast Hamilton Plan, that would be helpful. I know that there is a lot of business over there. For years, I have felt that they were kind of neglected and that they were not getting the attention that they deserve. So, I would like to hear a bit more about the Northeast Hamilton Plan.

On page C-15, Capital Acquisitions, cost centre 76392, Planning Development, the 2018/19 original estimate was \$413,000. But it was revised; in 2018/19, the estimate is \$150,000. And for 2019/20, the estimate is \$402,000. I am curious what accounts for the increase from the 2018/19 revised estimate figure. So, if I can get that information, it would be helpful.

And on page C-20, under Grants and Contributions, programme 7026, the Heritage Fund. I took note in the Budget Book that for 2019/20, this estimate was reduced from \$10,000 to \$5,000. If I recall correctly, I think the Heritage Fund has to do with people who live in listed homes and the funding that is available for renovations and whatnot. But I would like to get a bit more information about that, a bit more clarity about the Heritage Fund, what it does. And if it is for the Bermudians, people who own listed buildings, listed houses, then has thought been given to increasing that amount and also making it more widely known that those funds are available? It may be the case that those funds are being reduced because nobody is using them; I do not know. So, I would be interested to hear why the decrease in those funds.

Still on Head 32, Planning, under Performance Measures, the Minister mentioned that all vacant posts will be filled. I would like to hear a bit more about what those vacant posts are and what is being done to advertise those posts. Are we looking for locals? Are we looking to bring in people from overseas? What are the skill sets for those particular posts that we are looking to be filled?

And then, the Minister mentioned the completion of the draft Northeast Hamilton Plan, that it is going to be released for public consultation. And I believe he mentioned that it will go live in September of 2019. So, I would like to hear a bit more about that.

Then, the Minister mentioned the Development and Planning Amendment Act. I guess this is something that is being worked on, and the Bermuda Plan that is going out to consultation. So, if I can get a bit more colour around those, it will be very helpful.

I will take my seat now and get those answers. Thank you.

The Chairman: Thank you, Shadow Minister.

Does any other Member care to speak to Heads 32 and 79?

The Chair recognises the Member from constituency 19. Honourable Member Atherden, you have the floor.

Hon. Jeanne J. Atherden: Sorry, Mr. Chairman. I have just a couple of questions, and it relates to some of the information which, I must admit, I appreciate the Minister giving us some of the flavour.

This is on page B-311. They are talking about the percentage completion of community engagement with parish councils and initiation of community action plans. And it is indicating that it is, obviously, going up from that 30 per cent, 30 per cent and 40 per cent. And I just wondered if the Minister could indicate to us how many parish councils are actually active? And I went over to, I think it is page C-18. And we show that, in terms of parish councils, the numbers have now gone up, I think it was . . .

[Inaudible interjection]

Hon. Jeanne J. Atherden: Okay. I am starting off on page B-31. And now I am going to go to the—

[Inaudible interjection]

Hon. Jeanne J. Atherden: Yes, I am just going to find it. I thought I turned the page over so that I could see it.

[Pause]

Hon. Jeanne J. Atherden: It is in the Grants. Yes, it is on page C-20.

So, on page C-20, programme 6918, there was an indication that in 2017/18 it was a negative 9. And then, in 2018/19, it was 70. And then, in 2019/20, it is 70. So, I just wondered if the Minister could indicate how many parishes do have active parish councils? And then, if there are not parish councils in every parish, how is the local consultation achieved? Because, remember, if you are looking at the performance measures, it is talking about community engagement and that we are only up to the 40 per cent level.

The other question that I had related to . . . this was on page C-15. And this is under Capital Acquisitions. And this is [line item] 76730. And there is a patrol vessel.

An Hon. Member: Yes.

Hon. Jeanne J. Atherden: Okay. And I just wondered. This was something which was a 2018/19. And I just wondered if the Minister could indicate what is this for and what do they actually do? And I guess my question was, How does this potentially relate to the marine policing that is done by the Regiment, or the police, whichever one you are talking about?

And then, I was curious about the medical equipment. This is also on page C-15. And if the Minister or the Ministry could just indicate—

An Hon. Member: What line item?

Hon. Jeanne J. Atherden: This is under cost centre 76897.

The Chairman: Yes. Yes.

Hon. Jeanne J. Atherden: I was just curious what that was for. I mean, obviously, when you start having . . . you just have a piece of equipment and then nothing more . . . I know that the museum, they do lots of things when they have injured animals, et cetera, et cetera. And so, I was just curious.

My other question then relates to . . . let us see. I am going now to the planning system. This is

also on page C-15. And this is cost centre 76392. And this is where we have the planning development. I know the Minister was . . . and I tried to write the name down. It sounded like "Hennegal," but I am not sure what actually the equipment is. But it did sound like that. And so, I guess I was curious. I think the Minister said that \$200,000 is going to be carried over into 2019, and that is how come we get \$402,000 to complete in September 2019.

So, I just wondered, from the perspective of I know this planning development is so important to Bermuda, I just wondered if the Minister could perhaps just expand a little bit on how far we have gotten and what actual things will be done in 2019.

And I think those were the questions that I had. And I will sit down, and I am sure after the Minister answers those questions, if there are some more, I am sure my colleague might have some more, and so might I. Thank you, Mr. Chairman.

The Chairman: Thank you.

Any other Member care to speak to Heads 32 and 79? We are dealing with Home Affairs, two heads, three hours allocated. This debate will go to 12:30 and then resume for another 45 minutes at two o'clock.

Minister, would you answer those questions that were presented?

Hon. L. Craig Cannonier: Mr. Chairman, I can ask a question [now].

The Chairman: Go ahead. The Chair recognises the Opposition Leader.

Honourable Member, you have the floor.

Hon. L. Craig Cannonier: Yes. Sorry. I am just coming in from a meeting, so my apologies.

There was a question. I did hear briefly under Head 79 and the marine management of our waters; back some time ago there was a lot of talk and a lot of action around an invasive species, which is the lionfish. And the Minister just lightly touched on that.

The Chairman: Yes.

Hon. L. Craig Cannonier: I was curious as to, in his brief, what are some of the other measures that we are doing? Have we been working with . . . I know that there is a private organisation out there. And they actually go out and have a scuba diving team that actually goes out. And I talk to them quite often. A couple of them are from St. George's, by the way, Mr. Chairman.

The Chairman: And tournaments.

Hon. L. Craig Cannonier: Yes, yes, and tournaments.

I know that the Shadow [Minister] participated at one time in being able to eat these lionfish, properly scaling them and filleting them and the likes. I was just curious as to whether or not we were upping the ante on this invasive species, especially when Bermudians enjoy snapper and grouper as a real staple in their diets here. We are well known for that. Those are the particular local fish that are targeted by the lionfish. And I was hoping that maybe we would put some money towards this here, maybe looking at some of the other new technologies. I have seen . . . obviously if you go online you can see all kinds of things that have been done around the world on how to cull this invasive species.

And interestingly enough, with this species, you know, we thought that they would not have been so far inshore. And now we are finding out that these things are very close inshore, as well as out in deeper parts of the waters. If there was anything else going on there that we were targeting, this is a real menace for a very small island like ours. Some of the larger islands, you know, they have got a wider water base, water mass there. What are we doing about it? And is there is anything new happening? Thank you.

The Chairman: Thank you.

Would any other Member care to address Heads 32 and 79?

Honourable Shadow Minister Richards, constituency 7, you have the floor.

Mr. Sylvan D. Richards, Jr.: Yes, thank you.

I had neglected . . . basically, what I am doing, Mr. Chairman, is I am focusing right now on Planning. I know that my colleague just asked an environment question. But I split it up into two.

The Chairman: Go ahead. That is all right. Both heads are on the floor, so you can flip back and forth. That is fine.

Mr. Sylvan D. Richards, Jr.: Right. Right, right, right, because I have another set of questions on the Head 79 that I have not gotten to yet.

The Chairman: Okay. There you go.

Mr. Sylvan D. Richards, Jr.: So, in terms of Planning, the revenue, 8123, Planning Application Fees, page B-310.

The Chairman: Yes.

Mr. Sylvan D. Richards, Jr.: There is a 24 per cent decrease in revenues, which amounts to about \$114,000. So, I think the Minister mentioned in his brief that it is due to a reduction in major projects. The question that I had is, is this indicative of a downturn in construction, overall construction activity? So, if

there is going to be a decrease in major projects, is there anticipation of there being smaller projects to kind of pick up the slack? So, I would like to get a bit more colour around that. Thank you.

The Chairman: Okay.

We are entertaining Heads 32 and 79 in Committee of Supply.

Would any other Member care to address the Chair?

Minister.

Hon. Walter H. Roban: Thank you very much, Mr. Chairman.

A number of different questions, particularly in the area of Planning, came up, which I am going to endeavour to provide answers to Honourable Members. There was a question, Mr. Chairman, just to advise. There was a question that came up about engaging with the parish councils. Parish councils are not actually under this particular head—

The Chairman: Okay.

Hon. Walter H. Roban: —in the Ministry of Home Affairs. So, I can perhaps provide an answer to the Honourable Member after the debate, on that.

The Chairman: Offline. Okay.

POINT OF CLARIFICATION

Hon. Jeanne J. Atherden: Point of clarification.

If I am looking at the Department of Planning book, and I am looking at the head on page B-311, I do not understand why you are saying that they do not come under this particular Ministry. And then, if I go afterwards—

Hon. Walter H. Roban: Point of clarification.

The Chairman: Minister.

Hon. Walter H. Roban: I did not say it was not under this particular Ministry. It is that we are not discussing this department, where the responsibility of parish councils is under the Ministry. So, a full fleshed-out answer to the question would not come under this particular head.

But I am happy to give an answer to the Honourable Member if she had some other questions about parish councils, subsequent to this debate. That is what I am suggesting. I am not denying the Member the answer. But it is not a subject of this particular head, parish councils.

The Chairman: Thank you.

Member, will you accept a reply to your question outside of this particular head? It does not fall under this head.

Hon. Jeanne J. Atherden: Well, my question becomes, we were doing Head 32, which is Planning.

The Chairman: Yes.

Hon. Jeanne J. Atherden: We then go to page B-311.

The Chairman: The output measures, I see.

Hon. Jeanne J. Atherden: So, I do not understand how it is not under this head. There is just . . . I do not understand it. It is in the book, it says it is under this head. And I mean, I am thinking about all of those people out there who see these output measures and try and get a feel for what is happening in the Ministry. And if you start to say that information that is here does not reflect the way people operate, then why do we have these things?

The Chairman: Minister.

Hon. Walter H. Roban: I will provide an answer for the Member since the Member is adamant that it should be done under this. I will give her an answer, but I was just trying to be helpful, Mr. Chairman.

The Chairman: All right.

Hon. Walter H. Roban: But I will endeavour to—

The Chairman: During the course of the debate, yes?

Hon. Walter H. Roban: Yes, in the course of the debate.

The Chairman: Yes. Thank you.

Hon. Walter H. Roban: I will give an answer.

The Chairman: All right. Thank you.

Member from constituency 19, I hope that suffices. The Minister has given an undertaking during this debate to provide that answer, notwithstanding the output measures are being listed and coming under a different head.

But would any other Member care to speak to Head 32 or Head 79?

Minister, continue on.

Hon. Walter H. Roban: Thank you. I will endeavour. There are a number of questions that came under Planning. I will begin to endeavour to answer for Members.

There was a question around professional services, filling of posts, and why certain posts were not being filled due to my report that there was a reduction. Well, the filling of these posts will not be needed for the services that were originally tasked. So, we are not going to have to fill those posts at all this upcoming year.

There was a question around building permit fees. And the answer to that is, yes, the building permit fees remain stable for the number of applications that are made. There was also a question around condo registrations. And the answer is yes, and it is due to the flattening of sales of condos, why perhaps the revenue from that is going down. There were some questions around salaries, particularly in relation to the planner, heritage officer and director. The heritage officer post has been vacant for a number of years. And their role is to manage listed buildings, and also, they play a role with the overseeing of the World Heritage Site designation in St. George's.

Another question was about the Northeast Hamilton Plan. And I did recall that the Honourable Member may have said something about it being available September 2019. That plan is currently . . . work is being done to [enable] that plan to come as soon as possible to the public. We are quite pleased with it. It is at a very final stage. So, you perhaps will see within the next few months if that plan will be publicly available for some public review and consultation.

There were some questions around EnerGov, the new planning system. And I know it was in relation to the fact that there was about \$400,000 or so allocated, and we are only using about \$200,000 of that. And it is a carry-over figure. So, we are only using a certain amount. The answer to that is that currently, the work that has been done is, there has been implementation of . . . well, there has been deployment of the plan, the actual system. And we are now going through customisation due to user acceptance testing because this helps to customise and make sure that the plan, the actual system, will be ready when it goes live later this year.

So, there is a lot of interaction with . . . there was work going on to make sure that we have a system that responds to the types of inquiries that the public will make, using it. So, there are some levels of customisation in reference to . . . they deploy the system, but now they are doing user-acceptance testing so that any of the types of ways that those who will be engaging it, who will be stakeholders, will be using it, we can customise the system for those needs. And so, that is what is going on right now.

And again, our goal is to have that live by September of 2019. And that will replace BEMIS [Bermuda Environmental Management Information System], as I outlined in my statement. So, what we are doing now with the user-acceptance testing, that will dictate the customisation and the ultimate imple-

mentation of what it is going to look like once it is implemented.

There were some questions around the Bermuda Plan. The Bermuda Plan for 2018 has been in a period now since, for the past almost three months now, where public consultation is available. This means that persons can view it, make comment, put forth any objections, as well as make any applications for rezoning. That is going on right now, and that is the period that is going on right now. And I believe the end of the month . . . actually, oh, I am sorry. Today is the date that that period ends. And that has been going on since December. So, there has been a three-month period. So, that day actually is today when that will end.

And then, obviously, depending on any of the submissions, they may go to tribunal. And the tribunal will make recommendations to the Minister.

Let me see. As it relates to the parish council matter, just for the Member's . . . I believe the Member was referring to something that was mentioned in the output measures in relation to parish council, under Head 32. Although the parish councils are managed or are supposed to be under the Ministry, there is, obviously, interaction with the parish councils with the Planning Department. The Department of Planning has reached out to all of the councils at the beginning of the year, and that engagement has commenced with the various councils in relation to planning issues.

Just again, for information, all of the councils are active. There are not any councils that are not active at the moment. There are, yes, one for each parish. And they are all active. As the Minister who appoints persons, I have been appointing, dealing with appointments since the end of last year into this year. I have made appointments to all of the councils. So, they are all functioning.

There was a question in relation to the Heritage Fund, the fact that it was reduced from \$10,000 to \$5,000. That supports interest-free loans for those who need to do specific renovations or changes to a house or a building that may be listed. I think there has been a reduction in the level of requests. So, that is corresponding with the reduction of funding that we are providing.

I will sit down now and take any other . . . perhaps there are some clarifications, or persons whose questions I may have missed. I am happy to hear any clarifications that you may want on any of the questions that have already been answered around Planning.

Thank you, Mr. Chairman.

Hon. Jeanne J. Atherden: Sorry, Mr. Chairman—

The Chairman: Ah! Address the Chair. Thank you.

Hon. Jeanne J. Atherden: Sorry, Mr. Chairman.

The Chairman: We recognise the Member from constituency 19. You have the floor.

Hon. Jeanne J. Atherden: Thank you, Mr. Chairman. And just for clarification, the reason I was asking the question about how many parish councils were active and whether we . . . because the performance measures indicated that there was going to be the community engagement. And the target outcome was only 40 per cent. And I was just, you know, it just seemed to me that if you are trying to get the community engagement and you now have nine active councils, it just seems surprising that a target of 40 per cent would deem to be a performance measure target.

The Chairman: Thank you.

Hon. Jeanne J. Atherden: And I just wondered if the Minister would perhaps clarify as to whether, although he has made the appointments, how long they have actually been active? Because sometimes, when they are just getting up, that is why a performance measure of 40 per cent might be a suitable target.

The Chairman: Thank you, Honourable Member.

The Chair recognises the Honourable Member from constituency 23.

Hon. Patricia J. Gordon-Pamplin: Yes, sir.

The Chairman: You have the floor.

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

Mr. Chairman, I am on page B-310 in respect to the Department of Planning. I know that my honourable colleague asked about the downturn, which the Minister did mention in his brief, with respect to planning application fees. And there is going to be a 24 per cent decrease, or \$114,000. However, when I look at 8127, the Building Permit Fees, the amount is static. It is 575 year on year.

So, the question begs, if there are going to be far fewer planning application fees anticipated, then the correlation between planning applications and building permits, it must be some. So, I am just curious as to how it is anticipated that the building permit fees are going to be the same as last year, when the actual application for new permits, planning applications, are significantly . . . there is going to be a significant downturn. It would seem to me that there should be a correlation between those two numbers. So, if you are not anticipating that many planning application fees, then it might follow that your building permit fees will also decrease, unless the permit fees have gone up, you know, for fewer applications. But in terms of the correlation, I just need some clarity if I can get that.

Also, I am concerned about the development applications, the percentages of applications determined within 12 weeks. It seems to be consistently low. The actual outcome for 2017/18 was only 57 per cent. This is on page B-311, towards the bottom, under business unit Development Applications. And it indicated that 57 per cent in 2017/18 was determined within a 12-week period of time; 65 per cent was determined within a 12-week period of time for 2018/19; and there is a projected 80 per cent for 2019/20.

The question is, is a 12-week period of time realistic? Should we be adjusting the time frame? Or is it acceptable to say that we are only going to hit 57 per cent, 65 per cent or 80 per cent of the target? Does it make sense to adjust the target to something that is more realistic so that people who are making applications get some kind of reasonable expectation within a certain period of time?

And I say that, if you know that you are putting in an application, 12 weeks is the destined time, and you are only 80 per cent there, or you are only 65 per cent there on a revised basis for 2018/19, are we being realistic with respect to the 12-week time frame?

The Chairman: Thank you, Honourable Member.

Does any other Member . . . Constituency 19. Honourable Member, you have the floor.

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

And following on what my colleague just asked, I am looking on page B-310. And I see that the elevator licences, the revenue source is going up. And I just wondered if the Minister could confirm. This, I presume, is in anticipation that the construction that is out there right now, because he has already indicated that he does not think that there will be many more buildings and applications, but that the construction out there will come to fruition such that the buildings will then have licences and be able to be operated during 2019/20, and therefore they will have elevator [licence] revenue?

The Chairman: Thank you for that.

Does any other Member care to address Heads 32 and 79? It is coming up to the top of the hour. This debate will go to 2:45.

Minister, would you care to address the questions?

Hon. Walter H. Roban: Yes. Thank you, Mr. Chairman.

Just to go back with some of the questions that have already been answered, or that have been asked. A question was asked about the Bermuda Aquarium, Museum and Zoo and medical equipment. The question was asked, What was it for, what the expenditure was for around that in the budget? It is related to the purchase and replacement of X-ray

equipment to allow in-house veterinary examinations for 200 animals at the actual zoo. So, it is for their own work on caring for the animals. That is what the purchase of that medical equipment is for that was listed in the Budget Book.

Another question in relation to the environment. These are environment questions, of course. What efforts are being made to control invasive lionfish? I believe that came maybe from the Opposition Leader. The Department of Environment and Natural Resources have expanded the licensing for the recreational divers' programme to allow the selling of lionfish to local markets. This is to encourage a continuous supply of lionfish for grocery stores and restaurants, and [the department] continues to work with that task force to make sure this is being done to increase the activity.

So, yes. Essentially, the department is working with those who are involved with the lionfish effort to issue licences so that there can be as much activity as possible with eradicating them and ensuring that meat, which is a by-product of that, can be made available to those who desire to have it, such as in the grocery stores and restaurants and, perhaps, you know, the little market and entrepreneur effort. It is helping some of those people who are perhaps doing it out of, certainly, a cause of their concern for the environment around it, but also there is a little bit of commercial incentive to be involved, as well.

Mr. Chairman, there was a question asked about the patrol vessel and the \$58,000 related to that and what it was for. The funds are allowed for repairs and augmentation to the department's vessels, specifically fisheries' wardens' vessels, and the replacement of its radar and associated equipment to ensure night-time surveillance. [For] the Marine Heritage Section boat, [it is for the] replacement of its engines to allow for the boat to function, and undertake marine surveys of wrecks. The Department of Environment and Natural Resources works closely with the Marine Police Section of the Bermuda Police Service.

Obviously, there is a transition going on there, but that is the activity and the funding to support our vessels so that we can work closely with them.

There was a question concerning elevators and the fees around elevators. I believe that was related to, on page B-310, programme 8517. I think it has to do with . . . there are new elevators coming on line. You know, there are businesses that will replace their elevators, as well. So that will add to the new revenue. Some have obviously reached their maturity date, and they are being replaced [in an existing] building. [So] it is not only associated with new development. There is often, elevators are being replaced out in the general environment. And that may contribute to an uptick in licensing.

And, of course, there are the new airport and St. Regis projects. And combined with the efficient management of existing licences, as I have men-

tioned, this will contribute to a change in the revenue around the elevator licences.

There were some questions related to planning in relation to building permits. And the Honourable Member had some question about the correlation between building permits and planning, and that perhaps there should be a greater correlation in revenue.

I think it should be understood for the benefit of the public, as well as the Members of the House, that those are two separate application processes. And you may have somebody who gets their planning permission, but might delay getting their building permit for whatever reason. But sometimes, there is no correlation. Maybe one year they will get their planning permission, and maybe next year they will get their building permit. So, it might not actually be in alignment, in correlation. I am not saying that what you are suggesting is not a logical assumption; it is. But sometimes, it does not happen that way.

But in relation to building permits, they can be issued for works that do not require planning applications. So, I do not have to make a planning application to get a building permit. Such as the general development order, a permitted development . . . there is not a direct correlation. So, those are two separate planning processes, applications. So, I know of people who make planning applications and ultimately go for a building application. But it may be that somebody only has to get the building application. Or they may, as I said, delay their building application for whatever reason.

On page B-311, there was a question in relation about whether the 12-week time for turnaround is realistic. And perhaps, due to the changes in the output measures, there should be perhaps some adjustment in that 12-week requirement for turnaround.

We believe this is reasonable, the 12 weeks. And due to the decreased number in applications, and you would note that this number is actually going up. And so, due to the decreased number of applications, there has been a higher percentage in the performance of that. And the new system, EnerGov, will make processing more efficient and allow for smarter vetting of applications and processing. So, we are confident that this 12-week number is realistic to be met.

[Inaudible interjections]

Hon. Walter H. Roban: Yes, reasonably realistic.

[Laughter]

Hon. Walter H. Roban: There was another question, I think, to do with revenue, which noted the 24 per cent decrease in revenue from planning applications. This is not due to all applications, just the big projects slowdown. Big projects involve a large amount of square footage, which determines how fees are calculated,

and thus a need for an environmental impact assessment. So, yes, there is a decrease in the bigger [project] applications. But how planning fees are applied, it is not just because of each individual. It has got to do with the amount of square footage that is being applied for.

So, a big application would, obviously, generate greater revenue because it is a larger square footage project. You might have a number of smaller projects, but because the square footage is smaller, they do not have as high a revenue potential as one bigger project. And also, there is more [involved with] a large project because of the environmental impact assessments and other things that may have to be associated with that. That also contributes to greater revenue requirements, or revenue opportunities, I should say.

I will stop there, because I am sure if I have not answered anything, Honourable Members will bring it to my attention. But for the sake of continuing the discussion, I will sit down and allow for any further questions.

ANNOUNCEMENT BY THE CHAIRMAN

HOUSE VISITOR

The Chairman: And before we go any further, the Chair would like to recognise the presence of a former Member of the legislature and also former Minister of the Environment, Mr. Arthur Hodgson.

[Desk thumping]

The Chairman: Thank you for taking the time to visit the Chamber today.

[Committee of Supply, continuing]

The Chairman: The Chair would like to recognise the Shadow Minister for the Environment.

Mr. Sylvan D. Richards, Jr.: Thank you, Mr. Chairman.

I have two last questions regarding Planning. And then I would like to move on to Head 79, which is the Environment and Natural Resources. So, my first question is, the Minister mentioned that the heritage officer post has been vacant for a number of years. I am curious, how many years has that post has been vacant and when is it going to be filled? He did mention that the heritage officer has oversight of the World Heritage Site. That has been very topical here lately, especially with what is going on down in St. George's. So, I really would like to see that position filled. So, I am curious what the timetable is on that.

The second question had to do with the lionfish. Right around the time of the America's Cup, when I was Minister, I was taken down to Ariel Sands and I met some very, very interesting young scientists.

Some of them had backgrounds with NASA. Some had backgrounds with MIT. And Land Rover BAR was actually sponsoring an underwater ROV vehicle that was being developed to catch lionfish. And they actually had a prototype that they put into the salt pool down there, and basically showed how this ROV can sneak up on lionfish and stun them and then suck them in. So, I am curious if that project is still ongoing. Where is it? Because it had a lot of potential to really assist us in our lionfish remediation. Thank you.

The Chairman: Thank you, Shadow Minister.

The floor recognises the Honourable Member from constituency 23.

Ms. Gordon-Pamplin, you have the floor.

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

While the Honourable Member is getting the responses from his technical officers, I just had one more question on page B-309. And that is with respect to Professional Services, under the subjective analysis, in which there was \$29,000 estimated. The Minister indicated, he responded earlier that there were some positions, professional services, that would not be needed.

I wonder if he could just give us a little bit of clarity with respect to which positions are not going to be filled in that particular professional fees?

The Chairman: We are on Heads 32 and 79.

Would any other Members care to address the Chair?

Minister.

Hon. Walter H. Roban: Mr. Chairman, just to continue on. To the question that the Honourable Member from constituency 23, in relation to the professional services points, the reason that perhaps her question arises and it can be gleaned from the statement made in my brief is that those positions are the ones that we are currently seeking to fill. We are actively filling them. And up to this point, we have pursued getting consultants to fulfil those roles that you are referencing. But now we are actively filling them.

[Inaudible interjection]

Hon. Walter H. Roban: Yes. Right. So, we do not need that expenditure.

[Pause]

Hon. Walter H. Roban: Professional Services. I will just reread the section, and perhaps it will provide some clarity for the Honourable Member.

Professional Services, found on page B-7, has been decreased by \$23,000, or 40 per cent, over the past financial year. Consultants were recruited to

fulfil certain functions because of the inability to fill substantial posts. It is anticipated in the next year we will have all of those posts filled, thereby reducing the need for that expenditure on professional services. So, we are expecting to fill them. So, that will then remove . . . we are not going to have to spend that \$23,000 that is allocated in the budget.

The Chairman: I believe the Shadow Minister has an additional question to follow on to that.

Go ahead.

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

I was just curious as to which posts. I mean, I realise that the construct of, a post is not filled, you are going to find somebody for the substantive post. And it will come up in the Salaries line, presumably, and it will come out of the professional service consultants. However, I just wonder, which post is now being filled by a consultant that will become substantive such that the consultant will no longer be needed? I am just curious as to which posts.

The Chairman: Okay. Thank you.

Would any other Member care to address the Chair with regards to Heads 32 and 79?
Minister.

Hon. Walter H. Roban: Yes. Thank you, Mr. Chairman.

Specific posts are the heritage officer and a planner.

The Chairman: Thank you.

Hon. Walter H. Roban: I will continue to answer some of the questions raised, Mr. Chairman, if you will allow.

The Chairman: Continue.

Hon. Walter H. Roban: The Honourable Member who sits for constituency 7 brought up a matter concerning lionfish and robotics and a robotic demonstration that he experienced while he was Minister. Actually, it sounds quite interesting. Perhaps I will have the opportunity to see that myself.

[Inaudible interjection]

Hon. Walter H. Roban: Yes.

The Chairman: Point of clarification?

POINT OF CLARIFICATION

Hon. Patricia J. Gordon-Pamplin: Yes. If I can just clarify that the particular programme with the robotics

was actually the Land Rover BAR from the America's Cup team. That was one of their legacy projects. They sponsored the whole thing. So, it is really quite exciting, quite interesting. And hopefully, it is continuing.

Hon. Walter H. Roban: Thank you. I will inquire about that.

But for the benefit of an answer for you from the department, this was a private sector initiative that the department was very supportive of. The field trials were completed. And the department does not have any update at this time, but further inquiries will be made in due course. So, I will undertake to actually follow up on that because it sounds very interesting, and certainly if it is going to work alongside our efforts to deal with the lionfish, it is something that we will look at. And, priorities permitting, we will see what we can do to work with that private sector provider to see what we can do.

Were there any other questions?

Okay. I answered the Honourable Member's question. It was heritage officer and planner which were the actual . . . well, I will sit down.

The Chairman: Continue. Member from constituency 7, you have the floor.

Mr. Sylvan D. Richards, Jr.: Yes. My question was based upon the heritage officer. When is that post going to be filled? How long has the post been vacant? Because it is very important because it pertains to the World Heritage Site in St. George's.

The Chairman: Minister.

Hon. Walter H. Roban: Yes, Mr. Chairman. Thank you for clarification, Honourable Member.

Two years vacant, and it is currently filled temporarily by a temporary who is, at this very moment, fully immersed in the work of that office and is working with the key stakeholders. I know this for a fact, because, as you would appreciate, Mr. Chairman and Honourable Member, the work in St. George's, as it relates to the preservation of the World Heritage Site, is a priority for this Government. And we are actively making sure that this work is done. It is the Department of Planning which is leading the efforts to devise the World Heritage Management Plan, which is very much required. So, that temporary relief person is fully engaged and busy. But the plan is to fill that post over the next . . . certainly as soon as possible, as the process permits.

The Chairman: Thank you, Minister. And any additional assistance would always be greatly appreciated in St. George's.

Would any other Member care to address the Chair?

Hon. Walter H. Roban: I concur.

[Laughter]

The Chairman: We are coming up on 12:15. And, in essence, after lunch we have an hour left in this debate. We are on Heads 32 and 79.

Shadow Minister, I know that you had indicated that you want to focus on Head 79. Both heads are still on the floor. Continue.

Mr. Sylvan D. Richards, Jr.: Yes. Thank you, Mr. Chairman.

I am going to focus now, turn my attention to Head 79, the Environment and Natural Resources, page B-316. The Minister had mentioned . . . I am actually going to go to page B-317 because I do not have any questions on page B-316, the expenditures for business unit, per se, at least not at this juncture. But on page B-317, expenditures by object code, salaries are projected to increase by 5 per cent, or \$238,000, while the number of employees is projected to remain flat. And wages are projected to increase by 11 per cent, or \$130,000. So, when you add those two together, it is a combined total of salaries and wages of up \$368,000 in 2019/20.

I believe the Minister mentioned in his opening remarks that this was due to an allocation of funds. Maybe I was confused by that. If he could just clarify that up, that would be helpful.

Also, on page B-317, the insurance costs. You know, I am an insurance man, so I am always looking at cost of insurance. And most times, insurance never goes down; it always goes up. So, I was curious about the 62 per cent decrease in the insurance expenditures from \$13,000 to \$5,000. I think the Minister may have mentioned that it is due to a reduction in the department's grants and contributions. So, I am a little confused by that. So, if I can get some clarity on the reduction, the costs, the reason for the reduction in the insurance cost, that would be helpful.

Also, on page B-317, Grants and Contributions is showing that there is a 37 per cent decrease in Grants and Contributions, from \$403,000 to \$253,000. I believe the Minister mentioned that there is a marine conservation grant being eliminated. I would like to find out why that is being eliminated, and are there any other grants that are being eliminated, and if there are any grants being put in its place? Is there a refocusing of our efforts? So, if I can get some information around that, that would be helpful.

Moving to page B-318, the Revenue Summary, looking at cost centre 8493, dog licences. And also, 8495, BPO dog licences. I must admit I am a little fuzzy on what the differences are between the two. But I have noticed that dog licences, the revenue is projected to decrease 51 per cent, from \$536,000 in 2018/19 to \$236,000 in 2019/20. I am curious why the revenues are projected to decrease by 51 per cent. I

believe the Minister mentioned in his comments that the goal is to get every dog in Bermuda licensed. So, I would like to kind of reconcile those two.

And once again, 8495, BPO dog licences, the revenue from these licences is increasing, from zero in 2018/19 to \$70,000 in 2019/20. So, it is going from zero to \$70,000. If I can get some answers as to, what is the difference between these two licences? And the increase from zero to \$70,000 for these BPO dog licences, what is that attributed to?

And then, the overall revenues are projected to decrease 9 per cent in 2019/20. So, I am just confused as to why some of the revenues are going down, but we are trying to get every dog licensed. So, I would like to get some clarity on that.

I am going to say that I was very pleased when the Dog Amendment Act was amended to allow for the reduction in the confiscation of what were called "dangerous breeds." And I am glad to see that the overall number of euthanisations has gone down. I know that when I was Minister, that was a very vexing issue for me and for the department. So, I am glad that—

The Chairman: I think you have some sympathies when it comes to this consideration of line items.

Mr. Sylvan D. Richards, Jr.: Yes, yes, yes. It was very difficult for a number of different Ministers, not just myself.

Turning to page B-319, the employee numbers. The number of employees is projected to remain flat, at 79. The Minister mentioned that there were a number of vacancies that are being filled. I think you mentioned the hydrogeologist. It was a foreman post that was being filled, I did not get exactly what that was. If I could find out what that post is. And there was a new veterinary officer post being finalised. I would like to find out how long has that post been vacant, and what is the focus of this veterinary officer? I seem to recall that part of the remit of the veterinary officer was to increase milk product amongst our local cow herd and to reduce disease amongst the cow herd. I am curious what other responsibilities that veterinary officer post would be responsible for.

Going to page B-321 now, Performance Measures. I am looking at business unit 89040, Marine Enforcement, which references the number of vessels searched at sea. The 2018/19 original forecast is for 500 searches. And the 2019/20 target outcome for searches is 450. I am a bit surprised that this number is projected to decrease. I would like to find out why it is decreasing by 50, the number of searches. And then, you know, there has been talk about the Bermuda Regiment having a role to play in marine enforcement. So, I would like to get some information about whether that is something that the Ministry is looking at, beefing up the role of the Regiment to per-

haps play a more significant part in the overall marine enforcement.

In business [unit] 89070, it kind of ties into my earlier questions about dogs. It says that the number of dogs licensed will increase from 4,050 in 2018/19 to 4,600 in 2019/20. However, as I stated, the revenues from dog licences 2019/20 are projected to decrease 51 per cent. So, if I can get some clarification on that so that it ties in.

On page B-323, [business unit] 89110, Bermuda Aquarium, Museum and Zoo Administration, it shows that the number of students involved in the BAMZ offerings is up from 7,500 in 2018/19 to 8,250 in 2019/20. I believe the Minister mentioned that this involves Trunk Island, classes at Trunk Island, which are tied to the Cambridge Curriculum, and that demand for these classes continues to be strong. I am very encouraged by that. I think the more our young people are made aware of the importance of protecting our marine environment, that is a good thing.

I know my younger nephew, young Trey Vance, is heavily involved in that programme. He enjoys getting up on a Saturday and going down to the aquarium and assisting down there. So, I think that is a very good programme, and I would like to hear a little bit more about that, what they are looking to do with that programme.

I made note on page C-15, Capital Acquisition, that nothing is budgeted for 2019/20. The Minister made reference to that in his remarks and said that the department had taken possession of two replacement vans, but that they were in a good position in terms of their equipment. So, there is no need for capital expenditure.

And on page C-20, under Grants and Contributions, under 7004, the BIOS Environmental Study, the 2019/20 estimate is zero, whereas the prior year budget was \$150,000. So, I am curious what the reasoning is for that. Why is there a zero budget for this year?

I will take my seat at this point and get answers to those questions. I am sure that my colleagues will have other questions. Thank you, Mr. Chairman.

The Chairman: At 12:25, we are still on Heads 32 and 79 considering the Ministry of Home Affairs, those two heads within Home Affairs.

Any other Member?

Oh, Member from constituency 19.

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

My question is on page B-318. And this is relating to the Revenue Source. And it is 8649, Agricultural Produce. And it is showing the revenue going up from \$25,000, up to \$35,000 and then suggesting that it is going up to \$42,000. And I just wondered if the Minister could just clarify what this is. I think I know, but I think, for the public out there, recognising that

food and food sources are so important to Bermuda and we are trying to encourage this, it would be nice to understand what the Ministry is doing and how this revenue is going up. Thank you.

The Chairman: Thank you.

Would any other Member care to address Heads 32 and 79?

We wait for the Minister then. We will call on the Minister to answer a few questions.

[Pause]

The Chairman: Minister.

Hon. Walter H. Roban: Yes. Thank you, Mr. Chairman.

A question was raised by the Honourable Member who speaks for the Environment concerning insurance costs and why they are going down. Well, the department has fewer vehicles. And so, that means that there is less requirement to provide insurance coverage for that, for which we would normally have done so. That is the main reason for that.

Mr. Sylvan D. Richards, Jr.: Thank you.

Hon. Walter H. Roban: Mr. Chairman, I would ask your indulgence. I do have a number of answers, obviously, to respond. Would it be appropriate to do that after lunch when I have more time? I know there are a few minutes left on the clock.

The Chairman: Go ahead, Minister. You can.

Hon. Walter H. Roban: Okay. Well, let me get some more answers for the few minutes. Or, are you—

The Chairman: You can move.

Hon. Walter H. Roban: Okay. Thank you.

The Chairman: You are acting Premier right now. So, you can exercise that role.

Hon. Walter H. Roban: Thank you very much.

Mr. Chairman, I do move that we adjourn for lunch until 2:00 pm.

The Chairman: Thank you.

We will resume with Heads 32 and 79 at 2:00 pm, with 45 minutes remaining. Thank you. And the time will be adjusted to allow for that little bit of lunch. Thank you.

Proceedings suspended at 12:27 pm

Proceedings resumed at 2:03 pm

[Mr. N. H. Cole Simons, Chairman]

COMMITTEE OF SUPPLY

ESTIMATES OF REVENUE AND EXPENDITURE FOR THE YEAR 2019/20

MINISTRY OF HOME AFFAIRS

[Continuation thereof]

The Chairman: Good afternoon, we are resuming Committee of Supply and are reviewing Head 79, the Environment and Natural Resources. This debate has 48 minutes remaining, so we should be finished at approximately 2:48 pm.

I now invite anyone from the floor to come forward and do their presentation.

Minister?

Hon. Walter H. Roban: There were a number of questions that I was desirous of answering and my technical officer is not here with the answers, so. But if, perhaps, if the Honourable Member has some other questions and, perhaps, by the time he has finished I will have the available answers for him in all areas.

The Chairman: Thank you, Minister.

Shadow Minister of the Environment, Mr. Sylvan Richards, you may proceed.

Mr. Sylvan D. Richards, Jr.: Thank you, Mr. Chairman.

I do have some additional questions and points of clarification, so I will move along with those and, hopefully, the requisite technical officer will turn up.

The Chairman: Proceed, sir.

Mr. Sylvan D. Richards, Jr.: Yes. Under page B-321 Performance Measures, business unit 89000, it mentions invasive pests. The Minister mentioned that the culling of pest birds continues. As we all know, when we drive around Bermuda we see feral chickens and feral pigeons. I am just curious as to the procedure that is currently being used to cull pests. I know that, when I was Minister, we had individuals who were given a licence to shoot the pests with BB guns, I am wondering if that is still the case and if I can get some more colour around that particular activity.

The Minister mentioned—and this is also on page B-321—under 9030, Marine Heritage and Health, the Minister mentioned that there is an Ocean Human Health Research Project. And I think he mentioned that one of the more popular requests had to do with the theme of the Bermuda Triangle. I am just curious about that because I actually think that . . . I know when I travel and I mention to folks that I am

from Bermuda, more often than not the first thing that they say is *Oh! You're from the Bermuda Triangle*. I have also met tourists in Bermuda and when I ask them what brought them to Bermuda they said they wanted to come into the Bermuda Triangle. It seems odd to us, but it is actually a draw for certain visitors to Bermuda and also people who want to know a bit more about Bermuda. So I am curious what the . . . what the department is doing in that arena.

Also on page B-321, business unit 89060, under Veterinary Services . . . sorry, under business unit 89070, Animal Control, the Minister mentioned the Amended Dogs Act and that this is still in transition. The Minister mentioned that there has been an increase in the number of requests to keep a restricted breed. I am curious, if he has the information, which breed are they getting the most requests on—is it the pit bull or the pit bull mix, or is it other breeds? The Minister also mentioned that there has been an increase in the number of biting incidents. I must say I was rather surprised to hear that because usually when there is some type of biting incident involving a dog it makes it onto social media or there is something reported in the media and I have seen virtually nothing since the Dog Act was amended, so I am just curious what that . . . either a percentage increase or what the numbers are in terms of the increase in the number of dog biting incidents.

Moving to page B-322, business unit 89100, Pollution Control, the Minister mentioned that there are a number of testing stations in different places around Bermuda and, of course, most of us are aware of the testing station on East Broadway as you enter into the City of Hamilton. And I believe the Minister mentioned that this area was and probably still is one of the most polluted areas in terms of emissions from vehicles. So I am curious . . . okay, so we test and we know that this area is a problem area, and then we have the emissions testing centre down there at TCD, I am wondering what can be done to lower emissions from vehicles or what is going on in that area. It is okay to test, it is okay to know the numbers, but what are we doing about it? So if I can get some additional information about the emission testing as it correlates to the vehicle emissions coming down from that centre on East Broadway.

Moving to page B-323, business unit 89130, Bermuda Aquarium Marine and Zoo Administration, the Minister mentioned that total visitors to the Aquarium and Zoo are expected to rise and that the facility will gain their reaccreditation in April of 2019. I am just curious what is involved in the accreditation, what are the criteria? What are they looking at? I know Bermuda Aquarium and Zoo consistently gets accredited, I would like to get some information on what they are looking at, what is the criteria that they are using?

At the end of his presentation the Minister mentioned department policy changes. I made a number of notes; I will go through those and, hopeful-

ly, get some information on some of the items that were mentioned.

Going back to illegal dogs or the dogs that were illegal prior to the change in the law, there have been fewer dogs confiscated and euthanized, which I alluded to earlier, and that is a good thing. But I am curious what is being done by the department to ensure that the dogs that were previously restricted (or banned dogs) are being properly cared for. I know that there was to be criteria put in place that you had to have adequate space, fencing, cages or whatever, so I would like to get a little bit more information about that. What is being done to ensure that these dogs are being properly cared for?

The Minister also mentioned that the Marine Resources Section is working on licensing commercial fishermen. I would like to get a bit more information about that.

The Minister mentioned that there was a management of roadside vegetation strategy that targeted specific plant species. I would like to know a little bit more about that particular plan. I know there was spraying going on with pesticides, glyphosate, and I think that was causing consternation amongst the public. I believe that spraying of that pesticide has been cut back and I am curious what has taken its place. Is it physical cutting of the vegetation on the roadsides, or what is being used to take up the slack in terms of less spraying?

The Minister also mentioned that there was a national plan to develop an antimicrobial strategy. I believe this has to do with animals, but I would like to get a little bit more information about that. I do know that there is concern about antibiotics that even humans ingest, getting into the environment, and then it is causing humans to be resistant to antibiotics. So I would just like to get a little bit more information about that.

The Chairman: Shadow Minister, can you tie your comments to a certain line or head so that we are following along in the Budget Book?

Mr. Sylvan D. Richards, Jr.: Yes, thank you, Mr. Chairman.

It is kind of difficult for me to do that because when the Minister gave his presentation he was not referring to any line items per se, it was policy changes, so I am picking up from the policy changes that he mentioned in his presentation. I am almost done.

The Minister mentioned, in his plans for the upcoming year, plans to address Bermuda's declining bee population. This is a worldwide phenomenon. Bee populations worldwide have been collapsing. And I know that we were having an issue here and everyone knows that bees are very important to our flora and fauna and to our crops here, so I would like to get a bit more information about what is being done or

what is being looked at in terms of Bermuda's declining bee population.

And then, finally, there was mention of pesticides that contaminate our ground water. I would like to know a little bit more about what is being done in that regard.

So I will take my seat for now, thank you.

The Chairman: Thank you, Shadow Minister.

Is there anyone else?

I recognise the Honourable Member Kim Swan.

Mr. Swan, you may proceed.

Mr. Hubert (Kim) E. Swan: Yes, thank you, Mr. Chairman.

Just on 89020, Marine Conservation, the Minister had mentioned about protecting corals. My concern is for the amount of raw sewage that gets pumped [out] off of Great Bay by the municipality and the sewage that gets pumped [out] off of Tobacco Bay, and I was wondering whether or not the technical officers could provide what type of damage that has [caused] to our coral life. And, hopefully, this will be changed going forward, but it is of great concern, notwithstanding, Mr. Chairman, the discomfort and displeasure that occurs to recreational users. But my concern would be for the impact that this has had for many, many, many, many decades on the environment.

The Chairman: Thank you for your contribution.

Would anyone else like to make a contribution to the debate in regard to the Head 79, Environment and Natural Resources?

I recognise no one.

At this point the Minister may respond.

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

I appreciate the patience of everyone and I appreciate your questions.

So I will address a number of the questions that have already been put to the floor, Mr. Chairman, and particularly those that were put prior to lunch. I will give detailed responses to those as well as the questions that have been just put now in the last few minutes.

The question on page B-17 was: Why are salaries and wages up? Salaries for the BPSU are up, the increase in Salaries is due to the negotiated BPSU salary increases. There was also a question around why the wages for BIU staff are up. The wages for BIU staff are up mainly due to the reallocation of funds from vacant BPSU salary for a no longer required post into wages for a marine technical support post; and as a result of a job description review of a number of BIU post job descriptions.

Another question was asked about Grants and Contributions and why down? The pollution con-

trol budget, cost centre 89100, was reduced by \$138,000 or 18 per cent, by the elimination of a grant for the Marine Conservation related projects. And why was that grant eliminated? The grant was allowed for the undertaking of specialist marine environment conservation projects. While important, the priority for the department is now to monitor threatened habitats and work to minimise the risk of loss of human-related activity. As such, the loss of this grant will be offset by the filling of the two vacant posts in the Marine Conservation section and focusing efforts on monitoring and surveillance priorities to minimise negative impacts on protected corals and seagrass beds.

Another question related to that was, Have any of the other grants been eliminated? And the answer is no, no others are being eliminated.

The question related to dog licences, What is the difference between the dog licence and the dog licences BPO? Dog licences are paid for in BPO, meaning, I guess, Bermuda Post Office, BPO. As you know, dog licences can be paid for at two locations—at the department's head office and also at the Bermuda Post Office, so that is the distinguishing difference in the terminology. I hope that is helpful for Honourable Members.

Another question: Why are overall revenues set to decrease around dog licences? The department needs to set realistic expectations for revenue generation. As such, the revised amount is what is expected to be brought based on the approved fee schedule. And we will be speaking on this in due course, there is an amendment that I believe will be dealt . . . we will deal with this matter at some other point in the House's session as well.

The department will be making every effort to recover all fees due to Government and improve on expected revenue estimates.

A question came up around vacancies. Know that the number of vacancies have been filled over the course of the year, including Government hydrogeologist, plant technician in the Plant Detection Laboratory, and foreman for the Terrestrial Conservation Crew that maintains the Government's nature reserves in the national park system.

A request was made on the floor to please provide an update on Government's veterinary post and what are the intended responsibilities of the veterinary officer. The recruitment process is nearing completion for the Government veterinary post. The intended post will be to add capacity to Veterinary Services, to assist with the implementation of the newly amended Dogs Act 2008, to assist with the soon to be amended Endangered Animals and Plants Act [2006]. The post will also allow for the Government Veterinary Services section to provide oversight and inspection on dairy farms, horses, stables, investigations into animal cruelty cases, and enhance border control of invasive species.

I am sure, Mr. Chairman, you have some keen interest in those activities and the Government being properly equipped to deal with those matters.

There was a question around Marine Enforcement, 98040, the question was, Why are the proposed number of searches at sea down. At the time of preparing for this budget there was a warden's vacancy and one of the primary patrol boats was down for major repair. Since which the warden post has been filled and the fishing patrol boat *Protector* is undergoing a major refit of its starboard too. As such, it is expected that the boat searches will match, if not exceed, the original forecast of 2018/19 of 500 vessel searches at sea.

Another question that was posed, Mr. Chairman, was, What is the role of the Coast Guard in marine enforcement? Discussions are ongoing with the Regiment and the Bermuda Police Service regarding their roles in an integrated marine enforcement strategy or process. The Fisheries section are very specialised in their monitoring and enforcement roles, but are constrained by manpower. They have both land and sea functions, and while patrolling is very important, it is only a part of the overall functions. For example, shore side patrolling, oversight of government trap equipment, inspections of restaurants and roadside [vendors], and prosecution case building. The new Coast Guard is going to add much needed capacity to assist the Fisheries section to undertake their marine functions more effectively and efficiently.

There was a question around Agronomy, 89090. The question was, Why is revenue going up at the Agricultural Service Centre? The answer is, there has been an increasing need by local farmers for the seed, fertilizers, pesticides, and storage boxes supplied by the Agricultural Service Centre. Ice provided by the service centre is in high demand for both commercial farmers and also commercial fishermen. Further demand for cold storage [for] vegetables is increasing as more is locally produced by our farmers, which sounds like something that is very good because the more local farm production, the better.

I will now move on to some other answers, Mr. Chairman. There was a question around invasive pests . . . licences are issued to cull birds under the Protection of Birds Act [1975]. Use of integrated pest management programmes using mechanical, chemical and biological controls—efforts are ongoing in that area. That was the question that relates to what our approach is to those invasive pests that came from the Honourable Shadow Minister.

There was a question around Marine Heritage Health, page B-321. Marine Ocean Human Health is one part of the Marine Heritage Section. Currently the focus is on Marine Heritage Wrecks, awareness, exploration and monitoring.

Another question came up about Animal Control, on page B-321, increase in the requests for certain breeds, as it relates to a request . . . the amount

of requests for certain breeds, which I did speak about in my brief. It seems that the pit bull and its cross-breeds do continue to be the main dog types, mainly due to the large percentage of the population.

There was a question around the accreditation of the Bermuda Aquarium Marine and Zoo, to please give more details as to the accreditation process. It happens every five years and involves a complete review of all policies, procedures and management of the Aquarium. The review team is made up of accredited bodies of the American Zoos and Aquariums. It involves site management, which occurred in December 2018. This was successfully completed. The head of accreditation . . . I guess the accreditation announcement will occur in April of 2019.

I know there was a question that was raised by the Honourable Member, Mr. Swan, as it relates to the sewage and the coral reefs and the impacts. I will have to get an answer to that particular question. Perhaps some other Members have some other questions, I will get my answers and I will work on getting an answer to that particular question.

Mr. Sylvan D. Richards, Jr.: Thank you, Minister.

I believe I did ask a question in terms of the dogs, that there was an increase in the number of biting incidents, and I was trying to get a feel for either the percentage of increase or the numbers that we are talking about in that regard.

The Chairman: I now recognise Shadow Minister Patricia Gordon-Pamplin.

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

Mr. Chairman, very briefly, on page B-318 under Breeder Licences, 8499. I am just wondering how many breeders we have and if we could get some indication as to what the criteria is in order to be registered.

And my other question is on page B-321 on Performance Measures, 89070, towards the bottom of the page in respect of Animal Control. It is indicated that the licensed dogs' targeted outcome is 4,600. And the Minister had indicated in his response that the decrease in fees, which is going down nearly 50 per cent, it is going down from \$536,000 down to \$273,000, . . . \$203,000 if we net off the BPO licence fees, but we have got a significant decrease, a 50 per cent decrease, but yet we are showing an increase in the number of licences from 4,000 to 4,600 and that number only constitutes 60 per cent.

So if we gross that up to 100 per cent, we are talking about 7,600 dogs that should be licensed and the Minister has indicated that the amount of licensing fees are actually going down and that he recognises that those were the . . . according to the approved fee schedule, that is probably what they are most likely going to collect in dog licence fees.

So the question is, with such a disparity between the number of dogs and the decrease in the licence fees coming in, where are the inefficiencies coming from and what can we do to improve the registration and licensing of dogs and the collection of the fees relating to that?

The Chairman: Thank you.

I now recognise the Opposition Leader, the Honourable Craig Cannonier.

Hon. L. Craig Cannonier: Yes. I lost my page here . . . sorry.

The Chairman: You have plenty of time.

Hon. L. Craig Cannonier: [Page] B-316 under Marine Management, and I am not sure under what subsection it should fall under, but I am aware, especially from the time that we were Government, there were . . . the biological station in St. George's had and does, still today, go out on many expeditions over a 200-mile radius of waters that we own, and many of these, like National Geographic, discovering them have accompanied and been on these expeditions that the boat has gone out (or ship, if you will) and scouring and taking in information about the natural resources within our waters.

And I was not quite sure whether or not this particular head or this section, whether or not there was a liaison between the Government in this section and some of the things that they were doing within the waters. I did come to find out that they were doing a lot of studies and that the Government was not aware of some of those studies, unless they made it a point to go down and ask questions. And some of the results that came out of the ship going out and scouring the waters were quite phenomenal about some of the resources that are within that 200-mile radius.

The Chairman: Mm-hmm.

Hon. L. Craig Cannonier: As an example, I remember reading a report that showed that we had a massive wall of fertilizer, natural fertilizer, that has built up over thousands of years that other countries, other islands much larger than us, were taking advantage of and actually bagging and reselling some of this natural resource that was there.

I also remember in one of the studies it was showing that the Sargasso Sea, the seaweed that we have traditionally used for our gardens and the like, that there was . . . they found a chemical component within the seaweed in this report that was an anti-plaque chemical. So that if it was put in a product it would prevent plaque from building up on enamelled teeth, you name it, that kind of thing. And we had not explored it in any depth at all, but yet we had visitors coming to our waters taking a look at this here.

So I was hoping that, if this is not the case that we have been liaising with them, that maybe the Minister could find out a little more, maybe go out on the boat, that we had the opportunity at one time to go out and take a look at some of this stuff, because many times we say, you know, that our only natural resource is our people, but we have an opportunity to start looking at our waters to see whether or not some opportunities may lie within those that we can take advantage of.

The Chairman: Thank you, Mr. Opposition Leader, and quite rightly so, as we are talking about the blue economy.

I now recognise the Minister.

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

Just to address some questions that did come up, there was a question that was raised about Pollution Control and the sewage outflow at Seabright and also the outflow at Tobacco Bay. Currently there is no active habitat assessment of coral reefs being undertaken. The Department of Health and Pollution Control are monitoring, though, the rate and outflow of organics. According to this assessment there has been no visible decline in the coral seen in the area currently. I think, yes, this is a cause of concern, those outflows, which frankly, I think we all should be mindful of the fact that there is raw sewage being pumped into our waters, the product of human activity, and it is high time that this be addressed.

Thankfully, other ministries in the Government have plans of action around that and I am sure that those kinds of action will be reported to the House. That it is our hope we will eliminate the need for this sort of outflow any further. And the only thing I would say, perhaps in slight jest, is that, perhaps, the only group that will be protesting any discontinuation of that will be the fish who, perhaps, are getting some nutrients from some of the outflow. But they are about the only ones who will be protesting.

So I think we will all welcome the end to that when it can come with the appropriate infrastructure upgrades.

There was a question about the roadside weed management. Roadside weed management is under the purview of the Ministry of Public Works. The Department of Natural Resources in conjunction with the Ministry of Public Works, and, as I said, in my statement, there is a management plan which has been developed by the Environment department which has been shared and it has currently been sent to Public Works for consideration.

[Pause]

Hon. Walter H. Roban: Sorry for the delay, Mr. Chairman.

The Chairman: You may proceed, Minister.

Hon. Walter H. Roban: Some additional questions in relation to dogs and the question was raised about the increase in biting incidents and the percentage and the number. The Dogs Act was just recently amended in October 2018. The department is currently assessing any changes that will need to be reported on this in due course.

One of the things that was asked about is the breed's assessment criteria. The criteria of this will be detailed as per regulations and they are currently being developed as part of the recent amendments to the Dogs Act.

I know a question was raised concerning the bee population and I will get that.

The Chairman: Yes, the Minister is getting information from his technical officers. And at this point we are just continuing on Head 79, the Department of the Environment and Natural Resources.

The Minister of the Environment has the floor and will be with us shortly.

I recognise the Honourable Member Kim Swan.

You may proceed.

Mr. Hubert (Kim) E. Swan: Yes, Mr. Chairman, while the Minister is awaiting the information under the Coastal Erosion, this certainly captures my attention and. Maybe I can ask the question. Is there any association with the amount of litter that . . . and I want to say thank you to KBB [Keep Bermuda Beautiful] and all those organisations who go around and do coastal clean-ups. But is there any association with the amount of litter that goes along on the foreshore line that could cause any harm to the environment as well?

I see the Minister is back, so I will yield.

The Chairman: Thank you for your contribution, Honourable Member.

I recognise the Minister of the Environment.

Hon. Walter H. Roban: Thank you very much, Mr. Chairman.

I am happy to address the question that the Honourable Member posed as I will continue to get answers. And I just want to address the answer in relation to bees and, obviously, we do remember that a number of years ago there was a considerable concern about our bee population.

As we will remember there was a global epidemic of the varroa virus, which, at one point, it was believed that Bermuda would be spared, perhaps our isolation as a jurisdiction allowed . . . and our people, certainly, as they always do, were very proactive. But as it seems to have happened, nature found its way to Bermuda and we found ourselves with the Varroa epi-

demic here as well. And, in fact, as I recall, there was even the possibility that Bermuda might have been even in a position to export queens from Bermuda if we had remained Varroa free, but that did not happen.

So we ourselves were inflicted with that and we had to take the appropriate measures. And if you speak to any of the people involved with honey production they will tell you it did take a considerable blow to our bee population at some point. But there has been a level of recovery.

The Chairman: Yes.

Hon. Walter H. Roban: I think . . . and that is quite noticeable. I think we all notice in the environment that there are more bees and that you see more wild bees emerging and wild colonies that have to be addressed, which itself, actually, is an indication that our bee population is recovering from that. And it is not a case of being Varroa free, it is just that, obviously, colonies adapt and they have adapted to cope with the Varroa because there are numerous other . . . and I know I had quite a few discussions with members of the Conservation Services and Mr. Pettit about this because I was . . . it was very interesting when you looked at what was happening globally with it and you wondered what was happening in Bermuda . . . is that it never goes away and there are numerous pests that bees have to deal with, just like humans do. But there is a question of management and there is an adaptation.

So there has been a rejuvenation of our bee population and the department continues to review pesticides and how they may impact bees because there was also the view that the build-up of certain pesticides in the environment may actually have contributed to the weakening of the bee population. So that is done and there is a monitoring project that currently goes on and there is work being done to introduce Varroa hygienic bee queens, so these are bees that will be essentially . . . if not free, resistant to the Varroa virus.

So the work is ongoing, just like with any other situation, it does not end. And I [say] hats off to our team in Bermuda, certainly in partnership with others around the world [that] has been able to assist with our bee population. And it is our, certainly, hope . . . I mean everybody hopes that the jars of honey that we used to see on the shelves become available in wider availability in the new future as our very passionate beekeepers locally are able to take care of their colonies and provide us all with that joy that we love in Bermuda honey.

Another question that came up was the impact of litter on the marine environment. The largest percentage of plastic is actually generated offshore, it travels up through the Gulf Stream into our local environment to land on our beaches and onshore waters. And yes, we must applaud the efforts of KBB and oth-

er stakeholders and the public, for building awareness and for attacking these issues, for all their efforts. And as was stated in the budget presentation, Mr. Chairman, we, the Government, give them a grant of around \$10,000 which I am sure has been continued, and all governments have sought to support their efforts and that will continue.

I will sit down there. There are a few minutes in case there are a few last questions.

The Chairman: Thank you, Minister.

Does anyone else want to make a contribution to the debate in regard to Head 79, the Department of Environment and Natural Resources?

No? Okay.

Minister, you may bring this debate to a conclusion.

Hon. Walter H. Roban: Just a minute, Mr. Chairman, perhaps—

[Inaudible interjections]

The Chairman: Maybe, perhaps, the Opposition Leader can get up and present his question.

Hon. Walter H. Roban: I am happy to hear your question, sir.

Hon. L. Craig Cannonier: No, I had already presented the question, I was just looking for the answer to the 200-mile radius and liaising—

Hon. Walter H. Roban: Oh!

Hon. L. Craig Cannonier: —with the biological station and the ship that goes out scouring the waters.

The Chairman: Thank you, Opposition Leader.

I think we are clear now.

So we are talking about an alliance and working with the resources at BIOS.

Hon. Walter H. Roban: Yes, I mean, that is obviously an ongoing work that we do. We do work with BIOS on a continuous basis. What I will do, I will undertake to get any specific answers to the Opposition Leader on that point as to what . . . after the debate, as I do not have the answer right now. I will happily provide it to him, Mr. Chairman, after the debate so that he can get a full answer that he should obviously deserve.

The Chairman: Thank you very much, Minister.

Is there anyone else that would like to make a contribution to this debate before we close it?

No.

I recognise the Minister.

Hon. Walter H. Roban: As there are no further questions, Mr. Chairman, I would now move to move the heads.

The Chairman: Yes, you may proceed.

Hon. Walter H. Roban: I move that Heads 32 and 79 be approved as printed.

The Chairman: Okay, that brings a conclusion to the review of the Estimates for the Ministry of Home Affairs, Head 32 and Head 79.

[Gavel]

[Motion carried: The Ministry of Home Affairs, Heads 32 and 79 were approved and stand part of the Estimates of Revenue and Expenditure for the year 2019/20.]

The Chairman: Now we are progressing to the Department of Public Works, Head 36 and Head 53. And this will be led by the Minister of Public Works, the Honourable David Burch.

We have five hours for this debate and it should be completed by quarter to 8 . . . 8 or 9, I cannot even see. Minister Burch, you have the floor.

MINISTRY OF PUBLIC WORKS

HEAD 36—HEADQUARTERS

Lt. Col. Hon. David A. Burch: Mr. Chairman, thank you very much.

I move the following heads, Head 36, the Ministry of Public Works Headquarters; and Head 53, Bermuda Housing Corporation, be now taken under consideration.

Mr. Chairman, let me repeat what I said . . . how I began last year during this debate in stating, in my humble opinion . . . first of all I should confess that I have failed to convince the Minister of Finance that his Budget Book is wrong, in two cases now, so either the previous Minister or the current one. But the current one I cannot really blame. And I say that with the full knowledge, Mr. Chairman, that I am not an accountant. But I know this much: You must compare apples with apples, not apples with oranges. And so to compare this year's estimates with last year's original estimates makes no sense. It must be compared to last year's revised figures.

So in this presentation that is precisely what I am going to do and I will give you a practical example, Mr. Chairman. On page B-213—and I had a lengthy discussion last year about how wrong this whole process is, but we are dealing with a bureaucracy that does things the way they have always done them. And sadly, I do not march to that drum and so the guilty in the Gallery that belong to me—

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: We all do.

And I will use the employee numbers, Mr. Chairman, on page B-213—

The Chairman: Yes.

Lt. Col. Hon. David A. Burch: —where it states that this year I am looking for 711 employees—

The Chairman: Yes.

Lt. Col. Hon. David A. Burch: —and increase them by 4, because I supposedly had 707 last year.

The Chairman: That is correct.

Lt. Col. Hon. David A. Burch: I only have 600 employees, currently, and I am looking for 4 more. And so on that basis, I am not going to follow the . . . I am going to talk common sense, Mr. Chairman. And I am going to leave this place at the end of this exercise on Monday and have a full conversation the following Tuesday with the Budget Book with all of my Cabinet colleagues because I am surprised that those who preceded me were not able to figure that out either. But the majority of them are Berkeleyites so, therefore, I am not surprised because I never met one of them yet who could count . . . not one . . . not one!

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: Mr. Chairman, not one! They can do a lot of other things, but count is not one of their strong suits.

The Chairman: Thank you, Minister. I acknowledge that.

Lt. Col. Hon. David A. Burch: And they probably support St. George's as well . . . in the majority.

Do you? Oh, okay. I get at least one ticket.

Mr. Chairman, to get to the budget now, the Ministry of Public Works is responsible for maintaining Bermuda's critical assets and infrastructure. In fact, Public Works is the lead agent in delivering the infrastructure requirements upon which so many of the services provided to this island depend.

Some of the assets and infrastructure that the Ministry is responsible for building and maintaining include:

- [There are] 617 roads, amounting to 225 kilometres of road surface;
- [There are] 751 buildings maintained by Public Lands and Buildings with an insured value of over \$1.5 billion;
- [There are] 85 public docks and purpose-built berths servicing cruise ships, cargo ships and

hundreds of private vessels and yachts each year;

- [There are] 5 reservoirs with a capacity of 2.5 million gallons of Bermuda's precious and very limited fresh water resource;
- [There are] 75 amenity parks, beaches and school grounds protected under the Bermuda National Parks Act 1986; and
- Ocean View and Port Royal golf courses (That responsibility starting in 2018/19.).

Mr. Chairman, it cannot be overstated how critical this vast and diverse ministry is to Bermuda, and why it is so important that every possible opportunity must be grasped to maximise the economic benefits that the capital expenditures of this Ministry provide. This includes establishing private sector partnerships to ensure the Government's assets and infrastructure are maintained whilst simultaneously generating economic opportunities within the construction sector of our Island community.

Therefore, the maintenance and enhancement of our infrastructure and facilities must remain a priority because infrastructure development is a vital component in encouraging our country's economic growth. For example, infrastructure development will help provide the adequate capacity for the future growth Bermuda so desperately needs. It will help enhance the visitor experience when they come to Bermuda and, more importantly, it will help provide a key source of job creation and economic empowerment going forward.

Mr. Chairman, the budget allocation to the Ministry for 2019/20 is found on page B-213 and the allocated amount is \$73,447,000 and this represents a decrease of \$521,000—and I am contradicting myself right away.

[Laughter]

Lt. Col. Hon. David A. Burch: This actually represents an increase, Mr. Chairman.

The Chairman: It is an increase from the revised number.

Lt. Col. Hon. David A. Burch: Yes. There is an increase—a marginal increase in the revised. I am not going to do any math.

The anticipated revenue for the Ministry is \$16,766,000, a decrease of \$3,502,000. That figure, actually, is accurate in the Book. Amazing, right?

The Ministry's total capital budget for 2019/20 is \$35,782,000. This includes the Capital Development budget of \$32,588,000 and Capital Acquisitions of \$3,194,000. The Ministry Headquarters' portion of this is \$7,942,000 versus \$9,013,000, a reduction of \$1,071,000. This reflects an adjustment in the WEDCO grants and a reduction in office allocations in order to meet Finance Ministry's imposed cash limits.

The Ministry's established number of employees, which is referred to as full-time equivalents, for the fiscal year 2019/20 is 711, as I stated earlier, an increase of 4 when compared to the established number for the current fiscal year as seen on page B-213. As I also noted earlier, though that page is the actual number of staff, presently it is 600, with an increase of 4 during the 2019/20 fiscal year.

Mr. Chairman, the overarching objective of the Ministry Headquarters, Finance and Administration, Head 36 is *to provide centralised support to the departments within the Ministry which include: Public Lands and Buildings; Works and Engineering; Land Valuation; Parks; and Land Title Registration, to ensure delivery of their varied services and operating programmes.*

The services provided by the Ministry of Public Works Headquarters are organised into the following six programmes, which are found on page B-215:

- Head Office Administration—3601;
- Accounts—3610;
- Purchasing—3611;
- Telecommunications—3612;
- Human Resources—3613;
- Architect Design—3614.

Mr. Chairman, Head Office Administration, programme 3601, is comprised of Headquarters Administration, including Safety and Health and Central Filing. Headquarters Administration, under the direction of the Permanent Secretary, provides oversight and management support to the entire Ministry of Public Works. It also ensures that the Minister's policy objectives are met and, specifically, is responsible for the implementation of the Ministry's Throne Speech initiatives, yearly business plan, management of safety and health matters, compliance, and numerous special administrative projects.

During 2018/19, the Safety and Health office provided safety and health training to staff by offering a total of 315 hours of safety training, which was attended by 311 employees. The Ministry also conducted documented risk assessments to ascertain the risk that Ministry employees and the public are exposed to as a result of our activities. The training and assessments will continue into 2019/20 so as to be in compliance with the requirements of the Occupational Safety and Health Regulations 2009.

Mr. Chairman, the second area of support under the Head Office Administration is Central Filing, which provides records management for all human resource records, Cabinet documents, capital projects and contracts, and maintains records for the Ministry's legislative functions.

The operational budget for the Head Office Administration, programme 3601, is \$2.19 million for fiscal year 2019/20, a decrease of \$84,000 over the current year. This decrease is attributed to a reduction in consultant fees.

Mr. Chairman, the Accounts programme, 3610, provides accounts payable, accounts receivable, payroll, capital asset recording, non-financial and financial reporting functions for the operating departments within the Ministry.

This section also prepares and distributes weekly payroll, vendor cheques and invoices for services provided by the Ministry's operational areas, as well as collection and recording of online bank payments, credit card, cash and check receipts. Through their use of the centralised accounting system this section manages the yearly budget preparation and provides monthly management reports, a process that enables the effective and efficient monitoring and control of the Ministry's current account budget along with the Ministry's capital development and capital acquisitions budgets.

Mr. Chairman, the Accounts section's focus for the fiscal year 2019/20 will continue to be on improving the project and work order reporting system, improving the debt collection for the Ministry, and working with the Accountant General on improving processes involving the E1 computerised system. This includes payroll process, debt collection, vendor payments, and general reporting.

The operational budget for the Accounts programme 3610 is an amount of \$1,164,000 for fiscal 2019/20; an increase of \$216,000 from fiscal year 2018/19 attributed to incoming staff transfers, an additional post and two trainee positions.

Mr. Chairman, the Purchasing programme 3611 provides a centralised procurement, inventory management, warehousing, disposal and tendering function to the other departments and programmes within the Ministry, and to other external departments from time to time. The assistant purchasing and supply officer, quarry position, remained vacant in 2018/19 due to an unsuccessful hiring campaign. It is anticipated in mid-2019 this position is considered critical to the Purchasing programme and has been vacant for a considerable period of time and has proved a challenge to fill. Therefore, a trainee position will be created for succession planning purposes.

Mr. Chairman, the Purchasing section's focus for the fiscal year 2019/20 will be on creating supply chain-related policies, procedures, and end-user instructions for the Ministry, further refining and centralising their tendering function, establishing supply contracts through competitive bidding, and working with the Accountant General to maximise use of section-specific functions and capabilities of the E1 system, with a specific focus on inventory control, contract pricing, and key performance indicator reporting.

Mr. Chairman, the Purchasing programme 3611 operational budget is \$1,369,000 for 2019/20, an increase of \$306,000 and accounts for two staff transfers and salary adjustments.

Mr. Chairman, the Telecommunications programme 3612 provides a suite of services such as

replacement of telephones and related equipment and management of mobile service contracts for the Ministry. The programme also provides advice to department heads regarding call flows, resulting in greater efficiencies; and managing the implementation of new technologies to maximise cost savings.

Mr. Chairman, the Government owns and operates a portfolio of seven telecommunication tower sites across the Island. And the towers are located at Somerset Police Station, Alton Hill, Warwick Camp, Com Ops, Prospect, the Quarry, and at Ft. George.

Historically the telecommunication tower facilities have been managed by the Bermuda Police Service [BPS] as they were primarily installed to support their operational telecommunication requirements. In support of this use, the Department of Public Lands and Buildings assisted the BPS in managing the letting inquiries from third party telecom operators seeking to locate their own telecommunication equipment on the Government's tower portfolio. The department also managed any lease arrangements for third-party operators who have approached the Government to use their buildings or land for their telecommunication installations.

In April 2017, the Ministry took over responsibility of the towers and commissioned structural surveys for each tower to establish their current condition and also conducted surveys of each equipment cabin, air conditioning and generators.

Mr. Chairman, the structural surveys highlighted a lack of regular maintenance of the telecom towers, which has resulted in every tower displaying various stages of corrosion. The recommendation of the survey was the adoption of an aggressive maintenance programme with a focus on rust identification and remediation. In some instances the safety equipment for climbing the towers is in such poor condition that it poses a risk to life for anyone who may climb the tower. Additional risks identified included: improper air conditioning design in maintenance and equipment rooms; lack of a backup generator at the Quarry site; and a lack of regular maintenance of the generators at the other sites. Some sites had substantial foliage overgrowth and maintenance is required to improve and maintain access and safety.

As these sites and infrastructure are critical to operations and are of national importance, we have implemented a programme and continue to carry out remediation works during this budget year for the issues identified. We will continue with proper planned maintenance schedules and make necessary adjustments to minimise the risk of failure in the future.

Mr. Chairman, the Telecommunications programme 3612 has been allocated an operational budget of \$838,000 for fiscal year 2019/20, a decrease of \$19,000 as a result of the reduction in local phone calls.

Mr. Chairman, the Human Resources programme 3613 provides recruitment, employee rela-

tions and training, and development services to the various departments and staff within the Ministry. The role of the Human Resources team is to liaise and partner with the Department of Human Resources to provide Human Resources advice and guidance, as well as provide administrative support throughout the Ministry.

Mr. Chairman, in 2019/20 the Human Resources section will continue to focus on the Ministry's Basic Employee, Foreman and Superintendent Training programme (known as BeFAST); succession planning for difficult to fill jobs and retirements; and the management of the trainee and apprentice programmes.

Mr. Chairman, the BeFAST programme is now in its sixth year and has proven to be successful. The programme's objectives are to advance training, create career opportunities, and build new working relationships with peers and staff, ultimately creating a team that speaks the same language, resulting in providing better service to our internal and external customers. The "Effective Team Member" and "Leading Effective Teams" are the two core courses under BeFAST and they are delivered by the Bermuda College's Professional Adult Career Education Department (PACE). Last year the Ministry offered the Certificate in Leadership and Management Course, which is a comprehensive course designed to give practising first-line managers a solid foundation in their formal development as a manager. This year the Ministry will offer "Leading Effective Teams" as part of the course.

Mr. Chairman, other training will continue to be offered internally including computer training on the Microsoft Office suite of programmes, and the Ministry will continue to partner with the Bermuda Industrial Union to coordinate the workshop on understanding the collective bargaining agreement. The Ministry's Safety and Health Officer will also coordinate courses on safety and health in the workplace, emphasising hazard identification and control. In addition, ongoing emergency response training, such as fire marshal, and CPR and first-aid training will continue in 2019/20.

Mr. Chairman, it is a fact that our workforce is ageing. Therefore, our Ministry will focus heavily on succession planning to ensure we have sufficient employees trained and prepared to fill core and difficult to fill critical positions in the future. The Quarry Vehicle Maintenance and Operations and Highways sections continue to be the main areas of focus. The Ministry of Public Works also has in place a training programme in which three trainees are currently enrolled. This programme focuses on training Bermudians for professional positions that are difficult to fill.

Ricardo Graham-Ward, a former bursary student, is in training as a civil engineer and has joined as a graduate member of the Institute of Civil Engineers and the Institute of Structural Engineers [in the] UK. He is currently assigned to the Structures section and is also on a secondment programme with Ram-

boll (an engineering company in the UK) that has been contracted by the Ministry for the design and engineering work for the new Swing and Longbird bridges. He has been on this secondment since January of last year and we recently extended it for a further three months.

Mr. Chairman, Jamar Dill is in training as a civil engineer as well and has joined as a graduate member the Institute of Civil Engineers and the Institute of Structural Engineers in the UK. He is currently assigned to the Electrical section and is currently also on a secondment programme with the Aecon in Canada.

[Inaudible interjection]

Lt. Col. Hon. David A. Burch: Yes, one of their subsidiary companies.

Mr. Chairman, Zeeko Johnstone is in training as a civil engineer and has joined as a graduate member the Institute of Civil Engineers and the Institute of Structural Engineers in the UK. He is currently assigned to the Electrical section as well and is currently on secondment in Toronto with a different subsidiary company of Aecon.

Mr. Chairman, in addition, the Ministry also plays a part in the Government-wide bursary scheme and we currently have two bursary students: one in Land Valuation, Miss Andesha Busby, who is presently studying for a bachelor's degree in real estate; and Tabia Butterfield, who is presently studying for a bachelor's degree in civil engineering.

The Ministry is in need of additional bursary students in the areas of: Land Valuation; Estates and Buildings; and Surveying for 2019/20.

Mr. Chairman, the current account budget for the Human Resources section, 3613, is \$589,000 for fiscal year 2019/20, an increase of \$82,000 for salary uplift and summer student employment.

Mr. Chairman, the objective of the Architect Design programme, 3614, is to do architectural design support for Government's capital development projects in a professional, fiscally prudent, and timely manner. Further, it provides opportunities for Bermudian graduates in architecture and related disciplines to obtain the necessary experience and training to acquire professional designations in their chosen field. This area has been subjected to significant change this year with one of the architects leaving the Ministry to join the Bermuda Civil Aviation Authority to work on the airport project and has significantly depleted the staff in the Architect Design division.

There is also, Mr. Chairman, and I am going off script here, some confusion in terms of who belongs to whom. I believe the chief architect belongs to OPMP and the architects belong to us—a situation that is quite unacceptable—and we shall be taking steps to address and correct it this year.

The total budget for the Architect Design programme, 3614, for 2019/20 is \$59,000. Mr. Chairman, this might be deceiving because it represents a reduction of \$214,000, but it includes capital project recharges for their services.

Full-time equivalents. Mr. Chairman, the budgeted number of employees for the Ministry of Public Works Headquarters is 52. This can be seen on page B-217. The headcount has increased by four for the 2019/20 fiscal year.

Mr. Chairman, with regard to the major capital projects being managed by the Ministry of Public Works Headquarters, the overall 2019/20 capital expenditure plan for the Public Works Headquarters is \$7,942,000 the details of which can be found on page C-5.

The Capital Accounts Estimate and the Capital Developments include:

- Minor Works, 75050—nil, and that reduction is as a result of Ministry of Finance imposed cash limits;
- Miscellaneous Small Projects, 75053—\$150,000;
- WEDCO Capital Grant, 75054—\$1,973,000;
- Office Relocation/Alterations, 75099—\$1 million, a reduction of \$500,000 and this due to cash limit restrictions placed by the Ministry of Finance;
- WEDCO South Basin Land Reclamation, 75334—a grant of \$4,819,000; this number is reduced as a result of a complete renegotiation of the entire outstanding debt of WEDCO and a reduction in the cost of what we have to pay for those loans.

Mr. Chairman, that concludes my presentation for the Ministry of Public Works Headquarters, Head 36. (Actually, no it doesn't. . . . Or does it?)

Mr. Chairman, that does not conclude . . . I have got a few more things to say.

The Public Works Headquarters, Performance Measures, will aim to:

- conduct 4 Safety and Health Assessments with corrective actions in a year;
- conduct 20 Safety and Health training [programmes] for Ministry employees;
- improve their procurement cycle time by 5 per cent;
- double the number of career outreach initiatives to target our young population for careers in the Ministry; and
- improve on the finalisation of capital project files.

The Department's Architect Design also aims to improve on the efficiencies realised by using an in-house team compared to the private sector.

Mr. Chairman, Capital Acquisitions. The overall 2019/20 capital acquisition plan for the Public Works Headquarters is \$2,783,000 details of which

can be found on page C-12 under Schedule C of the Capital Accounts Estimates.

The Capital Acquisitions include:

- Cost centre, 76495, Vehicles and Equipment, \$2 million, a reduction to meet cash limits, towards replacement of ageing GP vehicles as well as equipment;
- Cost centre, 76868, Communications Equipment, \$783,000 and these costs will go towards the five communications towers I mentioned earlier—the Prospect tower replacement, Fort George building enclosure, and anti-climb barriers with high gates for the remaining towers.

Thank you, Mr. Chairman, that concludes my presentation on Head 36. I will now turn to Head 53.

HEAD 53—BERMUDA HOUSING CORPORATION

Lt. Col. Hon. David A. Burch: Mr. Chairman, as you know, the Bermuda Housing Corporation, Head 53, is not a department within the Ministry of Public Works, but rather a quasi-autonomous non-government organisation, commonly referred to as a quango, which receives financial support in the form of a grant from the Government as indicated on page B-223.

Therefore, I will provide a general overview of their operations, some of the highlights of the past year, and plans for the upcoming year.

Mr. Chairman, the mission statement of the Bermuda Housing Corporation is *to provide accessibility to adequate affordable housing and promote independent living to enhance the quality of life in Bermuda*. And the vision statement is *every Bermudian will reside in an adequate and safe environment*.

The Bermuda Housing Corporation's grant allocation of \$6,050,000 represents no change from the previous year. The allocated grant will be used to subsidise the annual cost of repairs, normal maintenance of properties, support services for families and individuals, rental assistance via Rent Geared to Income to clients of the Corporation, and for the continuation of the H.U.S.T.L.E. Truck programme.

Mr. Chairman, in addition to the operating assistance grant, the BHC will receive a capital grant of \$4.8 million for 2019/20, which can be found on page C-21, the same as last year. The capital grant will be used to pay the interest and principal amounts due on the Corporation's outstanding bank loan of \$35,850,000.

There are no other changes between the 2018/19 and 2019/20 grant allocations.

Mr. Chairman, the Bermuda Housing Corporation's head office is located at the recently renamed and purchased Seven Arches Building, 44 Church Street, in the City of Hamilton.

The Seven Arches Building is the name chosen by the staff for the building to reflect the Bermuda Housing Corporation's aim to be the archway to af-

fordable housing for Bermudians, whether it be rental units or home ownership.

The staff presently consists of 41 full-time personnel and 5 young bright Bermudian interns. Of their total number of full-time staff members, four H.U.S.T.L.E. Truck members operate from office space at the Harmony Club and four staff members under the Support Services Department direct operations from a satellite office in the Southside Complex in St. David's.

The current structure of the BHC consists of seven departments:

- Project Management, 2;
- Property Operations, 10;
- Finance, Collections, and Home Ownership Services, 8;
- Support Services, 10;
- Administration, 5;
- Human Resources, 2; and
- H.U.S.T.L.E. Truck, 4.

Mr. Chairman, the primary functions of the Bermuda Housing Corporation are to provide housing for Bermudians, promote home ownership, to undertake and carry out housing schemes, and to undertake such other functions in connection with housing as the Minister responsible for housing may require.

The Corporation continues to provide methods for Bermudians to gain entry into the housing market, whether it is by way of becoming first-time homeowners or renting affordable units that are available. The Corporation continues to strive to provide adequate, achievable and affordable housing which will benefit the residents of the islands of Bermuda.

Mr. Chairman, the Corporation continues a public/private partnership with Clarien Bank to assist hard-working Bermudians to obtain their first home. To date the HomeStart programme has assisted 14 Bermudian families in their quest to become first-time homeowners. The initiative has been very successful in providing properties for sale at affordable prices. The sale price of these properties has been significantly reduced in return for sweat equity to bring the properties back to a healthy, habitable state. Many of the properties on offer were previously vacant and derelict so unhealthy eyesores were removed from the Bermudian landscape.

The Corporation administers a number of programmes in pursuit of its mission including: managing and leasing a large inventory of properties comprising of houses, apartments, and rooming houses. Some of these properties are owned by the Corporation and others are leased from the private sector. The BHC manages 500 Government and private sector rental units Island-wide and 6 transitional homes, comprising 180 rooms.

The BHC also manages and controls the H.U.S.T.L.E. Truck programme (Helping the Unemployed Sustain Themselves with Limited Employ-

ment), which has been in successful operation since 2007. This year marks the 12th anniversary of the programme.

Mr. Chairman, it was Thursday, April 5, 2007 that the Bermuda Housing Corporation brought the H.U.S.T.L.E. Truck programme to life by contracting eight young men and women of Middletown Lower to paint over graffiti on walls of BHC's property in that area. It was very encouraging to see the young men and women take pride in their work and, in one case, it was extremely gratifying to hear one of the men chastise his friend who was sitting on a wall that was newly painted, chiding him for marking up the wall with his sneakers. He had taken ownership of his work.

Since then the Corporation, through the H.U.S.T.L.E. Truck programme, has helped over a thousand unemployed Bermudians in need of short-term temporary employment and assisted many of them with finding full-time jobs. In addition, the programme has provided much valued assistance to our seniors, community groups, churches and schools, and neighbourhoods.

The Corporation works with local banks to assist Bermudian clients to retain their homes by advising on best steps to manage mortgage payments when they are under threat due to the continuing challenges of our economic times.

The Corporation continues to find ways to reduce expenses and generate positive cash flows. Through efficient use of current staffing levels, redistribution of duties, retraining and in-house seminars, the Corporation has been able to use available staff to ensure daily operations are performed to expectations and, in some cases, exceeding expected levels. Further additional efficiencies and cost savings are underway as the Corporation is working towards the integration of the administration of the Bermuda Land Development Company operations with the operations of the Bermuda Housing Corporation.

In addition, the Corporation has been meeting with the West End Development Corporation and is in the process of negotiating a Memorandum of Understanding between BHC, BLDC and WEDCO which will address opportunities for cost savings and operational efficiencies for properties owned by BHC/BLDC in the western end of the Island and to be maintained by WEDCO.

Mr. Chairman, the BHC is in the process of transforming the Grand Atlantic condos into Bermuda's newest tourism venture, the Bermudiana Beach Resort condo hotel. The painting of the buildings in traditional Bermuda colours and the complete renovation of the show units continue apace. Very shortly we expect there to be a public announcement on the exciting news of an anchor brand hotel chain who would be managing the property—more information on this to follow as presently we are under a nondisclosure agreement until the final details are ratified.

Mr. Chairman, the Bermuda Housing Corporation continues to have empathy for many of its clients who have suffered a decline in their income through unemployment or underemployment. The Corporation has regular meetings with clients to help them navigate through these difficult social, economic and financial times. It is worth noting that the Corporation does not evict clients for an inability to pay rent, but rather when the difficult decisions are made to evict, it is because of clients' irresponsible or unhealthy behaviour after multiple meetings, cautions, and intervention programmes.

Rent Geared-to-Income. Mr. Chairman, the Rent Geared-to-Income initiative gives real relief to clients by assisting them with the rent of 25 per cent of their combined household income, regardless of the employment status of family members. Part of this programme includes a mandatory 10 per cent savings portion of the monthly household income to guide clients into positive saving habits for long-term goals.

Mr. Chairman, the BHC operates six rooming or transitional houses that contain a total of approximately 180 beds. The various houses are located throughout the Island and provide a safe habitat for BHC clients. The rooming houses cater to households that need immediate, safe or emergency accommodation. The Support Services department holds regular meetings with rooming house residents to hear concerns and address complaints from the residents of the facilities.

Mr. Chairman, the satellite offices at the largest rooming houses at Southside are charged with regular meetings with clients who have fallen on hard times. The support given includes economic, social and psychological guidance to occupants to assist them in graduating out of the facility into more traditional Bermuda housing. Since its inception in 2007, [there have been] 380 families who have transferred out of the rooming house facilities.

Mr. Chairman, Gulfstream multi-unit rooming house is comprised of 78 rooms and currently houses 54 families from various backgrounds. Some families have adjoining rooms to ensure adequate privacy for parents and children. The Gulfstream residents are appreciative of the opportunity and regular house meetings are held to listen to and allay concerns before they become problematic to society. Unfortunately, some clients have not been compliant with meeting requests to discuss issues and only react when given ultimatums or penalties for their errant behaviour.

Mr. Chairman, Building 632, more commonly known as Langley House, is a 61-bed rooming house facility, also located at Southside, St. David's. The rooming house is used specifically to house men in need of affordable, safe accommodation. There are currently 50 men residing in the facility. The Corporation has qualified social workers working out of this satellite office, including a former police officer, to monitor and correct antisocial behaviour.

Mr. Chairman, the Corporation is in the process of transforming the Harmony Club property into studio and one-bedroom units which will be used primarily to house seniors who can live independently. The Harmony Club property is also used as the H.U.S.T.L.E. Truck offices, and the gatehouse building is used to provide emergency accommodations for persons in immediate distress or in need of immediate re-housing.

The BHC has recently initiated an intern programme for five young Bermudians who are working with the Corporation for a year. This intern programme is used to ensure that our young people have guidance and counselling as they make firm decisions on their career choices.

The interns are young, progressive and impressionable. They are:

- Tameka King, who has passed her overseas exams in law and who is working out of the Corporation's Property Operations Department;
- Mr. Shane Simmons, who is keenly interested in project management and who is also working with the Property Operations Department;
- Miss Kynda Bassett, who is assisting in the Projects Development Department, assisting project managers in their architectural drawings and project management;
- Mr. Traonda Davis, who is keenly interested in computers and [is] working with the IT Department with support from IT tech firm Smith Technologies; and
- Mr. Joshua Thompson, who is working with the Finance team and joins with the Property Operations when needed.

Mr. Chairman, the Projects Department, consisting of two employees, assists with advice regarding major repair work necessary on existing buildings owned by the Corporation to ensure longevity of the Corporation's assets. The department has recently been restructured with the project managers overseeing multiple developments that come under the BHC remit to ensure effective and cost-conscious maintenance programmes keep the units in liveable condition. They are also responsible for initial drawings of projected capital projects as well as the project management of the properties through to completion.

Projects planned for the year include:

1. Conversion of blocks B and D at Harmony Club into one-bedroom and studio units;
2. Restoration and conversion from five units to nine units of the Chelsea Apartments at St. George's;
3. Renovation and conversion of the former St. David's preschool building into loft apartments; and
4. Renovation and conversion of the former St. George's Police Barracks into a rooming house.

Mr. Chairman, Property Operations is responsible for the maintenance of BHC's housing stock of approximately 500 units Island-wide, including the rooming houses.

The department's responsibilities include the regular maintenance of buildings under the control of BHC and providing advice and assistance to clients of BHC on housing-related matters.

The department is comprised of three property officers, six maintenance officers, and one administrative assistant.

The department conducts regular maintenance checks of buildings under the management of the Corporation and is responsible for small maintenance work along with coordinating more difficult tasks with trusted and able outside contractors.

Last year the Property Operations Department completed approximately 2,700 maintenance calls. The requests for maintenance that this capable department handles are wide-ranging and they tackle everything from simple plumbing, electrical, water, sewage and roof repairs to landscaping, painting, flooring and major renovations.

Mr. Chairman, the Finance Department has a total staff of nine employees consisting of one finance manager and two assistant finance managers, one of whom is responsible for reporting and the other for IT; one account supervisor; three finance officers; and one cashier.

The Finance Department carefully monitors the Corporation's spending and compliance, ensuring that policies and procedures are adhered to and that clients act responsibly in paying their bills in a timely manner. The Finance Department fields questions of a financial nature, provides mortgage advice, and assists clients with understanding their financial obligations to the Corporation.

Mr. Chairman, the Support Services Department is the department responsible for ensuring that adequate housing is found for BHC clients. The department conducts regular inspections of BHC housing inventory to ensure clients are compliant with their rental contracts.

The department consists of 10 persons: one manager; one rentals case worker; two transitional house case workers; two junior transitional house case workers; three rental inspectors; and one intake officer.

There is a current waitlist for BHC accommodation of 108 clients. I personally do not believe this is an accurate reflection of those in need. Simply from the number of requests that come directly to my office, many people have given up hope that BHC can assist them.

Mr. Chairman, I have to remind them and this House that the former administration committed little resources to housing during those five years and we are left to play catch-up.

The Support Services Department offers a myriad of services to clients that include money management, housekeeping, social and behavioural problem eradication, child care, and health and safety guidance. In addition, the department offers advice on support from other agencies that stand ready to assist clients who are in need of professional counselling.

Mr. Chairman, the Administration Department consists of the general manager, one executive assistant, one receptionist, and two office assistants.

The Administration Department is responsible for the orderly daily business of the Corporation.

The Human Resource Department has a total staff of two. The HR Department ensures the staff has the required skills to efficiently and successfully carry out their daily roles at the Corporation, ensures employee welfare, and provides mentoring and training services.

The H.U.S.T.L.E. Truck programme continues to be of valuable assistance to unemployed persons who actively seek work. The H.U.S.T.L.E. Truck operates from the Harmony Club and caters to 20 temporary employees per week. The H.U.S.T.L.E. Truck continues to be of valuable assistance to Bermuda with the ability to adjust to the needs of the community as they arise.

The current cost of this programme is approximately a million dollars per year, i.e., 20 people per week for up to three months total employment per year, taking one week off each month to look for regular employment. At this level the Corporation is able to rotate through approximately 260 different people per year. The programme is available for any unemployed Bermudian. At present there are approximately 35 people on the waitlist daily who are advised to return the following day for an opportunity to work.

The H.U.S.T.L.E. Truck office keeps a database of information on the unemployed and their skill sets for the specific purpose of making a good fit when partnering with employers. The office regularly receives requests from employers for qualified and suitable potential employees. Upon receipt of those requests, the database is checked and those persons who have the required qualifications are sent on interviews in the hopes of achieving full-time employment.

In practice, Mr. Chairman, the H.U.S.T.L.E. Truck has fundamentally replaced the bulk based pickup section that was closed in the Ministry of Public Works some time ago as a cost-saving measure by collecting and cleaning neighbourhoods of illegally dumped bulk waste items such as mattresses, sofas, furniture, and appliances on a weekly basis. Access to this service can be secured by calling the H.U.S.T.L.E. Truck office.

Last year 11 former members were successful in gaining full-time employment and several members were given guidance on starting their own businesses as entrepreneurs.

One of the programmes within the H.U.S.T.L.E. Truck has a team of four persons working in conjunction with a property officer to learn construction skills. This team works to bring vacant and derelict Corporation properties back online.

The programme is about to start on a new initiative which will assist members with gaining a foot into the door of full-time employment by teaching them transferable skills in computing operations.

The H.U.S.T.L.E. Truck also continues the partnership with the Department of Corrections in providing temporary employment to inmates who are seeking parole or are about to be released from the Corrections facilities. The officers liaise with senior corrections officers and commit to employing qualified former inmates to assist them in gaining meaningful workplace experience.

Mr. Chairman, the Bermuda Housing Corporation has a very important role to play in Bermudian society, assisting vulnerable people, including seniors, mental health patients, inmates, young people, and those who have fallen on hard financial times. They continue to come up with courageous, innovative plans to help Bermuda combat the escalating cost of living causing stresses in many Bermudian families. They are committed to their task and willingly embrace new challenges.

In closing, Mr. Chairman, I would like to thank the Board of Directors and the management and staff of the Bermuda Housing Corporation for their stellar service to Bermuda.

I would also like to add, Mr. Chairman, that I would like to thank the Permanent Secretary who is present in the Gallery, the Chief Financial Officer, and the Controller in the Ministry Headquarters, for their work as well in having to put up with the likes of me.

Mr. Chairman, with those brief comments, I now move Head 53, the Bermuda Housing Corporation.

The Chairman: Thank you, Mr. Minister.

Would anyone else like to make a contribution to the debate in regard to Head 53, Bermuda Housing Corporation and Head 36, the Ministry of Public Works Headquarters?

I now recognise the Leader of the Opposition, the Honourable Craig Cannonier.

You may proceed.

Hon. L. Craig Cannonier: Thank you, Mr. Chairman.

I would like to open up by thanking the members of the civil service who work diligently. Certainly you know that I have been able and had the opportunity to get to know many of them very well. I see them in the Chamber here and it has been a pleasure having had the opportunity to work with them. I take note that the Minister says he is thanking them for putting up with him and it is not an easy task being the

Minister of probably one of the most challenging ministries out there.

I know that there have been many times where colleagues said no one wanted to touch it, and so to be able to brave through such a massive Ministry takes courage and will to want to work with everyone—so many individuals under that particular Ministry—which, quite frankly, has more employees probably than anyone else out of all of the ministries.

I do take note and I must say I agree with the Minister. I know sometimes when we get up in the House here and we kind of banter back and forth . . . and I attempt to be reserved and I tend to be fair in my comments, but I will agree with him about the Berkeley comment and their ability to count. Because we have been saying the same comments that he has been saying, how we approach this whole budgeting process, it just does not make sense. And so what he has caused now is that I am going to have to readjust some of what I was doing so I will ask him to bear that in mind, that I am readjusting some of what I will be asking and saying based on his different approach to the numbers, which, again, I will say that I do agree with.

I also, Mr. Chairman, would like to apologise to the public. We were looking for a very hearty discussion on this particular Public Works. There was a technical error, as you have heard from our Premier who spoke about the technical errors, him experiencing . . . there was a technical error where we did want to discuss the other areas. I am sure that the Minister was lamenting the opportunity to be able to brag about the many good things that he believes that the Ministry is doing and that the civil servants are doing, and we lost that opportunity in going to the Whip of the Government to ask if we could correct that.

So I was a bit disappointed that . . . I am not sure why we were not given the opportunity to correct it, I felt it was in good enough time, considering it was two weeks well out of this debate today. But be that as it may, we have not had that opportunity; I will be as detailed as I can. I will say this, though, they told us, *Well, the deadline is gone*, and I want to make sure that everyone is clear. We accepted the fact that the deadline is [gone], but then the Whip came to us [about] half an hour later wanting to make changes. The Whip of the Government wanted to make changes. So I would hope that we would be able to work cooperatively in the future and learn from that lesson because one of their Members lost out on what he wanted to do and now we are losing out on being able to discuss some of these heads.

But bearing that in mind, I take great honour to stand before you today and to ask questions of the Minister who attempts to be as detailed as possible on these numbers.

I guess if we take a look at [page] B-213 and I will not go too much into this overall summary that we have here other than to look at the Revenue area un-

der Head 36 where . . . here we are looking at the Revenue Estimate of \$5,000. We are estimating that we will make \$5,000 for the upcoming 2019/20 [year]. If we look at the revised area there, it said \$2,000. I do not know if by the end of March, whether that number will change. We certainly probably will not know, [but] if they can tell me whether that \$2,000 for the revised amount for 2018/19 is hard fast.

Exactly what was that \$2,000? And why are we then expecting or estimating that it potentially will be \$5,000, which is more than double that amount, coming up? It is a small amount of money, I do not know exactly what it is . . . on page B-213, [Head] 36, under Revenue, you will see there, the very first line. So I am just curious as to what that might be. It is a small amount, it could be anything, it could be paper, I do not know. It is an odd amount for revenue, maybe it is just an exchange of something that . . . I know at times we might not necessarily always know exactly what that is, but it is an odd amount.

I will turn over to . . . oh, before I go on I want to say this here, I hope that the Minister is successful in his bid in a different approach to the budgeting process. He did say that he has not been successful with the Finance Minister, and last year he was not successful with the then Finance Minister, so I am not sure who else he needs to see concerning that because that is the Premier and the current Finance Minister. It needs to be changed and I would like to see that reflection as well. It really does make sense and it helps us to cut down on some of the time that we are spending here going back and forth, and it is frustrating, quite frankly, the civil servants who are coming back with these numbers, quite frankly, because they are misleading and they really do not tell the real story. Where the real story [lies] is in the revised amounts and we are going to go through some of these here today to try and understand some of the thinking behind the revisions, how we got there, and then some of those differences to the estimates and the thought behind what we are going to be doing with these new amounts.

Mr. Chairman, if you take a look at . . . on [page] B-214, I take note of the Department Objectives, *to provide management oversight for the Ministry of Public Works, the Department ensures that the Minister's policy objectives are met and is responsible for implementation of the Ministry's strategic plan and yearly business plan.*

And it is kind of funny that in reading that, as I was looking at it, just yesterday one of the concerns that I had was, are we going to be looking at . . . as we renegotiate the department head, renegotiate our union agreements with many of the department heads, because I felt that it was a bit concerning that we had, with those negotiations, vacation time that was allowed to be accrued from year to year to year. And there was no reconciling of this here.

And yesterday as I was going to the super-market I ran into . . . I will not say his name, one of our good friends who works within the Ministry, was going to be on a three months' vacation—three months straight. And in this time and day and age it . . . that is unheard of that you are able to be able to do that. He is owed the time. I mean, listen, there is nothing really that you can do about it—he is owed that time. But what it does do is make it very, very difficult for the Minister as he is trying to understand the scheduling of people and the likes when . . . and he is one of many that are in that position who have, if they were to take some of their time, you know, we would be looking at people out [for] four months, even more. It is quite astounding as you look at some of the numbers of vacation for some of those departments.

So I am just wondering under that particular head there, whether or not he would be looking at, with those civil servants and their heads, of looking at how we can reconcile this, maybe renegotiate how we do this. If we have to bite the bullet, go to the Finance Minister and clear it off and give the people their just due—their money—for that time so that it does not become . . . and has become, really, an accounting nightmare. And just as the Honourable Minister has said, if we leave it up to the Berkeleyites, I do not think we are going to get it solved.

[Laughter]

Hon. L. Craig Cannonier: We are not going to get it solved.

[Inaudible interjections]

An Hon. Member: No, we are not!

Hon. L. Craig Cannonier: So we may have to go outside. Yes, there we go, we may have to go outside to some of those guys who went to some of the other schools, including Bermuda Institute and other places, yes.

[Inaudible interjections]

Hon. L. Craig Cannonier: You know what I mean. So it would be nice to be able to get this under wraps. And I know that it is a concern of the Permanent Secretary because he has to fight with this here and understand why we have some of the challenges that we do in scheduling.

So if you go down further here, also, I was very curious [about the statement] *to manage and maintain the safety and health management system for all ministries of Public Works.* And I must say that in 2017, just before the election, there was a real push on the Ministry to ensure that they were providing periodic risk assessment and analysis minimising all risk, and the Minister did touch on some of that. And I

guess I was curious . . . and we will go to some of those performance measures soon, in providing this risk assessment. They are very good. The health and safety guys are extremely good at assessing risk, and not just [those guys].

But following up on that, with many of the renovations that are done, are we also doing as much as we can to ensure that the buildings are energy efficient? And I know that when I moved into the Ministry, we moved into a renovated building which was quite nice, I think it was the last . . . probably Public Works was the last Ministry to be renovated. Everyone else had been renovated and it took years and years—decades actually—for Public Works to be renovated. So it was nice to see that, but I felt that more could have been done in assessing some of the opportunities for handicap accessibility and the likes, even to our . . . then to the Public Works Ministry and putting some efficiencies in place. I believe that more could have been done.

And so I am hoping that, with this new administration, that they will spend more time seeking to be more efficient, especially knowing that BELCO's costs are way up there, and so ensuring that this happens. I even remember that there were energy efficient windows being put in some of the areas, which was good. So—

[Inaudible interjection]

Hon. L. Craig Cannonier: Yes, all of them. But I am just talking about the Public Works administration itself right now.

Also, *to provide architectural and design services required to support the delivery of Government projects at a lower cost compared to the private sector.* I just wanted to pause there for a moment because many of the public are not aware that our architectural department, they actually do bill out their work to . . . they bill out their work to the ministries, and I believe it is set at 60 per cent (I highlighted it somewhere in the performance measures) and likewise, if I have to come back to it, maybe I will.

But I was curious as to how they assess at 60 per cent, which is what they charge out to—no more than 60 per cent—how we came, actually, to 60 per cent and how that fits into the whole scheme of costing less for the Ministry. And maybe there might be a more efficient way of doing this here. I do not know. But I certainly was looking at it and I am sure this particular Minister, who continues to talk about cost savings and the like, may want to take the opportunity to figure out whether or not there is a more cost-effective way.

We did. I do believe [in the] past we had . . . we were hiring out a lot of the work. Some of it was due to the fact that the Ministry was trying to keep up with the work that was needed. But hearing the Minister in statements that have been made of the work

that they would like to be doing, it will be interesting as we go through the employee numbers as well, trying to understand whether or not they will be able to be successful with their cost savings without having to go out to the private sector to get assistance as well.

Also, under the *to manage and maintain safety and health management*, I was hoping that the Minister would be able to give us some idea . . . we know that we are in a building right now . . . this building actually, for the interest of the public who are listening (and maybe some in the Chambers as well), this building is older than the Westminster system. This is a historic building. And I believe, Minister, that due to some of that historical fact, that we should be looking for some finances from the Brits as well because we set the pace, even for them.

So we should be saying, *Listen* . . . and I know that there are some areas that we can look at with London, 10 Downing Street. I do know that there was some . . . with us there was some talk about how we could get assistance with a building like this here, because not only do we get to brag about it, but believe me, they brag about it as well.

So it would be nice to . . . this is just a recommendation or a suggestion, maybe see if we could get a relationship going there. The new FCO Minister abroad has been very cordial to Bermuda and spoken well about Bermuda, maybe there might be some opportunities because this place, we know that some renovations are going on, but the mould . . . I quite frankly, it was atrocious up there, and I felt sorry for the employees here that have to put up with this on a day-to-day basis. We have gotten some remediation done to the mould.

But what about some of the other buildings that we have? We know, certainly, there was talk about schools, but just our buildings that we are in—is there a plan in place that is addressing those now? Because, you know, we are sitting in a soup bowl here, we are sitting in the middle of water, it needs to be fixed and it is quite serious, actually. And I will just give a personal story about why I believe it is serious. Because down at the Opposition's office back in 2011 when I was there, I had actually gotten infected by the mould and did not know it, and I was walking around and I would stop and cough and I would literally pass out right in front of everyone. I did not know what it was, kept going to the doctor's office and this mould had gotten into my lungs and I literally, if I sneezed—lights out.

[Inaudible interjection]

Hon. L. Craig Cannonier: Well, I must say—

[Inaudible interjections and laughter]

Hon. L. Craig Cannonier: But what we are talking about right now is that you are the landlord of the

Government buildings. I was just giving you an example. And yes, I do know who the landlord is and if you come down there now, we have made a lot of changes to that. We did go to the landlord and they were willing to work with us. And if you go down there now, the mould has been pulled . . . scraped all out and cleaned out because I, quite frankly, was just not going to go in there because I was passing out in the building, which was a scary thing. You know, I am fairly healthy here . . . pretty young, I would say, and I could not figure out what was going on. I mean, I was passing out in public; that was pretty embarrassing, right?

So I am just wondering what measures we are taking to address this issue. It is a major, major concern, especially the black mould that exists. So, we need to work with that.

So I will move on . . . and also bearing in mind things like mould and sewage smells, I mean, I still know that the Global House, every so often, the employees are still going in there and having some challenges with it. You know, we have got to find a way to address some of these issues and I am just wondering if you can give us an update on how you are progressing with addressing some of these things . . . railings, handicap accessibility and the likes.

I am going to move over to [page] B-215 and here is where I have had to make some adjustments based on the Minister's presentation. And, again, I want to say that I appreciate this approach because we have been talking about it since it came up last year that it does make sense that we, quite frankly, should be concentrating on the revised amounts and estimate amounts as opposed as to the estimates and giving a false sense of reality to what really is going on.

So with the Minister, and the Chair, yourself first, and the civil servants, I am going to slow down just a little because I am going to be doing some quick calculations as I look at the numbers as we do [this with] a slightly different approach here.

[Inaudible interjection]

Hon. L. Craig Cannonier: Yes, the Minister, in most cases, is not lost for words.

[Laughter]

Hon. L. Craig Cannonier: So I am going to start right at the top there, Mr. Chairman, under Head Office Administration and item . . . subsection 46111, Administration, and 46112.

For the Head Office let me just start off by saying this here. Just a couple of years ago, you know, the economy was in a slightly better position than it is now and we were having a real heck of a time . . . and I am sure it is still happening, whereby the private sector was poaching from Government.

They literally were poaching employees from Government.

[Hon. Derrick V. Burgess, Sr., Chairman]

Hon. L. Craig Cannonier: I acknowledge the change of the Chairman.

And so as I was looking at the allocations here and trying to understand a little more of the history, you see our actuals at \$750,000. And then there was a change in thinking, actually, if you look at the original amount, triple . . . quite frankly, yes, triple the amount that was originally thought to be, where we wanted to go \$1.879 million. But then you look at the revised amount and it is even more.

And so I guess what I was trying to understand is what was the thinking then going into this fiscal . . . well, yes, we are still in this fiscal year, going into this fiscal year that we increased it even more so as opposed to what was the actual amount back in 2017/18? There must have been some thought as to employee numbers. I do not know if it was updating of materials. I do not know if it had to do with upgrading of systems and the likes.

The Chairman: Member, you are asking the Minister to compare 2017/18, we are not debating that.

Hon. L. Craig Cannonier: No, no, what I am asking is for an understanding of the revised amount, which is where we are going to be looking based on the approach, I am getting to the estimate amount right now. The estimate amount is slightly less. And so, bearing in mind these numbers are in the [Budget] Book, there is a sequence of things that happen, a thinking. And maybe they were thinking, *Well, no we're going to change our direction as to why we're changing these amounts* . . . and such drastic amounts. That is all. There is a thinking there.

Lt. Col. Hon. David A. Burch: Can I quickly answer, just that one question?

Hon. L. Craig Cannonier: Sure.

Lt. Col. Hon. David A. Burch: Just because it will save you. It is golf courses.

Hon. L. Craig Cannonier: Ah!

Lt. Col. Hon. David A. Burch: There were in and out of the Ministry.

Hon. L. Craig Cannonier: Okay, and I had it down to ask that part as well. Yes, golf courses. Okay, got it, got it. I appreciate that. I knew it had to do with something but I was not quite sure. I was trying to remember what was going on there, but that is important to

know as we . . . and we know the historical importance of those golf courses—

The Chairman: Mm-hmm.

Hon. L. Craig Cannonier: —quite frankly, so I am glad that we seized the inclusion of monies to assist. And we will talk about that a little later on the golf courses as we go into some of the grants and things as to some of the work maybe that is going on. So I will give him a little heads up, I would like to know a little bit more about what is happening.

And so, under Central Filing, also—

The Chairman: Are you talking about 46112?

Hon. L. Craig Cannonier: Yes, 46112. I also recognise that that has been pretty consistent and I do know that in Central Filing as far as . . . there was a new area for it and the likes . . . well equipped, so I know that that is functioning well. But if you look at the revised amount of \$2,247,000, and then you look at the estimate of \$2,190,000, there is a declining amount as opposed to, as it shows here, \$70,000 over. What exactly are we removing there? Is it costing us less in paper or whatever the case may be, as to why we are . . . what does it look like? I am trying to look at the amount.

The Chairman: Well, it is—

Hon. L. Craig Cannonier: [It is] \$80,000 to \$90,000 something like that? Yes, \$80-something thousand, it is fairly substantial, and it is not like the \$6,000 that I was talking about earlier . . . in understanding what that is. Certainly, if there are cost savings to be found there, I am sure you would find it there.

And so I will move down to head section 3610, Accounts—

The Chairman: Mm-hmm.

Hon. L. Craig Cannonier: —and Finance Management and the Honourable Member did mention, if I am not getting ahead of myself, but I was trying to write down numbers very quickly and I may have missed this here.

The Honourable Member mentioned something to do with transfers or something like that as to the slight difference. I must admit, when he was saying he was approaching it differently I was trying to write a few things down and I may missed the actual answer to the discrepancy between the revised amount and the estimate.

I will say this, Mr. Chairman, that, again, in that area, I mean . . . it was devastating. I mean, we were losing great personnel in the Public Works area. And that says a lot about, actually, Public Works, its processes, its training, and the likes because it was

producing people that the private sector were taking and actually going after. I mean, going to these folks in private and saying, *Listen, we'd like to consider a position for you.*

And so I know it has been difficult there in trying to maintain that particular area and knowing what Finance Management has to do in that particular area . . . my goodness! It is not easy because right where they are, you know, the public get to come in—

The Chairman: You know, I am giving you a little [leeway], but really you have got to be questioning the figures, you are doing a little bit of the general debate now.

Hon. L. Craig Cannonier: Well, I am going to talk about why the increases . . . I believe that the increases are there in personnel.

The Chairman: Well, if you know, then that is not an issue. But if you are going to ask the question why, then that is perfectly your prerogative and your right to do.

Hon. L. Craig Cannonier: Again, as we said, we are doing a slightly different approach here, so when I look at the numbers, Mr. Chairman—

The Chairman: The approach has got to be in line with the rules.

Hon. L. Craig Cannonier: Yes, yes, that is right. Well, hold on a second now.

The Chairman: Uh-huh.

Hon. L. Craig Cannonier: The rules are that we should not be doing it this way. The rules are that we should be comparing original to estimates, we are going to let . . . allow—

The Chairman: Right, exactly.

Hon. L. Craig Cannonier: —the Minister to talk this way. Yes, but we are obliging the Minister because he wanted to do it slightly differently and I am obliging that, Mr. Chairman.

The Chairman: Mm-hmm.

Hon. L. Craig Cannonier: I am obliging that, Mr. Chairman, so I can make sure I know where he is coming from—

The Chairman: I have no problem with that.

Hon. L. Craig Cannonier: Okay, great.

So if we look at Finance Management, I just, again, as I said, I missed the qualification as to why—

The Chairman: Okay.

Hon. L. Craig Cannonier: I am hoping he can repeat that for us as to the revised amount. It is certainly not that much different than the original amount, but the revised amount and the estimate amount, why the change there, the increase and what are we thinking, does it have to do with employees and the likes, whatever the case may be.

I also would like to take the opportunity, if we go down to 3611, Mr. Chairman, in Purchasing. The Minister did mention that there still needs to be positions filled here. I do recognise that in this area it here it was one of those difficult areas to find expertise. It appears as if that is continuing because we did hear that last year, we heard it the year before, and I am just curious as to the qualifications for this particular position. What is it that makes it so difficult to find someone in purchasing that we find ourselves in this position? So I understand.

He also mentioned under here that there was, when it came to supply stores and the likes, was the E1 system, under 46114, Supply Stores. And one of the things that I noticed there, again, is that we do have a substantial increase there of \$200,000, a little over \$200,000 for Supply Stores. One of the challenges with the E1 system was people were a bit reluctant to take it on.

The Chairman: It is \$137,000 increase.

Hon. L. Craig Cannonier: I do not have my glasses on—

The Chairman: Do you want to borrow mine?

Hon. L. Craig Cannonier: I have got them here. I am just, you know—

The Chairman: Yes, but it is \$137,000.

Hon. L. Craig Cannonier: Yes, \$137,000. That is the true number there, which is quite interesting, because here, again, the numbers sometimes go from the original to the estimate, but now here it is the revised to the estimate, so—

[Inaudible interjection]

Hon. L. Craig Cannonier: That is right. A bit of a Jekyll-and-Hyde approach here.

But the E1, he mentioned when he was giving answers to that, he mentioned the E1 system and I was hoping that he could expound on that because I know one of the challenges was in routine . . . especially in this particular area, guys were doing the work on Excel spreadsheets of old and they were reluctant to take on the . . . even with the training, to take on the E1 system that would allow them to be a lot more pre-

cise. I am just curious as to how the training has been going on with that, in that area, with the E1 system.

The Chairman: Mm-hmm.

Hon. L. Craig Cannonier: And have they been more accurate in getting people to do that?

And so I will move on down to . . . oh, let me just say this here, also under Purchasing Administration and Supplies. I wish them well in being able to fulfil that. It is a major, major, challenge, Mr. Chairman. I know that you have been in the position in that Ministry as well. I remember when we were looking at the inventory and things. Oh, man, it was a real headache. So I wish them well in being able to, with the additional monies that will be put there, it will lead to more efficiencies in that area.

And in that Purchasing as well, I also recognise, and I will come to it also in the performance measures, I was at the airport and I saw that some of the members had to fly away to get parts because it was more efficient just to go away and get them. So I am just curious as to a little more information on how we are dealing with that. I have no issue with them flying to get it for expedience.

Thank you, Mr. Chairman, 3612—

The Chairman: Mm-hmm.

Hon. L. Craig Cannonier: Telecommunications. I always have an issue, especially under 46115, Telephone Maintenance, and also 46065, Telephone Operations. We know that Operations moved out, that is why we have the zeros there.

But under Maintenance, oh my goodness, the Ministry . . . quite frankly, you had to dial, for some people, four numbers to get them, others you had to dial seven numbers and trying to figure out what numbers to use was a nightmare! So I just stopped. I would get their numbers on WhatsApp or whatever because I could not remember how to call somebody from one area to the other.

So I recognise that the numbers are consistent here, if you look at the original and if you look at the revised and if you look at the estimate amounts, so I am curious as to how we are going to improve this if we are not putting more money into it to improve this. And maybe . . . maybe it has improved.

The Chairman: Mmm.

Hon. L. Craig Cannonier: That is what I will wait to hear.

An Hon. Member: It has not.

Hon. L. Craig Cannonier: It has not, okay.

So, I would like to hear that the Minister is going to take on, maybe he is going to squeeze some

other area for money, but that has got to be the most frustrating thing for a Minister and a PS trying to find people.

The heads tend to know how to call everyone, half the time I was spending . . . I had to go get one of the section heads, *Can you help me? I'm just trying to call this bye*. It's two doors down. So afterwards I would just walk down there to him—extremely frustrating that we have renovated these buildings now and we have got a telephone system that is a nightmare.

So I wish them well in that, I would like to hear a little bit more about what they are doing to resolve the issue. It needs to be resolved ASAP and it is not an issue of any particular administration, it is just inherited. And we only had one guy at the time in there that was basically managing it and that just was not going to work and I felt sorry for him at times.

It was also mentioned that lower amounts were due to lower phone calls and the like. Well, I can imagine so. If you cannot figure out how to call, I would not call. So you mentioned lower phone calls in his answering to this particular area. Yes, everyone would get excited down at the docks because we were doing Public Works.

[Inaudible interjection]

Hon. L. Craig Cannonier: The new owner in there, yes.

The Chairman: Okay.

Hon. L. Craig Cannonier: So I will move onto Human Resources. And Human Resources was, I must say, 3613. I will say it again. 3613, Human Resources. And what falls under that is Human Resources Admin, 46116; also 46117, Recruitment; and 46118, Training and Development.

And the numbers here are pretty static. I was always of the opinion that the Ministry did have its own Human Resources area, but what I did find was that some of those members were being poached, for whatever reasons, to assist the main Human Resource department. And with the numbers being, quite frankly, fairly static here, Mr. Chairman, I am wondering if that is going to suffice the needs of the Ministry itself, knowing that we have heard the Minister say, you know, he has to beef up the numbers in this area and that area, they certainly are going to be under a lot of strain.

And I was curious; did they ever get a new head person in the actual Headquarters itself? Because I recall that we lost a very strong member of that area, she wound up going up to the prisons and she was moved from there . . . she worked within the area as well. So it would be nice to know what kind of complement the Headquarters is working with now as far as numbers are concerned in the Human Resources area. The success really lies in their ability to

get their work done, so although the numbers seem to be static, the question is: Do they believe that that is sufficient enough to get the job done, knowing that sometimes the main Human Resource Department may actually call on your colleagues, PS, to go over there and to help out?

Also what was mentioned under there was BeFAST and we certainly had talked about Ricardo and the likes. I am trying to remember her name ([it] begins with an "A")—Allanette. I am just trying to remember a few names. But the Minister mentioned also that there were bursaries also for women and I missed their names. And it is nice to highlight those names, so if he could highlight those names again.

The Chairman: Sure. Allanette Hayward has been highlighted here many times.

Hon. L. Craig Cannonier: No, not that. He mentioned two others . . . he mentioned two other names outside of Ricardo and Allanette. We certainly know the success there and the story behind, especially Allanette, is just incredible. But he also mentioned two other women who were taking bursaries and I just wanted to get those names back out there. I would appreciate that.

We certainly know the BeFAST has been extremely successful in what it is doing. And I was going to . . . I had them down to ask him if there were any new names and he did mention some new names, so that is great to hear and I commend him for that.

I am going to . . . actually, just give me a minute, I am just going to . . . I had a few questions under here I just want to make sure I did not miss them, under Human Resources, Mr. Chairman, my apologies.

Yes, I mentioned that this difference in the amount there is not due to a new employee, if you look at the employee numbers, so I am just curious as to how we are going to be moving forward. I have already asked the question there.

Ah, sorry. If I can go back to . . . I had one question I missed on . . . my apologies, Mr. Chairman, under Telecommunications, 3612. And he also touched on the fact that the Ministry has now taken over the towers from the police. And I know that that was a bit of pulling teeth. I can remember in 2017 that there were some major concerns there and I believe that we could manage it better—Public Works—and so I would like to hear a little more about how we are managing with the repairs. He mentioned about some of the repairs, but I did not see any real increase in dollar value as to how we are going to repair those antennas, those poles and the likes. There was no real increase in the numbers, but that maintenance work was going on and some of them, as he mentioned, were in pretty bad shape and I was aware of that.

But also there was another . . . I believe that, if I recall correctly, and they can correct me, Mr. Chairman, on this here. I believe that . . . it was not a request, it was a tender that had been put out to manage for the police the towers, to take over their actual telecommunications, their radios and all the likes that they use . . . I think it may have been about a year ago, did we actually take on with that? Did we take on the new company or whatever the case or is the same company managing it . . . the telecommunications part of it with the radios for the police?

I recall also in that particular area there were major issues with the radios, they were outdated, and I think at the time they were threatening to say that, *Well, if you don't upgrade you're going to lose communications*. I am just remembering vaguely, some of that was had. So that would have gone out to tender.

The Chairman: Mm-hmm.

Hon. L. Craig Cannonier: And it seems like it has been a while. I do not want to say a year, but it feels like that. I am just curious as to why we have not been able to move on with either keeping whoever has got it now or taking on someone new with that particular area, because it is vital for communications of the police itself.

And also with those poles, there were a lot of requests for other telecommunications companies to put their antennas onto those poles. Have we been able to deduce or gain any opportunities there on those poles for some of the telecommunications companies wanting to put their antennas on the poles, which is another opportunity of revenue that could be gained from that? And I recall that coming up as well.

And then . . . just give me a minute, I am just going look to be sure I caught all of the things on this particular page. My apologies, Mr. Chairman.

The Chairman: That is fine.

Hon. L. Craig Cannonier: Thank you.

And so I will move over now, Mr. Chairman, to [page] B-216.

The Chairman: Yes.

Hon. L. Craig Cannonier: And maybe . . . you might appreciate this, but when he gave answers, I highlighted them in green so that I knew that they were answers that were given already so that I did not become redundant.

The Chairman: All right, yes.

Hon. L. Craig Cannonier: On Head 36, we never actually . . . the Minister actually did not go through in detail here, so I want to look at the . . . looking at the revised amount and I am going to skip down from

Salaries and Wages there and Other [Personnel] Costs. I am going to move down to . . . well, under Other [Personnel] Costs, I have not a clue of what that is, maybe they can . . . the gain is that small amount. Maybe it relates to what I was talking about earlier—

The Chairman: You are questioning, \$5,000? Come on.

Hon. L. Craig Cannonier: No, actually, I am looking and I am wondering if it may relate to . . . maybe it doesn't. I am just trying . . . quickly on my feet here, but I do not know what those Other [Personnel] Costs are. It could be . . . it is a small amount.

But under Training, it was curious, I noticed that if you look at the original amount and you look at the estimate, it looks like there is not really much going on. It is a bit deceptive. And the first question that I asked myself was, *Well, hold on a second. I mean, there has been a whole lot of talk about training, training, training, training*. And when I compare the two, it is a reduction. But if you look at the revised amount (and this is where my questioning comes in, with the Training and the revised amount): How did we miss our mark in 2018 to only have expended out \$38,000 in Training when the original thought process was \$137,000?

So I am glad to see that it is back. If you look at the estimate amount, I am glad to see that it is back. So I am just curious as the thinking, what happened. Obviously, when you are looking at revised amounts, I will say this for the, not to you, Mr. Chairman, but to the listening public, you know, many times in government you have an idea in place, so you have that original amount, but when you actually go to do the job, stuff happens. Certainly, you would know, being on the House and Grounds Committee and chairing that, stuff happens, and you know you get stalled for whatever reason. So it would be nice to know what that is and the thought process. We already know that they want more training because that has already been said.

Under Transport, if you take a look here, again, it can be deceptive when you are looking at these numbers.

[Mrs. Renee Ming, Chairman]

Hon. L. Craig Cannonier: You know, Madam Chairman (I acknowledge the change, Madam Chairman), I look at Transport and the original amount, which was \$219,000. And then we have a revised amount of \$84,000. And the estimate is \$84,000. So in other words, there is no change there. Okay, there is no change. But again, what caused us to miss the original mark of \$219,000 (to only have a revised amount)? And then we know that the revised amount could even change by the end of this month. But what is that Transport? What really is that? If we can get an

explanation as to what it is talking about here as far as Transport is concerned and why did we miss the mark according to the original idea or thought plan to now having that revised amount of \$84,000?

And maybe we have learned a lesson there; it is more realistic that it be at \$84,000. But I would like to hear the explanation to that. Because that \$135[,000] just . . . again, as the Minister said, is not making any sense at all.

If I move down to the next line item there, Travel, obviously, looking at the original amounts and also looking at the original amount compared to the estimate for this coming year, it is a drastic, drastic difference in the revised amount. And I know that there were plans. Obviously, there were certain plans to attend seminars, whatever the case may be. If the Minister could give us an idea of some of the projections, ideas or seminars, forums and the likes that we are looking to travel to attend.

On [page] B-216 under the Subjective Analysis and Current Account Estimates, if you see Travel there . . . I am just repeating it. I [heard] someone asking me exactly where . . . but if you look under Travel you will see that we only reach about \$12,000, which means that folk are travelling very lightly.

Quite frankly, I will say that the Minister is correct, because I believe the same . . . I did not have the opportunity the first year that I was Minister to travel much. I was trying to understand exactly what was going on locally. We did take one or two trips the following year. But it is vital, especially with Public Works, that we keep on the cutting edge.

Much of the public is not aware that Bermuda probably has the most expensive and highest grade asphalt that there is in the world. But if you go out and you start looking now at some of the other countries and what they are doing with asphalt, they are looking at smart asphalt, where with the new cars and technology and the likes, the smart metres are actually in the asphalt itself. Whether or not we are looking at some of these things, I do not know.

But certainly I know that there have been opportunities where . . . especially potholes. Now, if you take a look, this Island has had a lot of rain, Madam Chairman, over the last couple of months. An extreme amount of rain. And the guys are doing well. I see them out the following day and they are trying to fill up these potholes. And I mentioned this technology last year and I am going to mention it again and I am hoping that they will really look at it, because it came from one of the sections to me about it and then I looked into it.

There was a country that was taking asphalt and mixing it with some kind of plastic so when they filled the potholes, somehow this plastic would seep into the asphalt that was already there (because they would heat the area right there) and it merged so that it was very difficult for that pothole to re-establish itself. Something so simple and they were using recy-

clered plastic bottles to do it. So it would be interesting if we could take another look at that, it would certainly cut down on maybe the expense of these poor byes going out there every five minutes. I do not know. But it is interesting where asphalt is going now and—

[Inaudible interjection]

Hon. L. Craig Cannonier: Oh, yes, a smart puddle. I mean it is incredible. There are cities in the United States right now redoing their roads, and they are smart roads. And we could, with our roads, we could do it very, very easily here. I also noticed . . . well, I will not go into the asphalt right now. I am just talking about travel, sorry, my apologies.

Let me go down to . . . I had no questions really concerning Communications, Advertising and Promotion, but under Professional Services what I was attempting to understand here, it looks like if we just go from the revised amount to the estimate amount there is a reduction. There is definitely a reduction there.

In comparison to the original amount and the revised amount there is a reduction, and why is that? And then we are taking in even . . . as we follow that train of thought, under the revised amount of \$539,000, we are estimating that we are going to spend less. And under Professional Services, does that include the personal assistant that the Minister has in that particular amount? I do not know, but it would be interesting to know with the reduction there, whether or not that also includes the assistant to the Minister that has been taken on since September 2018. As I said before, I believe that these things are needed in many cases. We see when you travel abroad to the UK and you meet with the Ministers, the assistants are there, they are civil servants.

I will say this concerning that, I know that that Ministry of Public Works, they know who their high-fliers are, they have been identifying high-fliers in that Ministry for some time now.

So at what point in time will one of those high-fliers be able to take on the position as opposed to the consultant up there? And I also believe that we can dispel a whole of this stuff; we have got to hire people, all right? But Bermudians will ask questions and they are going to want to know, okay, how is this person qualified to assist the Minister and what it is that he is doing? So it would be nice to hear . . . we have already heard about the salary, so it would be nice to hear the qualifications so that people can put it to rest, you know, no one wants to be dealing with a bunch of nonsense. I certainly have been exposed to a lot of that, but it would be nice to know.

If we come on down, Repair and Maintenance, again, we are kind of static there; there is not much to ask.

But if you go under Materials and Supplies and you look at the original amount of \$238,000 for

Materials and Supplies, it was revised to \$124,000 and. I will repeat, that may change by the end of March. I am sure it is not as accurate as it will be, but what we have done is, we have said we are going back to the \$230,000, to be exact \$237,000. So what are those Materials and Supplies? It could be one piece of equipment, I do not know. I mean, materials and supplies, sometimes, just paper alone is expensive. So I do not exactly know what that is attributable to, but I do know that in the course of 2018/19 we did not do as according to expectation and there has been a rethink to this whole situation and we are going back to almost the original number.

What is it that we are trying to attain? What is it that we are trying to upgrade when it comes to Materials and Supplies for the Headquarters itself? Which, most likely, could pertain to photocopiers, you name it, I do not know.

Under Minor Capital, no questions really there.

There is Other Expenses, it is always funny how we qualify something as "other expenses" which just, in and of itself, breeds, *Okay, what is that? What is this "other expenses"?* But that is just really there because we know that during the nature of work things come up and you cannot always plan for certain things. And so under Other Expenses, I understand the legitimacy of it, but it is very much like when I talked about the Materials and Supplies, we anticipated about \$84,000 and maybe that is just a number that is put there arbitrarily because we do not know what to expect when things happen. And so there may be no real rhyme or reason, but just trying to figure out what is a comfortable number to put there.

Obviously, thank goodness for the Ministry, we only spent \$20,000. But we are back to, again, a closer number of the \$84,000 to \$72,000, so maybe there is some thinking there and people are figuring out better what it is to anticipate for the year, the upcoming year, and estimates. And maybe it is just a cushion. It would be nice to hear exactly what that is.

Hang on just a second. . . . Under Grants and Contributions, I wrote down here and it must have been while the Minister was speaking and I was trying to keep up with him, I did not realise he could talk so fast, when he reads, but what additional grant did we give or going to give? That's it, okay.

So if you look under Grants and Contributions, I was originally probably writing that question down due to looking at the originals and the estimates, but we actually did in the revised amounts we gave more according to the original amount. On, again, I go back to Head 36, [page] B-216 under Subjective Analysis of Current Account Estimates, the very last line says Grants and Contributions. The original amount was \$950,000 which is pretty much, usually, is an accurate figure. But what we did do is we did wind up spending \$300,000 more in that particular area.

So something must have come up and I do not know what it is. Most times when grants are being given, especially by this particular Ministry which is not really known for grants other than to the quangos types . . . so I am not sure exactly what that is attributable to. If we can hear an answer to that. And, yes, it may be due to, as you said, the golf course as we were looking at the numbers on [page] B-213. So it may actually be that. And if, in fact, it is, again, I would ask to qualify some of the stuff that we are doing. But as we looked at the golf courses I was concerned that some of the numbers in that area were not, quite frankly, changing. What new are we doing?

Give me just a second just to go through here on this particular page. Oh, there we go, the revenue source, the Car Park Monthly Rentals. And maybe that . . . I will go back over here to just look at that number again, that \$5,000; we only had \$2,000 under revenue as I mentioned. So this Car Park Monthly Rentals, what is that? And where is that, where are we renting out? I am glad to see it; I mean, we are getting some money for rentals. In fact, I would encourage the Ministry, with the land that we do have, to consider some other areas. That is at a premium, our parking, especially in the city. If we can accommodate it, then it is easy revenue because people will certainly pay for a parking spot.

And praise the Lord that we have the privilege, one of those privileges, of having our own parking spots as Members of Parliament. And I would encourage them to take advantage of it as opposed to parking on the street because it is expensive if you get a ticket.

An Hon. Member: Clearly!

Hon. L. Craig Cannonier: Yes. What is the problem with walking down Reid Street now, get a little exercise? What do you say there, Scott?

[Laughter]

Hon. L. Craig Cannonier: So that completes my questions. I may, as I look at some of my other notes, as we go along . . . I will say to the Minister, I will sit down. But I have a few other notes over here I have not looked at, and I will have some other questions as we go through.

So I will move to page B-217 and I am cognisant of the time, PS, I promised you that we would not be long, but we would be thorough. So I know everyone . . . it is Friday and we want to get back to family and I appreciate that, very much so.

So on [page] B-217, again, Head 36, we are talking about the Ministry of Public Works Headquarters, the employee numbers there and I take to heart what the Minister was saying, it can be very deceptive when we are looking at the originals and the estimate amounts. And this, quite frankly, does explain a bit

clearer where we are looking to get expertise. And I am just curious, again, I feel like as far as . . . administratively there have been challenges for Headquarters. I certainly know there have been challenges in trying to, in Accounts Receivable, in being able to get monies paid, whether it be under the water section and getting people to pay their water bill, or those who have bills with us, the truckers and the likes.

And I recall that there were many who owed money to government and we were adopting a policy . . . we had just adopted it and I believe that this administration has strengthened it or at least kept to this policy of if there are people who are out there who owe money and the ship pulls up with gravel, what a great opportunity if he owes us money to say, *Well, look, okay, you can go down and pick up the gravel, but simply pay a little on your bill or we will pay you a little less for the job that you have done.* And I am sure that that is across the section there, you know, guys who owe money for the incinerator and the likes. I am hoping that an established policy has been put in place that you can have one or two individuals that are actually going after this money.

And I want to say this here, I do appreciate those guys over there and I hope that the Minister (this is a little side note) has found out where the secret stash of food is because that particular section has a secret stash of food and if he has not found out, he needs to find out. I noticed that he likes candy, the Minister is over this side all the time, and certainly encouraging money into the sugar fund for sure. They have a stash, if you are feeling a little hungry.

So if you look at the numbers there is an additional four. I know that it is much needed amongst those areas. I am hoping and praying that in the Purchasing and Supply Stores . . . I noticed that in Supply Stores it is at two. They really need to get that going, it is a major part of saving money in that particular area, getting that expertise down and showing that people are using the new E1 system that will produce the kind of numbers that they want. And I believe that it will even forecast what they might need to be able to cut down on some of the expense there. So not much to say there on that particular page B-217. I appreciate the Minister and his explanations as to how we are looking at that revised amount.

And that brings me over to [page] B-218, which is the Performance Measures which, in some cases, gives us a bit of latitude to find out a little more about how we are performing and how the public actually views the Ministry and its performance.

And under Head 36, Headquarters, on page B-216—sorry, B-218. I need to put my glasses on here.

[Inaudible interjection]

Hon. L. Craig Cannonier: And [business] unit 46111 Administration, the Honourable Member when he was

speaking he said 315 and I missed what else he was saying . . . 315, I want to say employees, but I missed that. I apologise, Minister.

[Inaudible interjection]

Hon. L. Craig Cannonier: Health and safety?

[Inaudible interjection]

Hon. L. Craig Cannonier: Hours, okay, that is what it was.

[Inaudible interjection]

Hon. L. Craig Cannonier: Okay, great. That is what it was—hours.

And actually that is good. I am glad to hear about that particular area. Because if you look up “Safety and Health Accident Reporting,” which those guys are really, really good at, the next measure was “Conduct Safety and Health Assessments,” which we certainly know that they do that well, and “Provide Safety and Health training for Ministry employees,” and that is where some of those hours came in.

And that is particularly important due to the nature of the Ministry itself and a lot of the hazardous things that they have to deal with. Maybe they can answer this here: I am hoping, especially with this Safety and Health . . . we did have some scares over the past and just a few years ago with asbestos and some of our members . . . a bit negligent in walking into the area that they should not have been going into. And so I am hoping that some instruction has been given to that because that is a sad situation if you get infected and poisoned by the asbestos and we know that our old buildings have a lot of it in them, so precautions really need to be had there.

So maybe they can tell us some of the precautions and, obviously, it is a training and I am hoping that they can say that part of that training had to deal with asbestos because a lot of the renovations going on with our building is involving that and we certainly do not want to see that scare for any member of civil service and their families having to go through that.

I will move down to the business unit Central Filing. And even for myself it was a bit vague trying to understand. I understand it vaguely, 46112, where the measurement is “Ensure Completeness of project files—Specifically Contracts and Change Orders.” And my goodness, we certainly need to be keeping a keen eye on change orders and the likes. These are areas where, potentially, the Ministry could be bleeding money if we are not paying attention. I am assuming that completeness means that all the checks and balances have been had, everything has been checked off and completed as far as being authorised by the correct individuals that should be checking off.

I also believe that . . . when I say that, that we do not have a supervisor who is qualifying the project and then signing off on the project for payment and the likes, to ensure that that is not happening, so that the public can be aware that this Ministry is being as thorough as possible. And sometimes, you know, in the expedience of the job a supervisor will, *Well, I just want to hurry up and get the job done*, but yet he is breaking Financial Instructions. And I certainly remember when the Minister got up and he said he was just trying to get a job done and did not realise he was stepping on Financial Instructions. So even for us, you know, trying to in earnest get the job done, we may be breaking those financial instructions and we know how the public feels about that. So we do not want to be in those muddy waters.

I will move down to business unit, 46030, Finance Management. If you take a look at the second performance measurement there it says “Reduction of Water Debt,” and it is a real problem, and I mentioned it earlier, this particular area. Because sometimes, you know, people when it comes to water it is a given, *Hey look, I need the water*, and they are not as diligent at paying the bills for water, maybe other things, but water tends to be . . . and especially when it involves government. Water tends to be one of those things that, *I’ll get to it when I get to it*, type of thing.

[Ms. Susan E. Jackson, Chairman]

Hon. L. Craig Cannonier: And I recall some of the horror stories where, even for us, there were maintenance issues that were not being kept up whereby there were also, on the opposite end of the spectrum, Madam Chairman, where people were . . . works were going on and water was just flowing.

I must declare my interest. It even happened to one of my businesses, where water was just flowing and we could not figure out what in the world was going on as far as that and due to other people’s construction and the likes, pipes get busted, but it actually ends up being on the metre line that a residential person may be. And I know that even one of the Members of Parliament, I had to speak with them because his house had a massive bill and they were not even trying to fix it. They were just saying, *Look, you owe the money*, and until he came to me, and rightfully so, to try and get it fixed. Even the first time around we did not get it fixed because we were short of staff but eventually it was taken care of.

And so I am just curious as to how they are getting along with that. They may even know the numbers of outstanding amounts which may help towards the government coffers. And in dealing with that it would be nice to know how they are getting along.

I will move down to under business unit 46113, again, we are on Head 36, Ministry of Public Works, page B-218, the business unit 46113, Purchasing Administration. I have already talked about

how important this particular area is. But what I did not understand was data collection under the revised, “Data Collection methodology to be incorporated.” We do now have a target and measurement. Can you tell us exactly what that is? Because if you look at the actual outcome it says “Revisions are being made” so exactly what is the new methodology—data collection methodology—to be incorporated? Maybe it has something to do with the E1 system, I do not know. It will be interesting to hear exactly what that might be.

On the same page B-216, business unit 46114, Supply Stores. I have already also talked about the importance of this particular area. This Government and this Minister have our full support there. I understand some of the challenges. We had supplies that were, my goodness, as they say, *as old as Methuselah!* I was going to tease and say I think we have got a few Methuselaha in the House here . . . just teasing.

[Inaudible interjection]

Hon. L. Craig Cannonier: But under Supply Stores—not you, Pat, not you. You were bragging about your senior citizen status.

Under Supply Stores it is really important that we get this thing going and that the performance measures—“Decrease the inventory discrepancies for yearend”—I am looking forward to you guys reporting on this here.

Also, under measurements, if you look, on this particular page, at the very last measurement, it says “Meeting demand of our customers for maintenance/service items.” And it says under the revised area there “data collection methodology to be incorporated.” I am assuming that it is in conjunction with 46113, which might suggest some new software, something like that, I do not know, but it would be interesting to hear what that is that is going to assist the area.

And I am almost there. We move on to page B-219 where the Performance Measures are there, I also noticed under Human Resource Admin that Policy Development has been moved out and that probably has to do with going to OPMP [Office of Project Management and Procurement] in that section there. I think that is what it is. I am taking an educated guess that that is probably what it is and that would make sense that it moves there, just confirmation from the team on that.

Under business unit 46117, Recruitment, that goes in line with what we already saw with the employee numbers, so that certainly is self-explanatory. I notice that we have gone down one from the revised amount. I am not sure what that position is that we have gone down from.

But if you go to business unit 46118, Training and Development, Complete Lunch and Learns for industrial staff for the year, it would actually be inter-

esting to know what those topics were, because, certainly, it is needed and I know it is always appreciated and not all the time people come out in large droves, but it would be interesting to know some of the topics that were used there concerning the industrial staff. Hopefully it has to do with health and safety, as we mentioned earlier, how to pick up things, not pick up things and the likes, how to handle hazardous waste and materials and the likes.

And also we spoke briefly before, if we go down there, about BeFAST (Basic Employee, Foreman and Superintendent Training) and the success. And I want to again say to the Ministry head, kudos to them for the excellent work. I heard the names. I actually by that time was able to get the names down, I got used to the pace of the Minister in his reading of his brief. Jamar Dill. He mentioned Zeeko in the electrical area, fantastic! Great to see that that is happening and, my goodness, they are probably Manchester United fans, and they are working with Aecon, which they are probably excited, you can get a jersey or something like that there which is beautiful. And I give heads up to Aecon for their support as well.

If we look at Architect and Design, 46040, under Performance Measures, and I did ask the question already so I just want to remind them of that question. How we got to that figure . . . is there any way that we can tighten that up, maybe see some cost savings there and the likes as we look at that particular area, that section, Architects, which is vital as we start looking at how we get that work done?

If you will just bear with me, I had some other notes over here. I just want to look over here before I move to the next head because the next head, really there is not a whole lot there . . . too many questions that I had there. So if you could just bear with me a minute, just a minute, Madam Chairman.

The Chairman: While the Shadow Minister takes a break, I will remind the listening audience that we are in the Committee of Supply and we are debating Public Works, Heads 36 and 53.

Hon. L. Craig Cannonier: Thank you, Madam Chairman.

I had a note here, and I asked a question about golf and I am hoping that we can find some more money actually in reference to the golf courses. Bermuda is known for that. So I did ask the question, if they could let us know a little more about how they are getting along with upgrading some of the facilities, because I know that they were in drastic need of upgrading, to hear a little more about that.

We talked about the debt collection already. We talked about that, again, . . . I apologise. When we made the change on how we approached them, then I wanted to make adjustments there.

[Pause]

Hon. L. Craig Cannonier: Okay. Because the Housing Corporation . . . I was going to take a seat at this time, but because the Housing Corporation is not a large head, I will move to that and then we can move to move the questions, Madam Chairman. I do appreciate . . . I like being able to sit down after a particular head to get around certain things.

So I will move now to Head 53, Bermuda Housing Corporation. And I want to say here, first of all, as we move to this head, you know, becoming a Member of Parliament and, even more so, becoming a Minister, gives opportunity for you to get to know many of the civil servants where otherwise you would not have that opportunity.

You see them. You know that they are doing a work for the people of Bermuda. And so I want to, as we move to this, again, congratulate the Ministry of Public Works Headquarters for the sometimes difficult challenges that they face during these financial times through the issues of human resources and the likes and trying to come up with policies and be forward-thinking at the same time, which we tend to be slow sometimes in making decisions. And just to say that although you may hear going back and forth up on the floor here, all 36 of us in the House of Assembly extremely appreciate the work that you do.

And it is evident that it is tireless. We see you coming in and out of the buildings late, coming early and leaving late, so I know that it seems like it is thankless, but we understand that kind of position, we are in it as well, so I want to just thank you for your work at Public Works Headquarters.

And under the Head 53, Bermuda Housing Corporation, I am smiling again because I got to know this fellow, Dill. And it was not easy, as he let out in . . . like with the Public Works, the Housing Corporation, a lot of issues, when I was Minister, that they were facing. And he, this is a cool cat. He has got a new hairdo now. I almost did not recognise him just now, I thought it was a younger him, he has not got any grey in there, but I am not going to probably say why there is no grey there. But I appreciate the work that you do. I know the sensitivities of the work that you are engaged in and how difficult it can be at times, but quite frankly, there is always a smile on your face despite the challenges. So thank you very much and keep up the good work.

There is nothing much to say about the numbers there, but I am going to go to the brief that the Honourable Minister aptly walked through, as far as the Housing Corporation is concerned, just to ask a few questions.

The first question that I had in mind was concerning Harmony Hall. I recall that there was a statement being made, I do not think it was by the Minister, but it was in the paper, I believe, that it was likely that Harmony Hall was going to be used as senior-type place. So I was curious as to when this is likely to happen. What is the forecast? I am assuming that

there are going to be . . . or require renovations and the likes, certainly, to Harmony Hall. But what is the timeline that we are looking at that this will become a seniors' home? And the reason I am highlighting this particular one is because we do know, Madam Chairman, that the fastest growing population in Bermuda is our seniors.

There needs to be facilities. Quite frankly, Bermuda is not in a position to handle the load that it has now, so we need to move with some swiftness in producing and providing facilities in this area, so I would encourage the Minister, [along] with the head of the Housing Corporation, to move swiftly. But if they could give us a timeline in what they are looking at, what is happening with those who are already there . . . I think there was an even office there for the H.U.S.T.L.E. Truck [programme] at one time. I don't know if it is still there or not. But if you could give us some details about that and how you intend on moving along with getting the tenants out of that particular area. Certainly, there has got to be a timeline for that, but as swiftly as you can and as fairly as you can. I would like to get an answer to that.

And the head of the Housing Corporation, Major Dill, there has been a lot of confidence in him, which is why I understand that when the Minister talks of "economies of scale", now they have also taken on responsibility [of] BLDC [Bermuda Land Development Company Limited]. Southside, we call it. There is a huge opportunity down there. So I am looking forward to some of his thoughts and ideas. Maybe he can share some of those thoughts and ideas [with] the public so that they can be aware of some of the opportunities that exist there.

I recall even down at Southside there was thought about putting a senior home there as well. Beautiful views down there in my neck of the woods, St. David's.

And speaking of those economies of scale, I would like to hear a little more about how that has worked out, this transition. I know that we were talking about it as well, so now to see it coming to fruition, how is that economies of scale working? Can you give us some examples of economies of scale where the taxpayer is seeing the benefit of this here in the reduction of cost? And then, interestingly enough, I had the question, okay, well, if we are doing it with BLDC, one of the very successful quangos is WEDCO. And then the Minister mentioned that there was an MOU, Memorandum of Understanding, concerning WEDCO, BLDC and housing. I am just curious as to the nature of that and how much of WEDCO is being incorporated into this economy of scale. It seemed like it was just . . . I am making an assumption here based on what was said. It seemed like it was not a full move in, but it was just partial in certain areas. If we could understand where you are going with the MOU and what we can expect going down the road, whether that is probably going to entail town hall meetings, and the

like. I don't know. But it would be nice to hear about that.

And then three, the other thing that came up in the brief from the Minister was the Grand Atlantic. Certainly I have made enough noise about Grand Atlantic, basically expressing that I would like to see the Minister really concentrate on that area (it is such a beautiful area) [and see] if we can get that going. It has not gone without its controversy in trying to get someone up there investing in it. We do understand that there is a nondisclosure agreement, so there is a limitation to some of the things which can be asked or said about it. I do recognise that work has gone [on] up there. What other works are being done to move towards what it is . . . what is the intent? We still don't know really what the intent of Grand Atlantic is, other than we see that it has been painted and given a bit of an uplift. But really, with this new investor, what is the intent of the Grand Atlantic? Exactly what is it going to be? I am sure that [this information] probably would not fall under the nondisclosure part, and the nature, the public should know the nature of what it is that is going to happen there.

The reason I am bringing it up, this urgency . . . and I remember many meetings with Major Dill in there. We had a Bill come here, a precedence was set, it was within a day or two that we actually debated the Bill to show our cooperation in wanting to move forward with this here. So it would be nice to hear just a little more in how they are progressing because we have not heard much since that Bill was put through and we cooperated in assisting. I assume that it was due to financial deadlines that we had to put it through so quickly. So if you could give us a little more on that.

The Minister also mentioned that there was a waiting list of 108 people. Now, was that for housing? I just want to make sure. Was that for housing, Minister? There was a waiting list of 108 for housing. And, considering the times, if you look at the number it may seem like a lot, but considering the times there are probably even more people out there looking for housing. But the key to all of that is that they are looking for something affordable, understanding the times that we are in. And if we are going to build, if it is not going to be affordable then it is going to defeat the purpose of being able to do just that, provide affordable housing.

I would believe that there is enough expertise in the room to assess what that value is, if the Ministry is going to be building units that fit under the category of affordable housing. We have seen in the past where the idea was affordable housing, but then it wound up being unaffordable by those who actually needed the help.

If I go over to the rent-geared scheme, which is, quite frankly, brilliant, that scheme. I do not even know who originally thought of that, the person who thought of that, but it was a great, great idea.

[Inaudible interjections]

Hon. L. Craig Cannonier: No, it would be interesting to hear. Maybe he heard it from someone else and used it. But it was a great idea to facilitate this idea of rent-geared.

I was curious though, with the rent-geared. We know it is 25 per cent of salary, for someone who is coming here, and that there is an additional 10 per cent to savings, which was implemented. I am just curious at this time, in 2019, we know that it is difficult even for that to be accommodated. And I would just like to hear a little more of an assessment as to how well it is working. I have heard stories. For some, it is not working so well, because [these are] tough times. But it would be nice to get a bit more overview of how that is working out and how you are coping with it, and accommodating the challenge of these financial times.

The other thing that the Minister spoke at length to is the H.U.S.T.L.E. Truck. Again, I would like to applaud the fact that the H.U.S.T.L.E. Truck is still ongoing. What a vital need, still, even years later since its inception, right now, which is good to see. I will give accolades to that H.U.S.T.L.E. Truck as it goes through its process of assisting bulk waste pickup. And there is a specific question I had to that because it is picking up from an area where you do not see it anymore in the budget, an allocated amount for it.

There was a challenge on government land, at one particular time and on private land where massive amounts of oil, cooking oil in barrels were being put in certain areas. And it became quite a vexatious situation with the individual who was involved there. And not to name names, but I drove past one of the particular homes where this oil was and I noticed that there was still barrels there, which the neighbourhood . . . and I think folks know what I am talking about within the Ministry. How are we getting along with resolving some of these issues?

Just so that you know, there was some thought to the fact that some of this oil actually might be going into the Hamilton sewage system which was [exacerbating] the [problem of] sewage grease balls (as we call them) out on Southshore. And we were attempting to try and time things, in trying to figure out exactly what was going on and who was responsible for this. It was quite interesting. Maybe we can get an update on that. I saw the Minister shaking his head in acknowledgement, to which part I am not exactly sure, but I do believe that there were some real challenges there with people and oil, especially individuals who picked up bulk oil in massive amounts and it was going into the system, we believed.

One of the other areas that I wanted to look at was the public/private partnership for home ownership. The Minister mentioned that there were 14 successful families. Which is great, Madam Chairman. What are the plans on increasing that number of successful families in this public/private partnership of home ownership? I remember when we were Gov-

ernment we saw the success there. What are the plans going forward to increase those numbers? I do believe that we can do better there. The opportunities do exist. So I would like to hear a little more about the plans on how the quango Housing Corporation is going to move with improving those numbers.

Madam Chairman, I am going to move now over to capital acquisitions, which will involve both heads. There were just a few questions that I had concerning capital development, capital acquisition, and grants and contributions. [I have] just a few more questions there. On page C-5, if we go over to Capital Developments, I took note when the Minister was going through, so just one or two questions here. Looking under 75099, Office Relocation Alterations, if you take a look at the amount, he mentioned that there was a difference of \$500,000 under the estimate and the revised, and it was due to financial limitations. I was not quite sure what he meant by that, as to what the issue was. But is this allotment due to the Global House, when we were moving Parks out (I think it was) out of that particular building? Was that due to . . . is this talking about that particular move? I don't know; so I am curious as to that amount and the actual renovations that we are talking about, Office Relocation, that we are talking about. I don't know, it could Child and Family Services or some of these areas that are moving, I don't know. It would be nice to get an answer to that. But I do recall Parks moving out of there and that they were going to renovate that space, so whether or not it got renovated I do not know.

[Inaudible interjection]

Hon. L. Craig Cannonier: Still? Oh, they are still in there? Ah, okay. Okay. Well, then, yes, it would be nice to know what the \$2 million is then, what we are looking at. Well, you have got the original amount there and a revised amount at \$1.5 [million], and now we are going to down to \$1 million, what that is going to.

It would also be nice to get an update on the WEDCO, the South Basin land reclamation. I know there is some controversy around it now that the America's Cup is gone. Well, not controversy, but a lot of talk. What are we looking at, potentially, up there? I know that they went out and looked for a request of information for interest in the area. I must say, all of us who have been out there . . . that is some serious waterfront property. If you stand on the edge, it is quite impressive. (I recognise the change, Madam Chairman, in the Chair.) It would be nice to hear a little more about that.

[Mrs. Renee Ming, Chairman]

Hon. L. Craig Cannonier: He mentioned about the special waste clean-up. I wasn't quite sure what that was, but that would be interesting.

Oh! That was the question. I was curious, was it Global House or did it have to do with the House of Assembly, this 75099, office relocation and alternation? I don't really . . . I will let you answer that. I appreciate it.

Then if I could move over to page C-12, under Capital Acquisitions, and the Minister did say that this was for GP vehicles. I am assuming . . . I would like a clarification that this involves the new trash trucks as well. If it involves trash trucks, what other vehicles and what departments, or section heads, did these GP vehicles, outside of trash, the monies that were being spent there, just an outlay of other areas that we would be buying cars for. He did speak to the communications equipment and the like, so I got that answer already. So if we could get an answer there.

And then I will move over to page C-18. Actually, hold on a second. Give me just a minute here. Apologies.

[Pause]

Hon. L. Craig Cannonier: Okay. On page C-18, at the very bottom there, I did ask a question. There is a grant contribution that we talked about earlier. Again, I am going to ask if we can get details as to some of the work. But this has to do with interest and loans, I believe, concerning the Housing Corporation. But under Public Works, the golf courses, again, I would like to get a little more information there.

I had one other question, but . . . bearing that in mind, I will take a seat now and take a water break, I guess, and if any other Member on this side would like to ask any questions then . . .

The Chairman: Good afternoon. I recognise the Member from constituency 23.

Hon. Patricia J. Gordon-Pamplin: Thank you, Madam Chairman.

Madam Chairman, I just had one question for the Minister with respect to the Housing Corporation, and that is to respond to a question that has come to me in terms of what other criteria is required for people to apply for the H.U.S.T.L.E. Truck programme? If they have odd jobs around their homes that need to be done, what do they need to do in order to get those resources allocated to them?

[Crosstalk]

The Chairman: Would any other Member wish to speak?

I recognise the Member from constituency 19.

Hon. Jeanne J. Atherden: Thank you, Madam Chairman.

Let's see, I can start on I guess I would start and maybe I will go backwards from the point of view

of the Housing Corporation. What I found interesting is the fact that the Housing Corporation is a significant amount of money. And I know it is a quango, so if I . . . technically, it is a quango. And I guess there has been a tendency with quangos to basically sort of operate on the basis that they are out there and they operate by themselves, but the money is here. I just wondered, and this is getting back to what the Minister said, whether sometimes we need to do some things differently. I am going to propose some things that we might want to do differently.

It might be useful to have some performance measures in this book because when you start to talk about \$6,050,000, this is a significant amount of money. And when you want to know about what it is doing, I am pleased that the Minister actually told us something about it, but on an ongoing basis I think that it would have been nice for some of that information to be there because I had to actually sort of go back and go online and get some information about the Housing Corporation.

One of the things that I had to do was to sort of do some of those things that my colleague just asked about, in terms of the H.U.S.T.L.E. Truck, in terms of . . . there is a lot of information about the projects that the H.U.S.T.L.E. Truck has done. But I actually did not see information like what my colleague asked, about how do you go and apply and do whatever else? So maybe this was because this was what I call a "static" document in terms of what projects you have done in the past.

So, I guess what I want to say, and I am saying this for myself but also for people who are out there . . . I was intrigued to see about the fact that the H.U.S.T.L.E. Truck has sort of two visions, if you will—the mission I should say. One is to have affordable housing and then the other is for independent living. Then when I started to look at it I started to realise, okay, the money that Government is giving is given to the Housing Corporation so that they can go out and they can start to create affordable housing, whether it be creating projects where you are building all the way up, or whether it is modification projects, and then the independent living in terms of renovation, et cetera. So I think what one of my colleagues said . . . and I will tell you from the get-go, being a former Minister of Health, I believe that seniors are the next group of people, and I would like to say to us that seniors are the ones who we should be creating all this new housing for.

I believe that we should be saying that there should be a new industry, a tourist industry, for seniors. That you should be out there creating housing, because they are your new tenants, they are the people who want to go out and rent your properties. They are the people who want a range of living, independent living, you know, not only geared-to-income, but geared to (what I call) ability income, or disability income. So I would just like to think that as we go for-

ward, the Housing Corporation will start to recognise that maybe the people that you have to start to also look at is not just the people who are down at the (what I call) the younger level, but maybe you have to start focusing on the older level.

So, when I looked at the actual properties for sale, I was intrigued to see, *Okay, they have got some nice properties*. And then I thought, *Well, I have got to become aware of this so that I can tell people who are starting to want to become homeowners*. To tell them, *Look at the Housing Corporation. Look at what they are doing*. As you say, I mean, how many people know that if you have not had an interest of more than 25 per cent in a property that you would qualify? If you have lived with your mother, or whoever else, and you have not been involved in their property at all, these are young people who would then be eligible, but I think there is a tendency not to think about the fact that going forward, the properties that you come up with and where you come up with now, in Bermuda there is . . . anywhere is a good place to be. And when you look at the range of your properties, I just think that we have to start to say to people, *Okay, go and look*. Because I know it is geared to income, but the people who are also out there looking, they will qualify in terms of their income. Nobody these days has tons and tons of money. They are all there trying to get a roof over their heads, so I think it is going to be very good.

Now, what I was intrigued about, and this is where I will have to ask the Minister. When I look on the Housing Corporation website, et cetera, and the Minister talked about his architectural design team, I guess I need clarity, if the Minister can say something for me. I wasn't sure whether the Housing Corporation was utilising the services of Public Works from the point of view of using them to help them, if you will, develop some of these projects, whether it be a project like the Loughlands, whether it was to be a project from start to finish, or whether it is somewhere where you are doing a renovation. So I was not clear.

So it would be nice if that could be explained because especially if there is a relationship between what Public Works is doing and what the Housing Corporation is doing from the point of view . . . I think I read something in terms of the performance measures that said that the architect might do something and he or she charges a certain amount, as long it is not, I think, more than 75 per cent of what is done in the private sector. So I guess there is no reason not to get involved. But if the Minister could tell me or tell the public of Bermuda, then it would be useful.

And I think it was interesting because then I started to recognise that when you look on the website you have to be able to, obviously, qualify in terms of not the 25 per cent, you then have to be able to go and be able to have a mortgage, and then you have to obviously be able to stay on top of your mortgage and then make sure that you do not default. And then

when we started to look at what my colleague asked about, 108 people waiting for affordable housing, then it basically said that there is a lot of opportunity out there.

I went back and I looked and the rent geared-to-income, which was, according to this, I think it was in 2010, or something like that. But I think that we have to recognise that the Bermuda Housing Corporation [BHC] is one of those (what I call) it is one of those stories that needs to be told. And I think it will be useful if more information was in this book so that people can understand, (1) what you are doing from the performance measures, (2) the impact, because if I go back, I recognise that there are two things here.

If I go to page C-18, it then reminds me that there is . . . in terms of the Bermuda Housing Corporation, the \$6 million is rental assistance grants. But what I was not sure of was how much of that \$6 million is what the Housing Corporation has to collect in terms of all the rents that are out there from people who are living in (what I call) their affordable housing facilities. Because I am certain that the Government will be giving them some assistance. And as I say, I did try and go back and see if I could get my hands on the latest Housing Corporation financial statements so that I could answer that question myself. But while we are here, if the Minister is able to indicate how much of the rental assistance grant that Government gives, what percentage of that is of the Housing Corporation revenue that it generates?

Now, the other thing that was interesting was the fact that the . . . in terms of capital contributions, I think I saw something that said that there was also \$4 million which was going to be given to . . . excuse me just one second, let me find it. I am certain that I saw something that indicated that the Government was going to give, I think, it was about \$4 million to the Housing Corporation. I just wondered whether that is, if you will, the entire amount of what the Housing Corporation would be spending in this next coming year, or if there are other sources of income that they get.

Lt. Col. Hon. David A. Burch: [Page] C-21.

Hon. Jeanne J. Atherden: [Page] C-21. I knew it was somewhere. Thank you, Minister.

[Inaudible interjections]

Hon. Jeanne J. Atherden: Right. So from that perspective . . . page C-21 you said?

[Inaudible interjections]

Hon. Jeanne J. Atherden: Oh, yes, yes, yes. Right, it was \$4,800,000, which was supposed to be last year, but now we are revising it [up] to \$5.8 million, and then revising it back down to \$4.8 million. So in the

spirit of you reminding us, better to look at the revision and compare the new one to the revision, I guess.

There is a million dollars less, and that poses my question of what we were originally doing in 2018/19 and what are we expecting to do in 2019/20, and whether the Housing Corporation has any other source of funds with respect to the capital account. Okay?

I'm going backwards now. I go back to the actual estimates, which is [page] B-216, I think. Let me just find it.

[Inaudible interjections]

Hon. Jeanne J. Atherden: No. I think now I am going back to the Ministry of Public Works. I think my colleague, my Leader, asked the question about the grants and contributions . . . \$1,250,000, which is revised for 2018, and \$950,000 for 2019. Now, I will tell you, I am golfer, so I am certain that I realise that this is for the government golf courses. So what I was curious about was what, in effect, was going to be done in 2018/19 with respect to the revised, which was not going to be done in 2019/20 because now \$300,000 is going to be reduced. So I wonder if the Minister could clarify that.

Then, if you look on page B-219, I know that there are lots of changes in the human resource administration area, and I know we are all eagerly waiting for it, but I was surprised in the performance measures. This is business unit 46116, human resource admin, policy development. It indicated that there were no Ministry-specific human resource policies developed during any of those years 2017/18, 2018/19, 2019/20. So I was just wondering, if there is a reason why this was not done. Recognising that, as we all can appreciate, you have a lot of staff. You have indicated that you have got some staff who are doing lots of things for other people and I was just surprised that the human resource policy development was not there.

Then, afterward, with respect to the Architect and Design, I guess my question to the Minister is . . . and this is business unit 46040. I am impressed by the fact that not only is the Architect and Design section going to make sure that their services shall be 60 per cent of the cost of the same service offered by the private sector, but if I hear it correctly, if I am looking at this, every year, per se, the amount of services that we offer have been going up 85 per cent, 90 per cent, and 95 per cent.

Now, I just want some clarity that this progression of 85 [per cent], 90 [per cent] and 95 [per cent], does that mean those are the services that have been asked of your Ministry and you have been able to do 85 per cent of them and then the next year do 95 [per cent]? Or is it the reverse? That the number of services that you were able to do at 60 per cent, only 95 of them were you able to do at 65 per cent? Which

one is it? Is it being able to do it, or is it the number that you do? I thought that this was quite significant.

Now, with respect to the Rental Assistance Grant, that is the \$6,050,000. Is the Minister able to indicate the percentage [of] those assistance grants [that] go to people who are in the Housing Corporation versus people who might be in things like the [Bermuda] Housing Trust? Because I know that I actually had the book of the Bermuda Housing Trust and it indicated there that it did not get any money directly from government, but some of their owners actually got rental assistance. I guess the question that I had was with respect to the rental assistance grant. Are the only people eligible or [who] get money from government either people who are a part of the [Bermuda] Housing Trust or the Bermuda Housing Corporation? Or are other people eligible to have rental assistance?

I ask that because what comes to mind is that I am assuming that if, you know, you have people who are on financial assistance, and I am assuming that any people who get money from financial assistance that the money is in that pocket as opposed to the rental assistance grant. But I think that this will be something that the general public would want to know.

So I think for now those are the questions. Oh, I know what. In terms of [page] C-5, I was looking at the WEDCO South Basin Land Reclamation. I was impressed by the fact that the Minister indicated that by virtue of being able to have some refinancing the amount of money was going to go down from \$6 million to \$4,819,000. And I just wondered, is the Minister able to indicate, will this last estimate for 2019/20, is that going to be the end, if you will, of the South Basin Land Reclamation, or is this just the portion that relates to the year under review?

I think I will sit down and I am sure that some of my other colleagues will come up with some more questions. Thank you, Madam Chairman.

The Chairman: Would any other Member wish to speak?

I recognise the Member from constituency 23.

Hon. Patricia J. Gordon-Pamplin: Thank you, Madam Chairman.

Madam Chairman, I did jump up to ask that other question earlier because it was important, it came in to me and I did not want to overlook it. But I just have one question with respect to the Housing Corporation and the Grand Atlantic. And just inquiring whether the clearance that is occurring on the property next door is being undertaken by the Housing Corporation for Grand Atlantic or if that is something entirely different?

[Inaudible interjection]

Hon. Patricia J. Gordon-Pamplin: Okay. Fine. That's great.

If the Minister could answer in respect of the H.U.S.T.L.E. question that I asked earlier, what are the charge-out rates? That was the follow-up question that came from the initial question that I asked. That would be useful.

The Minister also had mentioned in his presentation in respect of the Gulfstream, and the fact that there are, obviously, it is a perennial challenge, that sometimes the residents fall afoul of the rules and are required to be relocated, or at least vacated from the existing premises. I am wondering whether either the Housing Corporation or whether the people who fall in that category are referred over to, maybe, the Financial Assistance department, or something, so that they are not effectively left homeless if they fall afoul of the rules?

It is understood that people live there with certain criteria, and if they do not meet those terms and conditions, then they cannot be there any longer. But I also want to ensure that we are not saying to somebody, *You broke the rules. You have to go.* And not know that there is a safety net. So I am just curious as to where they actually go.

The other question that I had was, the Harmony Club, and I am not sure, I was listening and actually trying to multitask, so I may have missed it if the Minister indicated what was being done in that respect. I think Harmony Club still comes under Housing Corporation. And I was just wondering what exactly is happening with that property. You may have said it, and if so, I apologise.

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: Oh, okay. That's fine. I apologise for that. So, I'm good for the moment with those questions, and then I will be happy to sit and listen to some of the responses. Thank you, Madam.

The Chairman: I recognise the Member from constituency 12.

Hon. L. Craig Cannonier: Yes, thank you, Madam Chairman, and apologies. I was trying to be thorough and I knew there was another question sitting there.

Under Housing Corporation, it was mentioned that there were 41 employees, and I believe the Minister mentioned that there were five interns. It would be nice to hear about those interns.

The Chairman: What page are you on?

Hon. L. Craig Cannonier: Sorry, page B-223. It came under the brief also, the brief from the Minister. But it would be nice to highlight that as well. If we know who they are, it is always nice to get those names out here. Bermudians like to know who is out there and what is going on. Thank you.

The Chairman: Minister, do you have some responses?

Lt. Col. Hon. David A. Burch: Yes, I got a few, Madam Chairman. Thank you.

I am going to try to go in the reverse order. I am old, my memory's failing. What page?

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: Page 9. Okay. So I will go with the last question in relation to the interns at the Housing Corporation. There are five. In the brief what I said was that they are with the Corporation for a year, and it is used to ensure that our young people have guidance and counselling as they make firm decisions in their career choices. So they can work anywhere within the department, but they have an interest.

So, Tameka King, who has passed our overseas exams in law, actually, has probably come to her senses and decided that that is probably not the course that she wishes to pursue.

[Laughter]

Lt. Col. Hon. David A. Burch: She is working out of the Corporation's Property Operations department.

Shane Simmons, who is keenly interested in Project Management, and so he is working out of the Property Operations department. Kynda Bassett, who is assisting in the Project [Management] department as well, assisting the project managers and architectural drawings in Project Management. Traonda Davis who is interested in computers and working in the IT Department with support from IT tech firm, Smith Technologies. And Joshua Thompson who is working with the Finance Team and joins with Property Operations when needed.

So, I will start with the Honourable Member Atherden first. Why don't we have performance measures for the Housing Corporation? First of all, this is grant funding, so we don't have performance measures for any of the grant funding. But since it is listed as a separate item, I sort of cherry-picked out of what they do in order to be able to report on their work. But I also can say that I report regularly on their work. The grant funding of \$6 million . . . where is that question? It actually goes to the support of the clients of the Corporation who number 500 in residential units and 180 in rooming houses. And so it supports their efforts. I am just getting the number for how much we actually carry in outstanding receivables, and it is a significant amount of money, in the millions of dollars I think it is fair to say.

We do not evict people for non-payment of their rent. We evict people for non-adherence to the agreements that they make. And so by that I mean, all of the . . . 90 per cent of the clients that are in arrears

with the Housing Corporation have a payment plan. And it is a payment plan to pay for current as well as towards their arrears. And as long as they honour that, then they won't have any challenges from the Corporation. We accept that we are going to carry a significant amount of money in arrears because part of our mandate is to help people with their housing.

In the cases where we actually get to the end of the line in terms of rental accommodation and have to evict someone, we do not, as a matter of policy evict families with children. They get the option of going to the rooming house. And the idea there is to give them an opportunity to catch themselves, pay a lesser amount toward their rent, clear their debt, and then eventually graduate back into housing.

Has that been successful? Probably the honest answer is, marginal, in that when the rooming house at Gulfstream first was created, people were very reluctant, and we expected that Bermudians who were very proud and liked paying their bills and honouring their commitments, would take advantage of the opportunity for the shortest window as they possibly could, and then move back out. Sadly, that is not the case. We have people who move in there and they get quite comfortable and they are staying. So we are looking at changing the model, how we can actually encourage people and provide them with some support, in order for them to be able to actually transition back out of rooming house-type housing.

The focus on seniors. I think there has been a misunderstanding in terms of the relationship between the Bermuda Housing Trust and the Bermuda Housing Corporation. There really is not a formal relationship. So, in other words, the Housing Trust, which is a charity created by its own Act of parliament, has a bunch of trustees whose mandate is to provide housing exclusively for seniors, an affordable housing for seniors.

Their annual report that was tabled earlier this week in my Statement talked a little bit about the familial relationship that we have with the Bermuda Housing Corporation. The Trust is appointed by the Governor on recommendations from the Minister responsible for housing. So, our view, from an operational point of view, is that if the Housing Trust is unable to house seniors then they are going to come to us, because we cater to anybody. Any Bermudian who needs housing can come to the Bermuda Housing Corporation. So it makes sense for us to have a close working relationship with them. So what we have recently . . . and years ago, they used to be managed by the Housing Corporation, and that probably added to some of the confusion. Now there is a separation, a division of the two entities, but we do work very closely with them.

We are providing . . . and this will answer a question that somebody else asked as well, about the architectural support. That may have been you as well, Ms. Atherden. Yes. Architectural Services. We

have two architects on staff at BHC. They are project managers, and so they have not traditionally got as much of an opportunity to do drawings, but we are transitioning to giving them that opportunity to be able to do that by giving them some of this support. And so you will have seen from the interns the reason why the vast majority of them are working in Project Operations, is because they can provide technical support to those two managers there so they can spend some time actually doing drawings.

And in the case of the relationship with the Housing Trust, one of them drew the plans for the renovations that we are going to do at Southside for the Trust, and submitted them to Planning, and has done all the legwork in order for that project to be able to proceed. The Trust will fund the actual renovations, and we will oversee it for them. So that is the relationship. We are also in discussions with them about a number of other things because anything that they do for housing helps us. Okay.

The current arrears of the Corporation, going back to the first question, is currently \$5.4 million. And that fluctuates within that range and it is unlikely to change dramatically until [a] major shift [occurs] in the economy of the country and people are being able to work. But it is being managed by, I am going to guess now, but . . . I know it is in the hundreds. (See if you can get the number of families who that actually applies to.)

Let me answer this question. In relation to the Capital Account of \$4[-plus] million (I don't know the exact figure) that you asked about, \$4.9 [million]? That is funding that is provided separately to the Corporation in order to be able to pay the outstanding loan that they have at the bank. And the reason why it has gone down is because we renegotiated the terms with the financial institutions so that we actually pay less and so the grant has gone down in a corresponding fashion.

The relationship between the Housing Corporation and the Ministry, in a wider context, goes beyond just the architects in the Ministry as well. We have taken the view that we have resources within the Ministry in surveying and engineering and all sorts of other areas—every area of the Ministry—that can assist the Housing Corporation. We encourage them to work together. And so what you will find is that, particularly in the case of the relationship that we have just . . . the amalgamation that we started in relation to BHC and BLDC, there are a number of buildings at BLDC that are scheduled for demolition. And it is our expectation that the Ministry of Public Works, their resources and equipment will be utilised to demolish them as opposed to hiring from the private sector.

In relation to the policy development question, and why they are all zeros, that responsibility has now been transferred to the Department of Human Resources. So it is out of the Ministry's responsibility, although it once was. And so it will probably come off

the Budget Book next year now that every year is a zero.

In relation to the rental assistance question, the rental assistance that is provided to the Housing Corporation is only for Housing Corporation clients. And so where there are seniors or anyone else who is not a client, who is getting rental assistance, that would come from Financial Assistance. And in the case of us and our relationship with Financial Assistance, in some cases rent is paid by Financial Assistance for BHC properties. We have the Director of Financial Assistance who sits on the Housing Corporation Board so that you have collaboration right at the table and we can come up with policies and procedures. If they need to be tested and adjusted, they can be adjusted right away.

In relation to the South Basin, I am not sure what the figure is, but it is in the region of \$40 million that is outstanding. So the grant will be for this financial year only, and there will be another grant next year until it is paid off. I think if I missed any questions, you can certainly ask again.

I think you also asked a question about 60 per cent of the cost of architects doing work? Was that yours?

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: Okay. The intention is that 95 per cent of all projects that we undertake in 2019/20 get to be . . . get in . . . (I don't understand what that means. It says, *get to the intention above*.)

We wish to have all our projects services at 60 per cent of the cost of the private sector. I think I mentioned, as an aside in my brief, that there is this strange arrangement with the chief architect and the architects. And I never get this right, so I will be corrected from the Gallery. I believe the chief architect comes under OPMP [Office of Project Management and Procurement]. And the architects come under us, albeit they all live on the same floor. That is an unacceptable situation to us because we really can't . . . we are having difficulty managing it. So the model next year is likely to be something dramatically different because I think that we are down to three personnel in that department now, including the director, or the chief architect, who is scheduled for retirement this year. And so we will be left with one architect and one technician.

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: And one landscape architect. And so what we may . . . we are having discussions now about how we might put them in Estates, where they work collaboratively together with them in any case, so that might be a better fit for us in the Ministry and we will remove this division of report-

ing lines from two different departments that do not fall under the same Ministry.

And if I had my way—

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: Can I say it, PS?

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: No?

[Laughter and inaudible interjections]

Lt. Col. Hon. David A. Burch: Okay, I am moving on to you now, MP Gordon-Pamplin.

The criteria for H.U.S.T.L.E. Truck assistance, it really is a simple matter of calling the H.U.S.T.L.E. Truck office. I will get the number. And make the request. For seniors, we do not charge a fee. For everybody else in the country, we ask them to make a donation to the Housing Trust Operations. And that can be in the form of either cash, which will be managed by the Corporation, or in terms of equipment.

So we have had people who asked for help and they have donated two lawnmowers, whatever the case may be, in order for them to be able to help others. So it is a simple matter of calling the H.U.S.T.L.E. Truck office and asking for assistance. Was that all of your questions . . . ?

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: The H.U.S.T.L.E. Truck number is 236-0540.

Okay. Now I am going to start with the Shadow Minister in the reverse order that you asked the questions because that is how I have the answers.

So, South Basin and Cross Island use. We tried something last year, and to be perfectly honest, I am not sure . . . it is a trial balloon that didn't exactly fly. I think we are at the stage where WEDCO really is reassessing the whole aspect of how we can actually manage that piece of property. I think they have a better idea now about how we can do that and have some greater success.

So the plan at the moment is, that to utilise that for . . . I personally am resistant to having a permanent entity put on Cross Island, either for entertainment or for any other purpose, because I think that restricts and limits our ability to be able to generate revenue. So I am quite keen, and I have indicated to WEDCO that I am quite keen that they look at a variety of options and have an ever-rolling-forward plan. But what I can say that we have used it for with great effect, you will know that we are well down the road to replacing King's Wharf. And because we chose the route of precasting the entire dock in New Jersey, and then shipping it to Bermuda, we needed somewhere

to store it while we worked on the dock, and we have been using Cross Island for that purpose. So all of the beams, all of the slabs, all of the precast work has been stored on Cross Island and then just barged across to the pier.

Office relocations, the reduction by \$500,000, this is general office relocations across the entire Government, so any relocations that we are planning. We reduced it by \$500,000 to meet the cash limits of the Ministry of Finance.

The HomeStart programme, which is the programme that we have in partnership with Clarien, and the programme to date has allowed 14 families to purchase their own homes, [to be] first-time homeowners. It was started, I think, maybe even before we came. I'm not sure. But in any case . . . and I reported on this in my marathon Ministerial Statement on the state of the Ministry on the 20th of July 2018 that sent everybody off their . . .

[Laughter and inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: You mean the 17-page Statement?

Lt. Col. Hon. David A. Burch: Yes, the 17-pager.

[Laughter]

Lt. Col. Hon. David A. Burch: [Actually,] 16 and a half.

[Laughter and inaudible interjections]

Lt. Col. Hon. David A. Burch: And I carry it, because it is a good resource for me to go to and get the answer to just about any question that is asked of me.

And basically, it is a programme in partnership with Clarien Bank and the Corporation that provides clients with 100 per cent financing to purchase certain properties either owned by BHC or Clarien with BHC providing a guarantee for the down payment. BHC's completed sale of the first five, . . . this was last year so we have more than doubled that now under this programme. Three additional units are presently under contract and about to close with potential new owners. So what we have used this for is to be able to advance home ownership.

We will continue in that vein with not just Clarien but with anybody else that wants to work with us.

The telecommunication towers, a question was asked about funding for them because of the state that they are in. If you look on [page] C-12, there is capital acquisition funding of \$783,000. So that is where the money resides in terms of all of the work that we plan on doing on the towers. So it doesn't reside under, I think, Communications which is in the

. . .

Okay. Then you asked about the bursary students. The two bursary students that we currently have—and we are looking for others—one Andesha Busby who is presently studying for a bachelor's degree in real estate management. She actually worked this summer for us. I think she has worked the last two summers for us. This summer we split her time with ween the Land Valuation Department so that she got that exposure. And then she spent the balance of the time working in the Estates Department. And so it stood her in good stead.

The second bursary student is Tabia Butterfield, who has actually taken . . . she is studying for a bachelor's degree in civil engineering. She is actually taking a semester off. And she is part of the . . . the . . . (what shall I call it?) the "female triumphant" at King's Wharf. You will know that the project is being managed by, and quite effectively and efficiently by Carmen Trott, and so Tabia is her assistant who is [gaining] an incredible amount of experience that will hold her in good stead when she goes back to university later this year.

And I have to give credit where credit is due, and kudos where they are due. This is part of, really, the mantra of the chief engineer who I think most people know now is my favourite foreigner.

[Laughter]

Lt. Col. Hon. David A. Burch: He is!

[Laughter and inaudible interjections]

Lt. Col. Hon. David A. Burch: He is my favourite foreigner. Every Bermudian has one.

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: Every Bermudian has one, and he is mine.

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: Oh, no. I know his wife. He knows he is my favourite foreigner. They say that I corrupted him because he breaks all the rules, and I tell everybody, *Oh, no, he came like that. He is French Canadian and he just . . . he just . . . he is just amazing.*

[Laughter and inaudible interjections]

Lt. Col. Hon. David A. Burch: What? His name is Yves Lortie. But if you say "Bob," everybody knows who you are talking about. And some people run for the hills when you mention his name, because he has got in a whole lot of trouble since he has been here.

[Inaudible interjection]

Lt. Col. Hon. David A. Burch: No, no. His mandate, self-imposed, was to identify a Bermudian successor on the day he arrived—and he has done so. And he has recruited more young Bermudians in the Engineering Department. We are almost completely staffed, and I will talk about another one very soon in answer to one of your questions. But he really is simply amazing. He is the one who spent his own money, by the way, to get on a plane last week because we needed bearing pads for King's Wharf. They told us that it was going to take a month and he said, *Oh, no, we ain't got no time for that.* And he took Tabia with him. And Delta told him, *You can't carry those boxes on the plane.* And he done French Canadian on them, and they still wouldn't play. He walked away, and Tabia must have used her Bermudian charm, and every box was on the plane by the time he came back.

[Laughter]

Lt. Col. Hon. David A. Burch: My kind of . . . my kind of person. Now I have lost my place.

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: He is my favourite one. Okay. Here we go.

[Laughter]

Lt. Col. Hon. David A. Burch: Everybody has got one. All of us have got one.

Okay. Now I am going to BHC. I think that is where you ended and so I am going in reverse order. The bulk waste pickup is by the H.U.S.T.L.E. Truck. We have been having discussions internally with the waste management [people] about how we might re-institute it and the challenge is that the bureaucracy then kicks in and people start talking numbers to me that I don't like, and about money I don't have. And so as a result, we have been able to . . . and so that same number can be used to call the H.U.S.T.L.E. Truck if people have bulk waste pickup that they would like to have picked up as well and there is no charge for that.

In relation to the cooking oil, I would like to . . . was it recently that you saw barrels? Recently? Or has it been some time?

Hon. L. Craig Cannonier: Three months ago.

Lt. Col. Hon. David A. Burch: Ok. That's not recent.

What I would like to report is that the proprietor, who I think you know, he is a little rough around the edges for a Bermudian, so you need to be able to use colourful language with him sometimes. But, yes, I will say this much. We have been able to make an arrangement with him to provide him with a facility, and I believe that all of the cooking oil that has been

stored around . . . it has got to be so, because I was getting so many complaints from a whole lot of colleagues, and almost on a daily basis, so I think he has removed . . . we have helped him and supervised to some extent, and he has had some other help as well because it is a typical situation in Bermuda.

You may have a skill set in being able to do something, but the admin part probably isn't within your driveway. And as long as you are willing to have somebody help you do that part of it, you then can be successful. And so we have found a location for him. We are helping him to set up an operation that is going to recycle it. I am very pleased that things seem to be working out quite well.

The idea for rent geared-to-income, where did it come from? I had to ask Barritt where it came from and he said, *You.* John said.

[Laughter and inaudible interjections]

Lt. Col. Hon. David A. Burch: And I think . . . what I will say is that . . . and I thought, *Really?* And then I started thinking, it is probably because I'm old. And I remember when my parents and those of their contemporaries used to always talk about your rent was a quarter of your income. And you know, they were able to manage it. And so . . . anyway, it is working for us. It just seemed logical and reasonable that, you know, that is something that we could . . . the programme has not been as successful as I would like. And you expect that because it is new and you have got teething pains and people do not actually follow the script.

And especially our people because it is not in their DNA naturally, I don't think to save. And you almost have to force them and tell them, *I don't care if you've got \$5,000 saved. You cannot use it to go to Disney World. That is not what it is for. And you cannot use it to buy a new car. That is not what it is for. You already have another savings account for that.* And so it has been an uphill battle, but I think that being able to highlight the success stories with it will probably serve as an incentive to some others. I do know that once they start seeing the money building up and they cannot touch it, a light goes on, and [they say] . . . *This is mine?*

Yes, it's yours. But we are helping you manage it.

So I think that we will be able to incorporate and help some other folks. I can say that I am quite pleased, in a general sense, with the behaviour and conduct of those who are at Perimeter Lane, which is the facility that was built specifically for that purpose. And people generally are taking care of the property that they are fortunate enough to live in, albeit that we have other areas where there is rent geared-to-income, or part of the subsidy that we get from the government goes to help other people in other properties that are owned by the Corporation.

The 108 people who are looking for housing, I attend the BHC board meeting every month because it is the most important aspect of this Ministry in terms of providing housing. And we have an argument every month about this 108. And I disagree with the figure.

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: I do. I disagree with the figure, because I think it is more than that. I think that people have lost hope in our ability to be able to provide housing for them so they do not register. And so the Housing Corporation, in typical fashion, had come up with a solution to deal with me. And we shall shortly be launching a survey. So we will have data that either supports my argument or refutes it. But whatever it is, I will accept that argument as opposed to some obscure way that we go about coming up with 108 people. Because more than that call the Ministry on a regular basis. And, you know, when I call the Corporation they say, *No, we have never heard from them.*

So I say, *Could you announce that the Minister does not actually have a secret supply of housing under his desk, that if you get him you can have access to it?*

So, we are shortly going to be doing a survey that I am going to encourage every Bermudian who requires housing, even if they are housed, our whole mantra is that people have to be adequately housed. What we are finding in some of these requests to the Housing Corporation are people who are looking at what they can afford, and even though they may have a male child and a female child and parents, they are asking for a two bedroom. And what we are saying is that we are not going to contribute to that at all. And that they need to be *adequately* housed, [which] means that you are housed to suit the requirements of your family.

The Grand Atlantic project. Again, I guess I could go to this to some extent. It has got to be in here somewhere. Everything is in these 17 pages. But let me try to go from memory then. What we are doing there is we are turning it into a condo/boutique hotel. We are doing it in partnership with the Corporation and Bermudiana Beach Resort, which should be a plan that is familiar to the other side because I think they came to the table twice during your time in Government and had proposals. Where we are at the moment is that all of the units have been gutted of washers and dryers, bathtubs, and all of the fittings and fixtures, because we are upgrading. There are three show units that are almost completed at this stage in terms of being able to provide a pictorial view of what it is that is planned.

The buildings have had their first coat of painting, and that process will continue. We are using H.U.S.T.L.E. Truck workers to be able to do that. There is a resident project manager from Monte Carlo

who has done this type of development before, and he actually is managing the entire process and site. The reason why there has not been an announcement about the partner to run this site, even though we know who that is, is because the moment you utter those words you have to start paying. And so we expect, certainly before the end of the second quarter of this year, that there will have been an announcement and we will be well down the road to starting marketing and doing the various other bits and pieces, and recruiting of staff in terms of getting this project up and running.

What I will do since there seems to be a dearth of information about what has already been put into the public domain, is to make some effort to give a public update, over and above this actual budget brief.

The question was asked about the transition and collaboration and amalgamation of BHC and BLDC at Southside and how that transition is going and what are some of the benefits? And the relationship with WEDCO as well. Let me just say that soon after we came into Government I met with the three heads of those entities and indicated to them that we were back on the amalgamation path and that we should try at that stage to work together. I think I mentioned in, somewhere, recently, a decade ago when I had this responsibility all three of them bought the same computer system. Then when we did not amalgamate they still kept it and it is up to date and so they are able to talk to one another and amalgamate without any of the normal challenges that the rest of the Government has when you try and put two things together.

So that part of it is making the process a whole lot easier. What happens now is, in terms from a practical point of view, the GM [General Manager] I think spends his first hour of the day at BHC and then he goes to BLDC for half the day and then he comes back to BHC. And the CFO does the same thing. It is working out quite well in the sense that both organisations understand what their jobs are and are getting on with doing them. So they don't necessarily need the oversight, and so they are getting their feet on the ground in terms of understanding what is going on at BLDC from the point of view of being able to make decisions.

They have always understood what goes on at BLDC from the point of being a client and a tenant. So that has been a transition. What they have also had is a . . . all the staff from BLDC attended at BHC so that they could get to meet their counterparts and talk about the projects that they both have underway, and to see where there can be some synergy and similarities and collaboration and cooperation. And so that is working as one would expect. They now can pick up the phone and talk to a colleague and know who they are talking to and get the resources and the help that they may not have down at BHC, and ex-

change their own professional ideas and expertise, and so it is going apace.

In the case of WEDCO, we have not made any moves toward amalgamation with them, and that is particularly because of the uniqueness of WEDCO as the entity that manages the national ports. And so most folk will understand that the ports have their own separate culture and rules and regulations and whatever else in order to be able to manage them, and so I have left them alone rather than biting off more than we can chew. But what they are doing in terms of collaboration, BLDC—and BHC, to some extent—have properties and resources that they are responsible for in the west, Daniel's Head being a prime example.

And it makes no sense to any of us that BLDC should deploy resources to go cut the grass and the hedges and do whatever else at Daniel's Head, and waste gas and time and money travelling. WEDCO can do it. And that is the point of the MOU, because we are not going down the road of legislation and all the rest of it at this stage of transferring property assets from one entity to the other, because we do not know how that is actually pan out. The ability to collaborate and save money we can do without taking on that added burden as well.

We will see how it pans out and we will see how we can amalgamate the two together. It is my thought at the moment that the port management side of Dockyard is probably going to have to be at some stage carved out and managed on its own, in any case, as we advance.

To digress for a minute, some of the work that we are doing at King's Wharf, and I will report more fully on this the closer we get to actually completing that project, but there will be an ability to cater to the larger cruise ships. I will put down the first marker. There is going to be a second phase to the work that we are doing now. The larger cruise ships from an administrative point of view, I guess, are positioned in such a way that the pier that we are repairing now is not going to be long enough to accommodate the way that it [currently] operates. The pier can manage and tie up the larger cruise ships, but the way they have their doors positioned on the larger cruise ships to be able to service the ship, the pier is not long enough to do that.

And in a practical way, what that means is, they have got to bring the refuse off the ship basically [using] the same doors the passengers [use]. And that is not ideal and that is not what you want to do in a first-class jurisdiction. So we will follow this and we can do that after the season starts and probably expanding the pier by 100 feet on either side, so that it can accommodate the positioning of the doors on the larger cruise ships so they can do whatever they need to do separate and apart from interfering with passengers boarding and unloading the ship.

Where am I? Did I cover H.U.S.T.L.E. Truck? To everybody's [satisfaction]?

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: Harmony Club. The plan there is not exactly to create a senior's residence. And so I did not want to misspeak. What we are attempting to do at Harmony Club . . . it is our belief that seniors should not be parked away from everybody else in the community, because many of them, certainly for the seniors who we are catering to, are going to be capable of independent living. It is our belief that they should not have to be, in this particular case, because the demand for housing for us covers the whole landscape. If we can combine seniors with other regular tenants, the quality of their life will remain of quality.

So the plan at Harmony is to convert all of the ground floor units into seniors and wheelchair accessible accommodations. All of the upper ones, where there is a flight of stairs, can accommodate other people who are looking for housing. And so there will be a mix of both seniors and . . . I don't want to use the word "regulars," but younger folk.

And so where we are at in starting that process, we are doing it in phases. Members will be aware that it was a hotel. And so a major part of the challenge here is creating an entirely new infrastructure in terms of utilities, because you get one electricity bill and one water bill. What we want to do is divide that up so that you are going to be responsible for your own so that it does not cause any conflict, *I didn't use that much water. I turn my lights out.* So you do not get into that.

It means completely refurbishing the whole place, so we are going to do it in phases. There are four blocks there, two are currently vacant, and we have been transitioning people out of them in the natural course of events in anticipation of starting this process. So we will do two of them, move the people who are there across, and then we will do the others. It is my expectation that those plans should go . . . we are at the stage right now where we got some challenges with BELCO. Just as a matter of that they want too much money from us, basically, so we are having those discussions. But I expect that the plans will go to Planning in the next several weeks. We are that well advanced.

Health and Safety. I think that was . . . I read the question now, but it is not in English, so I don't know what it means.

[Laughter]

Lt. Col. Hon. David A. Burch: What was the question in relation to health and asbestos?

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: Oh, okay. All right. Excellent. Lunch and Learns.

The Lunch and Learns did not cover asbestos. But what they did cover was “Working with Millennials.” Now, they did not invite me to that, and I probably need it.

[Laughter]

Lt. Col. Hon. David A. Burch: I do not even know what a “millennial” is. Sounds like . . . sounds like—

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: Yes. SCARS training and sexual abuse and health and safety. I am not sure asbestos would have been covered, but health and safety is something that we do on a regular basis. Okay.

Grants and contribution, golf courses. Yes, I think you and Ms. Atherden asked a question about the \$1.35 million and \$950,000. The difference there is that they are always asking for money.

An Hon. Member: They are.

Lt. Col. Hon. David A. Burch: They are always asking for money, and so last year, in this current financial year, the reason why it went up by \$300,000 is because we gave them \$300,000 but we put that grant back to \$950,000 for next year. Now, there will still be the same challenge.

And I have indicated to the chairman, who is not in the House, that there are some other ways that they can look at generating some money. The deputy chairman is here so he can report. I am kidnapping the board and we are going to go spend a half a day brainstorming about how they can use some of their assets and their resources and how we in the Ministry can help them to be able to generate more revenue than just looking for fees from members.

And so I expect that we will come back next year with them having a better balance sheet than they have had in the past and not looking to have to get all of their money from the Government.

Materials and Supplies. What was the question on materials and supplies, because that is all I wrote?

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: Why was it low? What is the figure?

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: Yes. Would it be safe for me to say what I believe? Hmm?

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: I will expand on this one. There are obsolete items in storage.

I think you mentioned that as part of one of the great challenges that we are having. We are hoping that we will be able to crack this nut with the new store room that we have at the quarry. Part of the challenge that we have, and it is . . . you learn a lot in this job about stuff you never knew, by getting all the guilty in the room, i.e., the people that use the parts and the people who store the parts.

And so one of the things we learned is that the way they store the parts does not necessarily utilise the suppliers’ codes, and so you could have the same item in three different places. And [then when] you go to the one place and you have none, you order some more, when actually you have some more somewhere else. So we are trying . . . there is going to be an amalgamation of all of that before they actually start putting stuff in its new place in the stores.

You asked a question about high-fliers in the Ministry. What I can say is that, you know, I am very encouraged by the progress that has been made in that regard. I think that . . . I do not want to put my mouth on it, but I expect that the next chief engineer will be a young Bermudian. I expect that the next principal at Tynes Bay will be another young Bermudian. I think that we have had some . . . we do have some challenges at Tynes Bay in that BELCO does poach those people who are well-trained. What we are counting on, though, because not just at Tynes Bay but in other areas in the Ministry as well, is that what we are counting on and what we are capitalising on and trying to highlight by having these young people going off to Canada with Aecon and having Ricardo in the UK getting that sort of exposure . . . you cannot get that in the private sector.

And so what we are trying to create is a relationship and a broad scope of experiences and professional satisfaction from the type of work that they are going to do in Public Works, so that the money is not going to be the only thing that attracts them to leave us. So I am quite encouraged by that. In fact, we are seeing some of the young people who came to the Ministry as trainees a decade ago, and went to the private sector. And I always was sad, and I think most anybody in this job would be, when young Bermudians leave the Ministry. *Like, seriously? Why?* But they say, *I’m going to come back.* And we are starting to see that sort of transition. Carmen does not work for us. Carmen actually works for BELCO.

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: She is on secondment to us. And I have already put her on notice, *[whispers] she is not going back to BELCO.*

[Laughter]

Lt. Col. Hon. David A. Burch: Yes, I do not want them to hear me.

[Laughter]

Lt. Col. Hon. David A. Burch: But I will say that I am greatly encouraged . . . and I will come to that question again. You had also asked the question about savings and the economies of scale, particularly in relation to utilities and what have you, air conditioning and electricity.

We spend about \$12 million annually on electricity. It drives me absolutely crazy, because I have not yet been able to convince more than 10 other people in the entire government that the money that we are wasting is ours, we you leave lights on all day and all night. And so we have just hired, again, my favourite foreigner—I do not how he finds them. He found a young engineer, who was driving a truck for Gosling's, he graduated last May and could not get a job. And he came and said, *We need to finagle* . . . not finagle (You did not hear that, CFO.)

[Laughter]

Lt. Col. Hon. David A. Burch: He came and said, you know, *We need to make a way out of no way for this young man*. So we did. We were able to hire him on a year's contract, absorbing another job. And his mission in life is to do surveys of all of the government's entities with a view to how it is that we are going to save some money.

I have said to him that, you know, *Right now we are on thin ice in terms that you are here for one year, but you save us some significant money, and I will fight with the Ministry of Finance to create a job so that you can stay with us long term*. So it really, really is encouraging that . . . and he is going at it like gangbusters. You know, I mean, I have to get used to how these young people work because all of them work with two things in their ears, each ear, listening to music or whatever they are listening to. And at first I am like, *Seriously?* But then I see them working so I figure, Okay, I can even . . . I ain't saying nothing as long as they produce the work.

The travel budget in the Ministry has gone down by . . . you see, I do not think we spent much money this year. The PS and I have been on no trips for the Government. I do not think it came out of our budget. We send people away all the time, but that travel money is in their budget. Like, you know, we sent five workers to go buy trash trucks. We sent the chief and I think, Carmen, to New Jersey to test the precasting before we bought it. So we do that sort of stuff, but from a Ministry point of view, my own personal view is that if there are opportunities for us to make some progress and get some advantage, it is far easier and far more satisfying if the PS and I are

not the ones going. It really needs to be the frontline folk, who are actually going to make it happen.

I was so pleased last year when we sent the principal water engineer and the deputy chief engineer to the Bahamas to this infrastructure conference, and I mean, they . . . the principal had gone the year before with me. They came back on fire. And it was so rewarding. It was worth the money that we spent to send them. And not only did they come back on fire, they went to work like gangbusters. And a significant part of the national plan for infrastructure for water and sewage has come out of their shop. And they really are serious about it.

I have to keep them on the right path, though, in terms of, you know, they go so far off the reservation that they start talking in their secret engineering language and I tell Tac, *Nobody understands what you are saying, translate it into English so that we can convey to folks what it is that you are really trying to do*. And so I will say that I am very pleased with what we are doing in the Ministry in that regard.

I am surprised that I didn't get a question on the money that we have for summer students, because I do not have responsibility.

[Laughter]

Lt. Col. Hon. David A. Burch: But I can defend it—

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: No. I can defend it. I am going to answer it right now.

I can defend it because, of course, we have young people who are interested in the trades. Last year we had 42 summer students, I think, and everybody looked at us cross-eyed. But it was . . . we have the ability to be able to direct . . . not direct, but to provide opportunities for those young people where their interest lies. And they can figure out whether this is the space they want to land in, or not. And in many instances, that was the space they wanted to land in.

And so we sent them back to school and said, *Right. We will do day release, but you have to go back to school and make the arrangements. You tell them that Public Works is going to day release, but you find the teacher who is responsible for that and you organise that with us*. And so I am pleased that we have some young people who are actually doing what they did last summer. And probably will land in some of those spaces. And we are delighted to be able to do that.

You asked about the radios and the challenges we are having national security-wise. That really falls under them. I can tell you, I think a contract was recently signed for new radios. What they are doing . . . he is not here. I am stepping a little bit out of my lane. But all of the uniformed services are coming to-

gether so they can actually talk to one another under the same sort of contract.

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: Sorry?

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: We did not do that, no.

We have had additional requests for private entities to go in the towers, and we recently signed a few licences already. There still is capacity and so we will still entertain those as and when they come.

I am not sure if I answered this, but for those towers, the funding is in capital—

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: Yes. I answered that one? Okay.

[Inaudible interjection]

Lt. Col. Hon. David A. Burch: You asked the question about a young lady who was in HR and left us. Her name is Janeek Providence. She went to Corrections. And we went to Dockyard two weeks, and I said, *No, no. We are going across to warn her that she must return home.* And so I had that conversation with her, and all she did was grin at me.

[Inaudible interjection]

Lt. Col. Hon. David A. Burch: But I am still going to work on her because . . . yes, she was. She was very, very sharp.

You mentioned the question of the telephone system and the telephone numbers. Well, the only saving grace for the Government of Bermuda, and probably me too, Madam Chairman, that I would not have been charged for one of those phones that sit on your desk, is the fact that windows in the Ministry office do not open.

[Laughter]

Lt. Col. Hon. David A. Burch: Because that thing would have gone for a journey. I do not use it. I think that most people in the Ministry think, *Oh, the Minister gets his exercise or something, but he comes and sees us.* It is easier for me to do that. I know where they live, and I wander around to them. But trying to figure out what number to call, and you know, how many digits. And I tell . . . there is still one person in charge of it, and I said to him, *You had better learn a new skill. Because if I have my way everybody is going to have a cell phone.* In fact, I am going to ask, because I . . . I . . . Argus apparently does not have

phones on their desks. I learned this the other day. So I am going to be asking them to come and see how that all works. It goes straight to their computer, I think, or something. I do not know how it works. But I am going to figure out how it works, and we are going to get a system that actually makes a whole lot more sense than what we are dealing with right now.

In 46112, I did not write down what the heading is. There was a reduction of \$84,000—

Hon. Patricia J. Gordon-Pamplin: Central filing.

Lt. Col. Hon. David A. Burch: Central filing, yes. That is a reduction in consultants.

The House of Assembly, funding from the UK. I will look into that. That is not something that I had on my radar. But what I will say is that I think that the Government has too many buildings, quite frankly. And we cannot save them all. This has to be one that we have no choice in saving, so we are going down that road.

So I would really like to put down a marker that, you know, some of these buildings are going to have to go. Because, you know, as I said before, I will do what they do in the UK. For the ones that people love, I will take a picture of it.

[Laughter]

Lt. Col. Hon. David A. Burch: I will take several pictures of it, and I will order a plaque. And when we put up a new building, I will put both of those on the building. That is what they do in the UK. Okay? The motherland.

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: No, but let me say this. This whole question of mould . . . and it is driving me to despair because, first of all, it is the national flower of Bermuda. Okay?

[Inaudible interjections and laughter]

Lt. Col. Hon. David A. Burch: It is the national flower of Bermuda.

[Inaudible interjections and laughter]

An Hon. Member: I will give you that one.

Lt. Col. Hon. David A. Burch: I put on about a 10-year old pair of shoes today.

[Laughter and inaudible interjections]

Lt. Col. Hon. David A. Burch: I do. No, and when I went two days ago in the back of the closet to dig . . . I

said, *Oh, I forgot all about these shoes.* And they were green!

[Laughter]

Lt. Col. Hon. David A. Burch: And I thought, Okay, I am going to do what I always do. I put them out in the sun. They dried out. I brushed them off. I got polish to put on. And you would not know, not only that are they 10-years old, or that 48 hours ago—

An Hon. Member: They were green!

Lt. Col. Hon. David A. Burch: —they were green. So it is an application of common sense, how we must approach this.

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: No, no. There ain't no glue coming off.

[Laughter]

Lt. Col. Hon. David A. Burch: And so, I mean, with the problem that we had in the schools when we first came, a major . . . and I have seen the survey now of the, I think it is 175 issues in schools. I guess we will be reporting on that at some stage. But a significant number of the challenges with it, in relation to mould, comes down to housekeeping. I mean, you go into . . . I went to . . . and I am going to throw him under the bus.

The PS and I on Tuesday went to 113 Front Street. That is where the Old Supreme Court is. And it has been closed. It is absolutely ridiculous. First of all, they walked out of the building like, you know, somebody had pulled the fire alarm.

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: Yes. So there is stuff . . . and my solution to it, right? My solution to it is that I can get the building cleaned out for you, you know.

[Laughter]

Lt. Col. Hon. David A. Burch: And you will not have to pay to dispose of the stuff. Because it is going to go straight to Tynes Bay. Because nobody is going to go down there and try to wade through . . . just the bad housekeeping behaviour of, you know, how people are . . . they would not do it at home, and it frustrates me that they do—

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: Well, yes, that's true. I canvass. I should not say that.

[Laughter]

Lt. Col. Hon. David A. Burch: And so I think at the end of the day we will look to the UK to get funding, but at the end of the day I want to put people on notice. Some of the buildings that you love are going to have to go because we just cannot maintain them and it makes no sense providing, you know, whatever we are going to provide to prevent them from being occupied by vagrants or whomever.

Okay. I answered the question about energy efficient lights, AC, window's open, and what have you.

The scheduling on how we can renegotiate vacation time for people who accumulate a whole lot. I do not know how we crack this nut other than holding firm to the policy that really is in force, "use it or lose it." I do know that when we were in Government before and I had responsibility for the police, we actually bought off all that time. We said, you know, we are going to bite the bullet. We are going to buy off all the time. And then we are going to draw a line in the sand.

And you cannot . . . either use it or lose it. And that has got to be the fair way. I suspect that has not happened and probably . . . well, you know it has not happened because the Commissioner resigned in 2018, but he left in 2017 because he had so much leave.

[Laughter]

Lt. Col. Hon. David A. Burch: You know. His retirement date was in 2018, but he was on his bike long before then.

What I will say, though, the Premier launched this morning . . . is it in the public domain?

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: No? Oh.

[Laughter]

Lt. Col. Hon. David A. Burch: Anyway, it is going to go over everybody's head anyway. But he did launch this morning amongst all the heads of departments a civil service reform. And it really is . . . and I think it is being led by Cherie . . . and I think it was [announced]. It was Cherie Whitter's new responsibility. It is going to be led by her. And so the key is . . . it is not just in the civil service; it is people generally.

And she said it this morning, you know, that people are resistant to change. They are like, *It is the way I've always done it. And it is plenty good enough for me. And that is how it should remain.* But if we are going to advance and get to where we want to be in terms of doing a number of things, we have got to buy into it.

You asked about \$5,000 and \$2,000 of revenue. And why it went down. It went down . . . it is for the parking lot at 113 Front Street, Youth and Sport. And it has been closed so there has been no parking down there. That is why the revenue has gone down. But I expect that it will go back up, probably significantly, because a number of people by my estimation have been parking on there without paying. And so the gates are locked now. If you go that way down Court Street, the gates have been locked for a couple of weeks. So we are going to get a handle on who actually is parking there and whether we can get some money out of them.

Now, I am just going to go to the [questions] that I have and see if I have not answered any. There was a question about, I think we have \$2 million in vehicles. We are down from \$3 million. That actually covers the whole landscape. It is not just GP cars . . . and I hate saying GP cars because people only think of 1 through 13. It covers the whole landscape. We actually had a request . . . how much did you say before? Well, I had a whole page of vehicles. And it does cover things like payloaders, and dump trucks, and various other things that there has been a dearth of replacement of those. And so what we are trying to do is replace them. But we are also trying to do is to look at some other ways of doing that.

There are three GP cars on here, and I might as well as put it in the public domain so I will not just get a flogging on a Tuesday, for ministerial cars. I have warned them that we are looking to downsize the size of those cars, in some instances. And it is not a “Burchism” only. It is not a “Burchism” at all, actually. We bought the Toyota things, blue things, and they are all blue and blah, blah, blah. Because we would have visitors here and say you could take them out of service. We have only ever had, I think, five . . . an occasional where we had to use five of them. So there is probably is not a need. There is not a need as far as I am concerned to have 13 of them, or 12 of them, or whatever the case may be. And so we will be looking to downsize the cars that are assigned to Ministers. And we will be looking at the oldest in the fleet in terms of retiring some of those.

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: No, no. That is why they are going to be smaller.

[Laughter]

The Chairman: Minister. Let me . . . just one second. Honourable Members, we are here being entertained . . . oh, I am sorry. We are now in Committee of Supply—

[Laughter]

The Chairman:—for further consideration of the Estimates of Revenue and Expenditure for the year 2019/20. We are doing Public Works, Heads 36 and 53 are now being debated. I just want to say that we are now at the time of 6:47, and so we have one hour left in this debate.

Minister, you can continue.

Lt. Col. Hon. David A. Burch: One hour?

An Hon. Member: Whoa!

Lt. Col. Hon. David A. Burch: Okay. I do not know how this came.

The E1 system, the real challenge we are having with the E1 system—and I am going to put it right out there—is that of course it is managed and controlled by the Accountant General who is probably the captain of silos. Is that fair enough to say? So he protects it like it is his firstborn. And so even though it has the ability to record inventory and things down to the level that would be very helpful, we have not yet been able to crack that nut for him to relinquish that ability to us. So I put it out there where it is. We need the Minister of Finance in here, or we will not get it.

There was a question I missed about water. And somebody asked about leakage, I think. Was that it?

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: Debt collection for water.—

The Chairman: Member.

Lt. Col. Hon. David A. Burch: That is what it is. Oh, yes, and the example that the water was just flowing away. What the Water Section has been able to do is to install smart meters now, so we are able to monitor when things are going awry and be able to take corrective measures almost immediately.

The most recent example of that was at King Edwards. It was bleeding water like there was no tomorrow, and there was no way that they were utilising the water that was being utilised, so we were able to address them and get it corrected. Part of the work that is going on at Middle Road right now, down to Devonshire, is designed to replace those water mains that have been leaking like faucets every time you turn around.

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: Yes. What we are also doing is that we have one of the posts in Finance, I believe, if they have done what I have asked them to do, we have assigned to somebody to concentrate almost exclusively on collections.

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: Oh, see they listened to me.

Here is the asbestos question, and it is a little more detail so I will still say it. The employees have to have regular tests with their doctors for those who have been exposed to asbestos.

The Ministry actually has a policy now . . . is it annually that we sign it? Okay. So the Minister and the PS must sign to say that this is the policy that we are going to implement and direct the health and safety officer in the Ministry to actually carry out the responsibility that he does. So the 315 hours and the 311 staff that he did, I think that demonstrates that we are doing what we have been asked to do.

In relation to truckers and others who owe the Government money, we have, I think, probably continued a plan and a programme to have them earn credit for the work that they do toward their debt in the case of the extended hours at Tynes Bay. The provider there agreed to extend the hours, first, to whatever it was originally, and now 7:00 to 7:00, seven days a week. And we have negotiated a deal where he does not get paid his full amount, but that he gets a credit toward his indebtedness as well.

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: Oh, other expenses. Someone asked a question about why other expenses have gone on to \$20,000. Those cover retirement gifts, staff team-building functions, off-site meetings. The team-building function last year was cancelled by the Minister to save money.

[Laughter]

Lt. Col. Hon. David A. Burch: I am going to reinstate it this year though.

As for the potholes, I will look into that. I know that the chief engineer has been looking at a number of ways of being able to assist in relation to asphaltting in the country. I think you probably are correct that we produce the most expensive asphalt . . . well, actually, no we don't, East End does. They do \$400 a ton, and ours is about \$250. So the Corporation should hire us to do their paving.

But what we are doing in relation to repurposing asphalt, like at the quarry, for the two Artemis buildings, a lot of the filling before concrete was glass, and then repurposed asphalt. But we are also, and I have not seen it in the budget, so I hope it is here somewhere. We are looking to purchase a milling machine that will re-mill the old asphalt and we are specifically going to utilise that asphalt to do private roads so that we can bring the cost to individual homeowners down dramatically, because you do not need the

same quality of asphalt for private roads that you do need for the main road.

I think there was a question about the transport costs. It is another one that I would like to see us fix, because we have this strange situation where Marsh Folly rents trash trucks from the quarry. They are giggling because they know how ridiculous I think that sounds. So we have this strange system of charging back for services that we provide. And we have the discussion all the time that you know, I come to parliament, I get beat up to get \$72 million and then you tell me I have got to go and be exercised to try to figure out how we charge this money back all around the same place to the same Ministry or the same Government. That is probably a bigger nut to crack than some of the others.

There was a question about training under-spend. We were able in the last budget to pay . . . we paid \$40,000 to the Bermuda College for the BeFAST programme in the last budget. So we were able to effect some savings in this budget.

[Crosstalk]

Lt. Col. Hon. David A. Burch: In relation to, I think there was a question about purchasing, generally, and some of the challenges that we have been having with offices. I am probably the cause of that too because I have not been able to wrap my mind around . . . and I get it that purchasing is a little more complicated than I give them credit for. But I have not been able to wrap my mind around why we need to bring in a work permit holder in order to be able to do that. So I refused to agree to a work permit and so it stopped everything dead in its tracks.

But I think we are back on track now in terms of being able to give a Bermudian the opportunity to be able to do that. And I think that if . . . and promoting from within. And so if we do that we should be able to bring somebody in at entry level to be able to do the work that they are doing now and train them up.

[Pause]

Lt. Col. Hon. David A. Burch: Okay. I think I am there.

So, Madam Chairman, thank you.

The Chairman: I recognise the Member from constituency 23.

Hon. Patricia J. Gordon-Pamplin: Thank you, Madam Chairman.

Madam Chairman, just a quick overview statement. This has been the most enjoyable Ministry that I have seen, that I have had, probably in 10 years of Budget Debates. Thank you, Minister.

I have a question on page B-216 with respect to the training budget, which you just mentioned. The

question is, In doing the Health and Safety training, does your Ministry have the opportunity to liaise with some of the courses, i.e., in asbestos or mould and self-remediation that are put on by the Health Department? Or are all of your training programmes only those that are conducted in-house?

That is just a question that I remembered that Bob Olander and the likes performing asbestos abatement training and there were people from other government departments who were always present. I am just wondering whether the people in your Ministry, given that they will be exposed to asbestos challenges in some of the buildings, whether they had that level of training and expertise by cross purposing with the Health Department on those training sessions. That is one question.

The other question on page C-5, with respect to the loan, 75334, WEDCO South Basin Land Reclaim. You indicated that these were financing costs, [this was] the reason it had gone down, it was because you had re-negotiated the terms. The question I have is, Was the principal re-negotiated down, or was the term of the loan of the loan extended, or was the interest rate adjusted, or was there a combination of the three. And if you could give us some indication as to the details relating to that I would be appreciative.

And with respect to your architectural services (and I did not write down the page, but it is there somewhere), within the architectural services, have there been architectural drawings done in respect of the old police station in terms of what is going to happen with that building?

So, the question was with architectural services coming into the department, were there drawings done by the architectural department in respect of the, I think it is called the Allenhurst Building, the old police station. We see that some work has been done, and I just wondered whether that was going to be ongoing.

And one final question. I said it in jest, in terms of on page C-12, when you spoke to vehicles and you indicated that there are likely to be three new cars that were coming on for . . . that you were likely to downsize. And I said that very much tongue-in-cheek and in jest whether driving lessons were going to come along with that. I say that only because I have never seen so many scraped up, or banged up cars. So the question is, when it comes to the repairs relating thereto, are all of those repairs done in house down at the Quarry in terms of how we make our GP fleet look still as pristine as it can be, given the fact that the fleet is ageing and that there is some really, really rough driving that is going on. So those are my questions.

The Chairman: I recognise the Member from constituency 19.

Hon. Jeanne J. Atherden: Thank you, Madam Chairman.

To the Minister, on B-215, this is cost centre 45115, telephone maintenance. I am noticing that the expenditure from 2017/18 was supposed to go up in 2018/19, but it actually went down, revised. And it is further going down. I just wondered, bearing in mind the issues, et cetera, of telephone maintenance, et cetera. I was just wondering what is the plan, why is this going in that direction, in terms of a downward trend rather than upward? Is there some technology that is going to be introduced, or something along those lines? If he would just explain that to us. Thank you.

The Chairman: I recognise the Member for constituency 12.

Hon. L. Craig Cannonier: Yes, on page B-214, the Minister mentioned about properties. I was actually quite glad to hear him say that they are looking at getting rid of some properties. I wanted to ask the question (I forgot this question, I had it listed but . . .), there is a list of properties that has already been put together by the Estates [Section], and I was curious as to whether or not the Minister has seen that list.

If he will recall, we started by selling off the Harrington Sound Post Office building, and I believe the government netted seven-hundred and something thousand, almost eight-hundred thousand dollars for that particular building. Knowing that we are not able to keep up with the maintenance of most of those buildings, is it in the Ministry's mandate to continue to auction off these buildings which would net some good money in the near future? We have not seen it for a while now.

The Chairman: Minister.

Lt. Col. Hon. David A. Burch: Thank you, Madam Chairman.

Yes, I have seen the list of property sales. I have seen it. We have not advanced it as yet. What we are doing is looking at the needs of the government, first in terms of accommodation, because I think there are a couple of options. First, we have to look at the inventory that we have. We have to make realistic decisions about whether we can save all of these . . . I think we made the decision that we cannot save all of the buildings. But to make decisions about the ones we cannot save and demolish them so that they are not a drain on the public purse, either from a security point of view or various other things in terms of having squatters and what have you. So that process is ongoing, not just for office accommodation, but across the board.

And I have been periodically getting the appetite of the Cabinet for specific, sort of, projects, and whether there is a willingness to divest some of them.

And in a general sense there is an understanding of the challenges that we face. So, all of them, in almost every case I think, have to come to this House in any case. So we will be bringing them here on an individual basis about how it is that we can go forward.

The local calls went down. The new technology is bringing down cost. And also, I think the lack of use of the telephones, because I am not the only one frustrated by the system that we have. Other people are frustrated by it too, so they just do not use it. They go on a walk. So our health should improve!

The repairs to GP cars. I think that . . . I share the Honourable Member's view about cars being banged up. And my own view is that there should be some sanctions levied for those when it is their fault.

[Inaudible interjection]

Lt. Col. Hon. David A. Burch: Give them some bus tickets?

But, yes, I think that is part of the process. I think that some people cannot drive, and that is part of the drive (no pun intended, or pun intended) to go to smaller cars, like the little box [Soul] Kia.

[Inaudible interjection]

Lt. Col. Hon. David A. Burch: They don't know yet.

[Laughter]

Lt. Col. Hon. David A. Burch: In relation to the Allenhurst drawings, they were done in house. They are renderings, really; they are not really architectural drawings. But you may recall from the 17-pager that we had purchased a drone some time ago that has the ability . . . you put it in . . . I haven't seen it actually operate yet. But you can put it in the centre of the room and it spins around and spits out as-built drawings. I think it cost us a couple of thousand dollars, but it has already earned its weight in gold. And I want the demonstration [of this drone] for me to be on the Allenhurst Building, because it is now completely gutted, and we are ready to move to the next phase of what that looks like. And we need those plans before we can actually move forward.

In relation to the WEDCO loan, what we did was combine all of the loans that WEDCO has and re-negotiate the rate. So, the rate was reduced.

In relation to asbestos training, we have not—

[Inaudible interjection]

Lt. Col. Hon. David A. Burch: Sorry?

[Inaudible interjection]

Lt. Col. Hon. David A. Burch: No, same period. That is my understanding.

In relation to asbestos training, since you were the last Minister of the former Government in Public Works, are you telling me that the Derrick Simmons was not there when you left? Derrick Simmons, the Health and Safety Officer.

[Inaudible interjection]

Lt. Col. Hon. David A. Burch: Yes. You were the last Minister. Was he there when you were there?

[Inaudible interjection]

Lt. Col. Hon. David A. Burch: Okay.

Well, if he was there when you were there, you would not be asking me this question, because—

An Hon. Member: Sharp.

Lt. Col. Hon. David A. Burch: Well, Sharp is not . . . That goes over the top a little, I think. A little bit.

[Inaudible interjections]

Lt. Col. Hon. David A. Burch: No, and I asked that question, because our in-house health and safety . . . he drives me to despair because I go back to my original comment an hour ago. Mould is the national flower of Bermuda. So, I am not, you know, intimidated by it. But I can tell you that when we went to look at the Allenhurst Building in particular, he set out the criteria we needed in order to go into the building. And it meant a white suit and a respirator, but a certain kind of respirator. And so we bought respirators, and he said, *No, they're not good enough.*

And I was so annoyed, that I went on Amazon.com and ordered the respirators that he wanted us to have, and brought them into the country, because it was going to delay the process. So I feel as if we are over-regulated in terms of health and safety. So, no, we do not need to go outside the Ministry. I am not adding any more layers of health and safety training. And I signed the document, and it was on the condition that he is the one who . . . he cannot go outside the Ministry and get support

The Chairman: Thank you, Minister.

Does any other Member wish to speak?

We recognise the Member from constituency 12.

Hon. L. Craig Cannonier: Thank you, Madam Chairman.

Again, I would just like to thank the civil servants who have been here all day. I said that we were not going to be this long, but we wound up being this long. But it was thorough, I must say. I believe that with the questions and answers that have been put forward we have done well for this Ministry. I want to,

again, show my appreciation to the Department of Public Works and the Housing Corporation for the great work that they do. Thank you.

The Chairman: Does any other Member wish to speak?

Minister.

Lt. Col. Hon. David A. Burch: Madam Chairman, I move that Heads 36 and 53 be approved as printed.

The Chairman: It has been moved that Heads 36 and 53 be approved.

Is there any objection to that motion?
No objection.

[Motion carried: Ministry of Public Works, Heads 36 and 53 were approved and stand part of the Estimates of Revenue and Expenditure for the year 2019/20.]

Lt. Col. Hon. David A. Burch: Madam Chairman, I move that the Committee rise and report progress, and ask for leave to sit again.

The Chairman: It has been moved that the Committee rise and report progress, and ask for leave to sit again.

Are there any objections to that motion?
There are none. Thank you.

[Motion carried: The Committee of Supply agreed to rise and report progress, and sought leave to sit again.]

House resumed at 7:13 pm

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

REPORT OF COMMITTEE

ESTIMATES OF REVENUE AND EXPENDITURE FOR THE YEAR 2019/20

The Speaker: Good afternoon, Members.

Are there objections to the Committee of Supply's consideration that was done for the two heads today being reported to the House as printed?

An Hon. Member: No objections, Mr. Speaker.

The Speaker: No objections. Thank you, so reported.
There are none.

We will now move on to the next order on the Order Paper today. I believe the first order we are doing is Order No. 4, the consideration of the Bermuda Immigration and Protection (Land-Holding Charges) Amendment Regulations 2019, in the name of the Minister of National Security.

Minister.

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

The Speaker: Yes. Continue.

REGULATIONS

BERMUDA IMMIGRATION AND PROTECTION (LAND-HOLDING CHARGES) AMENDMENT REGULATIONS 2019

Hon. Wayne Caines: Mr. Speaker, I move that consideration be given to the draft regulations, entitled Bermuda Immigration and Protection (Land-Holding Charges) Amendment Regulations 2019, proposed to be made by the Minister of National Security under the provisions of section 102C(1)(a) of the Bermuda Immigration and Protection Act 1956.

Mr. Speaker, the Bill before this Honourable House is the Bermuda Immigration and Protection (Land-Holding Charges) Amendment Regulations 2019. Honourable Members may recall that the Bermuda Immigration and Protection (Land-Holding Charges) Amendment Regulations of 2013 were introduced by the previous administration as a tax initiative aimed at stimulating economic activity and employment by way of temporarily reducing licensing fees for non-Bermudians in their purchase of Bermuda property, and it is currently due to expire on March 31st 2019.

Mr. Speaker, this Bill seeks to extend the concession for a further 24 months until March 31st, 2021. This means that the current licence fee rates of 12.5 per cent of the value of the property purchased by non-Bermudians, and 8 per cent for condominiums not used for tourism purposes, and 6 per cent for PRC holders will be extended for this period.

During this extension the Government will evaluate the effectiveness of these concessions on property sales. With these remarks, Mr. Speaker, I now commend this Bill to the House for Honourable Members to discuss.

The Speaker: Thank you, Minister.

Does any Member wish to speak?

I recognise the Honourable Member Sylvan Richards. You have the floor.

Mr. Sylvan D. Richards, Jr.: Thank you, Mr. Speaker. We on this side have no difficulties with this piece of legislation.

The Speaker: Thank you, sir.

Any other Honourable Member wish to speak to this?

An Hon. Member: No.

The Speaker: No other Member.
Minister.

Hon. Wayne Caines: Mr. Speaker, I move that the said draft regulations be approved and that a suitable message be sent to His Excellency the Governor.

The Speaker: Are there any objections to that?
No objections, so moved and approved.

[Motion carried: The Bermuda Immigration and Protection (Land-Holding Charges) Amendment Regulations 2019 were approved.]

The Speaker: That now brings us on to the next item on the Order Paper, which is Order No. 5, the second reading of the Miscellaneous Taxes Amendment Act 2019. I believe the Junior Minister of Finance . . . Junior Minister, you have the floor.

BILL

SECOND READING

MISCELLANEOUS TAXES AMENDMENT ACT 2019

Hon. Wayne L. Furbert: Mr. Speaker, with the Governor's recommendation, I move that the Bill entitled the Miscellaneous Taxes Amendment Act 2019 be now read the second time.

The Speaker: Any objection to that?
None.
Continue, Junior Minister.

Hon. Wayne L. Furbert: Mr. Speaker, the purpose of this Bill before the Honourable House today is to make amendments to the Miscellaneous Taxes Act 1976 ("the Taxes Act") and the Miscellaneous Taxes (Rates) Act 1980 ("the Rates Act") to introduce a new tax structure for cruise ships and cruise ship passengers, and to make consequential amendments.

Mr. Speaker, the existing tax structure for cruise ships and their passengers is comprised of a passenger cabin tax and passenger departure tax. In reviewing the taxes paid by cruise lines, the Government determined that there was scope to update and simplify the current tax structure while remaining a competitive and comparable cruise destination.

Mr. Speaker, the passenger cruise tax specified in the Taxes Act is charged in respect of each visit by a passenger ship to Bermuda. It is payable by the owner, operator, or agent of the ship at the rate prescribed in the Rates Act. The passenger cabin tax is calculated by referencing the number of passenger cabins on a ship and the number of nights a ship is docked, or at anchor in Bermuda. Cabin tax does not apply to ships docked in the City of Hamilton or the Town of St. George. The cabin tax is currently \$14.00 per cabin from May to August; \$10.00 per cabin September to October. It has not changed for 13 years.

The passenger departure tax also specified in the Taxes Act is charged per passenger departing from Bermuda by passenger ship. As with the cabin tax, it is payable by the owner, operator, or agent of the ship at the rates prescribed in the Rates Act. The present departure tax is currently \$20.00 per passenger from April to October, to a maximum of \$60.00, and that has not changed for 17 years.

Mr. Speaker, there is an additional charge paid by passengers on large cruise ships which is a capital recovery charge. This charge is \$22.00 per passenger, per visit. It repays the loan provided by RCI, or Royal Caribbean International, to dredge the North Channel so that the *Quantum* class ships can access Heritage Wharf and King's Wharf. Agreements with our contract cruise partners prevented taxes being raised while the loan remained payable. With that loan now repaid by the Bermuda Tourism Authority, the Government is in a position to address the outdated cruise tax regime. In other words, Mr. Speaker, the Government was not able to increase the passenger tax until that loan was repaid. And not only that, NCL [Norwegian Cruise Lines] would not pay additional costs, unless RCI paid an increase in passenger fees, and every other cruise line would not pay any additional [costs].

So, Mr. Speaker, it just made common sense for the Government to pay off that loan so we can charge additional passenger tax.

So, first, Mr. Speaker, the amendment Act repeals the passenger cabin tax for the Government's more targeted approach to taxes. The cabin tax is unnecessary and somewhat duplicative.

Secondly, the amendment Act introduces a new "large ship infrastructure tax." This tax applies to passenger ships with a gross tonnage exceeding 149,000 tons, or which exceeds 1,120 feet in length, or they carry more than 4,000 passengers. This tax is intended to fund infrastructure improvement associated with it, and required by the large cruise ships that frequent Bermuda. As with other passenger ship taxes, it is payable by the owner, operator, or agent of ship at a rate prescribed in the Rates Act.

Mr. Speaker, the amendment Act amends the Rates Act to set the infrastructure rate at \$22.00 per passenger per visit between April and October. Further amendments to the Rates Act increase the passenger departure tax by \$5.00 to \$25.00 per passenger for a 24-hour period, up to a maximum of \$75.00 for ships docked in or anchored and tendered at Dockyard. The departure tax of \$21.00 . . . sorry, was formerly at \$20.00.

Mr. Speaker, the final provision of the amendment Act pertains to consequential amendments made to the Taxes [Management] Act of 1976 and the Tax (Accounts and Records) Regulations 1991, due to the repeal of the cabin tax and the introduction of the large ships. Mr. Speaker, Members should be aware that by Government allowing the

Bermuda Tourism Authority to take over the loan, we were able to increase the passenger tax by at least, I think, \$14 million. The loan at the time was \$6 million (In case a Member or anyone asks). So we took up the loan and we now are collecting much more per year. So that was easy to work [with].

[Crosstalk]

Hon. Wayne L. Furbert: So, Mr. Speaker, with those few remarks, I think the Government was asked [about] some of our efficiencies. This is one of them. By looking at the whole package of what the cruise lines were doing, the Government was able to now make much more money by doing what we are doing this year, [with] the passenger tax, the cabin tax, and the infrastructure fee which will be eventually talked about by my honourable colleague, Honourable Zane De Silva, in a few minutes.

Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

Does any other Member wish to speak?

We recognise the Honourable Member from constituency 23. Honourable Member Gordon-Pamplin, you have the floor.

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

I thank the Junior Minister for his explanation as to the intent of this Miscellaneous Taxes Amendment Act. I just want to harken back to the days when the loan to which he referred actually came into being. It was predicated on the dredging and widening of the Channel, which was undertaken at the time by RCCL, Royal Caribbean [Cruise Lines], and they were effectively doing it, I guess (and I don't want to misstate it, but,) on their dime for our, you know, sort of combined—

Hon. Zane J. S. De Silva: Point of order, Mr. Speaker.

The Speaker: Point of order? We will take your point of order.

POINT OF ORDER

Hon. Zane J. S. De Silva: The Honourable Member, if she is not sure should not—

The Speaker: The “Honourable Member.”

Hon. Zane J. S. De Silva: I said the “Honourable Member”—

The Speaker: Yes.

Hon. Zane J. S. De Silva: The Honourable Member . . . if she is not sure she should just stay away from that because it was not done on their dime, it was done on the Bermuda taxpayers' dime.

The Speaker: Okay.

All right. Continue on, Member.

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

The Speaker: You heard the update that the Minister provided so keep that in mind.

Hon. Patricia J. Gordon-Pamplin: Yes, yes, and I accept that.

The Speaker: Okay.

Hon. Patricia J. Gordon-Pamplin: I said it from the point of view of saying “on their dime,” but through their negotiations with the Government that we would have to pay, ultimately, for which the loan was initially taken out. But RCCL did a tremendous amount of the grunt work in terms of arranging the specifications in terms of what was required.

A lot of that Channel widening included the relocation of coral at the time for the larger ships to fit through—

Hon. Zane J. S. De Silva: Point of order, Mr. Speaker.

The Speaker: We will take your point of order.

POINT OF ORDER

Hon. Zane J. S. De Silva: The Honourable Member should leave this alone, because what she speaks is not true. They did not do the grunt work; they did *all* the work. But the Bermuda taxpayers paid all the bills. Don't try to make it look like something it ain't.

The Speaker: Okay. We've got your point. They did the work, Government paid for it.

Hon. Zane J. S. De Silva: Yes.

The Speaker: Is everybody clear on that?

Okay. All right.

Hon. Patricia J. Gordon-Pamplin: Mr. Speaker, that is exactly what I said. I said. I said that—

[General uproar]

The Speaker: Ah, ah, ah. No, no, no, we're clear, we're clear.

Hon. Patricia J. Gordon-Pamplin: —RCCL—

The Speaker: Anybody confused?

An Hon. Member: No.

The Speaker: No one is confused.

Hon. Patricia J. Gordon-Pamplin: No, I don't think so.

RCCL did the grunt work. And I say that . . . the Honourable Member may have a different explanation, or a different description of what I am calling the "grunt" work. They did the work, the Government had to pay. And that we did. So once the project was completed, during the currency of the project, one of the conditions was that the Government was precluded from increasing the fees. So, to now have the loan repaid, which gives the Government freedom to be able to look at and re-evaluate and re-assess the necessary fees is very positive and we support that.

Mr. Speaker, I do note that in the new taxes there is no charge for passenger ships between November and March, because our primary season is effectively April 1 through October 31. And for that we have the varying charges to which the Honourable Member referred. But for passengers travelling between November 31st and March 31, the passenger departure tax bit of it is nil. And that is positive from the perspective that it gives us the opportunity to expand and embrace the winter season cruise visitors without [them] having to pay that additional charge.

The only question that I have is, if the Minister would be good enough to advise us whether he had any pushback from the other cruise agencies, from any of the cruise agencies, through the negotiation and consultation process in respect of the charges that are being implemented under this new taxation. If the Minister could respond to that, I would appreciate it. Thank you.

The Speaker: Thank you, Honourable Member.

Does any other Member wish to speak?

I recognise the Honourable Member from St. George's. Honourable Member Swan.

Mr. Hubert (Kim) E. Swan: Yes, Mr. Speaker.

Mr. Speaker, during this budget—this Miscellaneous Tax Amendment Act speaks to some very important points as it relates to the cruise ship season that we enjoy, and the elongated season that we seem to have coming our way. Certainly, it would not have taken place without a significant investment in Dockyard that has certainly yielded a 13 per cent increase in tourism. And from that, Mr. Speaker, I want to congratulate the Junior Minister and the finance team for making this possible.

The Speaker: Thank you, Honourable Member.

Does any other Member wish to speak?
Junior Minister.

Hon. Wayne L. Furbert: Thank you, Mr. Speaker.

You know, this reminds me a little [bit of] the airport. Why do I say that? Because when the loan was taken out in 2015, it was \$16 million. The government lost all of that revenue and was not able to increase the passenger tax from 2015 to 2019. If we were able to increase [this revenue] significantly, about \$10 million, just this year, what could we have done over the last five years? The loan was taken out at 6 per cent for 10 years.

[Inaudible interjection]

Hon. Wayne L. Furbert: I guess I did not hear you.

An Hon. Member: We would not have the Channel.

Hon. Wayne L. Furbert: No, no, we would have the Channel.

Mr. Speaker, what I am saying is that we could have the Channel done. We have control of the Channel. We were able to take up \$37 million for that empty island up in Dockyard, or more. Why could we not have borrowed \$16 million for a cruise . . . for what was important to us as a country? And we could have raised . . . my point is this, Mr. Speaker. We could have increased taxes over that long period of time we were stopped. We were hindered from raising those passenger taxes and every other tax because we were tied into a loan agreement for 10 years.

It was not until it came before us. And it just did not make sense. So we said, *Look, pay off the \$10 million [loan] and then government can collect well over \$10 million in the first year.* It is just common sense. So, next year we will increase it.

Bermuda is a very high-demand place for cruise ships. If you come here in the summer time, sometimes there is 105/110 per cent occupancy level. I mean, it is just crazy how the demand is for Bermuda. So it was not about that. So the negotiation took place, thanks to the Transport Department and Kevin Dallas of BTA was able to go down there and negotiate a good deal for Bermuda.

So now we are in a better position and our revenue goes up because of that one thing. We re-negotiated and were able to receive more revenue based on . . . and I say this is what the Government could have done themselves. They took \$37 million off or more, I forget what the price was, and let WEDCO . . . the Government's guaranteeing it. Look at our capital cost, we are paying \$6 million a year for that empty island up there right now. All I am saying is that I think if the Government would have thought it out [a bit better]—so it gets back to the airport. I am not trying to stretch it, but we could have done many other things in paying for that particular airport ourselves.

There are many Bermudians who would be [very] happy to collect 15 per cent return on their investments a year. They are getting half a per cent now, or sometimes zero at the bank.

If you recall, Mr. Speaker, the Bank of Butterfield floated (I forget what it's called) preferred shares at the very beginning and they were eaten up overnight. All I am saying is that we could have done some things differently. But it's not there, the Government is in position right now, and hopefully as time goes on we will be able to do something with the airport and get back that \$30 million we lose every year.

Mr. Speaker, with those few remarks, I move that the Bill be committed.

[Inaudible interjection]

Hon. Wayne L. Furbert: Oh, sorry, what was the question?

[Inaudible interjection]

Hon. Wayne L. Furbert: No, there was no pushback. I thought I said that.

[Inaudible interjection]

The Speaker: Okay.

Everyone is comfortable?
We will move into Committee.
Deputy.

House in Committee at 7:34 pm

[Hon. Derrick V. Burgess, Sr., Chairman]

COMMITTEE ON BILL

MISCELLANEOUS TAXES AMENDMENT ACT 2019

The Chairman: Honourable Members, we are now in Committee of the whole House for further consideration of the Bill entitled the [Miscellaneous Taxes Amendment Bill 2019](#).

Minister, you have the floor.

Hon. Wayne L. Furbert: Mr. Chairman, this Bill seeks to amend the Miscellaneous Taxes Act 1976 ("the Taxes Act") and the Miscellaneous Taxes (Rates) Act 1980 ("the Rates Act")—

Sorry, Mr. Chairman. I move clauses 1 through 8.

The Chairman: Okay. You want to move clauses 1 through 8?

Hon. Wayne L. Furbert: Yes.

The Chairman: Continue.

Hon. Wayne L. Furbert: Clause 1 is the citation to the Act.

Clause 2 repeals Part VA of the Taxes Act which relates to the passenger cabin tax.

Clause [3] amends section 32N of the Taxes Act to increase the penalty for non-payment of passenger departure tax from \$25 to \$75 per passenger.

Clause 4 inserts a new Part VC into the Taxes Act, which relates to the large ship infrastructure tax and provides for the definition of a of a large passenger ship. It also provides for Part VB of the Taxes Act which pertains to collection, exemptions, registration, liability for payment, penalty for late and non-payment, refunds and tax period, for the passenger departure tax to apply to the infrastructure tax.

Clause 5 amends section 9B of the Rates Act set the new rates for the passenger departure tax at \$25 per passenger per 24 hours, up to a maximum of \$75, for ships docked in or at anchor and tendered to Dockyard, and at \$20 per passenger per 24-hour period, up to a maximum of \$60, for ships docked in or at anchor and tendered to Hamilton or St. George. It also defines "Dockyard" as meaning Heritage Wharf of King's Wharf in Ireland Island.

Clause 6 inserts a new section 9C into the Rates Act which sets the rate for the large ships infrastructure tax at \$22 per passenger visiting Bermuda on a large ship.

Clause 7 makes consequential amendments in subsection (1) and addresses the repeals and revocations associated with repeal of the passenger cabin tax by clause 2. Subsection (2) makes amendments as a result of the introduction of a large ship infrastructure tax by clause 4. Subsection (3) updates Form PDT3 in the Schedule to the Taxes Management [(Passenger Departure Tax Prescribed Forms)] Regulations 1999 to reflect the changes made to the passenger departure tax by clause 5.

Clause 8 subsection (1) provides for commencement on 1 April 2019. Subsection (2) is a saving provision which confirms that the repeal of Part VA of the Taxes Act, the passenger cabin tax, does not affect the liability of any person to any passenger cabin tax which was payable before the commencement day.

Thank you.

The Chairman: Are there any further speakers?

The Chair recognises the Honourable Member Pat Gordon-Pamplin.

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

Mr. Chairman, I just have a question with respect to page 3, clause 5, in terms of the amendment of section 9B of the passenger departure tax. Could the Minister advise us how our taxes that appear in terms of the large ship infrastructure tax, as well as the passenger departure tax, how do these taxes

compare to other jurisdictions with which we are competing for the ship traffic?

The Chairman: Minister.

Hon. Wayne L. Furbert: Mr. Chairman, I do not have exact numbers, but as the Honourable Member would be aware, most of those ships that go to other islands are going for less than 24 hours. So ours is a longer period of time, so the cruise lines do not have a problem with our rates. But right now, if you wanted a breakdown, I would probably have to get it to you later on.

The Chairman: Any further speakers?

The Chair recognises the Honourable Member, Zane De Silva.

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

I would just like to add to that, and it might help the Honourable Member opposite. And maybe she knows this, and we may not know what the others charge, but the most important thing is that Bermuda is their most lucrative market.

The Chairman: Thank you.

Any further speakers?

There appear to be none, Minister.

Hon. Wayne L. Furbert: Mr. Chairman, again I move clauses 1 through 8.

The Chairman: It has been moved that clauses 1 through 8 be approved.

Are there any objections to that?

There appear to be none.

Approved.

[Motion carried: Clauses 1 through 8 passed.]

Hon. Wayne L. Furbert: I move that the preamble be approved.

The Chairman: It has been moved that the preamble be approved.

Are there any objections to that?

There appear to be none.

Approved.

Hon. Wayne L. Furbert: I move that the Bill be reported to the House, as printed.

The Chairman: Are there any objections to the Bill being reported to the House?

There appear to be none.

Approved. The Bill will be reported to the House, as printed.

[Motion carried: The Miscellaneous Taxes Amendment Act 2019 was considered by a Committee of the whole House and passed without amendment.]

House resumed at 7:40 pm

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

REPORT OF COMMITTEE

MISCELLANEOUS TAXES AMENDMENT ACT 2019

The Speaker: Good evening Members.

Are there any objections to the Miscellaneous Taxes Amendment Act 2019 being reported to the House as printed?

There are none.

So moved, and approved.

We now move on to the next item on the Order Paper, Order No. 6, which is the second reading of the Bermuda Tourism Authority Amendment Act 2019.

Minister of Tourism.

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

Mr. Speaker, with the Governor's recommendation, I move that the Bill entitled, the Bermuda Tourism Authority Amendment Act 2019, be now read the second time.

The Speaker: Any objections?

No objections. Continue on.

BILL

SECOND READING

BERMUDA TOURISM AUTHORITY AMENDMENT ACT 2019

Hon. Zane J. S. De Silva: Mr. Speaker, the purpose of the Bill before the House today is to make amendments to the Bermuda Tourism Authority Act 2013 to introduce a new fee for cruise ship passengers, and to make consequential amendments.

Mr. Speaker, the Act provides for a number of funding mechanisms for the Bermuda Tourism Authority [BTA], including appropriations by the Legislature, money received by way of fees, payments or commissions, and grants.

In terms of fees, currently the BTA receives a Tourism Authority fee paid by hotel proprietors in respect of each guest staying at a hotel which is 4.5 per cent of the rack rate charge, and a vacation rental fee paid by proprietors or agents of vacation rental units which is 4.5 per cent of the rack rate charge.

In reviewing the taxes and charges paid by cruise ships and cruise ship passengers, the Govern-

ment determined that there was scope for a fee to be charged to cruise visitors that would be payable to the BTA. This would take it a step closer to being a self-funded body and reduce the need for the activities of the BTA to be funded out of the consolidated fund.

Mr. Speaker, the purpose of the new cruise ship passenger fee is to support destination marketing and on-Island product and experience development by the BTA. Honourable Members might question whether the new fee, together with the re-vamped tax structure is appropriate. I can assure the House that the following matters were taken into consideration when making this decision.

- Bermuda is usually a single-port destination cruise that is lucrative for cruise lines.
- Bermuda does not have sales tax.
- There is an unmet demand for access to Dockyard, should one of our existing cruise partners wish to step aside.

A summary of the amendment is as follows:

First, Mr. Speaker, the amendment Act adds a cruise ship passenger fee to the passenger departure tax, and large ship infrastructure tax as a charge that is payable to the BTA in the amount of \$16 per passenger. This applies to ships visiting Bermuda between April 1st and October 31st.

Second, the amendment Act specifies the exemptions that apply, for example, children under two years of age, officers and crew of the passenger ship, and passengers on a ship that arrives in Bermuda due to distress or emergency.

Third, Mr. Speaker, the amendment Act sets the penalty for failing to comply with the requirements to pay the cruise ship passenger fee, upon conviction in court, at a maximum fine of \$80,000.

Mr. Speaker, the final provisions of the amendment Act pertain to the consequential amendments made to the Act in respect of the cruise ship passenger fee and the vacation rental fee, the latter being a housekeeping matter.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Minister.

Does any other Member wish to speak?

I recognise the Honourable Member from constituency 23. Honourable Member you have the floor.

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

Mr. Speaker, this [Bermuda] Tourism Authority Amendment Act actually dovetails fairly well with the Act that we just passed a minute ago. I just had a couple of questions . . . well, I had a comment, first of all.

Clearly, becoming self-sufficient for the Tourism Authority and giving them the ability to be able to levy taxes to help bolster their coffers is the ultimate aim for the Tourism Authority. That was actually their

mandate from the outset, to be able to rely less and ultimately not at all on the consolidated fund. And this helps towards that end. So, we obviously support this legislation.

Based on my comment that I made earlier, and to which the Minister responded, on the other Act, to make sure that we were not pricing ourselves out of the market, we need to acknowledge the fact that we are looking at a destination that is different from where most of our competitors are, and recognising, as the Minister and Junior Minister mentioned earlier (and this is just for the edification of the public) that Bermuda is invariably a three or more day destination, sometimes four, and as many as seven, I believe. So we do not have that [schedule], in one port one night, and out the next morning, as normally happens. So this is obviously a step in the right direction to assist in the marketing by the Tourism Authority destination marketing and whatever other amenities they assist in providing for this.

I just wanted to also note that the passenger tax includes days between April 1 and October 31, but it is silent here, so it presumably does not obtain to situations where a cruise ship arrives on November 1 through March 31. I just wanted to confirm that.

When we get into Committee I have a specific question on clause 6. But I will ask it at that time. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Member wish to speak?

I recognise the Honourable Member from constituency 8.

Honourable Member Simons.

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

As was said by my colleague, we are in support of this legislation. I think the Bermuda Tourism Authority is doing a grand job. As was said earlier, they have as their mandate is to become self-sufficient.

I think this legislation in regard to the fees to the Tourism Authority brings more equity to the hotel industry here in Bermuda. As was said by the Minister, Mr. Speaker, the current hotels and vacation rental properties pay 4.5 per cent of the rack rate to the Tourism Authority for their marketing and promotional campaign and destination management. I see cruise ships as floating hotels. And I think by them also paying they will be placed on the same plane as land-based hotels. So it brings equity to the hotel industry here in Bermuda. So I support that endeavour.

I note that the fee for the passenger tax is \$16.00. And I understand that because you cannot apply a percentage rack rate to a cruise ship passenger's room rate, because there are other included items in the room rate. So the \$16.00 per passenger rate makes sense, is easy to manage and is less

messy. So again, I support the Government in their endeavour in this space.

I have also been advised that with the repeal of the cabin tax, the combination has been merged, so to speak, with the passenger tax, and the position at the end of the day is tax neutral. There is no increase to the passenger. So, again, to me that was positive. And that is another reason why we support this piece of legislation.

We spoke quite a bit about the periods from November to April. And, you know, I think we have a lot of positioning ships come by Bermuda at that time. And this is just an enticement, as my colleague said, for them to stop off at Bermuda with their thousands of passengers and add a bit of their gifts to our economy. So, I support the fact that there are no fees for the shoulder seasons, or the winter seasons, because this will be a great inducement for ships to stop in Bermuda instead of bypassing because of the cost of our ports. So, again, the tax holiday has our support and it makes eminent sense.

The only question I have in regard to the infrastructure fee is, you know, that has been earmarked for capital improvements. I am asking the Minister, Will the capital improvement funds be segregated somehow in government so that they are not comingled with the general consolidated fund? If it is comingled with the consolidated fund, it basically defeats the purpose. And, at the end of the day, we said that we wanted this to improve our ports and improve our infrastructure. Well, let's set a little fund aside when we collect these fees so that it is easily managed and we can be more responsive and more productive in improving our ports and core infrastructure for these large *Quantum* ships.

You know, we also have to address basically the transportation issues that we face when these *Quantum* ships come in—communications, we have to have more immigration people at the dock, we have to have more security people at the dock, we have to have more customs people at the dock. Again, this all costs money. You know, it is a matter of scale. And as a consequence I think it is important that somehow we earmark these funds and make them accessible so that they can be responsive should the need arise and not caught up in the general consolidated fund, where the funds will be diluted, and then we say, *Where is the money that we realised from the infrastructure support that we received from the new infrastructure fee?*

So, if the Minister could somehow address that issue so that we can earmark the infrastructure fee in government finances to make it more readily accessible to improve our ports.

[Inaudible interjections]

Mr. N. H. Cole Simons: So, Mr. Speaker, as I said earlier, thank you very much. We support this piece of legislation and we hope it does what it is set out to do.

The Speaker: Thank you, Honourable Member.
Does any other Member wish to speak?
No other Member.
Minister.

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

Just starting from the last speaker and going forward, you know, he has to remember that these funds are going to the BTA and not the consolidated fund. So, I think that answers that question.

But with regard to capital improvements and infrastructure improvements overall, just for the edification of Members and the public at large, is that we have a Finance Minister, as you know, that has done some very magical things with this year's budget. And, of course, what it is doing is giving us our first surplus in 17 years, as we know.

Some Hon. Members: Ooh!

The Speaker: Members.

Hon. Zane J. S. De Silva: And we have also reduced the deficit.

This Minister, in particular, Mr. Speaker, has his finger on the pulse (if I can use the phrase). And every Minister has been asked to put forward their requirements for the year, which is why we have been here for the last two weeks. And with those requests come some "yesses" and some "noes." But he is very aware of the infrastructure challenges that we have in the country, and he has been so informed. And I expect that during this coming year we will see some improvements with the infrastructure in the country.

That being said, there was another comment, I believe by the Member who just took his seat, with regard to additional immigration officers and things like that. Well, you will know that we expect an additional 1,000 passengers this year, Mr. Speaker. And, of course, with the expertise that we have within the Ministry, and if I could name three people in particular, Mr. Speaker, Stacey Adams, Rudy Cann, Director of Marine and Ports, and the PS, Ms. Ratteray Pryse. With the technical ability we have . . . they have given this a lot of thought with regard to transportation, with resources that will be needed with the extra passengers that we intend on bringing to the country, and they are making allowances for that, and have made allowances for that. So, the Member can rest assured that this is where we are.

And the Honourable Member Pat Gordon-Pamplin says she hopes that we are not pricing ourselves out of the market. As I said before, I think the cruise lines are actually fighting over each other to get into Bermuda, because it is one of the most sought-

after destination spots in the world. I wish it was like that for airlines. We would be in a lot better position than we are today. But, no, we are not pricing ourselves out of the market, and I think it still leaves us some scope for making increases in the future.

The Speaker: Minister, will you move us, move us into Committee?

Hon. Zane J. S. De Silva: Mr. Speaker, with that, I would like to have your permission to move all four clauses—

Some Hon. Members: No.

The Speaker: No, you're moving us into Committee.

Hon. Zane J. S. De Silva: Oh, oh, sorry. That the Bill be committed.

The Speaker: Yes. Take us to Committee.
Deputy.

House in Committee at 7:56 pm

[Hon. Derrick V. Burgess, Sr., Chairman]

COMMITTEE ON BILL

BERMUDA TOURISM AUTHORITY AMENDMENT ACT 2019

The Chairman: Honourable Members, we are now in Committee of the whole House for further consideration of the Bill entitled [Bermuda Tourism Authority Amendment Act 2019](#). Minister, you have the floor.

Hon. Zane J. S. De Silva: Thank you, Mr. Chairman.
Mr. Chairman, I ask that we move clauses 1 through 4.

The Chairman: Continue.

Hon. Zane J. S. De Silva: Okay, Mr. Chairman.
This Bill seeks to amend the Bermuda Tourism Authority Act 2013 ("the principal Act") to provide for a cruise ship passenger fee payable in respect of passengers on passenger ships.

Clause 1 is the citation to the Act.

Clause 2 amends the principal Act by inserting a new section 15C which provides for a cruise ship passenger fee to be payable to the Bermuda Tourism Authority in respect of passengers departing Bermuda by passenger ship in the amount of \$16 per passenger in respect of ship visits between 1 April and 31 October. It also provides for exemptions from the fee for children under two, Government and consular officials, passengers on ships arriving in distress, et cetera. The exemptions follow the scheme of ex-

emptions from passenger departure tax set out in the Miscellaneous Taxes Act 1976. Finally, this clause sets the maximum fine upon conviction by a court of summary jurisdiction for failing to comply with the requirements of new section 15C of \$80,000.

Clause 3 makes a consequential amendment to section 14 of the Act.

Clause 4 provides for commencement on 1 April 2019.

The Chairman: Are there any further speakers?

The Chair recognises the Honourable Member Pat Gordon-Pamplin. You have the floor.

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

Mr. Chairman, I thank the Minister for his information that he has given in respect of this, as we said we are supportive of this. But I have a question.

The Minister will be aware, and this is in terms of the collection of funds going into the coffers of the Tourism Authority. If I could just make a parallel, when funds go into the BMA [Bermuda Monetary Authority], there is an arrangement whereby if there are extra funds, and the Government has need, that they can ask for a clawback at some point. Is there likely to be any opportunity for these funds that are going into the coffers of the Tourism Authority, if they find themselves in an excess position, that the Government will be able to go and take some of that money and claw it back to put it into the consolidated fund?

That is just one question. And I am not sure that is provided for by the BTA Act or not. But, certainly, I can draw the parallel with how things obtain with respect to the BMA.

And my second question, as I mentioned I did have a question on clause 6, page 2 of the Bill.

The Chairman: Clause 6? Or clause 4?

Hon. Patricia J. Gordon-Pamplin: I am sorry, clause 2 subsection (6), with respect to the cruise ship passenger fee when it is not payable. Under [2(6)](c) it says specifically "persons travelling on behalf of, or at the expense of, the Government of the United Kingdom or of any foreign Government;" One thing that is not specified here is if for any reason the Bermuda Government decides it is going to utilise this cruise avenue for any specific function or purpose whether, in fact—

Hon. Zane J. S. De Silva: Is someone going to take a vacation?

Hon. Patricia J. Gordon-Pamplin: —whether the . . . we don't know. I don't know, Minister . . . whether we should be specifying that this would also include the Bermuda Government as opposed to just foreign

Governments, the UK and foreign Governments. It's just a question.

The Chairman: The Chair recognises the Honourable Member Mr. Pearman.

Mr. Scott Pearman: Mr. Chairman, obviously we are supportive of this Bill. I just have one very quick question, really just a point of legislative fairness.

If you look at clause 2, which is inserting a new clause 15C, and look down to subsection (7), we see that breach of these amended Acts in 15C can be liable for a fine of up to \$80,000.

If we look back to [subsection] (3), under 15C, we see that the owner of the passenger ship who receives a permit has a mere seven days to then provide the Authority with registration.

Whilst I am all for money going to the BTA, I think if someone got stuck with the fine for \$80,000, up to \$80,000, because they only had seven days to do something, that does seem a little bit unfair. And I would invite the Minister perhaps to consider 14 or 21 days just so we are not irritating our passenger ship colleagues.

The Chairman: The Chair recognises the Honourable Hadley Simons.

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

The Chairman: Put your microphone on, Hadley.

Mr. N. H. Cole Simons: I would like to speak to that [sub]section 3 as well.

The Chairman: Mm-hmm.

Mr. N. H. Cole Simons: Mr.—

The Chairman: You mean, section [15]C?

Mr. N. H. Cole Simons: [Clause] 2 [new section 15C](3)—

The Chairman: Yes, okay. Go ahead.

Mr. N. H. Cole Simons: It is my understanding from when I acted as Tourism Minister that when ships come here they have to get the permit issued and the Minister signs the permit. Was consideration given to attaching the Authority registration documents to the permit that the shipping agents or the ships have to sign when they get their initial permit to enter Bermuda?

An Hon. Member: What are you talking about? Cole, where are you—

The Chairman: Clause 2, [new section 51C] subsection (3).

Mr. N. H. Cole Simons: Because the ship gets a permit to come into Bermuda. That permit is issued by the Ministry of Tourism, [and] is signed by the Minister of Tourism.

So, my question is, would it be more efficient to put the Authority registration documents with the permit documents so that it is done all at once, so when you approve the permit you can also have the Authority permit approved simultaneously, and it is all done at once and it will be more efficient. So, I am asking the Minister have they considered that instead of having it seven days later.

The Chairman: Any further speakers?
Minister.

Hon. Zane J. S. De Silva: Okay. All right, last one first.

Two different transactions, Member. Two different transactions. But we will take it under advisement, and we will give it some thought. Thank you very much. I appreciate that. Efficiency we all love. So, I appreciate that.

With regard to the Honourable Member Pearman with regard to \$80,000 . . . we are talking about multi-zillion dollar companies, and I do not think that they are going to have an issue with that. But certainly, seven days, I think, is more than enough time to come up with \$80,000.

The—

An Hon. Member: Pocket money to them.

The Chairman: Continue, Minister, please.

Hon. Zane J. S. De Silva: I think that was it. Was there any other question?

The Chairman: There is one question Mrs. Gordon[-Pamplin] asked.

Hon. Patricia J. Gordon-Pamplin: Shall I repeat the question?

The Chairman: Go ahead.

Hon. Patricia J. Gordon-Pamplin: Okay, it was the question [about] whether the BTA might be deemed to have so much money such that the Government—

The Chairman: Yes, got you.

Hon. Patricia J. Gordon-Pamplin: —may request a clawback.

And the other question was under [Clause] 2 [new section 15C] (6)(c) in terms of whether the Bermuda Government should be included.

Hon. Zane J. S. De Silva: Ah, yes, about excess funds, yes? Well, they are granted money, so I would think if they have excess money we would just reduce the grant or . . . unless our boss tells us otherwise. But that would be the thing to do and you know what the grant is. So, if they have excess money, we could just reduce that payment.

The Chairman: Any further speakers?

Hang on. Mrs. Gordon[-Pamplin] . . . let Mrs. Gordon[-Pamplin] go first.

Hon. Patricia J. Gordon-Pamplin: Sorry, thank you, Mr. Chairman, I did not get a response from the Minister in terms of whether the Bermuda Government ought to be included under [new section 15C] (6)(c) at clause 2.

The Chairman: Yes. It is [clause] 2, [new section 15C] (6)(c). Minister . . . hang on.

Hon. Zane J. S. De Silva: Yes. It is a net-net. So, you gave on one end and you take back on the other. So, it is a zero-sum exchange.

The Chairman: Hadley . . . Honourable.

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

I would just like to revisit [clause] 2, [about] the off-season, i.e., November to the end of March. Based on what the Tourism Minister said, in that Bermuda is such a preferred destination, when these off-season ships come here we do incur costs. And I am just wondering if we can possibly consider a discounted rate instead of giving everything away for free.

I understand that the discount could be a sweetener. You said that we are a preferred destination; everybody is lined up to come. So, in the winter-time can we not capitalise on some of that, but not to the same degree as the peak season. So, I am going to say maybe a 50 per cent discount or 60 per cent discount. At least we would get something to underwrite the costs of the ship coming into our ports.

Just something for consideration.

The Chairman: Thank you. Minister.

Hon. Zane J. S. De Silva: What we are doing, Mr. Chairman, is that there is a zero tax given to them. I understand what the Honourable Member is saying. But we also get millions of dollars [because they are] coming in the off-season which they have never done before. And if we are successful, we will extend it even more.

The Chairman: Any further speakers? Minister.

Hon. Zane J. S. De Silva: Thank you, Mr. Speaker. I move the preamble to be approved.

The Chairman: Do the clauses first.

Hon. Zane J. S. De Silva: Oh, sorry.

The Chairman: Clauses 1 through 4.

Hon. Zane J. S. De Silva: I move clauses 1 through 4.

The Chairman: It has been moved that clauses 1 through 4 be approved. Are there any objections? There appear to be none. Approved.

[Motion carried: Clauses 1 through 4 passed.]

Hon. Zane J. S. De Silva: I move that the preamble be approved.

The Chairman: It has been moved that the preamble be approved. Are there any objections to that? There appear to be none. Approved.

Hon. Zane J. S. De Silva: I move that the Bill be reported to the House as printed.

The Chairman: It has been moved that the Bill be reported to the House as printed. Any objections to that?

There appear to be none. The Bill will be reported to the House as printed.

[Motion carried: The Bermuda Tourism Authority Amendment Act 2019 was considered by a Committee of the whole House and passed without amendment.]

House resumed at 8:07 pm

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

REPORT OF COMMITTEE

BERMUDA TOURISM AUTHORITY AMENDMENT ACT 2019

The Speaker: Good evening, Members. Is there any objection to the Bermuda Tourism Authority Amendment Act 2019 being reported to the House as printed?

No objections.

So moved.

That now brings us to the next item on the Order paper which is Order No. 7, the second reading of the Payroll Tax Amendment Act 2019 in the name of the Minister of Finance.

Junior Minister, you are leading this?

Hon. Wayne L. Furbert: Yes.

The Speaker: Okay, Junior Minister.

BILL

SECOND READING

PAYROLL TAX AMENDMENT ACT 2019

Hon. Wayne L. Furbert: Thank you, Mr. Speaker.

Mr. Speaker, with the Governor's recommendation I move that the Bill entitled Payroll Tax Amendment Act 2019 be now read a second time.

The Speaker: Any objections? None.
Continue, Junior Minister.

Hon. Wayne L. Furbert: Mr. Speaker, the Bill now before the House is the Payroll Tax Amendment Act 2019. The purpose of the Bill is to amend the [Payroll Tax Act 1995](#), the principal Act and the [Payroll Tax Rates Act 1995](#), the Rates Act, to provide payroll tax relief to prescribed retailers and musicians and entertainers as announced in the 2019/20 national budget.

Mr. Speaker, the retail sector is an important part of the Bermuda economy and employs just over 2,760 persons, the majority of which are Bermudians, 98 per cent. Retailers [are] committed to training and development, providing many non-university educated Bermudians with a leg up and a career path advancement in sales, administration, accounting, marketing, buying and management. Also, retailers employ a significant amount of seasonal and summer students. Without a strong retail presence, we cannot hope to attract either international business or tourism to Bermuda.

The Government is very much aware of the pressure on the retail sector. And in this regard, in 2010 a payroll tax concession was established for retail stores for the months of January to March, recognising that this is a slower period for retail. Further relief was provided to the sector in October of 2011, when 100 per cent payroll tax relief was granted during the recession.

Mr. Speaker, currently retail employers who have a payroll tax of \$1 million per annum will pay payroll tax at the highest rate of 10.275 [per cent] and retail employers who have a payroll tax of \$500,000 to \$1 million per annum pay at a rate of 9 per cent. This compares to a rate of 6 per cent for the restaurant and hotel industry sector. For employers who come in just

below \$1 million annual payroll, this acts as a deterrent to hire.

Mr. Speaker, the retail division of the Bermuda Chamber of Commerce has lobbied for this sector over the last several years, has noted that retailers simply cannot sustain this current level of operation that they have to pay 10.275 [per cent], or 9 per cent payroll tax, and has advised that consolidation may take place and Bermudian jobs will be lost. Further consultation on this matter occurred during the pre-budget process.

Mr. Speaker, the Government has listened to the retail sector, and this amendment will provide payroll tax relief to certain qualifying stores in the sector to maintain business operations and, hopefully, increase employment. In particular, the amendment will provide a rate of 7 per cent for an employer operating a qualifying retail store—and the word is “qualifying.” A qualifying employer will be defined as a store that has at least 50 per cent of sales for a tax period consisting of the following products: clothing, shoes, jewellery, and perfume. To obtain this relief, the employer will have to make an application in writing to the Tax Commissioner.

Mr. Speaker, any tax relief shall be targeted to the businesses that need it the most, rather than across the board. The current estimate of revenue forgiven by this concession is less than \$1 million. If this relief was provided to the entire retail sector, Government would lose approximately \$16 million in payroll tax, which is not sustainable as we try to eliminate the deficit.

Mr. Speaker, the second part of this amendment is to provide payroll tax relief to musicians and entertainers. Mr. Speaker, entertainment plays a very important role in the culture and development of Bermuda. We have seen a decrease in entertainers and musicians over the years, who, at best, work six months of the year—and I mean, *at best*, work six months of the year. And during the season, very few, if any, work six to seven nights a week.

There was a time 25 years ago, Mr. Speaker, when a band could work exclusively for a hotel. That is no longer the case, and has not been so for many years. Therefore, the Government will provide a three-year payroll tax concession to independent musicians, and all businesses that hire local musicians and entertainers, by removing the employer and employee payroll tax for the next three years. The Government believes that this concession will encourage more businesses to hire local entertainers and encourage more Bermudians to become involved in this extremely important industry.

With those introductory remarks, Mr. Speaker, I now pass it over to you, Mr. Speaker.

The Speaker: You invite others to participate.

Hon. Wayne L. Furbert: I ask others to participate, yes.

The Speaker: Would any other Member wish to participate?

I recognise the Honourable Member from constituency 23. Honourable Member, you have the floor.

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

Mr. Speaker, we have no objection to this. Obviously, it is critical from our retail store perspective to ensure that we do not have job losses and if giving them tax relief is going to assist in that, it obviously will enure to the benefit of Bermudians and they do not have to stress themselves about working in retail and then being made redundant because the taxation burden then becomes too much. So, this relief obviously is welcomed, and we certainly support this.

In terms of the zero tax, in respect of the musicians, it is known, obviously, that musicians do form an integral part of our cultural mosaic. And whatever is likely to encourage them to be able to find work and to have hotels, restaurants and the like, assist in helping musicians to find work, and especially at a 0.0 per cent tax rate for both the employer and the employee, clearly is a step in the right direction and we support this Bill.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

No other? Minister.

Hon. Wayne L. Furbert: I move that the Bill be committed.

The Speaker: Thank you. Deputy.

House in Committee at 8:14 pm

[Hon. Derrick V. Burgess, Sr., Chairman]

COMMITTEE ON BILL

PAYROLL TAX AMENDMENT ACT 2019

The Chairman: Honourable Members, we are now in Committee of the whole [House] for further consideration of the Bill entitled the [Payroll Tax Amendment Act 2019](#).

Minister, you have the floor.

Hon. Wayne L. Furbert: Thank you, Mr. Chairman. Mr. Chairman, I move clauses 1 through 6.

The Chairman: Continue.

Hon. Wayne L. Furbert: Mr. Chairman, the Bill seeks to amend the Payroll Tax Act 1995 and the Payroll Tax Rates Act 1995 ("the Rates Act").

Clause 1 is self-explanatory.

Clause 2 inserts new section 9D into the Payroll Tax Act 1995. This provides that a Bermudian musician or other entertainer shall not be liable to payroll tax at the employee's standard rate in relation to his remuneration as musicians or entertainer, but shall instead be charged at the rate prescribed in the Rates Act. This section will cease to have effect on 31 March 2022.

Clause 3 inserts new section 4C into the Rates Act to prescribe that 0.0 per cent is the rate prescribed for Bermudian musicians or other entertainers for the purposes of section 9D, inserted by clause 2.

Clause 4 amends section 5 of the Rates Act (rates for certain classes of employer). New Class AA is introduced which prescribes a rate of 7 per cent for an employer operating a qualifying retail store. New paragraph [(l)] is added to Class C to prescribe a rate of 0.0 per cent for the employer of a Bermudian musician or other entertainer, for tax periods up to 31 March 2022.

Clause 5 inserts new section 5A into the Rates Act which sets out what is meant by an employer operating a "qualifying retail store" for the purposes of new Class AA in section 5, inserted by clause 4. Subsection (1) provides that the employer's payroll relating to the store, or group of stores, must exceed \$500,000, and it will be for the Commissioner to determine, on application made in writing by the employer, that at least 50 per cent of sales for a tax period consists of the following products: clothing, shoes, jewellery and perfume. Subsection (2) empowers the Commissioner to issue guidance notes indicating the basis on which determinations under this section are to be made.

Clause 6 provides for commencement.

Thank you, Mr.—

The Chairman: Thank you, Minister.

Any further speakers?

No other speakers?

Minister, continue.

Hon. Wayne L. Furbert: Mr. Chairman, I move clauses 1 through 6.

The Chairman: It has been moved that clauses 1 through 6 be approved. Are there any objections?

There appear to be none.

Approved.

[Motion carried: Clauses 1 through 6 passed.]

Hon. Wayne L. Furbert: I move that the preamble be approved.

The Chairman: It has been moved that the preamble be approved. Are there any objections to that?

There appear to be none.

Approved.

Hon. Wayne L. Furbert: I move that the Bill be reported to the House as printed.

The Chairman: It has been moved that the Bill be reported to the House as printed. Any objections to that?

There appear to be none.

Approved.

Thank you.

[Motion carried: The Payroll Tax Amendment Act 2019 was considered by a Committee of the whole House and passed without amendment.]

House resumed at 8:17 pm

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

REPORT OF COMMITTEE

PAYROLL TAX AMENDMENT ACT 2019

The Speaker: Good evening, Members. Is there any objection to the reporting to the House of the Payroll Tax Amendment Act 2019 as printed?

No objection.

So moved.

That now brings us to the next item on the Order Paper this evening and that is Order No. 8, the Stamp Duties Amendment Act 2019, and Junior Minister, yes—

BILL

SECOND READING

STAMP DUTIES AMENDMENT ACT 2019

Hon. Wayne L. Furbert: Mr. Speaker, with the Governor's recommendation I move that the Bill entitled Stamp Duties Amendment Act 2019 be now the second time.

The Speaker: Any objections to that? No objections. Continue on, Minister—Junior Minister.

Hon. Wayne L. Furbert: Mr. Speaker, I would say that this is a very interesting Act. The Government wishes this Honourable House to give consideration to the Bill entitled the Stamp Duties Amendment Act 2019.

Honourable Members will recall that in the 2019/20 national budget, Government announced that it would amend the [Stamp Duties Act 1976](#) in order to

exempt from stamp duty the commercial transfer or assignment of a mortgage. It also noted the following prebudget consultation with the real estate division of the Chamber of Commerce. It was proposed to increase stamp duty on all residential and commercial leases.

Mr. Speaker, the 2018 speech from the Throne noted, and I quote, "The Government is determined to provide relief to hard-working families through a series of measures, including, but not limited to, engaging alternative financing regimes, guarantees to reduce mortgage costs and repayments and, where required, legislation.

"Not all local banks have increased mortgage rates, and our tax system should not prevent families from taking advantage of lower rates at a competing bank. To boost competition between existing banks, stamp duty on any mortgage refinancing will be eliminated for amounts under \$750,000, allowing Bermudians to move their mortgages to a bank that may charge a lower rate without having to pay taxes on that transaction."

Mr. Speaker, in 2012, the Stamp Duties Act was amended in order to exempt from stamp duty the commercial transfer or assignment of a mortgage. It is now proposed to clarify and amend this provision to restrict this concession to a mortgage of \$750,000 or less.

Mr. Speaker, the reason for this restriction is simple. This Government has always believed that in order for taxes to be fair and equitable, taxpayers who can afford it should be asked to pay more than those who cannot afford to.

Mr. Speaker, the second part of this amendment is a revenue-raising measure and it is proposed to increase stamp duty on all residential and commercial leases. Accordingly, Head 25 of the Schedule to the principal Act (stamp duty payable on leases and agreements for leases), to provide for a stamp duty payable on leases and agreements for leases to be calculated as 1 per cent of the aggregate rent for leases up to three years plus 0.5 per cent of the aggregate rent payable for any additional period beyond three years.

Mr. Speaker, the last time these rates were increased was in 2000, 19 years ago. As mentioned previously, this was a proposal put forth by the real estate division of the Chamber of Commerce. I emphasise that. The current structure is as follows: Mr. Speaker, if you have a rent per month and duty under \$1,200 per month, under \$1,200, you pay \$75 on stamp duty. If your rent is between \$1,200 and \$1,500, you pay \$100 stamp duty. If your rent is between \$1,500 or more and under \$2,500, you pay \$150. If your rent is \$2,500 or more but under \$3,500, you pay \$200. If your rent is between \$3,500 and under \$5,000, Mr. Speaker, you pay \$300. This is the killing part, Mr. Speaker. If your rent is more than \$5,000 or more you only pay \$400.

Mr. Speaker, one of the guideline principals of any good tax system is to avoid specific taxes expressed as a fixed value in Bermuda dollar terms in favour of *ad valorem* taxes expressed as a percentage of the selling price. Therefore, in order to provide some level of equity and fairness in stamp duty paid on rental leases, we propose to amend the Act as mentioned previously.

I shall now give some specific examples, Mr. Speaker, which illustrates how the duty will be calculated. Mr. Speaker, a tenant signs a one-year residential property tax for rent of \$2,500 per month, which is \$30,000 per year. The stamp duty will be \$300. Currently the duty is \$200.

A tenant signs a one-year residential property lease for rent of \$5,000 per month, which is \$60,000 per year. The [stamp duty] now will be \$600. Currently, the duty is \$400.

Mr. Speaker, a tenant signs an agreement, residential property lease, for rent of \$10,000 per month, or \$100,000 [*sic*] per year . . . guess what, Mr. Speaker?

[Crosstalk]

Hon. Wayne L. Furbert: [That is] \$100,000 per year—

The Speaker: [It is] \$120—

Hon. Wayne L. Furbert: No, \$120[,000]—

The Speaker: [It is] \$120—

Hon. Wayne L. Furbert: Sorry, you are right. \$120,000 per year. Well, I am going to give you some more money. I am going to give you some more in a few minutes.

The revised rent rate duty will be \$1,200. Currently the duty is \$400.

So, no matter what your [rent] is over \$5,000, Mr. Speaker, it is \$400. You could be collecting \$1 million in rent, Mr. Speaker. Your duty is \$400. Your rent could be \$5 million, Mr. Speaker. Your duty is—guess what—\$400. I wonder who fixed that rate a long time ago, to ensure—

[Inaudible interjections and laughter]

Hon. Wayne L. Furbert: This was done in 1976, Mr. Speaker—1976. This was done in 1976. Long before I was born.

[Laughter]

Hon. Wayne L. Furbert: So, Mr. Speaker, the system that was set up was unfair. It is clear. Guess what, Mr. Speaker? We are charging 1 per cent.

The Speaker: Mm-hmm.

Hon. Wayne L. Furbert: Guess what a lovely island in the south that everybody praises once in a while charges? [It charges] 5 per cent.

An Hon. Member: Wow!

Hon. Wayne L. Furbert: Should I say it again so you all understand?

An Hon. Member: Yes.

Hon. Wayne L. Furbert: The lovely island in the south that everybody praises once in a while charges 5 per cent. We are charging only 1 per cent. And, as a matter of fact, Mr. Speaker—

The Speaker: We should have done two and a half.

Hon. Wayne L. Furbert: —if you go over, I think, 10 years, 5 years, they charged 10 per cent . . . and it climbs and climbs. So, Mr. Speaker, I think this is reasonable and fair.

So, Mr. Speaker, 10 years ago Government collected just over \$46 million in stamp duty. This year we are forecasting \$29 million. The Government recognises that some of this decrease relates to a decrease in real estate activity. However, to ensure that we are collecting all that is rightfully due, Government will be undertaking a comprehensive review of stamp duty legislation, updating the legislation, and eliminating loopholes.

There are loopholes, Mr. Speaker, loopholes. You can transfer certain properties in Bermuda and pay zero stamp duty, or very little. But the Government will be reeling these things in and closing those loopholes. [As a] matter of fact, one person right now came to the Ministry and almost bragged about how they found a loophole. Well, that is going to stop. The Government is going to be bringing some amendments, hopefully in the next session.

Mr. Speaker, the Government has tried to be balanced and fair while strengthening the tax base with various revenue-raising measures, and it is important that all parties contribute their fair share of taxes.

With those introductory remarks, Mr. Speaker, . . . let me just give a few examples. So, as I said, if your monthly rent is \$4,000 and you collect \$48,000 for the year, right now you pay \$300. That will go up to \$480. If you collect \$5,000, your rental income is \$60,000, you pay a stamp duty of \$40,000 [*sic*]—

The Speaker: Hmm?

Hon. Wayne L. Furbert: Sorry, \$400. You now move up to \$600. Under the old system, Mr. Speaker, like I said, if you collected monthly rent of \$40,000 per

month, or \$480,000 per year, you paid \$400. You get the message. Now, they will pay \$4,800. Under Cayman rules, you would pay \$24,000. But we are only collecting \$4,800.

Thank you, Mr. Speaker, for those few remarks.

The Speaker: Does any other Member wish to speak?

We recognise the Honourable Member Pearman.

Honourable Member, you have the floor.

Mr. Scott Pearman: Thank you, Mr. Speaker.

I just have two very, very short points. One is that there does appear to be a technical defect in this amending legislation, and I will deal with that in Committee.

But the second point is this: There seems to be confusion on the other side of the House. The Honourable Junior Minister has just explained what is happening here, and if we look at [clause] 3(b) it says that “paragraph (ab)” which is the paragraph in the main Act, “under the heading ‘Exemption’, after ‘mortgage’ inserts ‘of a total amount not exceeding \$750,000.’”

And I have paragraph (ab) of the main Act here. And what paragraph (ab) of the main Act here does is it exempts the payment of stamp duty, and I will read it. It exempts the payment of stamp duty on “Transfer or assignment of a mortgage for consideration equal to the amount outstanding or the market value of the debt.”

So, the existing position right now, under the law, is transfer or assignment can be done without any stamp duty. It is completely exempt. And it was for that reason that the Junior Minister quite rightly, in his address to the House, identified that what this Government is doing is restricting a concession. Right now, no stamp duty is payable on any transfer or assignment. Now we are going to restrict that, and it is only an exemption applicable at \$750,000 and below.

And the reason that I make that point, which I think is a pretty straightforward point, you are now restricting a concession [which] in the Throne Speech this very action was described quite differently, Mr. Speaker. What it was described as was . . . *eliminating* stamp duty on any mortgage, refinance for amounts up to \$750,000. There is no elimination occurring by this Government, by this Act, because there was never any stamp duty to pay in the first place. So, it is thoroughly misleading for it to be suggested.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member. Does any other Honourable Member wish to speak?

We recognise the Honourable Member from constituency 23.

Honourable Member, you have the floor.

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

Mr. Speaker, my colleague has dealt with the stamp duty with respect to the transfer of mortgages. But I wish to speak to clause 2 and that is, in general—

The Speaker: Yes, because if you are going to get specific—

Hon. Patricia J. Gordon-Pamplin: Yes, yes.

The Speaker: —you have got to do the other—

Hon. Patricia J. Gordon-Pamplin: Well, let me say—

The Speaker: Yes.

Hon. Patricia J. Gordon-Pamplin: I wish to speak to the lease stamp duty—

The Speaker: Yes, yes.

Hon. Patricia J. Gordon-Pamplin: —and not specifically—

The Speaker: That is better.

Hon. Patricia J. Gordon-Pamplin: —to the clauses.

What is going to happen, Mr. Speaker, is that this stamp duty is applicable both to residential and to commercial properties as the Minister indicated.

The Speaker: Mm-hmm.

Hon. Patricia J. Gordon-Pamplin: And what this increase of stamp duty is going to do is impact the ultimate cost that the consumer is going to pay.

Now, let us assume that we are dealing with a residential property. The landlord is most likely going to have to pay that stamp duty at the time that the lease is signed, and that lease stamp duty amount will be passed on to the tenant, undoubtedly. And the tenant is going to have to figure out how to suck it up, because they are going to be landed with additional stamp duty on their leases.

I do not know many landlords who will eat the charge for the stamp duty. But I would hazard a guess that the majority of landlords will pass it on to the tenant. Hence, Mr. and Mrs. Smith are going to find themselves having to pay additional money in respect of the stamp duty on their leases.

And we are not just hitting the top end in which we can say that people who are renting at that cost are likely to be able to have a better and more sustained level of income which would permit them to have the expendable income in order to support those additional fees. I do not know how Mr. and Mrs. Bermuda, with the piling on of all the other taxes and the

slow Chinese dripping water torture that the average Bermudian is facing is now looking at something else that they have to now find the money for. But let me go to the commercial, Mr. Speaker.

The commercial rates . . . and I take the Minister's point that, invariably, those commercial entities are at the top end of the rental spectrum, and they are paying significant amounts of rent. And let us just say for the sake of argument that a commercial property paying rent for their space is effectively a retail outlet. That retail outlet, Mr. Speaker, is now having to pay significantly higher lease stamp duties. But what is going to happen there, Mr. Speaker? The landlord is going to pass it on to the tenant. There is no question about that. But the tenant is going to pass it on (the tenant, being the retailer, is going to pass that charge on) to the consumer.

So, again, when Mr. and Mrs. Smith go into whichever—Atelierie or whatever—store they go into downtown that whereas they might otherwise not have had this additional money that is charged to them, they are going to be in further straitened circumstances by virtue of the cost of their goods or service that they are requiring will be increased. So, we will have a knock-on, almost a domino effect of this additional stamp duty, lease stamp duty, which will be passed on from landlord to tenant to consumer.

So, apart from the fact that Mr. and Mrs. Smith now have to pay additional stamp duty, because the landlord is going to pass it on to them . . . and, Mr. Speaker, if this were a one-off and you said, okay, we have got a lease for a period of a year, you know, up to three years, or more than three years and you look at the incremental amounts that the tenant is going to have to pay . . . and even if you think that they are going to be able to swallow that amount, you can be assured that when the landlord passes on that tax increase, that stamp duty increase on the lease, it is not going to be a one-off charge. They are going to raise that rent on an incremental basis to perhaps whatever they are paying on a one-time stamp duty for the execution of the lease. That money somehow is going to filter its way and make its way into a rent increase for that tenant.

And when you are looking at an increase when you are at the lower end of the rental market, let us say \$1,500 to \$2,500, Mr. Speaker, the tenants in that level, that is pretty much the standard level that people are paying for rent. So, their tax is going to increase. And even though, as I said it may be deemed to be miniscule at the outset because it is a one-time fee based on the execution of the lease, that money will find its way into the monthly rental that this tenant is going to have to pay. Mark my word. Additional money that the tenant will have to pay.

And I want to underscore and reiterate what I said with respect to commercial properties. Even though it is a one-off fee, that landlord will find a way to add that fee—not just the stamp duty aspect of it,

but somehow increase the rent so that he will recover his stamp duty for this time and for the next time that he has to execute the lease and probably the next couple of years that come behind that as well, Mr. Speaker, notwithstanding that the stamp duty is for the execution and would only be payable again if the lease is one, two or three years or more than three years. It could be annual. It could be a long . . . you could be having a three-year lease, in which case it is a one-time stamp duty. But that rent is going to be increased. And that tenant, that commercial tenant, is going to pass it on to Mr. and Mrs. Smith.

When we looked last week, Mr. Speaker, or early week (whatever day we are now, we have done so many days) at the information that came to us with respect to the additional consultants that we see that the Government has and the costs that are going to be related thereto, these are the things that Mr. and Mrs. Smith are now going to feel the impact of because they have to pay for it. Which is why we said from the outset if we were able to look at efficiencies and cutting back, then we might be in a situation where Mr. and Mrs. Smith, who are already hard done by all the extra taxes that we are piling on them now, are going to find themselves subjected to more that they can ill afford.

I think we need to start to look, Mr. Speaker, at how can we start to ease the burden that people are now experiencing in a time in which things are getting tighter and tighter. Whereas before, Mr. Speaker, you might have had a typical household in which you had mom and dad working and maybe three grown children who were sharing the cost and sharing the expenses and staying in the family home for the purpose of saving money. You know, I think gone are the days where every growing child can go out and get his own rental accommodation. So, now they are staying home a little bit longer with the parents who are struggling with their rental accommodations. And if two of those three children are no longer working, the burden then falls on mommy and daddy and maybe one working child, or one working young adult, and it is just strangling them more and more and more and more.

It is for that reason, Mr. Speaker, that we are concerned, we are disturbed, and we would certainly ask the Government in going forward to consider how we can help to alleviate some of these additional tax burdens by looking at the cost structure of Government and determining a way by which the amount of taxes that are going to be required to be raised on the backs of our taxpayers can be minimised so that people can live.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

None? We recognise the Honourable Member from constituency 19.

Honourable Member—

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

Mr. Speaker, I am asking this question of the Minister because, although I am going to use an example, I think that it covers many other options.

The Minister in his brief was talking about the three-year and the term lease up to three years. And I guess what I just wanted clarification [on] was if you have someone that has a lease for two years with an option to renew for one year, is that deemed to be a three-year lease? Or is that deemed to be a two-year lease?

The Speaker: Thank you.

Any further speakers? We recognise the Honourable Opposition Whip. Honourable Member—

Ms. Susan E. Jackson: Good evening, Mr. Speaker.

The Speaker: Good evening.

Ms. Susan E. Jackson: My concern with this is that the increase in the stamp duty may deter landlords from paying for the stamp duty altogether and not realising the importance or significance of that stamp duty as creating a legal document. And should a landlord find himself in a situation where the tenant is not paying the rent or for whatever other reason the landlord would like to remove the tenant from the property, that the lease that has been signed is not a legal document without that stamp duty.

So, I guess if there is any question to the Minister it would be, one, do we know how many rental units are out there, especially residential? And of the number of rental units out there, how many of them actually have paid stamp duty on leases?

[Crosstalk]

The Speaker: I recognise the Honourable Member from constituency 11.

Honourable Member Famous—

Mr. Christopher Famous: Yes, good evening, Mr. Speaker, I am going to be very brief. I will do some Berkeley maths here, right.

[Laughter]

Mr. Christopher Famous: So, I ask a question. If somebody is paying on average, for the average apartment two bedrooms going for like—

An Hon. Member: Be careful.

Another Hon. Member: Get it right.

An Hon. Member: Be careful.

The Speaker: Yes. We are waiting.

Mr. Christopher Famous: If the average apartment, two bedrooms going for like \$2,000—

The Speaker: Mm-hmm.

Mr. Christopher Famous: —or \$2,500—work with me now, work with me. Now, if it is at 1 per cent, that is going to be around \$240 maybe \$300 per year, maybe.

Currently, under the current—

[Inaudible interjections]

Mr. Christopher Famous: Gold House, to be precise. So, currently it is around \$150. So, a landlord would have to pay an extra . . . \$240 take away \$150, leaves . . . \$90. So, to the Honourable Member from constituency 20, I think any landlord that does not sign a lease with a stamp duty to try to save \$90 will be kind of . . .

[Crosstalk]

Mr. Christopher Famous: Well, if a tenant . . . if it gets passed on, Honourable Member, that is maybe about \$10 a month.

An Hon. Member: [It is] \$8 a month.

Mr. Christopher Famous: So, my point, Mr. Speaker, is that no one likes to pay taxes. We have been debating taxes in House and outside of the House for quite some time. But what is important to understand, Mr. Speaker, is that we have to keep this economy going.

Now, there is going to be the argument that in the commercial [area] it might cause rents to go up and costs to go up to consumers. That may be arguable. But in effect of this residential, it is really not that much.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

We recognise the Honourable Member from constituency . . .

Mr. N. H. Cole Simons: [Constituency] 8.

The Speaker: Constituency 8, Member Simons, you have the floor.

Mr. N. H. Cole Simons: I think one issue that we need to address is, are those landlords that have no written leases . . . and there are a large percentage of rental units that are in place

[Inaudible interjections]

Mr. N. H. Cole Simons: —which have no leases, and basically will not be paying any stamp duty.

The Speaker: Mm-hmm.

Mr. N. H. Cole Simons: And I will say—

[Inaudible interjections]

Mr. N. H. Cole Simons: —that is going to be an issue that we need to address because it is not . . . there is no parity, so to speak, and there is no protection.

[Inaudible interjections]

Mr. N. H. Cole Simons: And so they can say, *Well, I do not have to issue a lease. I will just rent my place with no lease agreement and no revenue to the government.* So, are we going to address that issue?

The Speaker: Any further Member wish to make a comment? No further Member?
Junior Minister—

Hon. Wayne L. Furbert: Mr. Speaker, let me deal with the first one. Cole is right. If it is a verbal agreement, there is no lease. You pay no stamp duty. It is a verbal lease. Now, you take a risk because if you want to go to court . . . I am not a lawyer, but I guess if you go to court you [will have] to fight over that. So, if I rent to my son—verbal lease. All right?

[Inaudible interjections]

Hon. Wayne L. Furbert: That is up to you. That is up to you. But what most individuals . . . you will find very few people who have the verbal lease, probably over, \$3,000. Very few people are going to rent [with] a verbal lease over \$3,000. Matter of fact, you would be stretching to \$2,500. And, Mr. Speaker, so, the Government made this decision to move forward in this.

Now, let me just say to the Honourable Member from constituency 23, I believe she said that this can be passed on to the tenant. Under the existing law, the Stamp Duty Act of 1976, Head 25, it says persons liable, it is all persons executing. All persons. So, the tenant can push back on the landlord. But the tenant can push back on the landlord.

[Inaudible interjections]

Hon. Wayne L. Furbert: First off, Mr. Speaker, we live in a market-driven economy. We live in a market-driven economy. I can tell you right now there are probably more rents out there, places to rent, than anything else. There are more places out there to rent

right now, and I can tell you right now nobody will probably have a problem paying an additional \$90.

So, all I am saying to you that the current law states that all persons executing that document are responsible, the landlord can pay half and the tenant can pay half, under the current situation.

[Inaudible interjections]

Hon. Wayne L. Furbert: And the Honourable Member said it will increase their rent. Well, then it means the stamp duty goes up. That doesn't make sense. It just keeps on going up.

[Inaudible interjections]

Hon. Wayne L. Furbert: Increase the rent, it does not make any sense at all. All persons executing; so the tenant can argue that point. Even a commercial . . . as you know right now, there is a lot of commercial property out there, commercial out there to rent, and they can, they are . . . it is a market-driven economy. And they are telling people they are not paying . . . in the olden days, I guess \$58, \$60 a square foot. Now, they will tell them *No, I am [paying] \$48. You either take it or I am going to the next person.* That is how they are working out there right now.

So, I am sure that those tenants out there in the commercial are saying, *You want me? I will pay half. Or, You want me? You pay all of it.* I know people who are actually giving leases with zero rent for the whole year!

The Speaker: Hmm.

An Hon. Member: Zero?

Hon. Wayne L. Furbert: Zero!

The Speaker: Hmm.

Hon. Wayne L. Furbert: Oh, I know what it is. Cole knows. Zero rent because they need that tenant.

The Speaker: Hmm.

Hon. Wayne L. Furbert: So, let us not get into this cry baby type of situation and think that somebody is not going to take the rent or somebody is not going to pass it on. They will tell you to eat it. That tenant . . . it is a tenant-driven society out there right now.

An Hon. Member: Tenant driven.

Hon. Wayne L. Furbert: Tenant, tenant driven. Not tennis—*tenant* driven.

[Inaudible interjections]

Hon. Wayne L. Furbert: Now, the Honourable Member from constituency number . . . Mr. Pearman, the Honourable Member Pearman—

An Hon. Member: [Constituency] 22.

Hon. Wayne L. Furbert: [Constituency] 22, Mr. Pearman, Honourable Member. You know, right now the transfer or an assignment for mortgage for considerations equal to the amount outstanding, all right, but that is for any mortgage right now. Well, we are limiting it to \$750,000. We are limiting it now to \$750,000.

Mr. Scott Pearman: Point of order, Mr. Speaker.

The Speaker: Point of order.

POINT OF ORDER
[Misleading]

Mr. Scott Pearman: The Honourable Junior Minister is misleading the House. The point I am making is you are not giving an exemption, you are taking one away. And that is quite contrary to what you said in your Throne Speech—in your Budget Speech.

The Speaker: Continue.

Hon. Wayne L. Furbert: Mr. Speaker, I will have a word with Mr. Pearman over a cup of coffee on that issue.

[Laughter]

Hon. Wayne L. Furbert: To clarify—

[Inaudible interjections]

Hon. Wayne L. Furbert: —to clarify that part up. And, Mr. Pearman will pay.

[Inaudible interjections]

Hon. Wayne L. Furbert: Conyers Dill and Pearman will pay!

[Laughter]

Hon. Wayne L. Furbert: Conyers Dill and Pearman will pay.
So, Mr. Speaker—

The Speaker: Yes.

Hon. Wayne L. Furbert: With those remarks—

The Speaker: You would like to move us to Committee?

Hon. Wayne L. Furbert: I will move that . . . I will move to Committee.

Thank you, Mr. Speaker.

The Speaker: Thank you.

House in Committee at 8:49 pm

[Hon. Derrick V. Burgess, Sr., Chairman]

COMMITTEE ON BILL

STAMP DUTIES AMENDMENT ACT 2019

The Chairman: Honourable Members, we are now in Committee of the whole [House] for further consideration of the Bill entitled the [Stamp Duties Amendment Act 2019](#).

Minister, you have the floor.

[Pause and crosstalk]

The Chairman: The Minister will be right with us.

[Pause]

Hon. Wayne L. Furbert: Thank you, Mr. Chairman.

Mr. Chairman, you know, I am from the Bible Belt, as you know.

The Chairman: Yes, the Holy Land.

Hon. Wayne L. Furbert: Yes, and so I will give that one to the Honourable Member, Mr. Pearman. I think that you are actually right. Okay? After I thought about it. That is why I went quiet for a while. So, we are restricted—

The Chairman: So, you want to move clauses 1 through 4?

Hon. Wayne L. Furbert: We are restricting—move the clauses 1 to—

The Chairman: You want to discuss. Go ahead.

Hon. Wayne L. Furbert: Clauses 1 through 4, moving clauses 1 through 4.

The Chairman: Continue.

Hon. Wayne L. Furbert: The Bill seeks to amend the Stamp Duties Act 1976, the principal Act.

Clause 1 is self-explanatory.

Clause 2 replaces the table in paragraph (b) of Head 25 of the Schedule to the principal Act (stamp duty payable on leases and agreements for leases) to provide for the stamp duty payable on leases and agreements of leases to be calculated as 1 per cent of

the aggregate rent for leases up to three years, plus 0.5 per cent of the aggregate rent payable for any additional period beyond three years.

Clause 3 (this one I want to look at closely, clause 3, which is correct) amends Head 31 of the Schedule to the principal Act (stamp duty payable on mortgages, et cetera) to restrict on mortgages up to \$750,000, not exceeding \$750,000. Exemption in paragraph (ab) for this transfer or assignment of a mortgage for consideration equal to the amount outstanding or the market value of the debt. The stamp duty payable in relation to the transfer or assignment of a mortgage of a total amount exceeding \$750,000 will be 1/10th per centum of the principal sum secured.

And clause 4 provides for commencement.
Thank you, Mr. Chairman.

The Chairman: Any further speakers?

The Chair recognises the Honourable Member Mr. Pearman. You have the floor.

Mr. Scott Pearman: Thank you, Mr. Chairman.

Concessions lead to concessions, so if the Honourable Junior Minister . . . I shall not speak in the motion to adjourn tonight, by way of gratitude on your part. But I do just want to point out this other defect in the Bill, because there is another defect in the Bill and what it is this: [Clause] 2, duty is payable on the terms of a lease up to three years or alternatively for a lease for more than three years and it is duty of 1 per cent on the aggregate rent payable for the term of the lease. What this does not say is what happens in respect of many Bermudian leases which change their value over the course of the lease potentially year on year, sometimes with automatic provisions or some tied to market rates.

And so, if you have a lease that has a changeable rate, the person holding that lease, or the lawyer representing that person, will not know what stamp duty is applicable based upon this amendment. And, therefore, no stamp duty will be payable, which I am sure is not what the Government wants. And what will happen is the lawyer will take the lease and they will send it down to the office of the Tax Commissioner and it will sit down there for adjudication for years and years and years (no offence intended to the office of the Tax Commissioner, but that is what happens), and the Government does not get its money. So, and I hope it changes.

And I commend the Finance Minister as I have done in the past for the fact that he is now staffing that office more fully in order to collect taxes. But, respectfully, if you are going to make this amendment, you know, let us get it right.

What you need to do is you need to add in a provision that identifies what happens if the lease rate varies during the currency of the lease, and make clear how tax will be payable if the lease rate varies. And if you do that, it will work. But at the moment it

just does not work, and you are going to create more leases that are defective on the payment of duty and you are going to get less tax.

And I offer that conciliatory observation in the spirit of this particular debate.

The Chairman: Mrs. Atherden.

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

Back to my question with respect to clause 2 where it says terms of lease up to three years. What is the situation of a lease which has a two-year with an option to renew for one year?

The Chairman: Any further speakers?

Mrs. Gordon-Pamplin, you have the floor.

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

Mr. Speaker, as I mentioned when we were in the whole, I would like the Honourable Member (this is on clause 2) to consider the impact on both the residential customer, the residential client, who is now going to find that he has got to pay more money coming out of this pocket and as well as the impact on that same resident who will now also have to pay more in the cost of goods and services because the commercial rent tenant is going to pass on that additional rent to the, you know, just through the provision of goods and services, will pass on that additional cost. So, the Honourable Minister indicated that, if the rent goes up then the stamp duty goes up, obviously it is linked to the percentage.

But by the same token, with that said, there is nothing to preclude a landlord from setting a rate . . . because he is not going to pay the stamp duty irrespective. So, there is nothing to preclude him from setting the rate that permits all of it and then some to be passed on to the tenant based on an adjustable market driven rate. So, there is nothing here. I will just say, Mr. Chairman, having received a bill today, even though these things do not go into effect until April 1, which very clearly lets me know that I am now required to pay an additional \$100-plus for a premium for financial services tax which has already been, already made its way to my bill. These are the things that people are going to have to deal with. They are going to have to deal with it and it is going to cost us all more.

Thank you, sir.

The Chairman: Any further speakers? There appear to be none. Minister, you have the floor.

Hon. Wayne L. Furbert: Mr. Chairman, I understand the Honourable Member and what she is saying. But you will recall, Mr. Chairman, I think it was 2016 or 2017 when the Honourable Member Bob Richards, we went up 25 basis points, they go up a whole

1 per cent on the financial service tax and that is saying that you went up \$100 there . . . was it \$100 you said, Honourable Member? It was \$100 additional?

[Crosstalk]

Hon. Wayne L. Furbert: I thought you said \$100.

[Crosstalk]

Hon. Wayne L. Furbert: And how much you said it was?

Hon. Patricia J. Gordon-Pamplin: \$110.

Hon. Wayne L. Furbert: All right. So, built in that \$110, 25 basis points belongs to this current Government and 1 per cent belongs to you.

[Inaudible interjections]

Hon. Wayne L. Furbert: That is all I am saying. And I do not hear the Honourable Member crying when the Honourable Member Bob Richards was over here saying it was going up 1 per cent. I did not hear it. I did not hear it when the Honourable Member was increasing bank rates all around town. I did not hear them say that.

The Chairman: Minister, you had some questions.

Hon. Wayne L. Furbert: I know, Mr. Chairman, I know I am getting off track.

But one point I want to mention to the Honourable Member, if it is a two-year with renewal for one, it is a two-year lease. All right? So, when they get the lease (and I will deal with the Honourable Member Pearman), you could have a rate variable every month with your rent. If you are a good mathematician like the Honourable Member Gordon-Pamplin, you will calculate it based on what you get for the whole year. So, if it is \$1,000 in January, \$1,500 in February, \$3,000 in March, you add it up and you add it for the whole three years and you pay 1 per cent on that.

Mr. Scott Pearman: Mr. Chairman—

The Chairman: Continue.

POINT OF CLARIFICATION

Mr. Scott Pearman: If I may, a point of clarification and I note that the Learned Junior Minister is down. Sometimes the adjustment is not actually set out at the beginning. Sometimes the adjustment is to a market rate. So you do not know when . . . I mean, as you know, stamp duty goes with the document. So, the lease is made, the lease is stamped, tax is paid because you bought the stamps. Then the rents fluctu-

ate sometimes, according to often commercial leases during the period.

So, you have already paid the tax. That is the defect. So, the defect should recognise what will happen if the rates change. I am not saying do not tax changeable rates; I am just saying anticipate what it is and make it clear so that those paying the tax know how much tax to pay. That is my point and it is only that point.

The Chairman: Minister.

Hon. Wayne L. Furbert: That is an interesting rent. I did not realise that there were people out there charging rent based on the market value. I have never heard of that.

The Chairman: You might need to—

Hon. Wayne L. Furbert: But I will have the Honourable Member . . . I will have the technical people look at that. I will have them look at that, if that is the case. But right now, whatever that rent is, I am assuming that at the point of time there is a rent . . . there must be some value on it. I am not sure whether, when at the point of time for them to pay it.

I just do not, you know, do they wait until the market value goes up? I do not understand him. But maybe I will get my people to look in it and we can talk to you about it. It should be that type of lease that takes place and we can try to adjust it accordingly. But, again, that was a very interesting situation on a rental of a unit. Rental of unit—I am not talking about anything else. Okay.

Thank you, Mr. Chairman.

The Chairman: Any further speakers?

[Inaudible interjections]

The Chairman: Yes, yes. Okay, any further speakers?

Minister, move the clauses.

Hon. Wayne L. Furbert: I move clauses 1 through 4.

The Chairman: It has been moved that clauses 1 through 4 be approved.

Are there any objections?

There appear to be none.

Approved.

[Motion carried: Clauses 1 through 4 passed.]

Hon. Wayne L. Furbert: I move the preamble.

The Chairman: It has been moved that the preamble be approved. Are there any objections to that?

There appear to be none. Approved.

Hon. Wayne L. Furbert: I move that the Bill now be reported to the House as printed.

The Chairman: The Bill will be reported to the House as printed. Any objections to that?

No objections.

[Motion carried: The Stamp Duties Amendment Act 2019 was considered by a Committee of the whole House and passed without amendment.]

House resumed at 9:01 pm

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

REPORT OF COMMITTEE

STAMP DUTIES AMENDMENT ACT 2019

The Speaker: Good evening, Members. Is there any objection to the Stamp Duties Amendment Act [2019] being reported to the House as printed?

No objection.

So moved.

That now brings us on to the next Order on today's Paper which is Order No. 10, the Exempted Partnerships Amendment Act 2019, and again, the Junior Minister—

BILL

SECOND READING

EXEMPTED PARTNERSHIPS AMENDMENT ACT 2019

Hon. Wayne L. Furbert: Thank you, Mr. Speaker.

With the Governor's recommendation I move that the Bill entitled Exempted Partnerships Amendment Act 2019 be now read the second time.

The Speaker: Any objections to that? No objections. Continue on.

Hon. Wayne L. Furbert: Mr. Speaker, Government wishes this Honourable House to give consideration to the Bill entitled the Exempted Partnerships Amendment Act 2019. This Bill provides for a revenue protection measure in support of Government's 2019/20 budget.

Mr. Speaker, Honourable Members will recall that in the 2019/20 national budget Government announced legislation would be amended to increase company discontinuing fees from [\$425], the current annual Government registration fee for the respective company.

Mr. Speaker, this proposal was put forward as part of the prebudget consultation process by one of

the law firms. As with all proposals submitted during the prebudget process, the Government carefully considered this option and have determined that it meets the conditions required to protect Bermuda's tax base in a way which allows Bermuda to continue to be an attractive place to do business.

Mr. Speaker, this proposal provides that if an exempted partnership leaves Bermuda, Government will get the annual fees. I would like to thank the law firm that provided this submission during the consultative prebudget process.

With this introduction, Mr. Speaker, I will ask the Honourable Members if they want to speak.

The Speaker: Thank you, Honourable Member.

Does any other Member . . . we recognise the Honourable Member from constituency 22. Honourable Member Pearman, you have the floor.

Mr. Scott Pearman: Mr. Speaker, I do not know if it is necessary for me to declare an interest because he has not identified the law firm, but certainly this is something that—

An Hon. Member: CD&P.

Mr. Scott Pearman: There we are. Well, then I declare an interest. But this is something that the island to the south of us has been doing, and this is something that this Government is taking up—you said "companies," I think you meant "partnerships"—but it is taking up in respect of any entity when it departs Bermuda, has to pay a departure tax, essentially, or a departure fee. And what this Government is doing is putting up that departure fee. And what this particular Bill is doing is putting it up in the case of exempted partnerships.

So, we consider that this is a sensible step. As I said, it is something that is done by other jurisdictions to the south. Their departure tax, if I can call it that, is considerably higher than ours on various entities including companies and partnerships. The only point of a reality check, I suppose, for this particular Bill, is that there really are not that many exempted partnerships anyway. So, we are really not talking about a lot of entities.

But, again, we support the Government on this and unless any of my colleagues on this side of the aisle have something to say in Committee, I do not think that we do.

Thank you. Thank you, Mr. Junior Minister. Thank you, Mr. Speaker.

The Speaker: No further speakers? Junior Minister.

Hon. Wayne L. Furbert: Mr. Speaker, I move that it be committed.

The Speaker: Then it will be committed. Deputy?

House in Committee at 9:05 pm

[Hon. Derrick V. Burgess, Sr., Chairman]

COMMITTEE ON BILL**EXEMPTED PARTNERSHIPS
AMENDMENT ACT 2019**

The Chairman: Honourable Members, we are now in Committee of the whole [House] for further consideration of the Bill entitled the [Exempted Partnerships Amendment Act 2019](#).

Minister, you have the floor.

Hon. Wayne L. Furbert: Mr. Chairman, I move that clauses 1 through 3—

The Chairman: You want to explain—

Hon. Wayne L. Furbert: I move clauses 1 through 3.

The Chairman: Continue.

Hon. Wayne L. Furbert: Hmm?

The Chairman: You want to explain it?

Hon. Wayne L. Furbert: Yes, yes. The Bill seeks to amend the [Exempted Partnerships Act 1992](#) to increase the fee payable on filing a statement or declaration for de-registration of a partnership.

Clause 1 is self-explanatory.

Clause 2 amends Part V of the First Schedule to the Exempted Partnerships Act 1992, to increase the fee payable on filing a statement or declaration for de-registration of partnership under section 13B from \$425 to \$2,350, which is equivalent to the annual fee.

Clause 3 provides for commencement.

The Chairman: Are there any further speakers? There appear to be none.

Minister.

Hon. Wayne L. Furbert: Mr. Chairman, I move clauses 1 through 3.

The Chairman: It has been moved that clauses 1 through 3 be approved. Are there any objections?

There appear to be none.

Approved.

[Motion carried: Clauses 1 through 3 passed.]

Hon. Wayne L. Furbert: Mr. Chairman, I move the preamble.

The Chairman: It has been moved that the preamble be approved.

Are there any objections to that?

There appear to be none.

Approved.

Hon. Wayne L. Furbert: Mr. Chairman, I move that the Bill be reported to the House as printed.

The Chairman: It has been moved that the Bill be reported to the House as printed. Are there any objections to that?

There appear to be none. The Bill will be reported to the House as printed.

[Motion carried: The Exempted Partnerships Amendment Act 2019 was considered by a Committee of the whole House and passed without amendment.]

House resumed at 9:07 pm

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

REPORT OF COMMITTEE**EXEMPTED PARTNERSHIPS
AMENDMENT ACT 2019**

The Speaker: Good evening, Members. Are there any objections to the Exempted Partnerships Amendment Act 2019 being reported to the House as printed?

There appear to be none.

So moved.

Now, that brings us to the next Order on today's Paper, which is Order No. 11, the Government Fees Amendment Regulations 2019. And, again, Junior Minister.

REGULATIONS**GOVERNMENT FEES AMENDMENT
REGULATIONS 2019**

Hon. Wayne L. Furbert: Thank you, Mr. Speaker. I move that consideration be given to the draft regulations entitled the [Government Fees Amendment Regulations 2019](#) proposed to be made by the Minister responsible for Finance under the provision of section 2 of the Government Fees Act 1965.

The Speaker: Any objections? No objections. Continue.

Hon. Wayne L. Furbert: Mr. Speaker, by way of standing policy, Government reviews the fees on a regular basis to ensure that there is reasonable cost recovery for the provision of the various services offered by a range of Government departments. Accordingly, a biannual review of Government fees is conducted with the last review being in 2018.

On occasions there is need to amend fees based on justifying situations in between the review period. The Government Fees Amendment Regulations 2019 represents an increase of these respective fees. In total four of the 81 heads, including the current 2018 Government Fees Amendment Regulations are being amended.

Mr. Speaker, each of these four heads included in these Regulations identifies the principal Act wherein the authority exists to permit the charging of each of the fees set out in the Regulations. Each of the fees, therefore, makes reference to a section in the principal Act where the specific authority exists for the charging of a particular fee. The four heads have a combination of revisions to existing fees, and additional provisions have been added as follows:

Head 16, Companies Act 1981, provisions 32 and 40A. As part of the prebudget consultation, a proposal was put forward by the law firm so it just discontinues fees so that they are on par with annual fees. What this means, Mr. Speaker, is that if an exempted company leaves Bermuda, we will get the annual fees. It is noted that other jurisdictions charge up to three times . . . three times the current annual registration fees.

Head 22, Dogs Act 2008, the amendment is to bring provisions in alignment with the amendment Dogs Act 2008 that came into effect October 1, 2018.

Head [40], Limited Liability Company Act 2016, provisions 7 and 9A. As part of the prebudget consultation a proposal was put forward by law firms to adjust discontinuance fees so that they are on par with annual fees. What this means, Mr. Speaker, is that if a Limited Liability Company leaves Bermuda, Government will get the annual fees. It is noted that other jurisdictions, as I said before, charge three times the current annual registration fees.

Head 61, Public Lands Act 1984, provisions 6 through 8. This amendment is to allocate fees amongst the various classes of vehicles which utilise the tipping service at Marsh Folly. Mr. Speaker, the relevant Ministers [are] responsible for items 2 and 4.

Thank you, Mr. Speaker.

The Speaker: Thank you, Junior Minister.

I recognise the Honourable Member from constituency 23. Honourable Member, you have the floor.

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

This does not go into Committee, so I can refer directly to the Bill.

The Speaker: Correct.

Hon. Patricia J. Gordon-Pamplin: Excuse me, to the regs in front of me.

Clause 2 amends Head 16, which effectively looks at a regularisation or an increase to fees in respect of the Companies Act. And there is a schedule to the Companies Act that will determine the appropriate fee and for that. Obviously, when you are dealing with companies for the most part we are dealing with a level of revenue that is not likely to impact negatively on Mr. and Mrs. Smith, because that is my concern, Mr. Speaker.

When I go to clause 3, Mr. Speaker, and this is with respect to the Dogs Act. Now, Mr. Speaker, as I said earlier, we are dealing with Chinese torture, drip by drip by drip, and a drip of water in the same place constantly and persistently will ultimately make an indentation and probably even a hole.

Mr. Speaker, with respect to dogs, at the moment to issue a dog licence under section 6 for a neutered male or a spayed female dog, the present cost is \$25 per annum. And it is not going to change. So, if your dog is neutered or spayed, you are fine.

At the moment, if your dog is not neutered or spayed, then you also still pay \$25 a year. But under this new regime, Mr. Speaker, your dog that is not neutered or spayed, any other dog that does not come into the spayed or neutered category for \$25, it is going to go up from \$25 a year to \$135 a year, Mr. Speaker.

The good thing is, Mr. Speaker, that service dogs are charged at nil. It seems to me, Mr. Speaker, that we are likely to see a proliferation of emotional comfort service dogs because when people are going to be dealing with all of the extra taxes that they are going to have to pay—

[Laughter]

Hon. Patricia J. Gordon-Pamplin: —they cannot even afford to go get an ordinary dog anymore, Mr. Speaker. So, we have to try and make sure that we can get a comfort dog so that we can eliminate the cost of these extra fees that we have to pay.

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: Mr. Speaker, you cannot even go and get a dog. If you are going to have to pay, going up from \$25 to \$135, Mr. Speaker, that is \$110.

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: The Chamber has gone to the dogs as the Honourable Deputy says—

The Speaker: All right, Members.

Hon. Patricia J. Gordon-Pamplin: —Mr. Speaker.

The Speaker: Members.

Hon. Patricia J. Gordon-Pamplin: And it think it is important, Mr. Speaker, to inject a degree—

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: It is important, Mr. Speaker, to inject a degree of levity in this debate because otherwise we would become so depressed that every little bit . . . and we hear the Government say, *Well, it is only this much and it is only that much.* If we start to add up already, Mr. Speaker, and we have not gotten to the end of the increase in the tax cycle within this budgetary process, we start adding up the little bit, only a little bit, only \$90 here, only \$10 there, only \$15 here . . . we have to recognise the fact that people are struggling. And every time I say it, Mr. Speaker, every time I stand to my feet I am going to say it again and again. I will repeat it incessantly because it is important that, you know, now, Mr. Speaker, you might have the \$25-a-year dog—

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: —if it has been spayed or neutered, but the rest of the—

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: —the rest of the money . . . the Honourable Members are saying a dog is a luxury, Mr. Speaker. And that might very well be the case—

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: —because at \$135 a year for a licence fee, that becomes a luxury. So, are we going to be forced to sell the dog so you do not even have your dog to hug when your frustrations—

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: —when your frustrations are so high, Mr. Speaker—

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: —you cannot even afford to hug your dog.

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: And by the time, Mr. Speaker, we add the sugar tax—

[Inaudible interjections]

The Speaker: Members! Members!

Hon. Patricia J. Gordon-Pamplin: By the time, Mr. Speaker, we add the sugar tax on top of it with the cost of extra dog food—

An Hon. Member: What does that got to do with dog food?

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: With the cost of extra dog food, Mr. Speaker, we are starting to price our Mr. and Mr. Smith out of the market.

An Hon. Member: There is no sugar in dog food!

Hon. Patricia J. Gordon-Pamplin: Now, Mr. Speaker, I personally do not have any dogs. So, this is not going to impact me. But it is of no consequence as to how one is personally affected because there are people to whom their—

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: —dogs are an integral part of their family, Mr. Speaker.

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: So, when you add sugar tax on top of extra things, I am not saying that there is sugar in dog food, but there might be because the sugar tax is going to cause every item—

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: —every item on the grocery store shelf to go up, Mr. Speaker, whether it relates to—

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: —whether it relates to the sugar tax or not, every item on the shelf is going to go up. So, add those in addition and, Mr. Speaker, we cannot even afford to have a dog.

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: So, Mr. Speaker, the good thing is there is no change on reclaiming a dog seized as a stray and paying for its care expenses. That stays at \$100 plus \$30 per day. Or micro-chipping of a dog which also stays at \$25 annually. So, what I would say, Mr. Speaker, is that if anybody notices that their dog has gone missing, they need to go get it pronto so that they are not subjected to these additional fees.

But, Mr. Speaker, I have to say that if you have to have a licence for premises, which is required

to be licensed, or licensing the premises of breeders, the first goes up from \$350 to \$370, the second goes up from \$312 to \$330, and the final category, Mr. Speaker, licensing the premises of breeders under section, sorry, one, two, three, four, five, under section 10, that is going up from \$520 to \$550.

So, everything that we are doing, Mr. Speaker . . . and I understand the Government's predicament. I truly understand the Government's predicament. But to have us in this situation where every single thing that we have passed is impacting the average person who now cannot even go and hug and watch their dog wag its tail, to give them some comfort, Mr. Speaker, we are starting to really stray too far, Mr. Speaker. Starting to stray, stray dogs, Mr. Speaker.

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: Mr. Speaker, Head 40, clause 4—

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: —we are dealing with the principal regulations Limited Liability, Mr. Speaker, and that is going up 10 times, from \$95 to \$950. But, I do not believe, given the category, that it is something with which we should be inordinately concerned. So, I am not really worried about the \$95 to \$950 because this is in a corporation, Mr. Speaker.

An Hon. Member: Yes, but you are worried about the dog food.

Hon. Patricia J. Gordon-Pamplin: I am worried about the dog food, Mr. Speaker. I am worried. Because a limited liability company presumably is generating a degree of income and turnover that does not equate to the limited amount that people's salaries are at the moment or may not be increased by as a result, Mr. Speaker.

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: So, Mr. Speaker, I can say that invariably an LLC is going to be able to afford the \$950, and they may not quip about it. And if they do not there is no need for me to stand here to represent them if it is not a problem to them. But I am standing here representing Mr. and Mrs. Bermuda because now, Mr. Speaker, if we go to clause 5 and we look at Head 61 which is in respect of regulations on Public Lands Act of 1964, and we are talking about disposal.

Mr. Speaker, at the moment if you want to tidy up around your house because you are already so depressed by all the money that you are paying out with all these extra taxes—

Mr. W. Lawrence Scott: Point of order, Mr. Speaker.

The Speaker: Point of order. We'll take your point of order.

POINT OF ORDER

[Misleading]

Mr. W. Lawrence Scott: The Member is misleading the House.

I am a dog owner and I have been paying \$135 for the past 10 years. And it seems as though what this amendment is doing is just correcting an administrative error that was . . . to make it reflect what it has been all this time. So, there has been no increase in—

[Inaudible interjections]

Mr. W. Lawrence Scott: There has been no increase in the dog fees. This is just reflecting what the fee has always been as it was an administrative error before.

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: Oh, Mr. Speaker, I am certainly happy to have that clarity.

POINT OF CLARIFICATION

Hon. Jeanne J. Atherden: Point of clarification, Mr. Speaker. I just went online, and I am a dog owner, too, but it says that it is \$125.

[Inaudible interjections]

The Speaker: Continue on.

Hon. Patricia J. Gordon-Pamplin: Whatever it is, Mr. Speaker, I am concerned that we want to make sure that people who have to love and hug their dogs are not being taxed in an inordinate amount of money.

[Inaudible interjections]

Hon. Patricia J. Gordon-Pamplin: But, Mr. Speaker, as the final straw with this legislation, Mr. Speaker, under Head 61 when we are speaking to the Public Lands Act and the cost of the waste dump, the horticultural waste dump.

Mr. Speaker, when one feels down and depressed and concerned and worried, the one thing you want to do is to ensure that you are surroundings are pristine. There is something to be said about when something is clean and tidy and looks good and you are planting your flowers, that it helps to lift your spirit. Mr. Speaker, I have already spoken to the depression that people are going to find themselves in up till now

and I am sure it is just beginning to mount over and over and over again.

Mr. Speaker, at the moment, to dispose of a load of unprocessed horticultural waste at the Marsh Folly dump the cost is \$25 for everybody, for every classification. But now we are putting in whether that load is taken to the dump by a light truck—they still pay \$25. So, I would suggest that people who are going to have their refuse, have their horticultural waste taken to the dump, hopefully use a light truck, Mr. Speaker, because if you go to an intermediate it is \$50. A heavy truck is \$75. A tractor trailer, a heavy truck HB or HC is \$75, an HX is \$100, and a tractor trailer is \$125—tractor trailer dumpster is \$125.

Now, even though those costs are levied to the truck driver who is bringing the refuse to the dump, they will charge it back to Mr. and Mrs. Smith who now cannot even have a tidy environment because they cannot afford it, Mr. Speaker, in order to be able to dispose [their clippings] and make their house nice and tidy.

So, Mr. Speaker, I believe that I have made my point. Disposal per load of inert materials, it is now \$20. It is going up to \$30. Mr. Speaker, let us give Mr. and Mrs. Smith a break.

Thank you, Mr. Speaker.

The Speaker: Does any other Member . . . I recognise the Government Whip. Would you like to—

Mr. W. Lawrence Scott: Thank you, Mr. Speaker.

The Speaker: Yes.

Mr. W. Lawrence Scott: Mr. Speaker, I had not intended on speaking on this until the Member that just took her seat started bringing up dogs, and I have to declare my interest as a dog owner of a dangerous breed, a large unneutered male.

An Hon. Member: A monster!

[Laughter and inaudible interjections]

Mr. W. Lawrence Scott: And, so therefore I know I was paying \$125, \$135 a year.

And now what I want to do is just put some things into context. My dog was a pure-bred Doberman. He cost \$3,000. So, if I am paying \$3,000 for a dog, \$100 a month is not going to be something that is—

The Speaker: A month?

An Hon. Member: A year.

Mr. W. Lawrence Scott: Sorry—a \$100 a month is not something that is—

The Speaker: A year.

Mr. W. Lawrence Scott:—going to be a decision maker for me. Not when I am spending \$200-plus on food alone. On top of that, when I am spending hundreds of dollars for vet bills. And, Mr. Speaker—

[Inaudible interjections]

Mr. W. Lawrence Scott: No, but Mr. Speaker, so the thing is—

[Inaudible interjections]

Mr. W. Lawrence Scott:—that a dog . . . now, and also keep in mind that owning a dog in most circumstances is not putting food on your table, it is not putting money in your pocket.

[Inaudible interjections]

Mr. W. Lawrence Scott: So, therefore, this is a luxury, Mr. Speaker.

And I understand that the Honourable Member is doing her job as the Opposition, and she is doing a phenomenal job as an Opposition Member. So we want to make sure she stays an Opposition Member for years and years to come.

[Inaudible interjections and laughter]

Mr. W. Lawrence Scott: Right?

[Inaudible interjections and laughter]

Mr. W. Lawrence Scott: So, so, therefore, I just wanted to make sure that the listening public has an appreciation and a context for what this is. When you talk about hundreds of dollars here and hundreds . . . no, let us just put it in context.

Pet ownership is expensive. Pet ownership in most circumstances and in almost every context is a luxury. And so, therefore, if you are having a luxury, it is a privilege and there are lots of joys that come with pet ownership, but yet you have to pay for it. And this is something that is not going to cause someone to be out on the street. This is not going to take away from their children's education. This is—

[Inaudible interjections]

Mr. W. Lawrence Scott: Right? This is not going to take away from their quality of life. So, what I want to do, . . . once again, the Honourable Member who just took her seat is doing a phenomenal job in the Opposition—far better job than she did in Government. So we want to make sure that she stays in the Opposition.

Thank you very much.

[Inaudible interjections]

The Speaker: Be nice.

Deputy, would you like to take the floor now?

Hon. Walter H. Roban: Yes, yes, Mr. Speaker, I would like to contribute to the great Alpo debate tonight.

An Hon. Member: Are you a dog owner as well?

Hon. Walter H. Roban: I declare my interest as a dog owner, but I stand as the Minister responsible for dogs to just give some information and clarity that relates to this particular matter which seems to have arisen great interest in this House.

I rise today, Mr. Speaker, to inform the Honourable House about the proposal to amend Head 22 of the Government Fees Regulations 1976 related to dogs. The intention of today's amendment, Mr. Speaker, is to correct errors contained in the Dogs Amendment Act 2018 and to return dog related fees to the levels in effect before the amendment was implemented. The action is being taken to guard the public purse from substantial loss of revenue.

Mr. Speaker, the Government Fees Amendment [Regulations] Act 2018 updated a number of dog licensing fees under Head 22. Of particular note was Head 22(1) which established the fee for licensing a spayed, neutered dog at \$25 per annum and \$135 for licensing an un-spayed, unneutered dog.

The differential in the fee is designed to encourage spaying and neutering of pet dogs. Pardon, Mr. Speaker, the Dogs Amendment Act 2018 which was passed by the legislature in June of that year and portions of which were brought into force in October of 2018 and which brought many positive aspects to regulating dogs contained errors in the fee schedule.

The errors in the fee schedule require correction for the Government to collect fees related to dogs at the previous levels as originally specified in the Government Fees Amendment Regulations [Act] 2018.

Mr. Speaker, a prime example of this error is that the Dogs Amendment Act 2018 specified that the \$25 dog licence fee applied to, and I quote, "neutered males and spayed females, un-neutered males and un-spayed females." In other words, all dogs, whereas the Government Fees Amendment Regulations [Act] 2018 specified a licence fee of \$135 for intact, un-spayed, un-neutered dogs. It was not the intent of the Dogs Amendment Act 2018 to apply the low licence fee uniformly for all dogs, thus nullifying the incentive to spay or neuter.

Additionally, Mr. Speaker, outdated fees were applied to permits for breeding, brokering and guarding activities and to legitimising an illegal dog, and conflicting fees were specified for reclaiming a stray animal. Regarding a reclamation of a stray dog no

longer will a single flat fee apply, but a daily rate will apply such as the longer the department must hold, feed, and care for your animal, the higher the reclamation fee will be.

The effect of the Dogs Amendment Act 2018 upon fees requires remedy to reset fees other than the reclamation fee, to those written under Head 22(1) of the Act and to clarify the reclamation fee.

Mr. Speaker, as of the end of January 2019, there were a total of 4,448 dogs licensed in Bermuda. The annual revenue collected by the Department of Environment and Natural Resources for licensing is approximately \$237,000. Licensed un-spayed, un-neutered dogs represent approximately 40 per cent of the licensing, licensed dog population. But they contribute approximately 67 per cent of the dog licence revenues.

Mr. Speaker, the revenue collected through dog licence fees supports the work of the animal wardens and animal control. Bermuda is very fortunate to not have packs of stray dogs roaming the Island like back in the day, attacking other animals or people or causing or being the victims of traffic accidents. Such incidents do occur, but the numbers are far, far fewer than if we did not have any animal control.

Bermuda's legislation has been sought by some of our sister jurisdictions in the Caribbean as they consider their own animal control. So, I dare say, Mr. Speaker, we are in a good position. But work remains to be done to maintain and the furtherance of enforcement of the well-being of the public including other pets and humans. While offences like soiling someone else's property may be merely a nuisance, biting and injury or being the victim of a road accident caused by a dog represents a real public health issue.

For these reasons, I encourage this amendment to protect the public purse and help fund the work that leads to a better and safer Bermuda for all.

Thank you, Mr. Speaker.

The Speaker: Thank you, Member.

Does any other Member wish to speak?

The Minister of National Security, I see you are on your feet.

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

The Speaker: Continue.

Hon. Wayne Caines: Mr. Speaker, we have had the opportunity to listen to this brief and listen to the other side opine on the position contained therein.

Mr. Speaker, we have heard suggestions that the Mr. and Mrs. Bermuda—and I am growing to despise that terminology, Mr. Speaker. We have heard the opinion that this Government is taxing the people too heavily. And there was even an equivocation to Chinese torture.

When you look at the Finance Minister and you have heard the brief from the Junior Finance Minister, you can see actually where this has been done. And you have to look at the budget overall and the amount of debt that the country is facing. And we have, as a Government, had to make some very difficult decisions. And the difficult decisions centre around what we have to do with a long-term plan to raise revenue for the country and also for the immediate future put together a tax structure that is balanced and that reflects the need for us to not only reduce the debt, but to [spur] on some growth within the country.

If you look at the taxes that have been recommended within this Companies Act, and this is the Act that allows when exempted companies leave Bermuda that they are charged a fee, that is balanced. That is an example. That is a minimum of fuss and bother and it does not affect the actual residents of Bermuda that we are so desperately trying to protect, that we are so desperately trying to understand the positions that we are in.

And without reflecting on an earlier debate, Mr. Speaker, we can see in the previous past legislation where it has been balanced and thought has been given to making sure that the people of Bermuda have the right protection but at the same time you are able to increase the Government's coffers.

It is very easy, as the suggestions are often made publicly, that we should cut the size of the civil service and that we need to reduce the amount of people that are working in Government. And I like the position that the Finance Minister has articulated and when you say things like "cut" the size of the civil service, actually what you are saying is that we are going to "fire" people and that has a domino-like effect. I said what the implications are from cutting the size of the civil service is that you cannot see it as an existential exercise. I am saying that the suggestions that we should cut the size of the civil service—

[Inaudible interjections]

Hon. Wayne Caines: We have heard suggestions that we should cut the size of the civil service. It is my submission that when we say and when we opine on some of those things, we are saying it as it is an abstract exercise and we realise that it is connecting it to actually cutting jobs for individuals.

[Inaudible interjections]

Hon. Wayne Caines: It is a dog whistle. And the dog whistle is that you are suggesting that by balancing and making the Government more efficient, that all you do is reduce the size of the civil service. But in those particular comments, it is taking away from the main point. Those are people, those are jobs, those are lives. And when we are looking at the . . . we heard the learned, excuse me, the Honourable Mem-

ber Gordon-Pamplin, speak of the provisions of the Dogs Act and she almost alerted Mr. and Mrs. Bermuda and how would she . . . and we made light of it for five seconds. We made light of it, and we suggested that Mr. and Mrs. Bermuda were being wrongly done by, and they need their guide dog and they need their . . . and they need that. But that is a misunderstanding of the facts.

The facts were that this was an administrative set of circumstances to correct something that was not in the right position, and that it legitimately when you went . . . I have a dog as well. And the fee that my family has been paying for the last few years is \$125. And so, this is just simply something that was correcting something that was actually wrong in the Act to make it regularised going forward.

And so, the correction that we must make, and I must make by rising to my feet, is that the notion of this being another part of a Chinese torture on the taxpayer in our country is actually false. It is not . . . it is just plain false.

We understand that the people in Bermuda are struggling and that any tax burden on anyone is something that is not going to be welcomed and that is a difficult set of circumstances. We believe that the Companies Act Amendment, that the Dogs Act Amendment and that the Public Lands Act Amendment when people drop off their [refuse] at the incinerator that they are charged specific rates based on the size of their vehicles.

And so, when you say that if you have a huge dump truck that the costs are going to be astronomical. Well, hold it for a second. If you look at the costs, they actually are tiered, and they are tiered based on the type of person that is actually going to the depot.

So, if you are a mom and pop going to the depot, there is a specific cost. The costs are graduated based on the size of the vehicles that are going and I believe it is balanced, it is measured, and it allows people to absolutely still be encouraged to take their [refuse] to the facility and . . . even the Limited Liabilities Companies Act. That amendment is also balanced and it allows us to use and make tax for when limited liability companies are leaving Bermuda and, and, those annual fees.

Mr. Speaker, whenever you tax a country . . . death and taxes. Those are the two things that are guaranteed. And nobody likes taxes. Nobody lines up in the tax line.

We are criticised often for not having plans around the economy. We have shown those. We have shown that we have a very solid plan around taxing. When we received the recommendations from the specific committee around taxing, the rental tax, we listened to the people of Bermuda. We went to public consultation, and what did we do? That tax did not come forward. Why? Because we looked at what we could do and other opportunities and other ways of

raising revenue for the Government and that was reflected.

We believe that these four amendments, Mr. Speaker, are balanced. They reflect a Government that gets it. It is a beautiful blend between international business on one end of two pieces and two domestic pieces [at the other end] with the correcting the Dogs Act and with the Public Lands Act, which is a perfect amalgamation of us getting where the pain has been spread out on different entities in our country.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

No other Member? Junior Minister.

Hon. Wayne L. Furbert: Thank you, Mr. Speaker.

I believe that we have had enough discussion on this particular Bill—

The Speaker: Agreed.

Hon. Wayne L. Furbert: So, I will not go on or prolong it any further.

So, Mr. Speaker, I move that the said draft regulations be approved and that a suitable message be sent to His Excellency the Governor.

The Speaker: Any objections to that?

No objections.

So moved.

[Motion carried: The Government Fees Amendment Regulations 2019 were approved.]

The Speaker: That now concludes the items that were indicated to be dealt with for today's Order. So, those items that need third readings—

Hon. Wayne L. Furbert: Third readings.

The Speaker: Yes, you can do your third readings.

SUSPENSION OF STANDING ORDER 21

Hon. Wayne L. Furbert: So, we will start from the top, Mr. Speaker.

I move that Standing Order 21 be suspended to enable me to move that the Bill entitled the Miscellaneous Taxes Amendment Act 2019 be now read for the third time by its title only.

The Speaker: Any objections?

None.

[Motion carried: Standing Order 21 suspended.]

BILL

THIRD READING

MISCELLANEOUS TAXES AMENDMENT ACT 2019

Hon. Wayne L. Furbert: I move that the Bill be now read for the third time by its title only.

The Speaker: Yes. Continue.

[Motion carried: The Miscellaneous Taxes Amendment Act 2019 was read a third time and passed.]

SUSPENSION OF STANDING ORDER 21

Hon. Wayne L. Furbert: Mr. Speaker, I move that Standing Order 21 be suspended to enable me to move that the Bill entitled the Payroll Tax Amendment Act 2019 be now read for the third time by its title only.

The Speaker: Any objections? No objections. Continue.

[Motion carried: Standing Order 21 suspended.]

BILL

THIRD READING

PAYROLL TAX AMENDMENT ACT 2019

Hon. Wayne L. Furbert: I move that the Bill be now read a third time by its title only.

The Speaker: No objections. Continue on, Junior Minister.

[Motion carried: The Payroll Tax Amendment Act 2019 was read a third time and passed.]

SUSPENSION OF STANDING ORDER 21

Hon. Wayne L. Furbert: Mr. Speaker, I move that Standing Order 21 be suspended to enable me to move that the Bill entitled Stamp Duties Amendment Act 2019 be now read the third time by its title only.

The Speaker: Any objections? None. Continue.

[Motion carried: Standing Order 21 suspended.]

BILL

THIRD READING

STAMP DUTIES AMENDMENT ACT 2019

Hon. Wayne L. Furbert: I move that the Bill now be read a third time by its title only.

The Speaker: So done.

[Motion carried: The Stamp Duties Amendment Act 2019 was read a third time and passed.]

SUSPENSION OF STANDING ORDER 21

Hon. Wayne L. Furbert: Mr. Speaker, I move that Standing Order 21 be suspended to enable me to move that the Bill entitled the Exempted Partnerships Amendment Act 2019 be now read a third time by its title only.

The Speaker: Any objections?
No objections.
Continue.

[Motion carried: Standing Order 21 suspended.]

BILL**THIRD READING****EXEMPTED PARTNERSHIPS
AMENDMENT ACT 2019**

Hon. Wayne L. Furbert: I move the Bill now be read a third time by its title only.

[Motion carried: The Exempted Partnerships Amendment Act 2019 was read a third time and passed.]

Hon. Wayne L. Furbert: I will also do the Honourable Member Zane De Silva's [Bill].

The Speaker: Yes.

SUSPENSION OF STANDING ORDER 21

Hon. Wayne L. Furbert: Mr. Speaker, I move that Standing Order 21 be suspended to enable me to move that the Bill entitled Bermuda Tourism Authority Amendment Act 2019 be now read the third time by its title only.

The Speaker: Any objections? There are none.
Continue.

[Motion carried: Standing Order 21 suspended.]

BILL**THIRD READING****BERMUDA TOURISM AUTHORITY
AMENDMENT ACT 2019**

Hon. Wayne L. Furbert: I move that the Bill now be read a third time by its title only.

The Speaker: So done; so moved.

[Motion carried: The Bermuda Tourism Authority Amendment Act 2019 was read a third time and passed.]

Hon. Wayne L. Furbert: Thank you, Mr. Speaker.

The Speaker: That is it?

Hon. Wayne L. Furbert: Yes.

The Speaker: Done them all, all done.
Deputy?

ADJOURNMENT

Hon. Walter H. Roban: Thank you, Mr. Speaker. I now move that we adjourn until Monday—

The Speaker: Monday, the 18th.

Hon. Walter H. Roban: The 18th—

The Speaker: At 10:00 am.

Hon. Walter H. Roban: —of March at 10:00 am.

The Speaker: Does any Member wish to speak to that?

Mr. Christopher Famous: It is this time, Mr. Speaker.

The Speaker: I recognise the Honourable Member down in the corner from constituency 11.
Honourable Member Famous—

EMPOWERING THE BERMUDIAN WORKFORCE

Mr. Christopher Famous: Good evening, Mr. Speaker. I will not be long.

The Speaker: I hope not.

Mr. Christopher Famous: I have not had a motion to adjourn since November.

An Hon. Member: November? Are you sure?

Mr. Christopher Famous: Yes, November.
Mr. Speaker—

The Speaker: Yes?

Mr. Christopher Famous: Sometimes I wonder, *Why am I in politics?*

[Inaudible interjections and laughter]

Mr. Christopher Famous: You know, there is a lot of back and forth, internal, external. Sometimes you wonder, like, why are you in politics. And then sometimes you realise why we are in politics, when a constituent calls you up and needs your help and you are able to, if not help them, point them in the right direction. Then other times you read stuff in the newspaper and you realise you need to be in politics.

Mr. Speaker, allow me to read something from *the Royal Gazette*—

[Gavel]

The Speaker: Continue on, Member.

Mr. Christopher Famous: “¹Until we unlatch and swing open the gates to the outside world and warmly welcome job makers, investors and overseas workers, and give them reasons to remain in Bermuda, we are doomed to a deep, dark depression. If the PLP Government needs an example of how to be welcoming, it should look to our cousins in the south, in the Cayman Islands.”

That was from the former Honourable Michael Fahy. Now, I am wondering why all of a sudden there seems to be this obsession with telling us we need to be like the Cayman Islands. All these years, they do not want us to be like the Caribbean, but now they want us to be like the Cayman Islands. So, I took a look and I said, *Hmm. Let us go examine what is going on down in the Cayman Islands. Why are they so excited to be there?* Know what I see, Mr. Speaker? Cayman Islands now has a population of 50/50, half the percentage of the people there are Cayman Islanders and half are not.

An Hon. Member: Yes.

Mr. Christopher Famous: Caymanians are the minority in their own workforce.

An Hon. Member: Fancy that.

Mr. Christopher Famous: So, I am saying, *Okay, what is so special about Cayman?*

And then it is something, you know, this surplus and this paying down the debt. So, arguably, there are some valid points about the economy of the Cayman Islands. But when you look at it, that their own people are the minority in the workforce, we have

to ask ourselves, *Is that what we want in Bermuda?* Because that is the model that people are projecting.

Cayman Islands also has its own airline. So, tourism is booming. Should we follow that model? Let me move on, Mr. Speaker.

Let me quote the Honourable Opposition Leader, *We need more boots on the ground.* We agree with that? Okay. [About] two weeks ago, we were in CARICOM. CARICOM has what they call a free movement of nationals. That means people from any CARICOM island could come and live and work in another CARICOM island. Is the OBA down for that?

[Inaudible interjection]

Mr. Christopher Famous: Yes, are you down for that?

[Inaudible interjection]

Mr. Christopher Famous: Okay, all right. So, we are going to take examples from the Cayman Islands as to immigration, but we do not want to take examples from other CARICOM islands. Okay. Now, I am just asking.

[Inaudible interjection]

Mr. Christopher Famous: How is it two different models?

The Speaker: Talk to the Chair. Conversation should flow just this way.

[Inaudible interjections]

The Speaker: Talk this way.

Mr. Christopher Famous: Let me quote another Caribbean leader, Mr. Speaker. “Any realistic vision on change must be based on the notion of empowerment of people.” The Honourable Michael Manley.

Mr. Speaker, today a young man came to Parliament to see me. Here is a young man, 19, 20 years old. He has been away to school and has come back. He cannot find a job. He is my constituent. It is hurtful. It is hurtful, Mr. Speaker, when you are the representative for somebody who wants to work, has the ability to work, but cannot find a job.

A lot of times, Mr. Speaker . . . that young man was the exception because he had a skill. A lot of times our young people do not have skills. They come out of high school, not quite sure what they want to do, and they do not have a skill. When they go looking for a job, the job employer is going to say, *What skill do you have?* They do not have a skill. They are now put on a list of *I will call you another time*, and they never get called.

¹ [Royal Gazette](#), 20 February 2019

You see, Mr. Speaker, we have to get back to basics with our people. During the trip to St. Kitts, the Honourable Deputy Leader and I saw a hotel with 1,000 employees. Nine hundred of those employees were from St. Kitts.

An Hon. Member: Kittitians.

Mr. Christopher Famous: Kittitians. They could have been Nevisians, but the majority of them were indigenous people.

Now, most of them were 20, 25, 30 years old—very young people. We saw people in hotels, transportation, construction, barbering. You name it, Kittitians were doing it.

What is my point, Mr. Speaker? You have a country that is a growing economy. Different from another island, they insist that their people must come first. They insist that their people must work in the hotels and these people are doing it successfully. St. Kitts tourism is growing year over year. So much so, that they are now building another cruise port. They exceeded one million tourists last year in cruise visitors. So, they must be doing something right.

So, why do I say that, Mr. Speaker? Let us go back to Bermuda. Let me quote from the 2017 Employment Survey Report. We have, according to this survey, 158 mechanics—yet, only 85 are Bermudian. We have 360 masons—yet only 120 are Bermudian. We have 65 bakers—yet only 15 are Bermudian. We have 685 chefs—yet only 137 are Bermudian, Mr. Speaker.

Do we see something wrong with this picture?

An Hon. Member: Yes.

Mr. Christopher Famous: I am not blaming the foreigners. I am saying that *we*—this Government, this Opposition—must encourage our people to take up these trades, because, let us be real, Mr. Speaker. These are the jobs that are going to be here forever. They are not fly-by-night jobs. And if we do not get our people doing it, employers are going to continue to submit applications for work permits. And our people are going to say, *Oh, the foreigners are taking our jobs*. Not quite. We are not getting qualified for these jobs.

You see, Mr. Speaker, one of the reasons I am in politics is to keep it real with myself and keep it real for our people. We cannot sugar-coat everything. We cannot blame everything on racism. We cannot blame everything on foreigners. Some of these things we have to take responsibility for. And if we do not get our people qualified, we are responsible for that.

Now, let me say this, Mr. Speaker, we had a talk earlier about retail sales, tax and all of that. Imagine this, Mr. Speaker, a mason. A good mason could make, I do not know, \$1,200 a month—\$1,200 a week. Overtime he could make \$70,000 for the year.

Now, let us say that mason is not Bermudian. Some of his money is going to MoneyGram every week. That means it is not being spent in this economy. That means our retail sales are going down. Is that correct, Honourable Opposition Leader? However, if that mason was Bermudian, I could guarantee you 99 per cent of his money is being spent in Bermuda, except for the money that goes on Amazon.

But, my point, Mr. Speaker, the more we have our people qualified—

[Inaudible interjections]

Mr. Christopher Famous: Point taken. The more we have our people qualified, the more we have our people employed, the more money is being spent in this economy. Are we on the same page? Okay.

So, let us go back to our people, Mr. Speaker. We have to keep it real. As we saw this week, unfairly, despite the hard work of the Finance Minister and his team IB is under attack and unjustly being blacklisted. Nothing we could do about it. Tourism is growing steadily, but slowly. FinTech is embryotic. So, again, the bulk of these jobs are in the service industries, Mr. Speaker.

Now, Minister Foggo, and prior to her, Minister Rabain, has [done] much work in the Department of Workforce Development. And I want to thank them for the work they have done to put Bermudians on the track towards, not just getting jobs, but getting careers. Careers that last—leading to lifelong employment, six-figure salaries, business ownership and home ownership. Again, we have to keep it real. We have to tell our people there is no pie in the sky coming down for us. We have to start from scratch.

Mr. Speaker, I joined this party . . . I did not have a choice; I was born into this party. This is a labour party. We have to do our best to ensure Bermudian labour is always in the labour force. We cannot look at these statistics and see that the majority of people who are mechanics are not Bermudians. The majority of masons . . . not Bermudians. Majority of chefs—the people we eat from every day—not Bermudians, while our Bermudians are unemployed or underemployed. That is a travesty.

So, again, Mr. Speaker, we have to empower our people. I am not here to criticise the OBA. I have been very amicable lately. I am here to tell them and tell all of you—all of you listening, all of you sitting across from there—we have a job to do. We have to empower our people. We have to keep it real by . . . we can empower them by keeping it real with them. We have to empower them by comprehensive immigration reform. I want to take a moment to thank—

[Noise from electronic device]

The Speaker: Save that for later.

Mr. Christopher Famous: I want to take a moment to thank the Minister of Immigration, both the former and the present.

I want to take a moment to thank Members on the Opposition, Ben Smith—Honourable Ben Smith, Honourable Leah Scott, because we have worked hard on that comprehensive immigration reform committee.

Despite all the yap, yap, yap, yap, we have worked hard. We have worked together. So, when the product comes out you are not going to hear acrimony, *Oh, we did not agree to that. We did not agree to that.* No. We are measuring three times and we are cutting once. We realise we need to get people on the Island. But we are not going to sacrifice our people in the meantime. So, that is one part of empowering our people.

Mr. Speaker, there has been a lot of negativity around public education for quite some time. It is unnecessary. You and I both attended the BUT conference . . . celebration. Public education is what got most of us where we are in life. I am begging the unions, specifically the unions of teachers, to understand that this Government is dedicated to public education. We are not here trying to fight you. So, it is hurtful when every time we look in the paper there is something. It does not help the children. I might take some slam for it, but I am going to say it. It does not help the children. That is one part we must never let go—public education.

Mr. Speaker, we are going to empower our people by continuing to invest in the Department of Workforce Development because, despite challenges, that is the avenue for our people who wish to retool, to learn a new trade, to get a start, to get a contract—that is the avenue. So, again, I thank Minister Foggo.

And, Mr. Speaker, yes, I am going to take some advice from Minister Fahy for one moment. We are going to take some lessons from our cousins down to the south. But it is not just going to be Caymanians, because there are many countries down to the south we can learn from.

Mr. Speaker, I am going to close here. I sit over in this corner and I seem to spend more time with OBA people than PLP people.

[Inaudible interjections and laughter]

Mr. Christopher Famous: Now, two years ago, I did not want to talk to none of them. And some of them are very nice.

[Inaudible interjections and laughter]

An Hon. Member: Which ones?

Mr. Christopher Famous: So, what is my point, Mr. Speaker?

[Inaudible interjections and laughter]

Mr. Christopher Famous: Mr. Speaker, none of us want a failed economy. None of us want growing unemployment. None of us want increase in taxes. All of us want to see a prosperous Bermuda.

But, again, I am going to close here, we have to keep it real with our people. We have to keep it real for ourselves. Arguing over FinTech is not going to do it. Claiming we need boots on the ground without saying what they are going to do, is not going to do it. So, I implore everyone listening, Mr. Speaker. We see a young man on the street, and he seems like he does not know what he is doing with his life, pull him to the side because unless we direct our young people towards these service industries, we are facing a failed state, Mr. Speaker.

So, Mr. Speaker, I am going to sit down because it has been a long day, and I just want to thank the people of Bermuda for letting me represent them at CARICOM.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.
No further speakers?

[Gavel]

The Speaker: We stand adjourned until Monday morning at 10:00 am.

[At 9:58 pm, the House stood adjourned until 10:00 am, Monday, 18 March 2019.]